
HOUSING & COMMUNITY DEVELOPMENT

FY 2025-2029 Five Year Consolidated Plan

*For Submission to HUD for the
Community Development Block Grant Program
HOME Investment Partnership Program &
Emergency Solutions Grant Program*

**City of South Bend
St. Joseph County**



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Executive Summary

ES-05 Executive Summary – 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of South Bend is the county seat of, St. Joseph County, Indiana, on the St. Joseph River near its southernmost bend. As of the 2020 census, the city had a total of 103,453 residents; its Metropolitan Statistical Area had a population of 324,501 and Combined Statistical Area of 812,199. It is the fourth-largest city in Indiana, serving as the economic and cultural hub of Northern Indiana. The University of Notre Dame is located just to the north in the unincorporated neighborhood known as Notre Dame, Indiana, and is an integral contributor to the region's economy.

Today, the largest industries in the City of South Bend are health care, education, small business, and tourism. Remaining large corporations include Crowe LLP, Honeywell, and AM General.

The City of South Bend, Indiana is an entitlement community under the U.S. Department of Housing & Urban Development's (HUD) for the following Federal programs:

- Community Development Block Grant (CDBG) Program and
- Emergency Solutions Grant (ESG) Program.

In addition, the City of South Bend is also the HOME Participating Jurisdiction (PJ) of the St. Joseph County Housing Consortium. St. Joseph County Housing Consortium consists of the

following members: the City of South Bend, the City of Mishawaka, and the unincorporated part of St. Joseph County.

In compliance with the HUD regulations, the City of South Bend has prepared this FY 2025-2029 Five-Year Consolidated Plan for the period of January 1, 2025 through December 31, 2029. This Five-Year Consolidated Plan is a strategic plan for the implementation of the City's Federal Programs for housing, community and economic development, and homeless populations within the City of South Bend.

The Five-Year Consolidated Plan establishes the City's priority needs for the next five (5) year period, including:

- Housing Priority;
- Homeless Priority;
- Other Special Needs Priority;
- Community Development Priority;
- Economic Development Priority; and
- Administration & Planning Priority.

The Five-Year Consolidated Plan for the City of South Bend outlines the specific initiatives the City will undertake to address its needs and objectives by promoting:

- the rehabilitation and construction of decent, safe and sanitary housing;
- creating a suitable living environment;
- removing slums and blighting conditions;
- promoting fair housing;
- promoting affordable housing;
- improving public services;
- expanding economic opportunities; and
- principally benefitting low- and moderate-income persons.

This Five-Year Consolidated Plan is a collaborative effort of the:

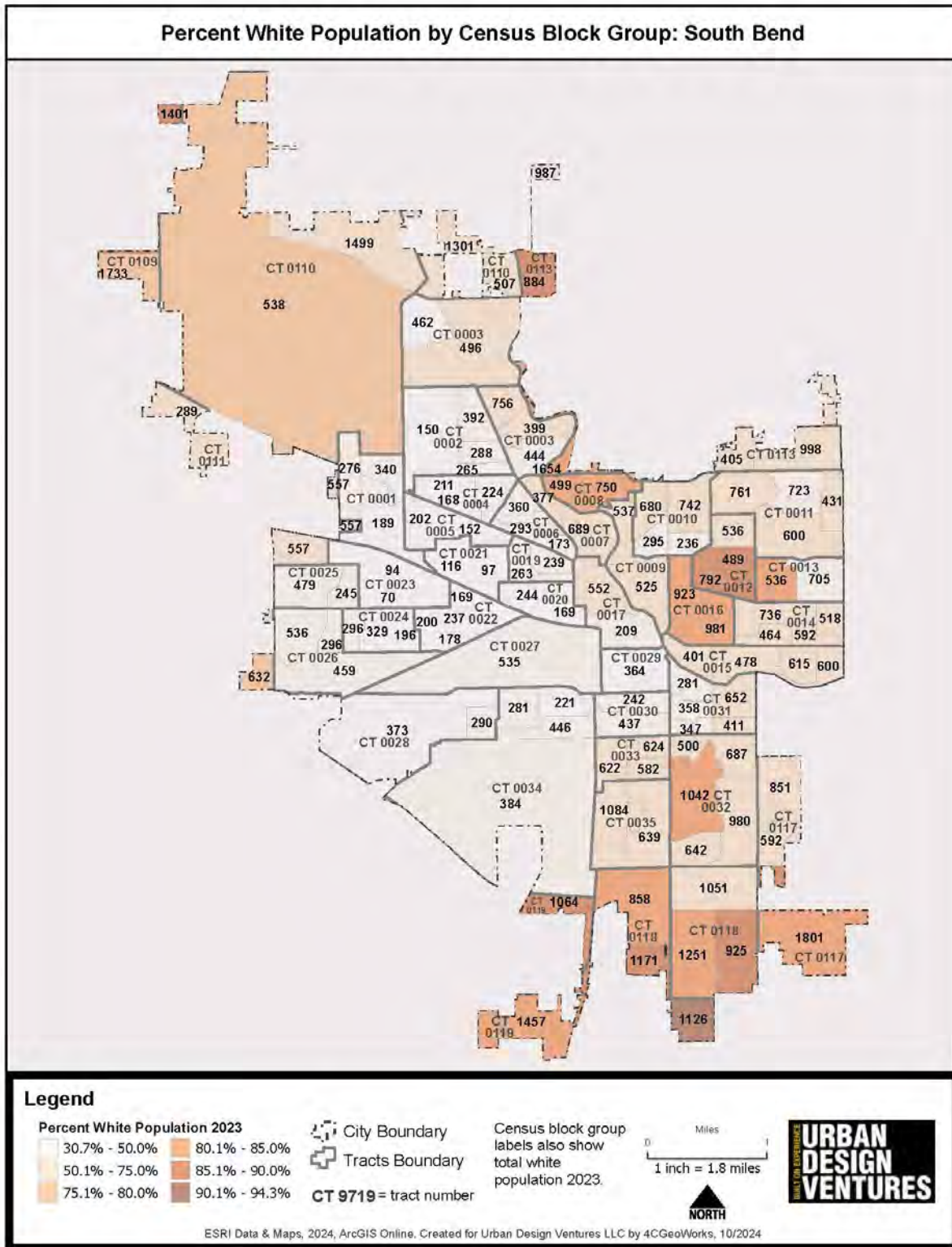
- City of South Bend
- City of Mishawaka
- St. Joseph County Housing Consortium
- the community at large
- social service agencies and providers
- housing providers
- community development agencies
- economic development groups

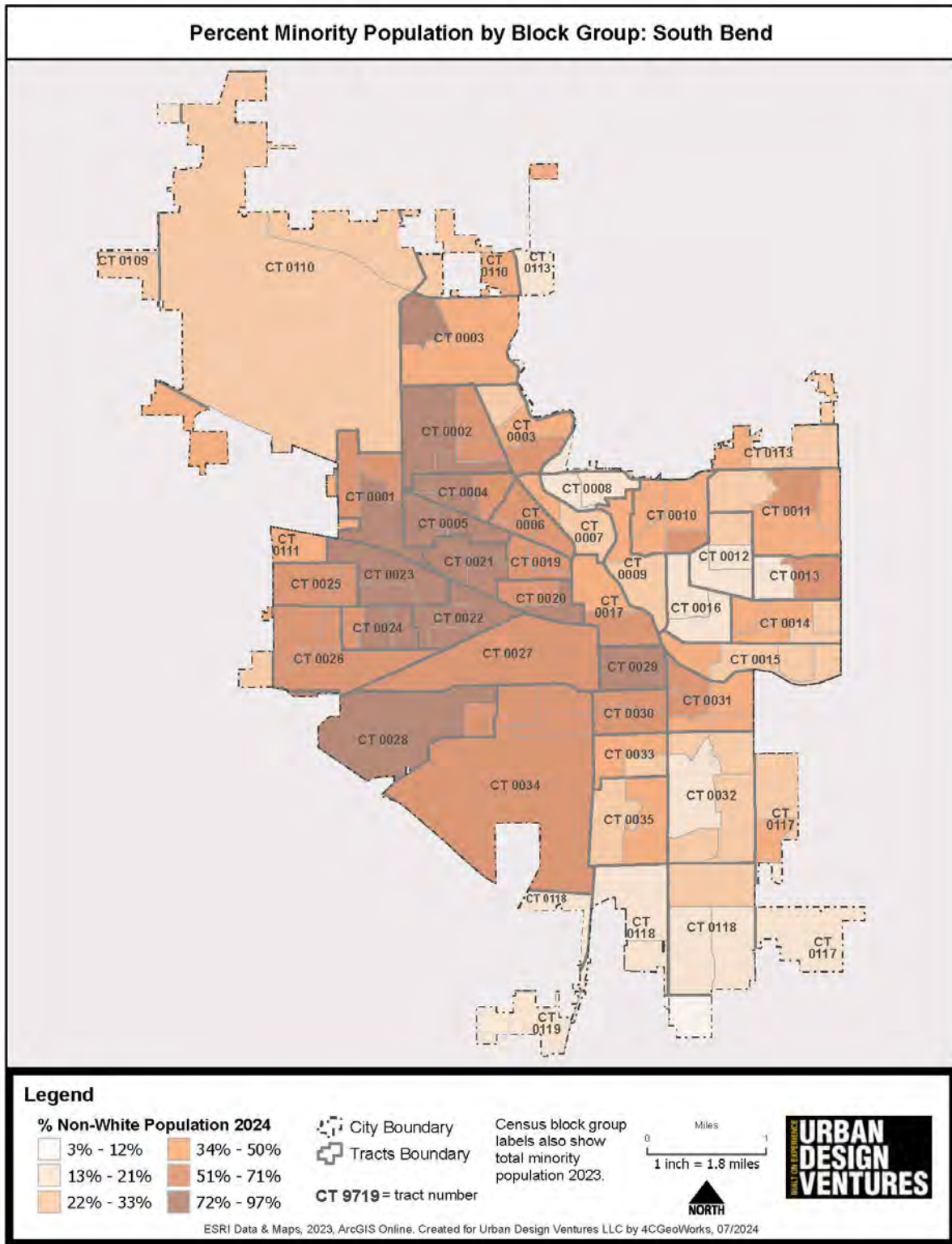
The planning process was accomplished through a series of public meetings, stakeholder interviews, resident surveys, agency surveys, statistical data, and review of previous community development plans. A separate Five-Year Consolidated Plan has been prepared for the City of Mishawaka which is also a Federal Entitlement Community and a member of the St. Joseph County Housing Consortium.

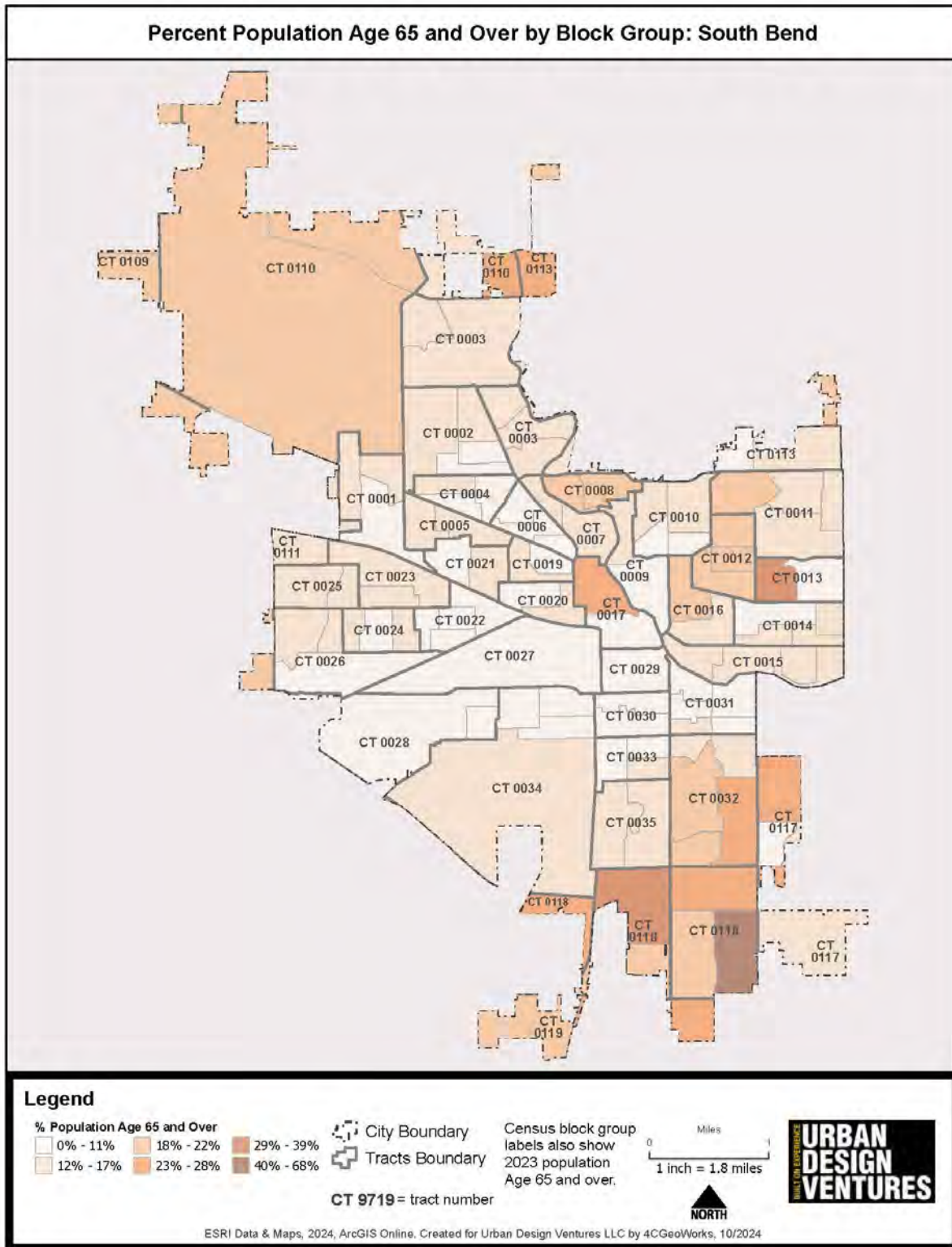
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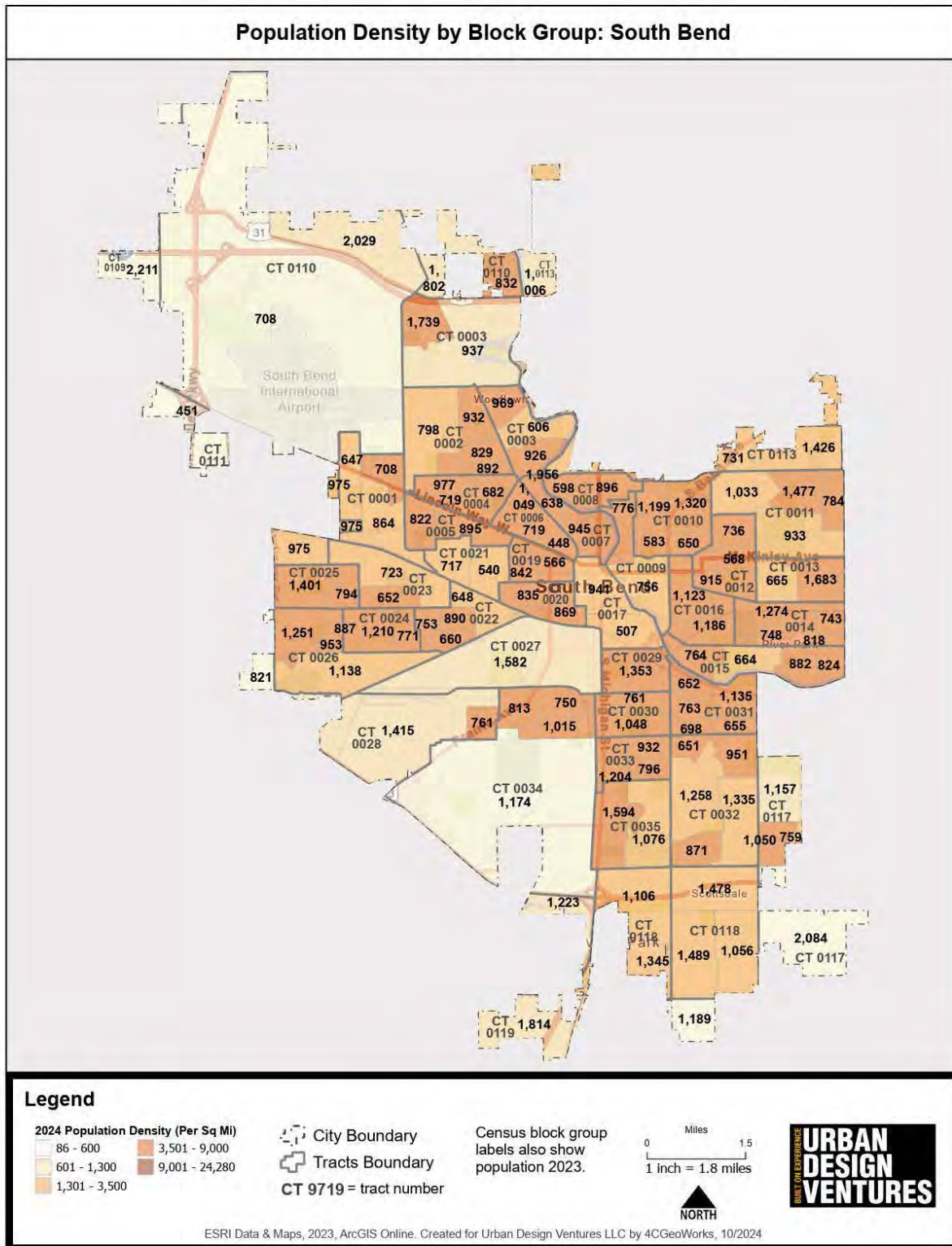
The following maps illustrate the demographic characteristics of the City of South Bend and St. Joseph County:

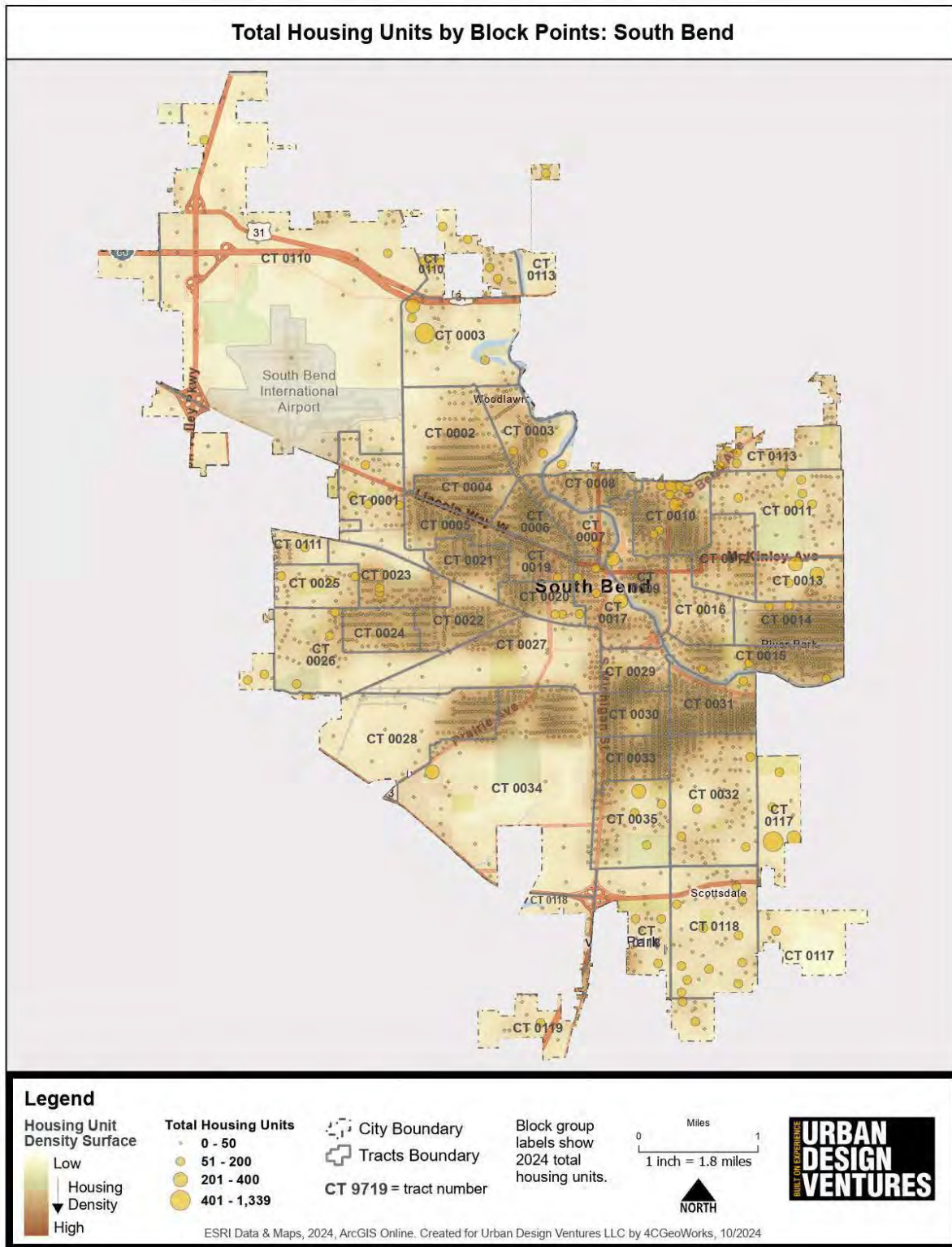
- Percent White Population by Block Group – City of South Bend
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- Percent Minority Population by Block Group – St. Joseph County
- Number of People Aged 65+ by Block Group – St. Joseph County
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- Low/Moderate Income Percentage by Block Group – St. Joseph County
- Low/Moderate Income and High Minority Concentration by Block Group – St. Joseph County

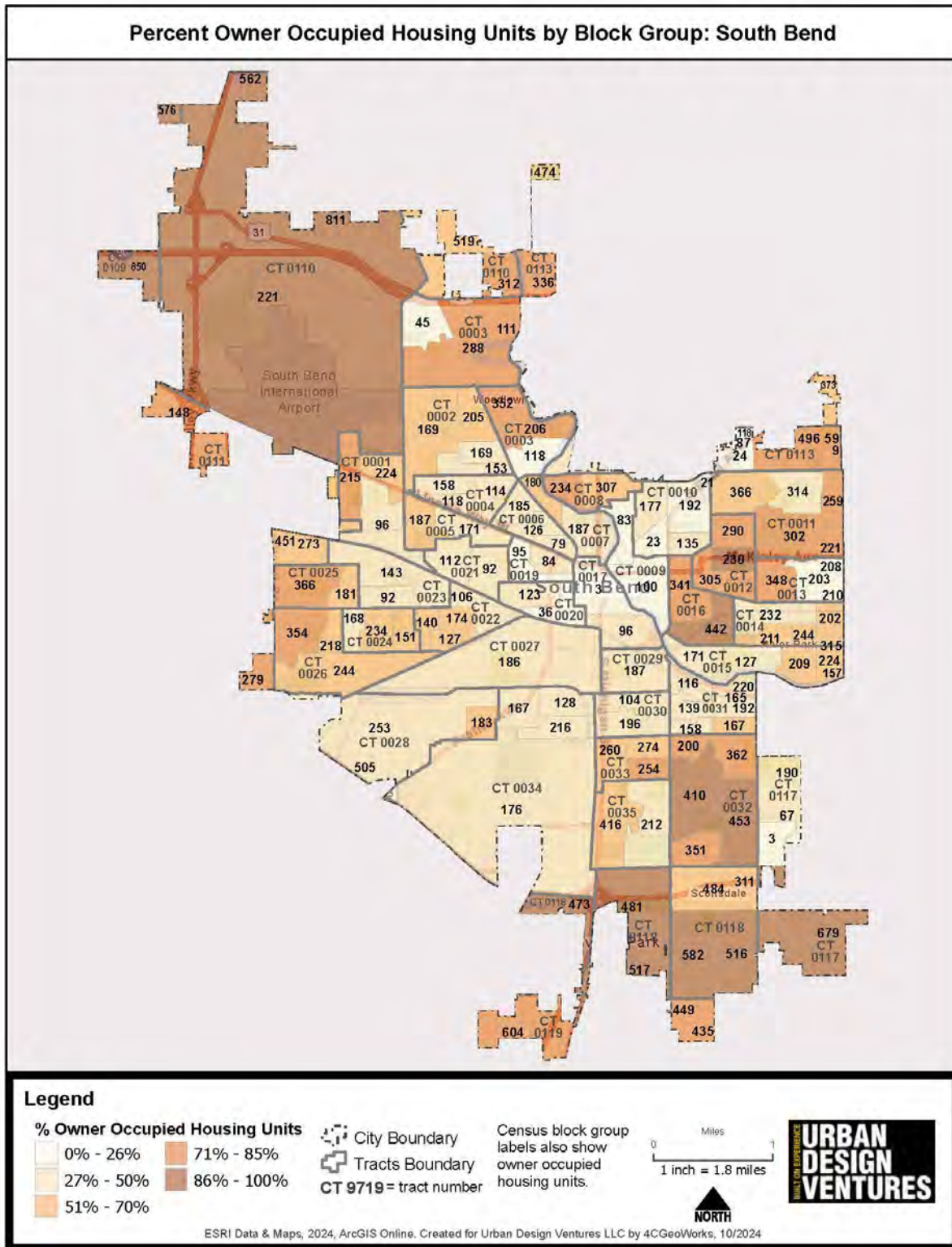


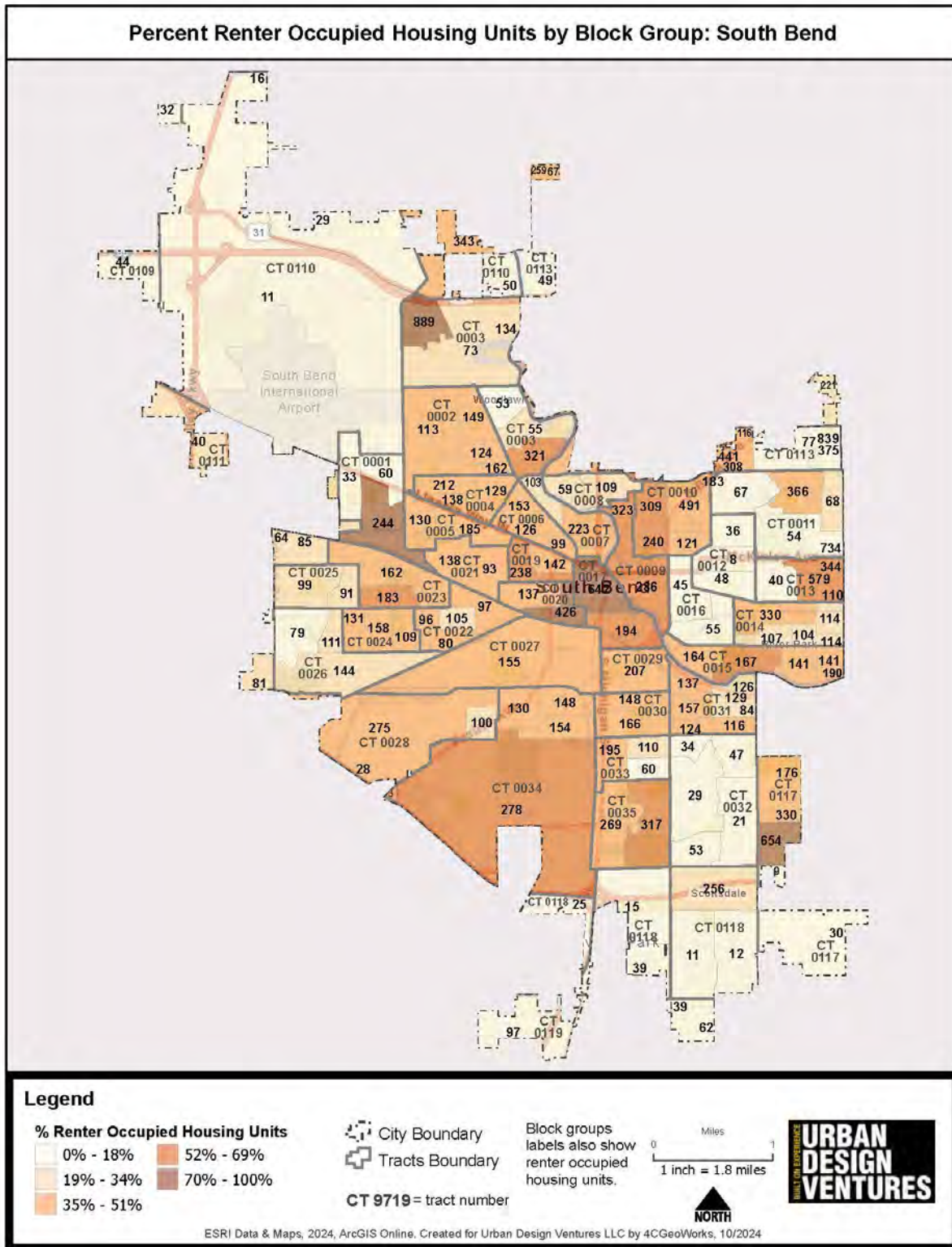


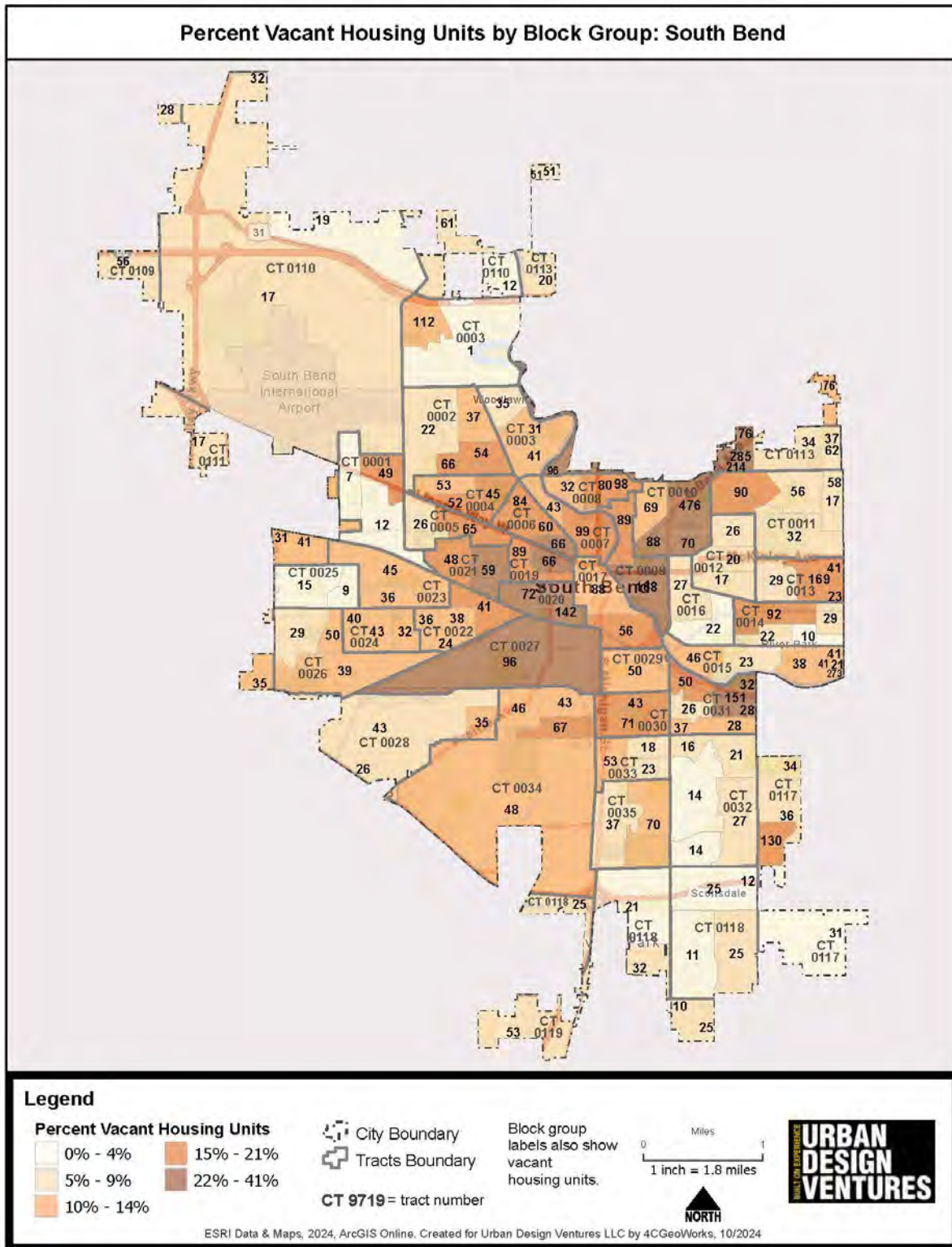


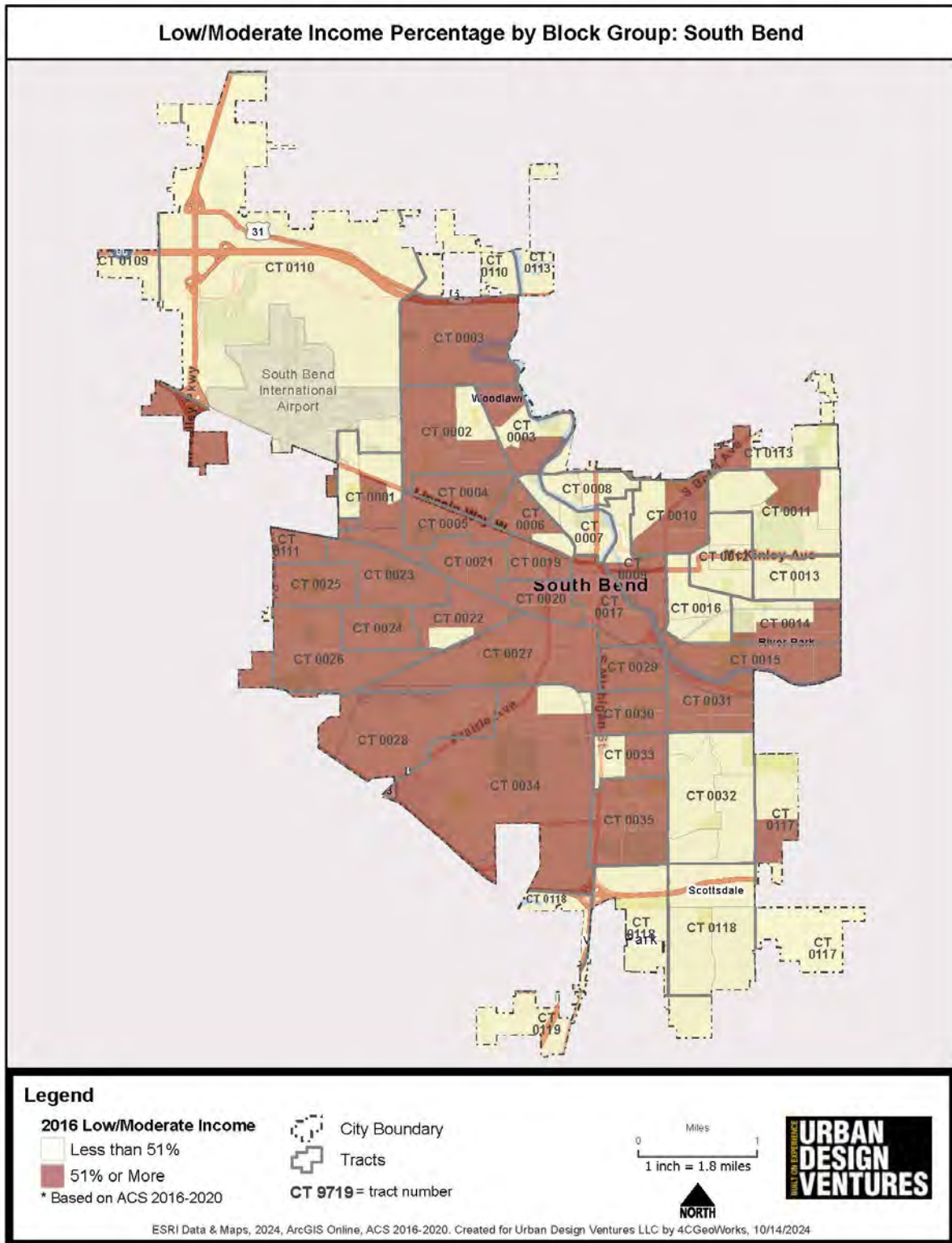


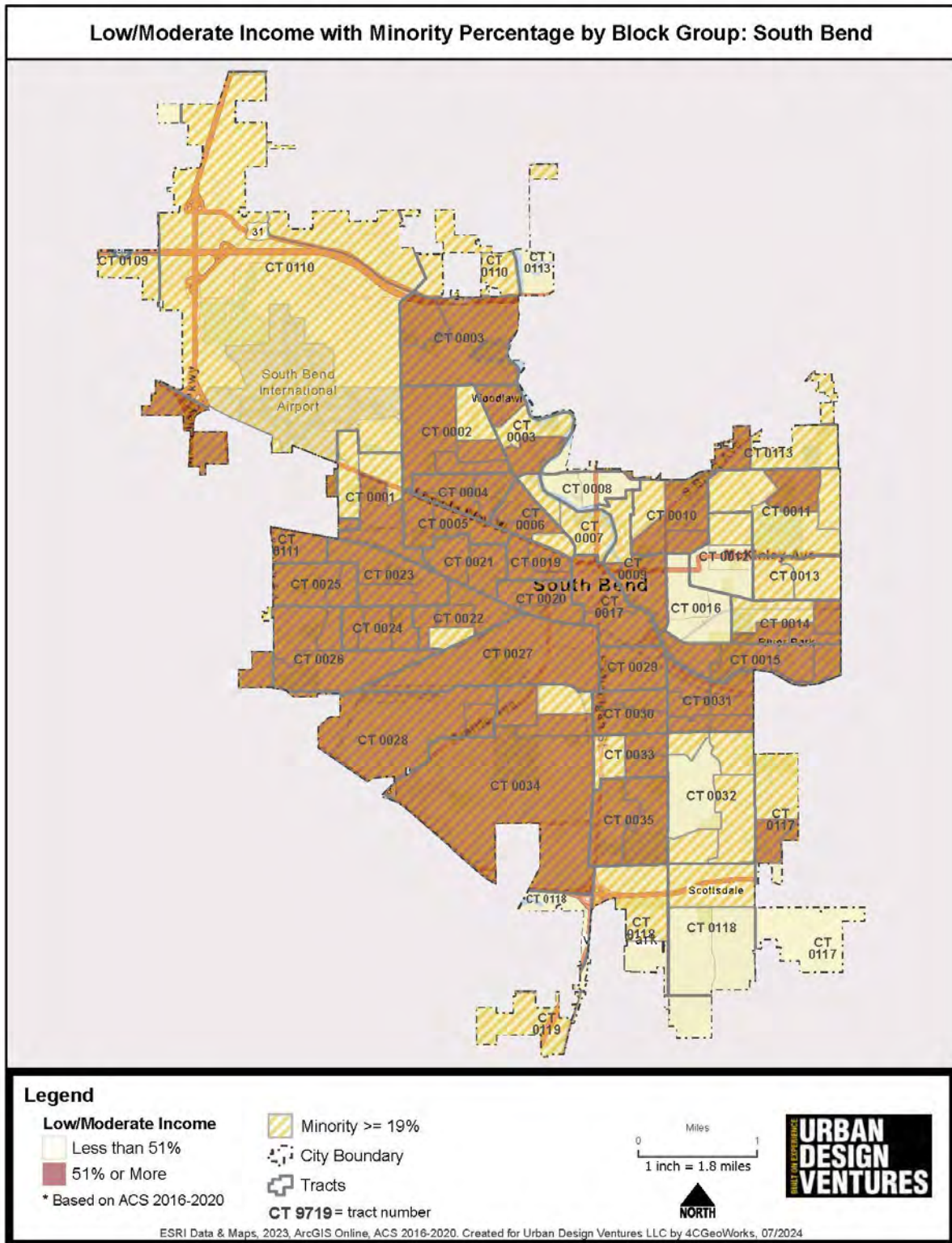


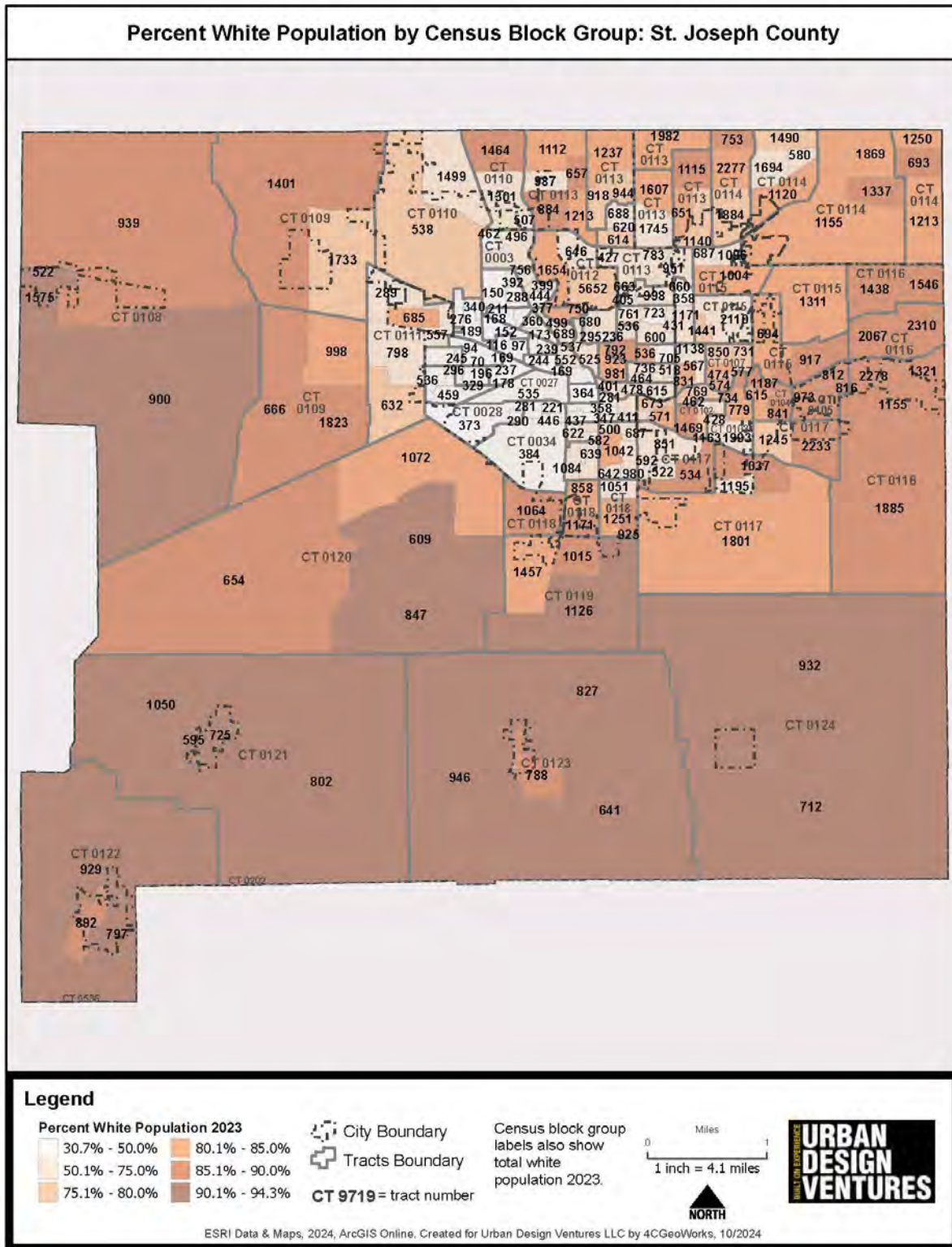


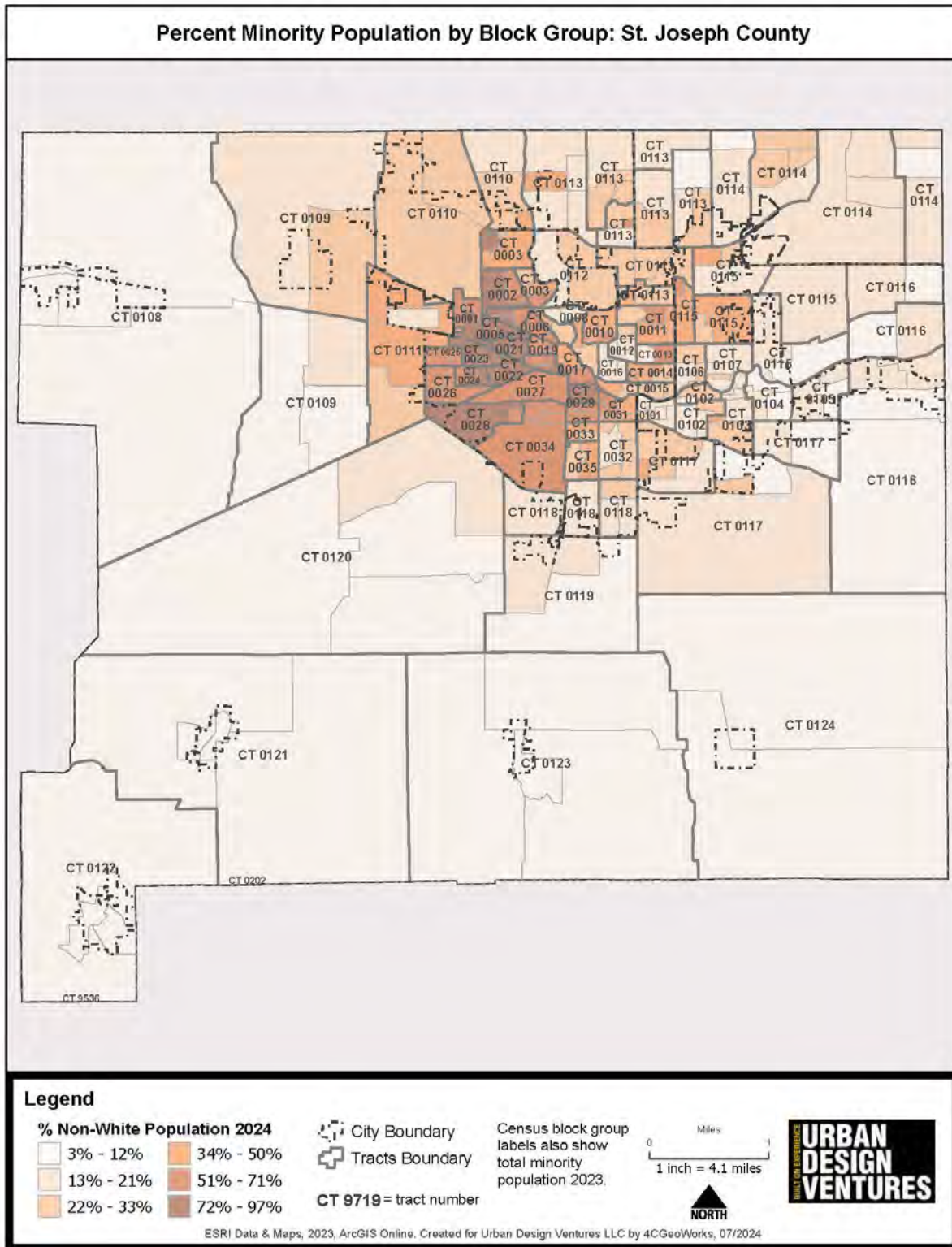


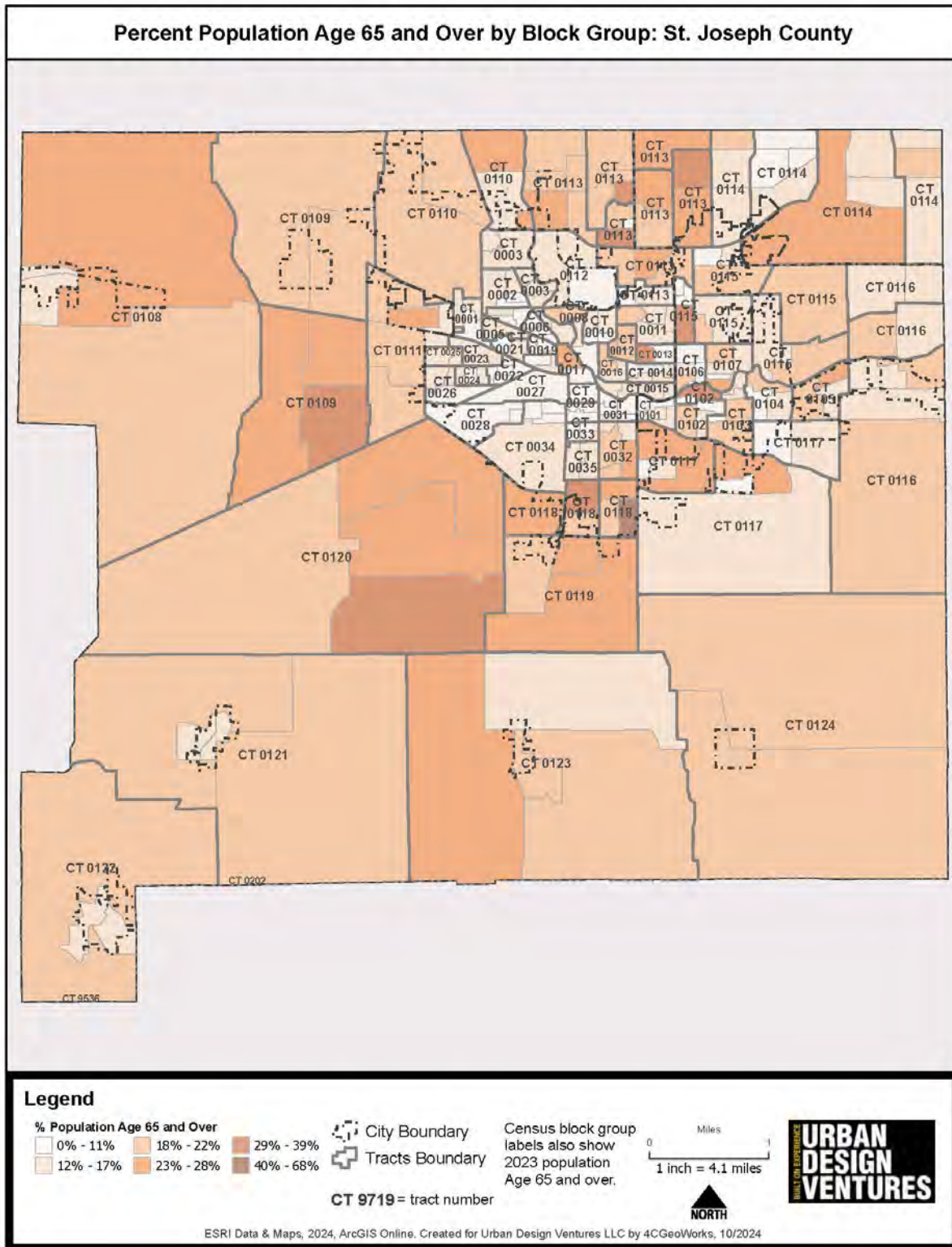


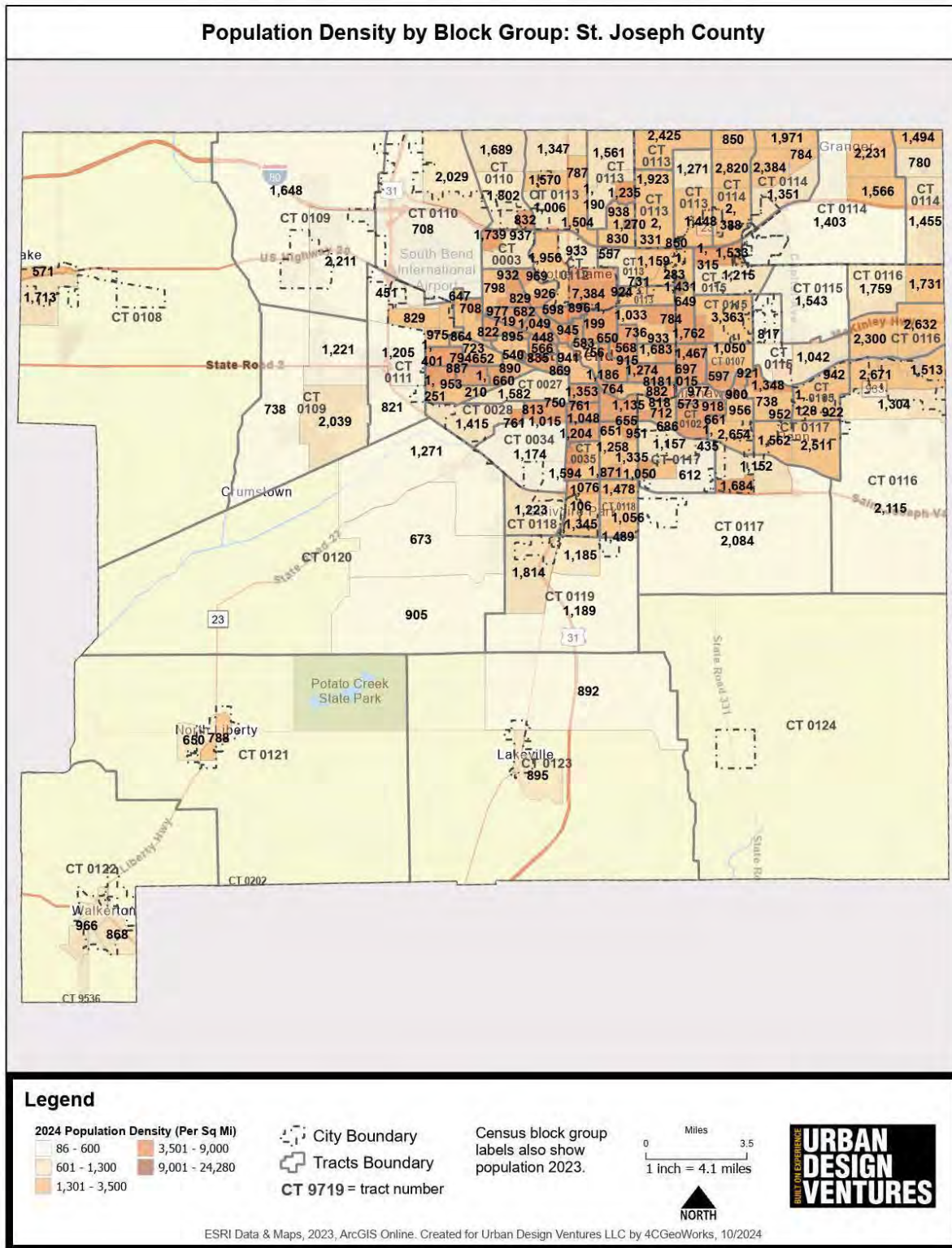


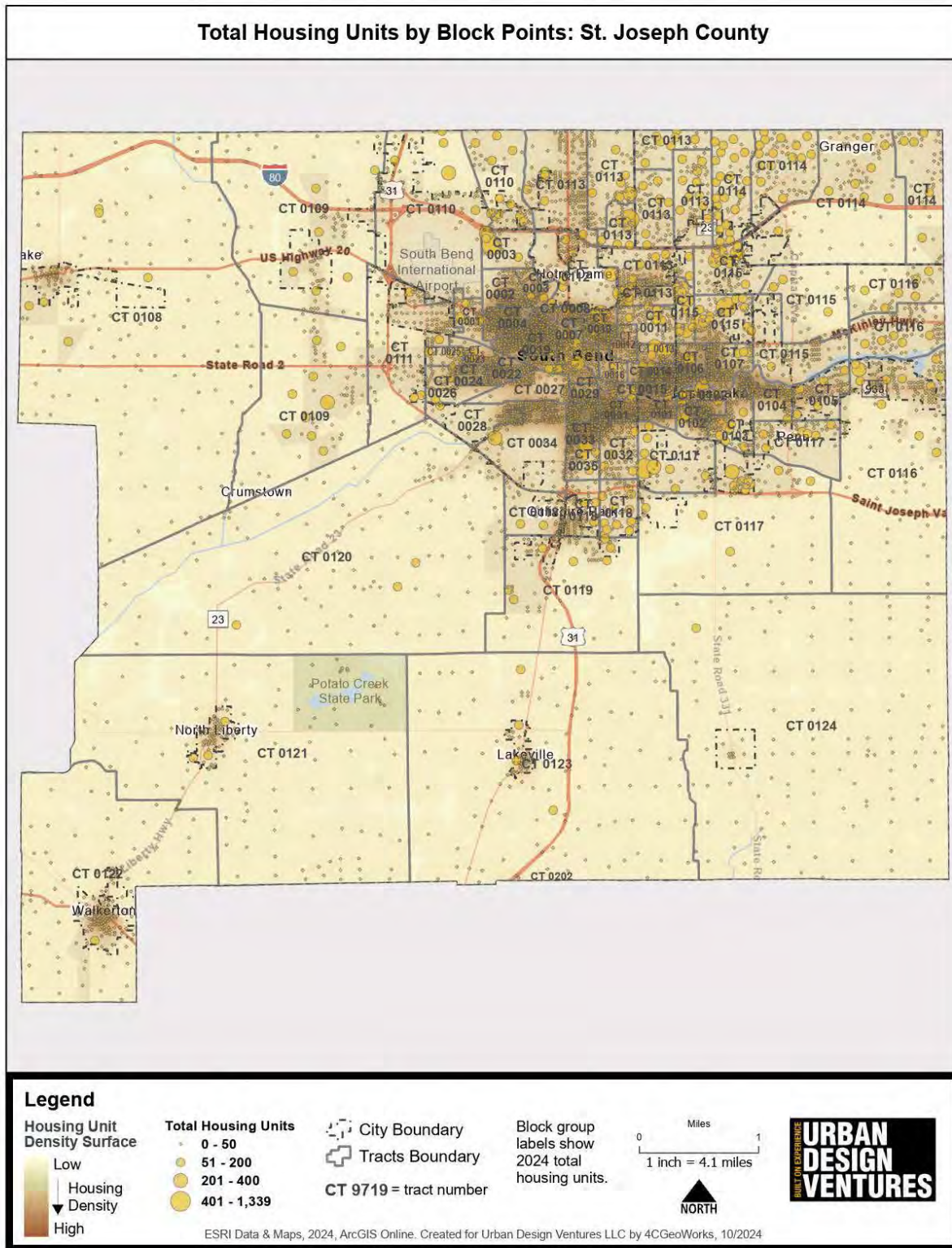


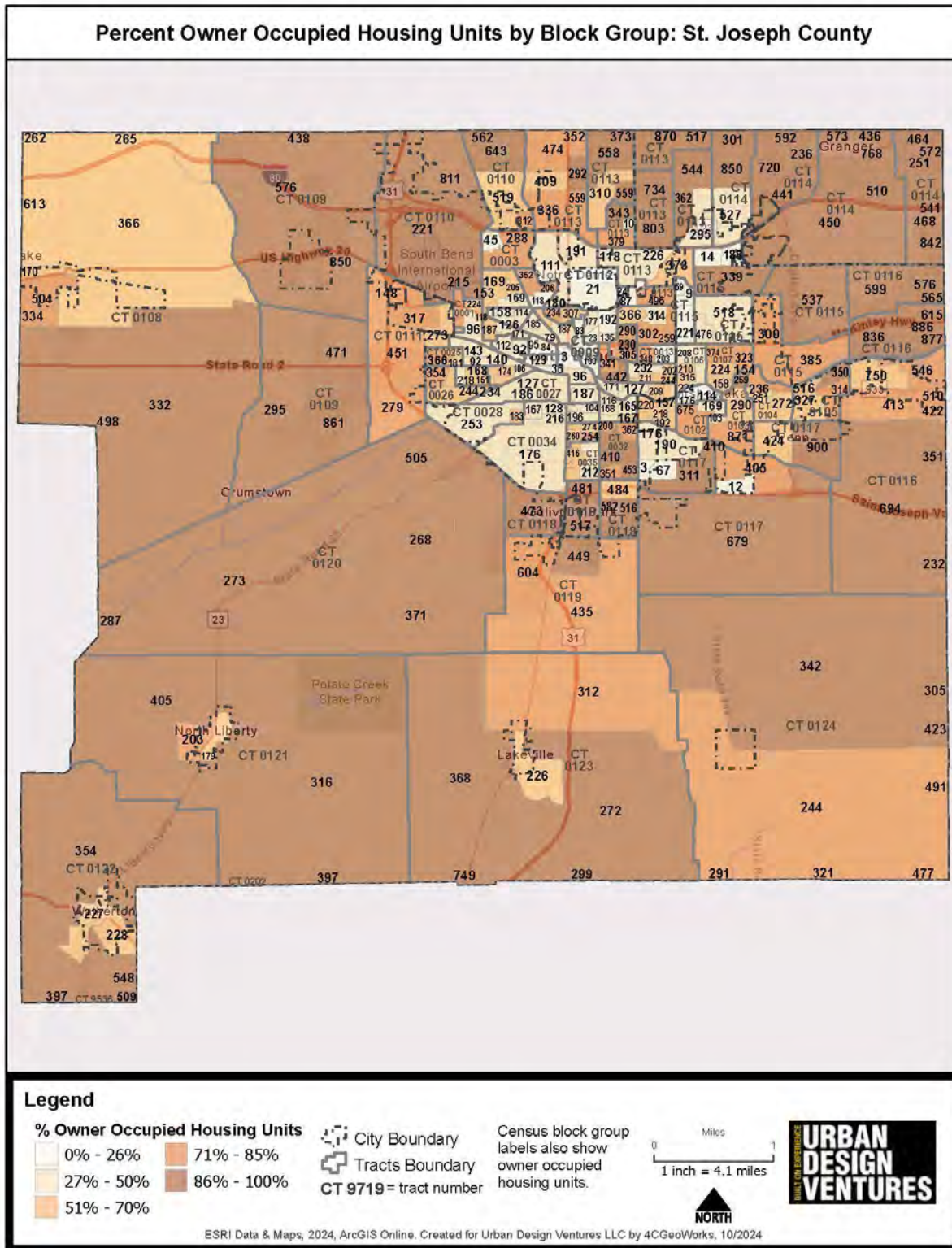


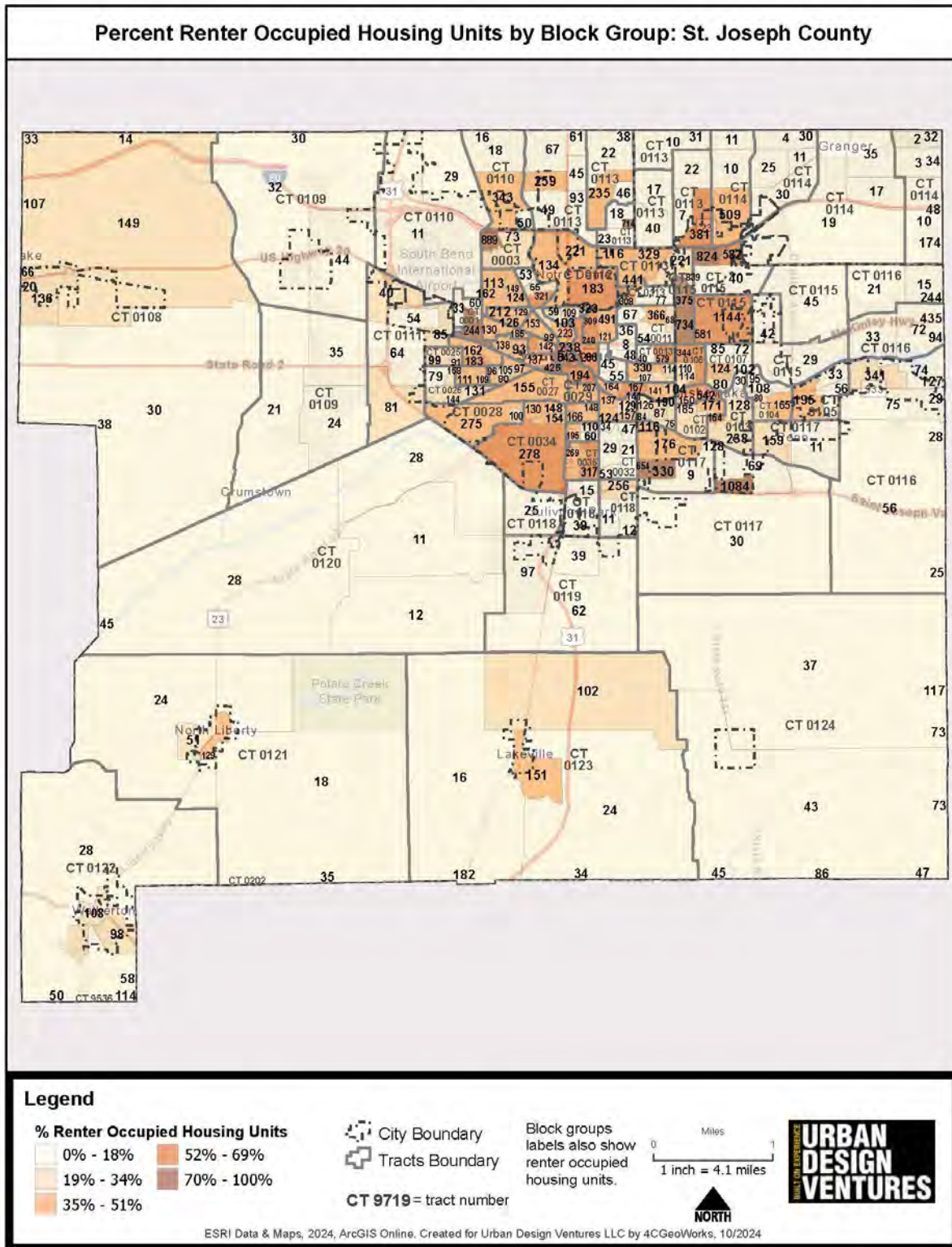


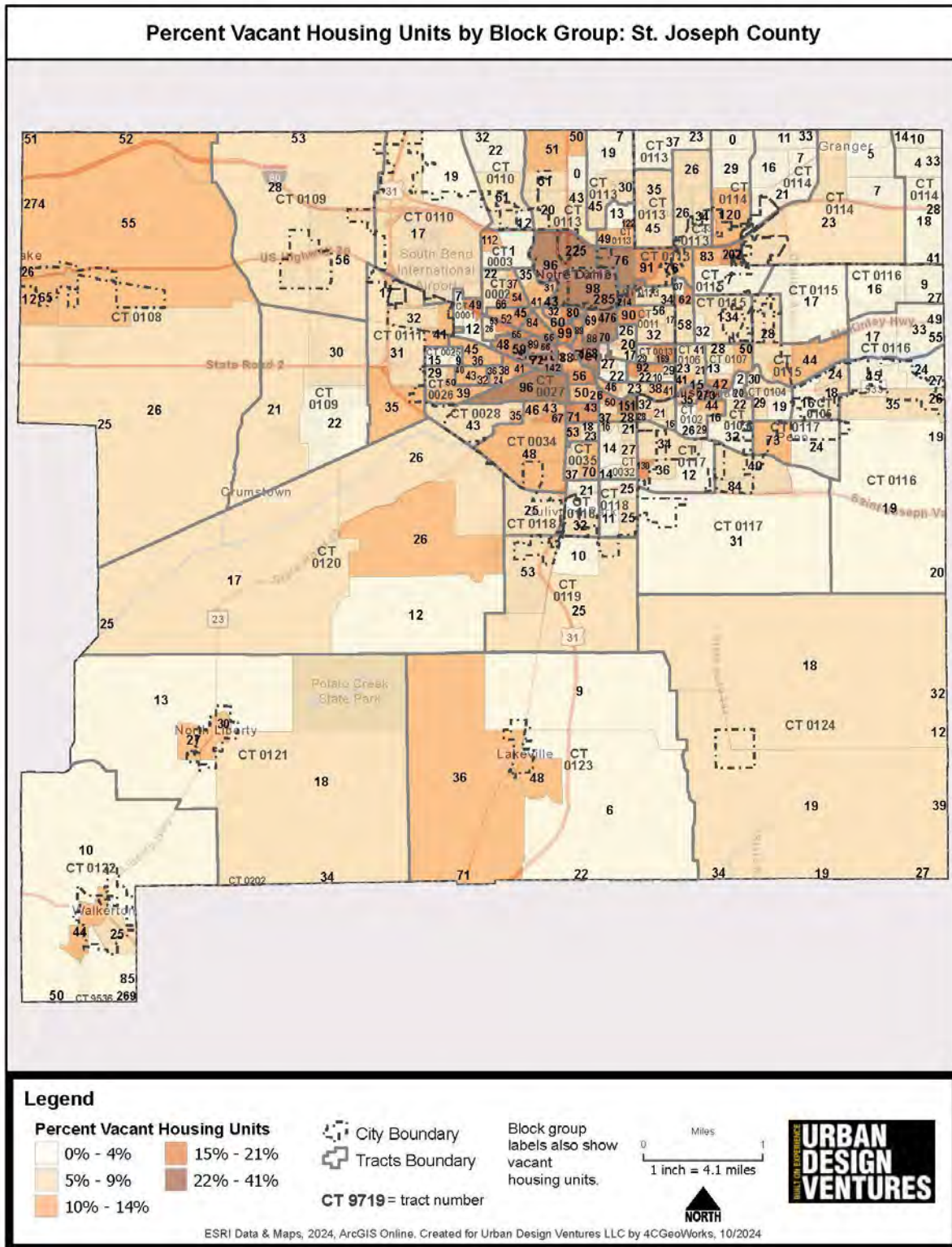


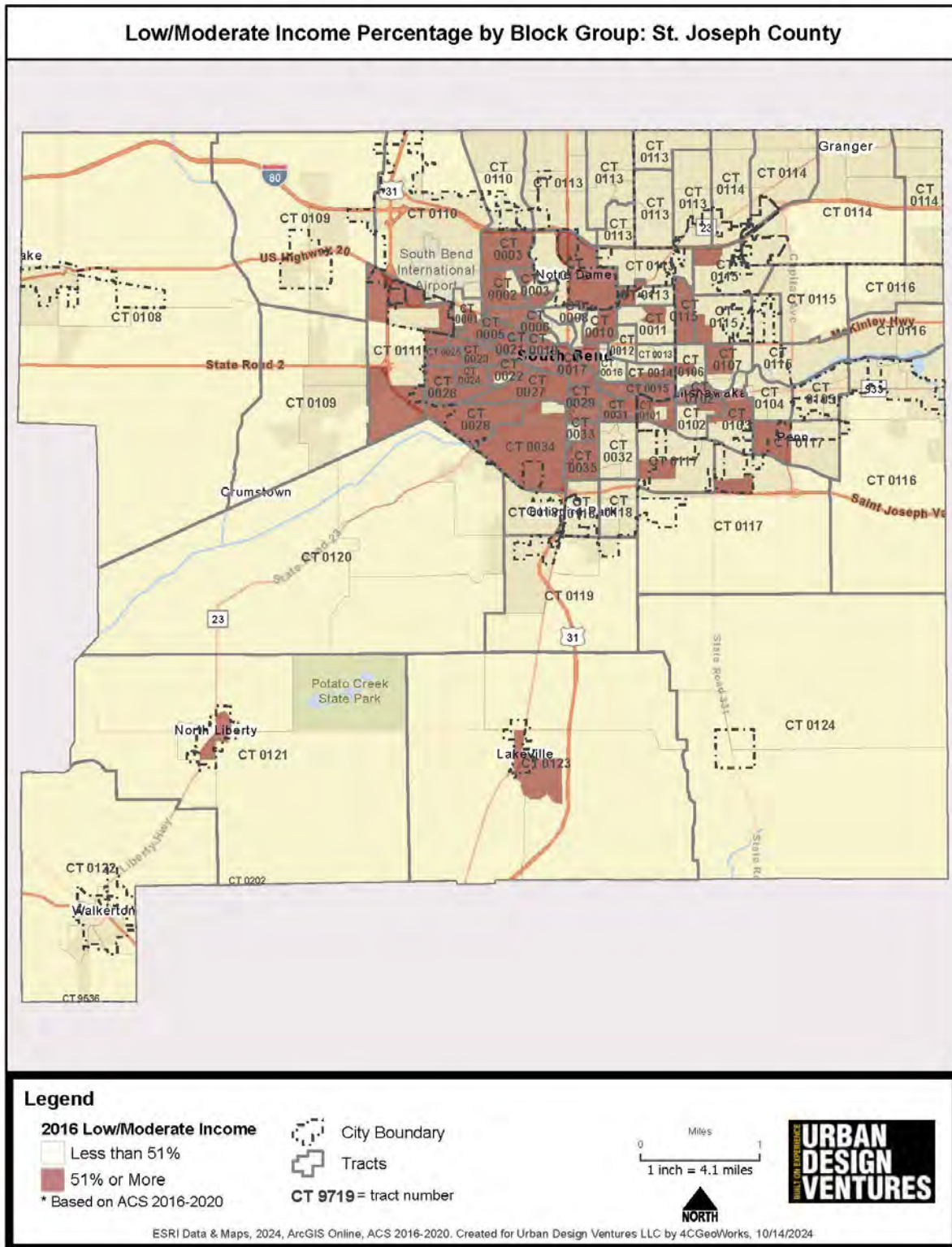


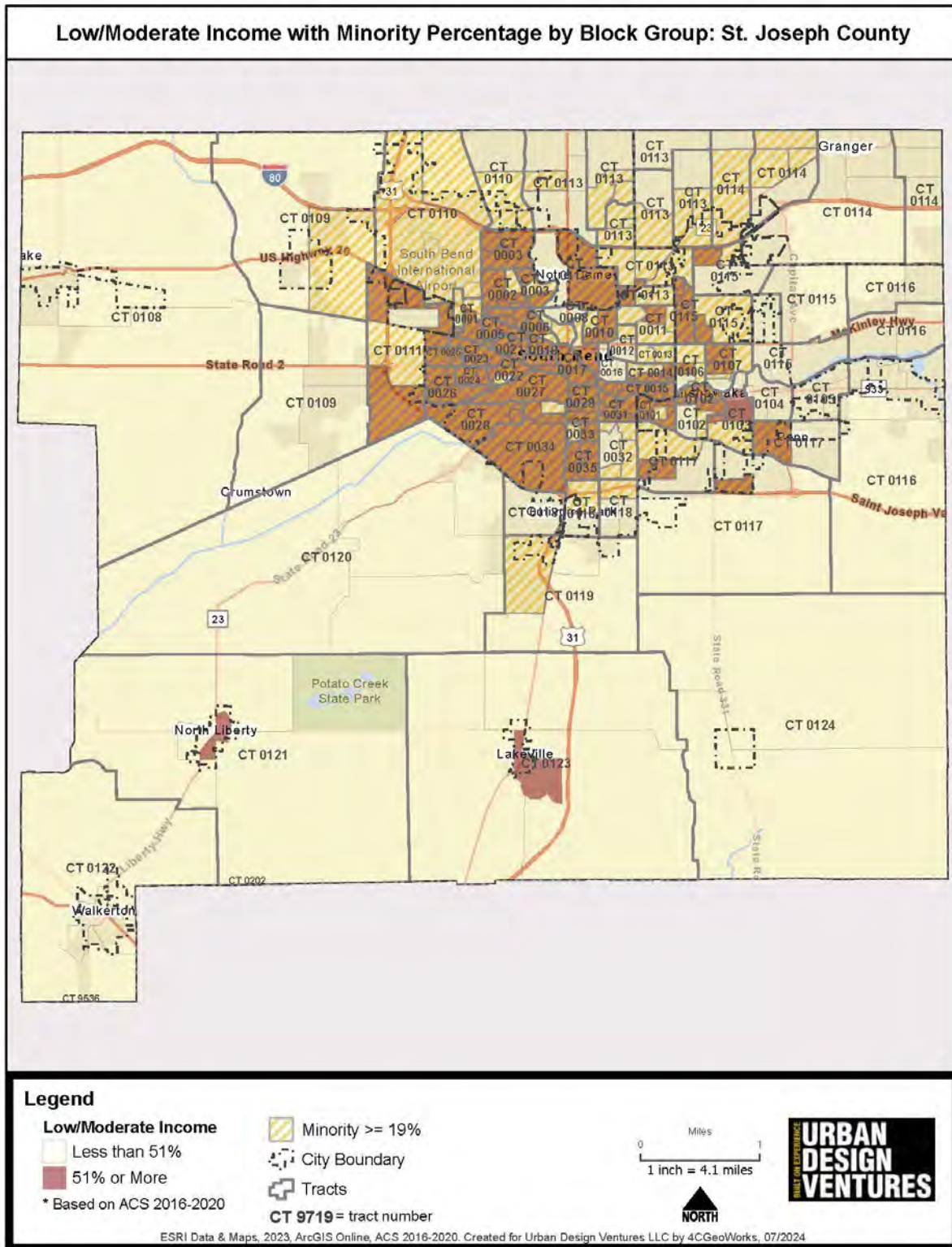












2. Summary of the objectives and outcomes identified in the Plan's Needs Assessment Overview

The purpose of City of South Bend's FY 2025-2029 Five-Year Consolidated Plan is to serve as a consolidated planning document, an application, and a strategic plan for the City. The following are the priority needs and goals that have been identified for the five-year period of FY 2025 through FY 2029:

HOUSING PRIORITY - HS

St. Joseph County, including the Cities of South Bend and Mishawaka, has been experiencing a growth in population. This has created demand for housing and has strained the existing housing stock. This has resulted in an increase in the sale price of homes and rental costs in the County. Low- and moderate-income households have been severely impacted and are unable to find decent, safe, sanitary, and affordable housing because they can no longer pay the increase in housing costs. This has been identified as the top priority for St. Joseph Housing Consortium.

The following goals are presented to address this Housing Priority:

- **HS-1 Housing Development** – Increase the number of decent safe, sanitary, accessible, and affordable housing units in the County, both for owner-occupied and rental-occupied housing.
- **HS-2 Homeownership** – Increase the opportunities for homeownership for low- and moderate-income households through downpayment/closing cost assistance, and housing counseling services.
- **HS-3 Housing Rehabilitation** – Promote and assist in the preservation of existing owner-occupied and renter-occupied housing in the County.
- **HS-4 Lead-Based Paint** – Promote and educate property owners on the dangers of lead-based paint and safe work practices to abate lead-based paint in their residences.
- **HS-5 Housing Assistance** – Promote and provide housing stability through mortgage assistance tax payments, rental assistance, deposits, and utility payments for low- and moderate-income households who are at risk of homelessness.
- **HS-6 Fair Housing** – Affirmatively further fair housing by promoting and informing households on their rights, and by educating landlords, realtors, mortgage brokers, financial institutions, and sellers on fair housing practices which will reduce discrimination in the sale and rental of housing.
- **HS-7 Housing Supportive Services** – Promote and assist low- and moderate-income households in the purchase, maintenance and upkeep of their homes through housing and financial counseling to avoid eviction proceedings.

HOMELESS PRIORITY – HO

There has been an increase in the number of persons who are unhoused in St. Joseph County. Homelessness is concentrated in the Cities of South Bend and Mishawaka. Due to the high cost of housing, there is a great risk of persons becoming homeless.

The following goals are presented to address the priority needs for the homeless and those who are at risk of homelessness:

- **HO-1 Housing Opportunities** – Increase the housing opportunities and living conditions of persons and families who are homeless or who are at risk of homelessness.
- **HO-2 Support and Management Services** – Promote and assist supportive and management services for public and non-profit agencies and organizations which assist persons who are homeless or who are at risk of homelessness.
- **HO-3 Homeless Prevention** – Promote and assist in anti-eviction and unfair housing practices which may contribute to homelessness.
- **HO-4 Permanent Supportive Housing** – Promote and assist in the development of new permanent supportive housing opportunities for persons and families who are experiencing homelessness and who are exiting out of shelters and transitional housing programs.
- **HO-5 Shelter Housing** – Support and assist in the development of shelters and supportive training and educational programs for sheltered residents.

OTHER SPECIAL NEEDS PRIORITY – SN

St. Joseph County and the Cities of South Bend and Mishawaka are experiencing an increase in the number of persons who are elderly, persons with physical disabilities, developmentally delayed persons, persons with mental illnesses, persons battling substance abuse, and persons exiting from institutional settings.

The following goals are presented to address under the priority needs of Special Needs Groups:

- **SN-1 Housing** – Increase the number of decent, safe, sound, sanitary, accessible and affordable units that is available and accessible to all sectors of special needs populations.
- **SN-2 Accessibility** – Promote and assist in making accessibility improvements to existing housing units, including making reasonable accommodations for the physically disabled so they can remain in their housing accommodations.
- **SN-3 Social Services** – Promote and support social service programs and facilities that address the special needs population.
- **SN-4 Removal of Architectural Barriers** – Remove architectural barriers which restrict the mobility and access to public facilities and services for persons with physical disabilities.

- **SN-5 Transportation** – Improve and expand the access to transportation services for the elderly, persons with disabilities, and persons with other special needs.

COMMUNITY DEVELOPMENT PRIORITY – CD

The infrastructure, community facilities, building conditions, and public services are being strained by the County's population growth, increased demand for services and the age of the infrastructure, buildings, and facilities. There is a need to improve, preserve, and develop public facilities and infrastructure to support the population growth in the County.

The following goals are presented to address this priority need:

- **CD-1 Infrastructure** - Improve and upgrade the City's infrastructure through rehabilitation, reconstruction, and new construction of streets, curbs, walks, ADA ramps, retaining walls, sewer lines, service lines, bridges, flood control, storm water management and sustainability.
- **CD-2 Community Facilities** – Improve, upgrade, and expand the City's public and community facilities including parks, playgrounds, recreational facilities, libraries, public buildings, etc. to meet the needs of the growing population.
- **CD-3 Public Services** – Improve, expand, and create public service programs including social, welfare, health and nutrition programs to meet the needs of the low- and moderate-income persons in the City.
- **CD-4 Clearance and Demolition** – Remove slum and blighting conditions through the demolition and clearance of vacant buildings that are economically infeasible for rehabilitation, and sites that pose a threat to the health, safety, and welfare of the public.
- **CD-5 Public Safety** – Improve and expand fire protection, emergency health and management services, crime prevention, etc. to better serve and protect the residents of the Cities.
- **CD-6 Public Transportation** – Improve and expand public transportation with additional bus routes, improved bus shelters, increased time schedules, etc. to assist low- and moderate-income persons to access employment, medical treatment, and essential services.
- **CD-7 Neighborhood Revitalization** – Improve and stabilize neighborhoods in the City by developing capacity and encouraging the formation and expansion of neighborhood based organizations, and planning/development under the Neighborhood Revitalization Strategy Area (NRSA) Program.
- **CD-8 Section 504** – Implement the City Section 504 Plans and bring the public and community facilities into compliance with the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990.

ECONOMIC DEVELOPMENT PRIORITY – ED

The local economy in the County has been expanding with new development occurring in the Western Portion. However, this growth requires a skilled and trained workforce. This has created a need for job training, workforce development, and services to meet the employment needs of these new companies.

The following goals are presented to address the priority needs for economic development:

- **ED-1 Employment** – Encourage and support new job opportunities through job creation, job retention, job training, workforce development, and educational programs to address the need for a well-trained labor force.
- **ED-2 Financial Assistance** – Support new development of business and industry through expansion, new development, capital equipment purchases, etc. to be funded with federal programs including the Section 108 Loan Guarantee Program.
- **ED-3 Incentives** – Support local, state, and federal tax breaks, tax credits, land development bonuses, and planning initiatives to promote new development and expansion of business and industry.

ADMINISTRATION & PLANNING - AP

There is a continuing need to provide administration, management, and sound planning to executive grants and loan programs by the City.

The following goals are presented to address the priority needs for sound administration and planning:

- **AP-1 General Administration** – Continue to provide experienced management and oversight to maintain efficient and effective administration of local, state, and federal grant and loan programs.
- **AP-2 Planning** – Provide sound planning for special studies, environmental review records, preparing grant applications, designing programs, planning project activities, etc.
- **AP-3 Affirmatively Further Fair Housing** – Promote and support policies and activities to Affirmatively Further Fair Housing (AFFH) throughout St. Joseph County, including the preparation of Analysis of Impediments to Fair Housing Choice.

3. Evaluation of past performance

In the FY 2023 CAPER, the City of South Bend used 100% of its expended CDBG funds to benefit low- and moderate-income persons. The City used 11.15% of its expended funds during the FY 2023 CAPER period on public service, which is below the statutory maximum of 15%.

4. Summary of citizen participation process and consultation process

The City of South Bend has followed its Citizen Participation Plan in the planning and preparation of the Five-Year Consolidated Plan. The City held its first public hearing on the needs of the community and its residents on August 7, 2024. This provided the residents, agencies and organizations with the opportunity to discuss the City’s CDBG, HOME, and ESG Programs and to provide suggestions for the future CDBG and HOME Program’s priorities and activities.

The City conducted another public hearing on August 27, 2024 to discuss the availability of the Request for Proposals for the 2025 program year.

The City maintains a list of agencies and organizations for its CDBG, HOME, and ESG Programs and sends out Funding Applications for the FY 2025 CDBG Program.

A copy of the “Draft FY 2025-2029 Five-Year Consolidated Plan and the FY 2025 Annual Action Plan” will be placed on public display for a 30-day review from November 27, 2024 to December 31, 2024 for the general public, agencies, and organizations in the community. A newspaper notice announcing that these documents were placed on public display was published in a newspaper of general circulation in the area. The “Draft Five-Year Consolidated Plan and the FY 2025 Annual Action Plan” were on public display at the following locations:

- The St. Joseph County Public Library (all branches)
- Mishawaka Public Library (all branches)
- Walkerton Public Library
- New Carlisle-Olive Township Public Library
- City of South Bend Department of Community Investment
- City of South Bend Office of the Clerk
- City of Mishawaka Department of Community Development

The Five-Year Consolidated Plan and Annual Action Plans were also placed on the City’s website at www.southbendin.gov.

5. Summary of public comments

In August 2024, a resident survey was prepared and sent out to residents and organizations in the City. A copy was placed on the City’s website. The results of the survey were used to help determine the goals and strategies. A more detailed analysis and description of the citizen participation process is contained in Section PR-15 Citizen Participation.

The City of South Bend updated its Citizen Participation Plan to include provisions for public display and public comment during a declaration of a state of emergency by the Governor of Indiana and the City loses its ability to hold public hearings in person. These provisions shortened display periods for plans and substantial amendments to 5 days, allowed for virtual public meetings, and the requirement that plans either be displayed on the City's website or be emailed to any resident that requests them within two (2) business days.

The City held a public hearing on December 10, 2024, to obtain oral and written comments on the proposed activities and findings of the Consolidated Plan and Annual Action Plan.

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

All comments and suggestions that were received to date, have been accepted and incorporated into the planning document.

7. Summary

The City of South Bend followed its Citizen Participation Plan. The City of South Bend provided residents and stakeholders with the opportunity to participate in the planning process, which they did. Based on that input the St. Joseph County Housing Consortium prepared and developed a thorough and comprehensive Five-Year Consolidated Plan.

8. FY 2025 CDBG, HOME, and ESG Program Budget

The City of South Bend proposes to undertake the following activities with the FY 2025 CDBG, HOME, and ESG funds:

FY 2025 CDBG Budget:

Administration

- Department of Community Investment - General Admin DCI - \$244,972.00
- South Bend Human Rights Commission - Affirmative Fair Housing Activities - \$15,000.00

Housing

- Community Homebuyers Corporation - Forgivable Second Mortgage - \$100,000.00
- Department of Community Investment - Activity Delivery - \$80,000.00

- South Bend Heritage Foundation - Activity Delivery - HO services - \$100,000.00
- Near Northwest Neighborhood, Inc - Activity Delivery - HO services - \$80,000.00

Acquisition/Rehab - Homeownership

- Near Northwest Neighborhood, Inc. - Acq/Rehab - SF - HO (2 units) - \$360,000.00

New Construction - Rental

- Near Northwest Neighborhood, Inc. - NC - Duplex - ADU - Rental (3 units) - \$400,000.00
- South Bend Heritage Foundation - NC - QUAD - RE (4 units) - \$480,000.00

Owner-Occupied Rehab

- Rebuilding Together - \$200,000.00

Public Services

- Center for the Homeless - Support for Expanded PSH Scattered Site Operations - \$129,825.00
- Oaklawn - Coordinated Entry - \$23,587.00
- South Bend Police Department - Neighborhood Action Reclamation Patrols/Foot-Bike Patrols - \$120,000.00

Estimated 2025 CDBG Entitlement Funds: \$2,320,384

Reprogrammed Funds to be used in 2025: \$13,000

Total - \$2,333,384.00

FY 2025 ESG Budget:

- Shelter Operations - \$122,000.00
- Rapid Rehousing - \$79,000.00
- ESG Admin - \$2,698.00

Estimated 2025 ESG Funds: \$203,698

Total - \$203,698.00

FY 2025 HOME Budget:

- Habitat for Humanity - \$860,000.00
- Oaklawn - TBRA - \$140,000.00

- Northwest Neighborhood Revitalization Organization - \$189,000.00
- Consortium Admin - \$16,025.00

Estimated 2025 HOME Funds: \$893,697

Reprogrammed Funds to be used in 2025: \$311,328

Total - \$1,205,025.00

DRAFT

The Process

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

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

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	City of South Bend	Department of Community Investment
CDBG Administrator	City of South Bend	Department of Community Investment
HOME Administrator	City of South Bend, P.J. for the St. Joseph County Housing Consortium	Department of Community Investment
ESG Administrator	City of South Bend	Department of Community Investment

Table 1 – Responsible Agencies

Narrative

The administering lead agency is the City of South Bend’s Department of Community Investment, Neighborhoods Division for the CDBG, HOME, and ESG Programs. The City of South Bend Neighborhoods Division prepares the Five-Year Consolidated Plan, Annual Action Plans, Environmental Review Records (ERR), and the Consolidated Annual Performance and Evaluation Reports (CAPERs), processes pay requests, and performs contracting, monitoring, and oversight of the program on a day to day basis. In addition, the St. Joseph County Housing Consortium hired a private planning consulting firm to assist the City in the preparation of the Five-Year Consolidated Plan.

Consolidated Plan Public Contact Information

Ms. Elizabeth Maradik, Chief Neighborhoods Officer
 Neighborhoods Division
 City of South Bend’s Department of Community Investment
 227 W. Jefferson Boulevard, South Bend, IN 46601
 Phone: (574) 233-0311
 Email: emaradik@southbendin.gov
 Website: <https://southbendin.gov/department/community-investment/neighborhood-development/>

PR-10 Consultation - 91.100, 91.110, 91.200(b), 91.300(b), 91.215(I) and 91.315(I)

1. Introduction

While preparing the FY 2025-2029 Five-Year Consolidated Plan and FY 2025 Annual Action Plan, the City of South Bend consulted with the Housing Authority of the City of South Bend, Housing Authority of St. Joseph County, social services and housing agencies, and the Indiana Balance of State CoC.

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

The City of South Bend works with the following agencies to enhance coordination:

- **Housing Authority of the City of South Bend** - Section 8 Housing Choice Vouchers, improvements to public housing communities, and scattered site housing.
- **Housing Authority of the City of Mishawaka** - Section 8 Housing Choice Vouchers, improvements to public housing communities, and scattered site housing.
- **Social Services Agencies** - funds to improve services to low- and moderate-income persons.
- **Housing Providers** - funds to rehab and develop affordable housing which improve housing options for low- and moderate-income families and individuals.
- **Community and Economic Development Agencies** – funds to improve services and facilities for low- and moderate-income persons, and workforce development to meet the needs of new businesses and industry.

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

The Indiana Balance of State CoC addresses the needs of homeless persons and persons who are at risk of becoming homeless in St. Joseph County. St. Joseph County is a separate region within the Balance of State CoC that encompasses all of, and only St. Joseph County. The region has utilized Coordinated Entry since January of 2019 to determine the needs of homeless individuals and families and place them in the program best suited to provide them with housing and services. Persons who are homeless or at-risk of becoming homeless are evaluated using the recently State adapted assessment, CHAT, previously used was the VI-SPDAT, and placed in the appropriate housing. CHAT metric prioritizes veterans and domestic violence survivors. The adoption of Coordinated Entry, placement rates of homeless individuals and families have been high.

The Point in Time Counts for Sheltered and Unsheltered homeless persons are completed on a designated date in January. The results of the statewide counts are available to the public on the Indiana Balance of State CoC website.

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

ESG – The Center for the Homeless, the YWCA, Life Treatment Center, Youth Services Bureau, and Health Plus, each receive ESG funds from the City of South Bend. ESG funds for St. Joseph County are administered through the City of South Bend’s Department of Community Investment. The South Bend Department of Community Investment issues an RFP for ESG-funded projects through the Neighborhoods Division. The process is competitive for projects that provide emergency shelter, related services, and rapid re-housing to the homeless.

Develop Performance Standards and Evaluate Outcomes – The Indiana Balance of State CoC’s written standards focus on a Housing First Model and follow the best practices of that model. The written standards utilize several strategies to increase the number of people who exit emergency shelter, transitional housing, and rapid re-housing to Permanent Housing destinations. Evaluations of these standards will be based on the length-of-time homeless measurement of an individual or family who resides in emergency shelter, transitional housing, or rapid re-housing. The CoC seeks to make progress on eviction prevention, the targeting of individuals and families based on risk, and the influencing developers in the area to create Permanent Supportive Housing.

HMIS – Throughout different times of the year, the CoC and the HMIS Lead work together to assess data quality throughout the CoC. This includes working on the Point-In-Time (PIT) count, project reviews/ranking, and working with individuals programs while completing their Annual Performance Reports (APRs). The system ensures data quality by requiring many of the universal data elements upon enrolling a participant into a program. Additionally, the system has an alert system with exit date reminders. The work flow of data entry has been updated to improve data quality. The HMIS Lead supports users through the staffing of a Help Desk and ongoing training opportunities. Agency users are able to run self-reports to assess their program’s data quality. ESG-funded applications are required to use the HMIS system. CoC-funded organizations are motivated to provide good data quality, because the CoC has moved toward a data-driven project review and ranking system. Projects with poor data quality are more likely to show poor outcomes, which can impact their funding.

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

1.	Agency/Group/Organization	South Bend
	Agency/Group/Organization Type	Other government - Local Planning organization Grantee Department
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Lead-based Paint Strategy Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of South Bend was the lead entity on the Five-Year Consolidated Plan. The City reviewed its program and funded activities that met the goals and objectives as outlined in the City's Five-Year Consolidated Plan.
2.	Agency/Group/Organization	South Bend Housing Authority
	Agency/Group/Organization Type	Housing PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Lead-based Paint Strategy Public Housing Needs Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The Housing Authority of the City of Mishawaka was contacted to determine the housing needs of its very low-income clients. The City reviewed its program and funded activities that met the goals and objectives as outlined in the City's Five-Year Consolidated Plan to address these housing needs.

3.	Agency/Group/Organization	Mishawaka
	Agency/Group/Organization Type	Other government - Local Planning organization Grantee Department
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Mishawaka was the lead entity on the Five-Year Consolidated Plan. The City reviewed its program and funded activities that met the goals and objectives as outlined in the City's Five-Year Consolidated Plan.
4.	Agency/Group/Organization	Youth Service Bureau
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-homeless Child Welfare Agency Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.

5.	Agency/Group/Organization	St. Margaret’s House
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Victims of Domestic Violence Services - Victims
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
6.	Agency/Group/Organization	Center for the Homeless, Inc
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services - Victims Publicly Funded Institution/System of Care Correction Facilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.

7.	Agency/Group/Organization	Goodwill Bridges out of Poverty
	Agency/Group/Organization Type	Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
8.	Agency/Group/Organization	Health Plus Indiana
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS Services-homeless Health Agency
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
9.	Agency/Group/Organization	Dismas House of South Bend
	Agency/Group/Organization Type	Services-homeless

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
10.	Agency/Group/Organization	City of Mishawaka - Department of Planning and Community Development
	Agency/Group/Organization Type	Other government - Local Planning organization Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
11.	Agency/Group/Organization	South Bend Business Development Department
	Agency/Group/Organization Type	Other government - County Other government - Local Regional organization Planning organization Business Leaders Business and Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
12.	Agency/Group/Organization	Salvation Army
	Agency/Group/Organization Type	Services - Housing Services-homeless Child Welfare Agency
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
13.	Agency/Group/Organization	St. Joseph County Department of Health
	Agency/Group/Organization Type	Services - Housing Services-Health Other government - County Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Lead-based Paint Strategy Market Analysis Community Development Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
14.	Agency/Group/Organization	Habitat for Humanity of St. Joseph County
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
15.	Agency/Group/Organization	Intend Indiana
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
	Agency/Group/Organization	Hurry Home

16.	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
	17. Agency/Group/Organization	Monroe Park Neighborhood Association
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
18.	Agency/Group/Organization	Near Northwest Neighborhood, Inc.
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?+	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.

19	Agency/Group/Organization	South Bend Heritage Foundation
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.

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20.	Agency/Group/Organization	ARC of Indiana
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities Services-Health Services-Education Health Agency Child Welfare Agency
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
21.	Agency/Group/Organization	Mishawaka Homeless Coalition
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities Services-Health Services-Education Health Agency Child Welfare Agency
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy

	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
22.	Agency/Group/Organization	Veterans Administration
	Agency/Group/Organization Type	Services-homeless Services-Health Services-Employment Health Agency Publicly Funded Institution/System of Care Other government - Federal Veterans
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
23.	Agency/Group/Organization	Transpo
	Agency/Group/Organization Type	Regional organization Planning organization Public Transit
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.

24.	Agency/Group/Organization	1st Source Bank
	Agency/Group/Organization Type	Business Leaders Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
25.	Agency/Group/Organization	Communitywide Credit Union
	Agency/Group/Organization Type	Business Leaders Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
26.	Agency/Group/Organization	Northwest Bank
	Agency/Group/Organization Type	Business Leaders Private Sector Banking / Financing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Market Analysis Anti-poverty Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
27.	Agency/Group/Organization	Brightpoint
	Agency/Group/Organization Type	Services-homeless Services-Health Services-Employment Other government - Federal

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
28.	Agency/Group/Organization	Food Bank of Northern Indiana
	Agency/Group/Organization Type	Services-homeless Services-Health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
29.	Agency/Group/Organization	Cultivate
	Agency/Group/Organization Type	Services-homeless Services-Health

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Non-Homeless Special Needs Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.
30.	Agency/Group/Organization	Northern Indiana Minority Business Association
	Agency/Group/Organization Type	Business and Civic Leaders Economic Development
	What section of the Plan was addressed by Consultation?	Economic Development Market Analysis Anti-poverty Strategy Community Development Strategy
	How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?	Group meeting held, phone calls; housing and community development priorities; social service and economic development needs.

Table 2 – Agencies, groups, organizations who participated

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

All agency types were consulted and contacted during the planning process.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Indiana Balance of State Continuum of Care	They are incorporated in the Five-Year Consolidated Plan and the Annual Action Plans.
Annual and Five-Year Capital Plans	The Housing Authority of the City of Mishawaka	The Housing Authority of the City of Mishawaka is the lead agency providing public housing assistance in the City of Mishawaka. The goals of the County, City, and the Housing Authority are complementary.
FY 2025-2029 Five-Year Consolidated Plan	City of Mishawaka	They are incorporated in the Five-Year Consolidated Plan and the Annual Action Plans.
2023 Childhood Lead Surveillance Report	Indiana Department of Health Lead & Health Homes Division	Blood Lead Levels are included in the Needs Assessment.

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(I))

The City of South Bend is the Participating Jurisdiction (PJ) for the St. Joseph County Housing Consortium and is the administering agency for the HOME funds. The City of South Bend’s Department of Community Investment’s Neighborhoods Division is also the administering agency for the ESG funds. Close coordination is maintained with other city departments such as the Fire Department, Public Utilities, and Parks & Recreation, as well as County departments such as the Health Department, Transpo, the Area Planning Commission, and the Indiana Balance of State Continuum of Care. Coordination with various non-profit organizations, such as the Center for the Homeless, Youth Services Bureau, and the Food Pantry of Northern Indiana helped aid in the planning process and develop priorities. The City works closely with regional organizations and County staff to address projects and activities that extend beyond the City limits. The City and the County agencies have a good working relationship.

The Indiana Balance of State CoC coordinates Con Planning, CoC strategic planning and ESG policies/priorities/allocations. This updated process results in greater statewide input in identifying unmet needs, priority populations, and ESG performance standards.

Narrative

The following social services, housing, and community and economic development agencies/ organizations were consulted:

- ARC of Indiana
- Brightpoint
- St. Joseph County Area Planning Commission
- 1st Source Bank
- Northwest Bank
- Communitywide Credit Union
- Northern Indiana Minority Business Association
- St. Joseph County Continuum of Care
- United Way of St. Joseph County
- St. Joseph County Department of Health
- Housing Authority of the City of South Bend
- Housing Authority of the City of Mishawaka
- Habitat for Humanity of St. Joseph County
- Intend Indiana
- Indiana Health Centers
- South Bend Heritage Foundation
- Hurry Home
- Health Plus Indiana
- Veterans' Administration Northern Indiana Healthcare System
- Youth Service Bureau
- St. Margaret's House
- Salvation Army Kroc Center
- Center for the Homeless
- Cultivate
- Food Bank for Northern Indiana
- Portage County Trustee
- The Clubhouse
- Monroe Park Neighborhood Association
- Near Northwest Neighborhood, Inc
- Goodwill Bridges Out of Poverty
- Dismas House
- Transpo
- Mishawaka Homeless Coalition
- YWCA North Central Indiana
- El Campito
- Our Lady of the Road/Motels4Now
- LGBTQ Center
- South Bend Chamber of Commerce
- Community Forum for Economic Justice

PR-15 Citizen Participation - 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The FY 2025-2029 Five-Year Consolidated Plan and FY 2025 Annual Action Plan have many components which try to reach out and encourage resident participation. These components are the following: interviews and roundtable discussions with various stakeholders; a needs public hearing; and a second public hearing to gather public comments on the “draft plan” on public display. The City of South Bend, in conjunction with the City of Mishawaka, also prepared a resident survey form which it posted on both Cities’ websites, and at strategic locations. It was sent out via email to agencies and organizations across the County. The City received back completed resident surveys. All of these comments are included in the Five-Year Consolidated Plan and Annual Action Plan in the Exhibit Section. Through the citizen participation process, the City uses resident input to develop how the plan will best serve the low- and moderate-income population to reach the goals set forth in the Five-Year Consolidated Plan.

The FY 2025-2029 Five-Year Consolidated Plan and FY 2025 Annual Action Plan were available for review for a 30-day public review period from November 27, 2024 to December 31, 2024. Comments received during public hearings and the public review period are attached to this document.

The City has followed its approved Citizen Participation Plan to develop its Five-Year Consolidated Plan and Annual Action Plan.

The City of South Bend previously updated its Citizen Participation Plan with the 2020 HCD Plan, to include provisions for public display and public comment during a declaration of a state of emergency by the Governor of Indiana. The City gained the ability to hold public hearings in person or virtual. These provisions shortened display periods for plans and substantial amendments to 5 days, allowed for virtual public meetings, and the requirement that plans either be displayed on the City’s website or be emailed to any resident that requests them within two (2) business days.

The City updated its Citizen Participation Plan with this Consolidated Plan to meet HUD regulations. A copy of the original version and the proposed version can be viewed in the appendices.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1.	Public Meeting	Minorities Persons with disabilities Non-targeted/ broad community Residents of Public and Assisted Housing Agencies/ Organizations	See public hearing comments in the summaries and the sign-in sheets.	See public hearing comments in Exhibits section of the Consolidated Plan.	None.	https://mishawaka.webex.com/mishawaka/j.php?MTID=m9b0dd3a803f53bcdaec9486a0490fd85

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2.	Newspaper Ad	Minorities Persons with disabilities Non-targeted/ broad community Residents of Public and Assisted Housing Agencies/ Organizations	N/A	N/A	N/A	Not Applicable.

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3.	Resident Surveys	Minorities Persons with disabilities Non-targeted/ broad community Residents of Public and Assisted Housing Citywide	Placed the Resident Survey on the City's website and emailed surveys to agencies/ organizations. In addition, they were passed out at public hearing and agencies/ organizations meetings. Survey was available in English and Spanish.	The City received back completed resident surveys. The tabulations of the Resident Surveys are in the Exhibit section of this Consolidated Plan.	All comments were accepted.	English: https://www.surveymonkey.com/r/SaintJosephHousingCDBG-2025-2029 Spanish: https://www.surveymonkey.com/r/aintJosephHousingESP-CDBG-2025-2029

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4.	Agency/ Organization Surveys	Minorities Persons with disabilities Non-targeted/ broad community Residents of Public and Assisted Housing Agencies/ Organizations	The agency/ organization surveys were sent out to agencies/ organizations in the City.	A summary of the survey responses and meeting minutes can be found in the appendix section of this Consolidated Plan.	All comments were accepted.	Not Applicable.

Table 4 – Citizen Participation Outreach

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The City of South Bend, in its role as PJ for the St. Joseph Housing Consortium, used the HUD Comprehensive Housing Affordability Strategy (CHAS) data, which provides statistical data on housing needs, to prepare its estimates and projections. The tables in this section have been prepopulated with HUD data sets, based on the American Community Survey (ACS) 2016-2020 Five-Year Estimates, and the 2020 U.S. Census. This data is the most current information available to assess housing needs, homeless needs, special needs, social service needs, economic development needs, etc.

The CHAS data also provides a summary of the number of households in each income category by tenure and household type and the percentage of such households that had a housing problem. The needs of various households, by household type within each income category, are described in this section. The extent to which the households within each group are cost-burdened, severely cost-burdened, and/or living in substandard housing, is examined. Also, the extent to which such problems impact minority households is reviewed.

The City of South Bend is part of the Indiana-Balance of State Continuum of Care. The Balance of State is split into sixteen (16) individual regions, which are overseen by regional planning councils and chairpersons that lead them. Regional CoCs hold regular meetings to develop and implement strategies for homeless alleviation and prevention. The City of South Bend is located in Region 2A, which includes all of St. Joseph County. Data for the development for the homeless needs section was obtained from consultation with the CoC and member agencies that serve on the St. Joseph County Housing Consortium.

Additional needs indicated for the City of South Bend were obtained from input and interviews with various social service agencies, housing providers, City staff, and survey responses.

NA-10 Housing Needs Assessment - 24 CFR 91.405, 24 CFR 91.205 (a,b,c)

Summary of Housing Needs

The populations of the City of South Bend and St. Joseph County have been slowly increasing. Based on a comparison between the 2009 and 2020 populations, St. Joseph County had a 0.6% increase in its population. The population increase was 2,330 persons, but the number of households only increased by 1,860 units.

The Household Area Median Family Income (HAMFI) for St. Joseph County increased by 25% from \$43,544 to \$54,443. This increase represents a change in nominal dollars and not a change in real dollars. To determine the change in real dollars, the Consumer Price Index is used to calculate the inflation rate for a given period. Between 2009 and 2020, the cumulative inflation rate was approximately 22.18%, meaning that the \$43,544.00 median income in 2009 would be \$53,201.33 if it were expressed in terms of 2020 dollars. By taking into consideration the rate of inflation, the median income in St. Joseph County has slightly outpaced the rate of inflation.

In speaking with stakeholders and residents, housing costs were regularly cited as the biggest issue facing the community. Low-income renters say they're having trouble affording to stay in the City and owner-occupied housing units are being purchased by incoming wealthier residents, leading to rising housing costs.

Demographics	Base Year: 2009	Most Recent Year: 2020	% Change
Population	257,250	259,580	1%
Households	98,185	100,045	2%
Median Income	\$43,544.00	\$54,443.00	25%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	12,815	12,245	17,410	11,430	46,145
Small Family Households	3,419	2,779	4,905	4,043	23,155
Large Family Households	762	839	1,308	794	3,725
Household contains at least one person 62-74 years of age	2,989	3,244	3,925	2,766	11,008
Household contains at least one person age 75 or older	1,927	2,839	2,774	1,113	3,275
Households with one or more children 6 years old or younger	1,932	1,600	2,099	2,065	4,422

Table 6 - Total Households Table

Data Source: 2016-2020 CHAS

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	224	125	44	0	393	90	80	20	30	220
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	35	64	59	35	193	0	15	20	4	39
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	190	160	155	25	530	24	69	314	40	447
Housing cost burden greater than 50% of income (and none of the above problems)	4,405	1,594	164	65	6,228	2,814	894	235	210	4,153

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Housing cost burden greater than 30% of income (and none of the above problems)	939	2,849	2,240	225	6,253	955	1,645	1,619	520	4,739
Zero/negative Income (and none of the above problems)	904	0	0	0	904	299	0	0	0	299

Table 7 – Housing Problems Table

Data 2016-2020 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	4,855	1,944	418	125	7,342	2,929	1,054	579	290	4,852
Having none of four housing problems	2,885	4,389	6,349	3,774	17,397	2,140	4,850	10,075	7,245	24,310
Household has negative income, but none of the other housing problems	0	0	0	0	0	0	0	0	0	0

Table 8 – Housing Problems 2

Data 2016-2020 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	1,985	1,339	765	4,089	864	568	499	1,931
Large Related	350	259	0	609	257	150	63	470
Elderly	1,487	1,333	518	3,338	1,882	1,435	846	4,163
Other	1,944	1,639	1,110	4,693	790	416	463	1,669
Total need by income	5,766	4,570	2,393	12,729	3,793	2,569	1,871	8,233

Table 9 – Cost Burden > 30%

Data 2016-2020 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	0	0	480	480	780	100	0	880
Large Related	0	0	24	24	123	100	25	248
Elderly	918	489	19	1,426	1,349	496	153	1,998
Other	0	1,780	625	2,405	580	0	0	580
Total need by income	918	2,269	1,148	4,335	2,832	696	178	3,706

Table 10 – Cost Burden > 50%

Data 2016-2020 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	200	209	130	45	584	14	84	270	30	398
Multiple, unrelated family households	10	4	40	0	54	10	0	53	14	77

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Other, non-family households	20	10	44	15	89	0	0	0	0	0
Total need by income	230	223	214	60	727	24	84	323	44	475

Table 11 – Crowding Information - 1/2

Data 2016-2020 CHAS
Source:

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Households with Children Present								

Table 12 – Crowding Information – 2/2

Describe the number and type of single person households in need of housing assistance.

According to the 2016-2020 American Community Survey (ACS), there were 104,380 households in 2020 in St. Joseph County. 39,709 of these households were in the City of South Bend and 21,875 of these households were in the City of Mishawaka. In St. Joseph County, 34,441 (33.0%) of all households were single person households living alone. Single person households aged 65 and over, comprised 14,211 households or (13.6%) of all households. Based on the ACS estimates, 41.3% of all persons living alone are seniors, and it is presumed that as they age in place, additional accommodations and supportive services will be necessary for this portion of the County’s population. The County will need to assist in obtaining funding and collaborating with housing services and elderly support agencies to provide programs, activities, and accommodations for its growing elderly population.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Disabled Population – Based on the 2016-2020 CHAS Data and the 2018-2022 ACS Data, it is estimated that the disabled population of St. Joseph County is 13.4%, and about 32.2% of the elderly in the County are disabled. A breakdown of the types of disability, for the total civilian noninstitutionalized population in St. Joseph County, is as follows: hearing difficulty = 3.4%; vision difficulty = 2.7%; cognitive difficulty = 5.8%; ambulatory difficulty = 7.0%; self-care difficulty = 2.5%; and independent living difficulty = 5.6%.

Victims of Domestic Violence, Dating Violence, sexual assault, and stalking – Domestic violence survivors have additional needs beyond housing. These include: transportation, employment, and job training. Women and children who are displaced by domestic violence face problems that their children will have a disruption in their education. St. Margaret’s House and YWCA North Central Indiana serve victims of domestic violence, dating violence, sexual assault, and stalking in St. Joseph County. This shelter at YWCA North Central Indiana has waiting lists for women, who struggle to find available beds, since many facilities that serve them are day centers.

According to stakeholder consultations, YWCA North Central Indiana serves approximately 1,800 individuals annually, not including an additional 4,000 calls each year through their emergency hot line. St. Margaret’s House serves approximately 1,000 adults and 400 children annually. YWCA serves men who are victims of domestic violence but both organizations acknowledge a shortage of domestic violence resources or a day center for adult men.

What are the most common housing problems?

The largest housing problem in the St. Joseph County is housing affordability. According to the 2016-2020 ACS data, an estimated 38.0% of all renter households are cost burdened by 30% or more in the County, and an estimated 11.6% of all owner households are cost burdened by 30% or more.

In consultations, interviews and surveys, the shortage of affordable, decent, safe, sound, and accessible housing for the area residents is a problem. Though St. Joseph County has a reputation for affordability, and is marketed as an affordable area to potential new residents from larger cities such as Chicago, the affordable housing that is available is in need of major rehabilitation work. Affordable rental housing in the area is outdated, has high utility costs, and requires rehabilitation and expensive repairs. Area landlords do not always rehabilitate their housing due to a lack of funding, lower rents, return on investment, and costly repairs.

The eviction rate in the City of South Bend is extremely high and is amongst the highest in the State and Country. There is a need for affordable housing for those with the lowest income, and who are at the highest risk of eviction and becoming homeless.

Low- and Moderate-income renters who would like to purchase a home also face financial challenges. Less expensive housing in the area is often older, and means it also requires major rehabilitation work. The financing for purchasing and rehabbing older housing is not readily available. Banks are not willing to loan to lower-income first time home buyers.

There are many vacant lots in the City of South Bend, in part as a result of the City’s Vacant and Abandoned Properties Initiative. There is an opportunity to build on these vacant lots for infill housing as they present a potential for affordable housing locations. The City has conducted targeted planning processes to determine what to construct on the vacant lots, and how to best utilize the lots that will remain vacant going forward. Additional planning is needed and is under discussion.

Are any populations/household types more affected than others by these problems?

According to the CHAS data, single-person households, such as the elderly and disabled and Black or African American households, all tend to be the most cost burdened in their housing in St. Joseph County. They are the most affected by the lack of affordable, accessible housing. The elderly and disabled are often on fixed or limited incomes. The lack of affordable housing that is decent, safe, sound, and accessible forces them into housing that does not meet these standards. Many of the County's populations that are disproportionately affected by housing problems are concentrated in the City of South Bend.

Other groups affected by the lack of affordable housing are the homeless and persons at-risk of becoming homeless, including persons who are victims of domestic violence. Much of that population, which is at-risk of becoming homeless, face a housing cost burden problem, and would benefit from emergency housing assistance for rent, emergency rehabilitation work, and/or mortgage payments and utilities to help them avoid eviction or foreclosures. There are some short term assistance options available, but these are scarce and hard to come by, especially if it is needed by the same person more than once. People transitioning from shelter care, prison, or a health care facility are also affected by the cost burden housing problem, particularly when trying to secure a source of income to maintain housing.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

According to the area homeless service providers, characteristics and needs of both low-income individuals and families with children who receive services in St. Joseph County are as follows:

Individuals: Mental Health issues and criminal histories (including sex offense) severely limit job opportunities; lack of sustainable living wages and skills for available jobs; a lack of transportation; a lack of quality affordable medical care; substance abuse issues; and those with evictions on their records that could increase the likelihood of later evictions.

Families with Children: Single mothers with an average of 2.5 children; no means of transportation; lack of affordable childcare; a lack of education; a lack of job skills; unemployed, or underemployed in a low paying job that cannot sustain a family with one income; a lack of quality affordable medical care; substance abuse issues; and those with previous evictions on their records that increase the likelihood of later evictions.

Formerly Homeless Individuals / Families Receiving Rapid Re-Housing Assistance Nearing Termination: The timeframe of assistance is not always long enough; more assistance is required. The Indiana Balance of State CoC encourages formerly homeless individuals to contribute to the CoC decision-making process to develop strategies to target this group. There is a need to increase and target funding for eviction prevention programs and homeless prevention programs.

Specific needs of former homeless individuals and families receiving rapid re-housing include: affordable and decent housing; job training; and affordable medical care.

As previously stated, the Balance of State CoC has subdivided its 91 counties into 16 individual regions, with St. Joseph County acting as its own region. The St. Joseph County regional Planning Council utilizes Coordinated Entry to track the various subpopulations.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The McKinney-Vento Act established categories in the Homeless Definition Final Rule for the At Risk Group. The Act was amended to include assistance to those at risk of becoming homeless who did not meet the definition in the Final Rule. These include: 1) individuals and families; 2) unaccompanied children and youth and; 3) families with children and youth.

According to the Indiana Balance of State CoC, the methodology used to generate estimates is based on historical incidence, such as the yearly Point-In-Time (PIT) Counts and Homeless Management Information System (HMIS) data. HMIS is a local information technology system used to collect client-level data on the provision of housing and services to homeless individuals and families and persons at risk of becoming homeless. The Indiana Balance of State CoC has adopted the HUD definitions of homelessness. Included in these definitions are two types of at-risk groups: persons that are imminently in danger of losing their housing; and those who are housed in unstable units and are at risk of losing their housing.

Imminently losing their housing - Persons who are housed but are at imminent risk of losing housing include people who at program entry or program exit are experiencing one of the following:

- Being evicted from a private dwelling unit (including housing provided by family/friends).
- Being discharged from a hospital or other institution.
- Living in housing that has been condemned by housing inspectors and is no longer considered safe for human habitation.

Additionally, a person residing in one of these places must also meet the following two conditions:

- Have no appropriate subsequent housing options identified; AND
- Lack the financial resources and support networks needed to obtain immediate housing or remain in their existing housing.

Unstable housed and at-risk of losing their housing - persons who are housed and are at-risk of losing housing include people who at program entry or program exit:

- Persons who in their own housing or doubled up with friends or relatives and are at-risk of losing their housing due to high housing costs, conflict, or other conditions negatively impacting their ability to remain housed; AND

- Lack the resources and support networks needed to maintain or obtain housing.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

The cost of decent, safe, sound, and affordable housing in the City creates instability and an increased risk of homelessness for lower income families in the area. Many families are living from paycheck to paycheck and are paying over 30% of their income for housing, which may or may not be decent, safe, sound, and affordable.

Contributing housing characteristics which contribute to instability and increased risk of homelessness include: absentee landlords charging higher rent and not maintaining property; shortage of available units; untreated/undiagnosed mental health issues; substance abuse issues; physical disabilities, rendering a person unable to work, but not receiving Social Security Disability benefits; single and unemployed mothers expecting another child; poor rental and credit issues; and unemployed, often troubled, young adults aging out of foster care, who are made to leave the home by the foster family.

In St. Joseph County, the foreclosure rate is high, at 1 in every 1,478 homes in 2022. The number of evictions in the City of South Bend is also high, with 2,369 eviction cases filed in 2023 (the most recent full year data is available).

Discussion

There is a trend for persons moving into St. Joseph County from outside areas, where it is more expensive to live (such as Chicago). This has caused a strain on the limited affordable housing resources in the County and likewise has contributed to the rise in the cost of housing in St. Joseph County.

NA-15 Disproportionately Greater Need: Housing Problems - 91.405, 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

During the planning process for the preparation of the City of South Bend and St. Joseph County Housing Consortium’s Five-Year Consolidated Plan, an evaluation and comparison was made to determine if any racial or ethnic group has a greater disproportionate need in the County. Disproportionately greater need is defined as a group having at least 10 percentage points higher than the percentage of persons as a whole. The total number of White Households in St. Joseph County is 84,426 households (80.9%); the number of Black/African American Households is 12,464 households (11.9%); the number of American Indian and Alaskan Natives is 457 households (0.4%), the number of Asian Households is 2,274 households (2.2%); the number of Native Hawaiian and Other Pacific Islander is 27 households (0.01%), and the number of Hispanic Households is 5,684 households (5.4%).

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	8,359	1,704	1,971
White	4,859	1,050	936
Black / African American	2,490	500	845
Asian	179	30	155
American Indian, Alaska Native	60	8	4
Pacific Islander	0	0	0
Hispanic	610	85	34

Table 13 - Disproportionately Greater Need 0 - 30% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	7,314	4,292	0
White	4,784	3,283	0
Black / African American	1,625	669	0
Asian	81	54	0
American Indian, Alaska Native	34	4	0
Pacific Islander	0	0	0
Hispanic	619	230	0

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	5,459	12,114	0
White	4,003	9,349	0
Black / African American	829	1,750	0
Asian	120	179	0
American Indian, Alaska Native	39	35	0
Pacific Islander	0	0	0
Hispanic	414	664	0

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data 2016-2020 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,147	8,679	0
White	818	7,149	0
Black / African American	149	824	0
Asian	30	55	0
American Indian, Alaska Native	0	8	0
Pacific Islander	0	0	0
Hispanic	120	448	0

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2016-2020 CHAS
 Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

Discussion

The racial composition of households in St. Joseph County, according to the 2016-2020 American Community Survey, was 80.9% White; 11.9% African American/Black; 2.2% Asian; 0.4% American Indian and Alaskan Natives; and 0.01% Native Hawaiian or Pacific Islander. The Hispanic or Latino population was 5.4%. In the 0%-30% and 30%-50% of Area Median Income categories, African American/Black households in St. Joseph County had one or more housing problems, with a disproportionate need at 29.8% and 22.2%, respectively.

NA-20 Disproportionately Greater Need: Severe Housing Problems - 91.405, 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

During the planning process for the preparation of the St. Joseph County Housing Consortium, the City of South Bend’s Five-Year Consolidated Plan, and the City of Mishawaka’s Five-Year Consolidated Plan (submitted separately), an evaluation and comparison was made to determine if any racial or ethnic group is disproportionately affected by severe housing problems in the County. Disproportionately greater need is defined as a group having at least 10 percentage points higher than the percentage of persons as a whole. Severe housing problems are distinguished from housing problems by a threshold of more than 1.5 persons per room as opposed to more than 1 person per room for overcrowding, as well as a cost burden threshold of over 50% of income as opposed to over 30% of income. Data detailing information by racial group and Hispanic origin has been compiled from the 2011-2015 CHAS data and the 2011-2015 American Community Survey Five-Year Estimates. The following tables illustrate the disproportionate needs of specific groups living in St. Joseph County.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	6,863	3,210	1,971
White	3,978	1,950	936
Black / African American	2,030	960	845
Asian	173	35	155
American Indian, Alaska Native	24	44	4
Pacific Islander	0	0	0
Hispanic	510	185	34

Table 17 – Severe Housing Problems 0 - 30% AMI

Data 2016-2020 CHAS
 Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	3,004	8,588	0
White	2,052	6,008	0
Black / African American	640	1,644	0
Asian	69	69	0
American Indian, Alaska Native	4	34	0
Pacific Islander	0	0	0
Hispanic	155	694	0

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	1,248	16,308	0
White	858	12,488	0
Black / African American	160	2,410	0
Asian	19	279	0
American Indian, Alaska Native	20	54	0
Pacific Islander	0	0	0
Hispanic	199	875	0

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	277	9,559	0
White	111	7,864	0
Black / African American	75	904	0
Asian	0	85	0
American Indian, Alaska Native	0	8	0
Pacific Islander	0	0	0
Hispanic	65	508	0

Table 20 – Severe Housing Problems 80 - 100% AMI

Data 2016-2020 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

Discussion

The racial composition of households in St. Joseph County, according to the 2016-2020 American Community Survey, was 80.9% White; 11.9% African American/Black; 2.2% Asian; 0.4% American Indian and Alaskan Natives; and 0.01% Native Hawaiian or Pacific Islander. The Hispanic or Latino population was 5.4%. In the 0%-30% and 80%-100% of Area Median Income categories, the African American/Black ethnic group has a disproportionate need in terms of severe housing problems at 29.6% and 27.1% of the total households in that income category, respectively. The Hispanic or Latino population also has a disproportionate need in terms of severe housing problems in the 80-100% of Area Median Income categories at 23.5% of total households in that category.

NA-25 Disproportionately Greater Need: Housing Cost Burdens - 91.405, 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

During the planning process for the preparation of this Five-Year Consolidated Plan, an evaluation and comparison was made to determine if any racial or ethnic group is disproportionately affected by housing problems in the City and County. Disproportionately greater need is defined as a group having at least 10 percentage points higher than the percentage of persons as a whole.

The greatest housing problem facing St. Joseph County is the lack of quality affordable housing and the fact that many of the City and County’s lower income households are paying more than 30% of their total household income on housing related costs. The following information was noted: 8,445 White households were cost burdened by 30% to 50%, and 6,423 White households were severely cost over burdened by greater than 50%; 2,304 Black/African American households were cost burdened by 30% to 50%, and 2,690 Black/African American households were severely cost burdened by greater than 50%; 189 Asian households were cost burdened by 30% to 50%, and 268 Asian households were severely cost burdened by greater than 50%; 120 American Indian/Alaska Native households were severely cost burdened by 30 to 50% and 34 were severely cost burdened by greater than 50%; and lastly, 869 Hispanic households were cost burdened by 30% to 50%, and 575 Hispanic households were severely cost burdened by greater than 50%.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	72,551	12,098	10,231	2,019
White	60,475	8,445	6,423	956
Black / African American	6,490	2,304	2,690	845
Asian	1,225	189	268	165
American Indian, Alaska Native	156	120	34	4
Pacific Islander	44	0	0	0
Hispanic	3,243	869	575	34

Table 21 – Greater Need: Housing Cost Burdens AMI

Data Source: 2016-2020 CHAS

Discussion

Black/African American households were disproportionately affected by a housing cost overburden in St. Joseph County. Black/African American households were considered to be severely cost burdened, where 26.3% of the total cases of households were considered cost burdened by greater than 50%. This is over fourteen percentage points higher than the 11.9% of the total number of households that the Black/African American category comprises.

A total of 8,445 White households were considered cost burdened by between 30% and 50%, which is 69.8% of the total cases of households that were considered cost burdened in this category. This number is below the 80.9% of the total number of households that the White category comprises. A total of 2,304 Black/African American households were considered cost burdened by between 30% and 50%, which is 19.0% of the total cases of households that were considered cost burdened by between 30% and 50%. This number is above the 11.9% of the total number of households that the Black/African American category comprises, but is not considered disproportionate by HUD's criteria. A total of 189 Asian households were considered cost burdened by between 30% and 50%, which is 1.6% of the total cases of households that were considered cost burdened by between 30% and 50%. This number is comparable to the 2.2% of the total number of households that the Asian category comprises. A total of 120 American Indian/Alaska Native households are cost burdened between 30% and 50%, which is 1.0% of the total cases of households that were considered cost burdened between 30% and 50%. This number is slightly above the 0.4% of the total number of households that the American Indian/Alaska Native category comprises. A total of 869 Hispanic households were considered cost burdened by between 30% and 50%, which is 7.2% of the total cases of households that were considered cost burdened by between 30% and 50%. This number is slightly above the 5.4% of the total number of households that the Hispanic category comprises.

A total of 6,425 White households were considered severely cost burdened by greater than 50%, which is 62.8% of the total cases of households that were considered cost burdened by greater than 50%. This number is below the 80.9% of the total number of households that the White category comprises. A total of 268 Asian households were considered severely cost burdened by greater than 50%, which is 2.6% of the total cases of households that were considered cost burdened by greater than 50%. This number is slightly lower than the 2.2% of the total number of households that the Asian population comprises. A total of 34 American Indian/Alaska Native households are cost burdened between 30% and 50%, which is 0.3% of the total cases of households that were considered cost burdened between 30% and 50%. This number is comparable to the 0.4% of the total number of households that the American Indian/Alaska Native category comprises. A total of 575 Hispanic households were considered severely cost burdened by greater than 50%, which is 5.6% of the total number of households that were considered cost burdened by greater than 50%. This number is slightly higher than the 5.4% of the total number of households that the Hispanic category comprises.

NA-30 Disproportionately Greater Need: Discussion - 91.205 (b)(2)**Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

The racial composition of St. Joseph County households, according to the 2016-2020 American Community Survey data, was 80.9% White; 11.9% African American/Black; 0.4% American Indian and Alaska Native; 2.2% Asian; 0.01% Native Hawaiian and Other Pacific Islander; and 5.4% Hispanic or Latino. African American/Black residents of St. Joseph County are disproportionately affected by all housing problems and cost burdens. This is true of Black/African American residents in the 0%-50% area median income range for housing problems. For severe housing problems, Black/African American residents are disproportionately affected at the 0%-30% and 80%-100% area median income ranges. Hispanic or Latino residents also faced severe housing problems at a disproportionate level when at the 80%-100% area median income range.

Generally, there are large groups of Black/African American residents and Hispanic or Latino residents in St. Joseph County. These groups are concentrated in the City of South Bend, with 75.4% of Black/African American households and 69.8% of Hispanic or Latino households living within the City of South Bend, as opposed to other parts of St. Joseph County. Though the disproportionate housing needs are not exclusive to the City of South Bend, they are more prevalent in the City of South Bend than in other parts of St. Joseph County by nature of population concentrations.

If they have needs not identified above, what are those needs?

When comparing the housing problem numbers to the cost-overburdened numbers, minority groups with large populations in St. Joseph County are most affected by both types of housing problems. 21.8% of African American/Black households are considered severely cost burdened. African American/Black populations also have a disproportionate amount of housing problems and severe housing problems, such as overcrowding or incomplete kitchen or plumbing facilities. 64.9% of this population at 0%-30% area median income has at least one housing problem, and 52.9% of this population at 0%-30% area median income has at least one severe housing problem. Additionally, 70.8% of this population at 30%-50% area median income has at least one housing problem, and 28.0% of this population at 30%-50% area median income has at least one severe housing problem. Consultations with social service providers and housing providers support this theory, as these organizations have described the poor housing conditions in the largely Black/African American neighborhoods. Renting is more common for the residents in the majority Black/African American neighborhoods. Rents in those areas have increased significantly while incomes have not. Thus, there is a need to provide assistance for the Black/African American neighborhoods in St. Joseph County, and by extension, the City of South Bend. The City has created a rental registry and is identifying problem landlords.

Hispanic or Latino households are more likely to face severe housing problems such as overcrowding or incomplete kitchen or plumbing facilities and cost overburden, with 23.5% of households at 80%-100% area median income experiencing at least one severe housing problem.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

The Black/African American population is concentrated west of Downtown South Bend. The most recent data available on the concentration of racial or ethnic minorities is the 2018-2022 ACS data. According to this data, St. Joseph County has a minority population of 26.1% of its total population. The HUD definition of a minority neighborhood is "a neighborhood in which the percentage of persons of a particular racial or ethnic minority is at least 20 points higher than that minority's percentage in the housing market as a whole. The neighborhood's total percentage of minority persons is at least 20 points higher than the total percentage of minorities for the housing market area as a whole, or in the case of a metropolitan area, the neighborhood's total percentage of minority persons exceed 50 percent of its population." Black/African American and Hispanic or Latino population concentration in St. Joseph County is concentrated in the City of South Bend in neighborhoods with groups of 46.1% or more. Block Groups of African American/Black concentration are CT 1, BG 1 and BG 2; CT 2, BG 2 and BG 4; CT 3.02, BG 1 and BG 2; CT 4, BG 2 and BG 3; CT 4, BG 3; CT 5, BG 1 and BG 2; CT 6, BG 1 and BG 2; CT 10, BG 1 and BG 2; CT 17, BG 2; CT 19, BG 2; CT 20, BG 1 and BG 2; CT 21, BG 1 and BG 2; CT 22, BG 2 and BG 3; CT 23, BG 1 and BG 2; CT 28, BG 1; CT 29, BG 1; CT 33, BG 2; CT 34, BG 3; CT 103, BG 3; CT 111, B.G. 1; CT 113.03, BG 4; CT 113.07, BG 1; CT 115.01, BG 2; CT 117.03, BG 3; and CT 118.04, BG 2. Block groups of Hispanic or Latino population concentration are CT 2, BG 3; CT 17, BG 2; CT 19, BG 2; CT 21, BG 2; CT 22, BG 1, BG 2, and BG 4; CT 23, BG 1 and BG 2; CT 24, BG 2 and BG 3; CT 25, BG 1 and BG 2; CT 26, BG 1 and BG 3; CT 27, BG 1; CT 28, BG 1; CT 32, BG 1; CT 34, BG 1 and BG 4; CT 111, BG 2 and BG 4; and CT 114.03, BG 3; .

According to the 2016-2020 ACS data, the Asian population of St. Joseph County is 2.2%. Three Block Groups, CT 113.01 BG 3, CT 114.04 BG 3 and 4, CT 115.05 BG 2 have a high Asian population concentration at 23.1%, 25.8%, and 23.1%, respectively. These Block Groups are on the campus of Notre Dame, outside of the City of South Bend.

Attached to this Plan are maps which illustrate the City of South Bend's demographics which are included in the Exhibits section of the Plan.

NA-35 Public Housing - 91.405, 91.205 (b)

Introduction

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	1,036	2,435	0	2,419	16	0	0

Table 22 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	
# Homeless at admission	0	0	1	3	0	1	2	0	
# of Elderly Program Participants (>62)	0	0	202	241	0	241	0	0	
# of Disabled Families	0	0	252	463	0	457	6	0	
# of Families requesting accessibility features	0	0	1,036	2,435	0	2,419	16	0	

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Race	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	403	548	0	544	4	0	0
Black/African American	0	0	615	1,867	0	1,855	12	0	0
Asian	0	0	6	6	0	6	0	0	0
American Indian/Alaska Native	0	0	9	11	0	11	0	0	0
Pacific Islander	0	0	3	3	0	3	0	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Ethnicity	Certificate	Mod-Rehab	Public Housing	Program Type					
				Vouchers			Special Purpose Voucher		
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	37	46	0	46	0	0	0
Not Hispanic	0	0	999	2,389	0	2,373	16	0	0

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

Need additional information from the Housing Authority.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

Need additional information from the Housing Authority.

How do these needs compare to the housing needs of the population at large

Need additional information from the Housing Authority.

Discussion

NA-40 Homeless Needs Assessment - 91.405, 91.205 (c)

Introduction:

The City of South Bend is part of the Indiana Balance of State Continuum of Care, which includes 91 out of the 92 Counties in the State. The Balance of State is split into sixteen (16) individual regions, which are overseen by regional planning councils and chairpersons that lead them. Regional CoCs hold regular meetings to develop and implement strategies for homeless alleviation and prevention. The City of South Bend is located in Region 2A, which includes only St. Joseph County.

The City of South Bend also receives Emergency Solutions Grant (ESG) funding from HUD. The City’s Department of Community Investment issues an annual RFP for agencies to apply for ESG funding. Potential recipients submit their proposals to the City for funding.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	145	0	-	-	-	-
Persons in Households with Only Children	3	0	-	-	-	-
Persons in Households with Only Adults	355	44	-	-	-	-
Chronically Homeless Individuals	87	0	-	-	-	-
Chronically Homeless Families	0	0	-	-	-	-
Veterans	31	0	-	-	-	-
Unaccompanied Child	22	2	-	-	-	-
Persons with HIV	10	2	-	-	-	-

Data Source: Indiana Balance of State CoC – 2024 Point in Time Count and Housing Inventory Count

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Chronically homeless individuals and families – The Chronically Homeless is defined as: an individual or family that is homeless and lives or resides in a place not meant for human habitation, a safe haven or in an emergency shelter; has been homeless and living there continually for at least one year or on at least four separate occasions in the last three years; and has an adult head of household (or a minor head of household if no adult is present in the household) with a diagnosable substance use disorder, serious mental illness, developmental disability (as defined in Section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability, including the co-occurrence or two or more to those conditions. According to Point In Time count data, St. Joseph County reported 118 chronically homeless persons in 2018 and 87 in 2024. There were six (6) chronically homeless unaccompanied youth in 2023 and there was one (1) chronically homeless unaccompanied youth in 2024. There appears to be a need in the area for outreach and services for the chronically homeless adult population.

Families with children – The Point-In-Time count for 2023 identified 45 homeless households with children in St. Joseph County, for a total of 150 persons. Numbers remained relatively stable in 2024 at 46 homeless households with 145 persons. These numbers have been consistent, though high for a single county in the Indiana Balance of State CoC.

Veterans and their families – The Center for the Homeless has a Veterans Annex called the Millers Veterans Center. Homeless Veterans often require additional services, with mental health services being the most common cited need. The number of homeless Veterans in St. Joseph County has slightly increased from 32 in 2023 to 33 in 2024.

Unaccompanied youth – Teens aging out of foster care, and young adults in the 18-24 age transition stage are difficult to locate. Many of them are staying temporarily with friends and family but are technically homeless. Unaccompanied youth may also move between different shelters. There were 31 unaccompanied youth counted in the 2023 Point-In-Time count and 24 unaccompanied youth counted in 2024 for St. Joseph County.

Nature and Extent of Homelessness: (Optional)

Race:	Sheltered:	Unsheltered (optional)
Ethnicity:	Sheltered:	Unsheltered (optional)

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

The Point-In-Time count for 2023 reported 45 homeless households with children in St. Joseph County, for a total of 150 persons, of which there were 104 children. There were 46 households with 97 children in 2024. Of the homeless households in 2023 and 2024, there were no unsheltered families with children, but 83 persons were in emergency shelters in 2024.

The number of homeless Veterans in St. Joseph County has slightly increased from 32 in 2023 to 33 in 2024. In addition to housing, there is a need for wrap around services for Veterans. These services largely include mental health care and recovery systems for those with addictions. The Center for the Homeless offers beds for homeless Veterans in the Robert L. Miller, Sr. Veteran's Center (Miller's Vets). There are 15 male-only beds for Veterans and all of them are full. The number of beds has decreased due to the successful use of VASH vouchers. Life Treatment Centers also has beds for homeless vets.

There is a need for Permanent Supportive Housing in the County and the region. Though there are shelters for homeless individuals and families in the County, they are typically concentrated in the City of South Bend and are only for temporary housing. Permanent Supportive Housing is needed to meet the long-term housing for individuals and families who are homeless or who are at-risk of becoming homeless. Permanent Supportive Housing could potentially be developed throughout the County, and not restricted to the areas within the City of South Bend. However, resistance to providing supportive housing for the homeless may make this concept difficult. Outreach and education are required to create Permanent Supportive Housing.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Approximately half of the homeless population in St. Joseph County is White, and slightly less than half the population is Black/African American. However, the Black/African American population in St. Joseph County is 12.9% of the population. Black/African American persons are disproportionately likely to be homeless in St. Joseph County.

Black/African American residents are also more likely to be at-risk of homelessness due to housing instability. Poor housing conditions in rentals are more prevalent in Black/African American neighborhoods, and residents of these houses are more likely to face evictions due to units being rehabilitated so landlords can charge higher rents. The City of South Bend has created the Rental Safety Verification Program (RSVP) to help address these issues.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Unsheltered Homelessness would refer to the segment of a homeless community who do not have ordinary lawful access to buildings in which to sleep, as referred to in the HUD definition as persons occupying "a place not meant for human habitation", (examples: a bus stop, beach, riverbed, van, RV, sidewalk). Many of the unsheltered homeless suffer from substance abuse and/or mental illness, and are reluctant to abide by the rules of the shelter, so they decline going into a shelter.

The Sheltered Homeless refers to those persons who live in an emergency shelter, live in transitional housing, or are exiting an institution where they temporarily resided and now lack a fixed nighttime residence. People will be considered homeless if they are exiting an institution where they resided for up to 90 days (it was previously 30 days). People who are losing their primary night time residence, which may be a motel, hotel or a doubled-up situation within 14 days and lack resources or support networks to remain housing are considered sheltered homeless as well. The sheltered homeless typically do not have a steady source of income, or any source of income.

The Point-In-Time Count for St. Joseph County in 2024 counted a total of 547 homeless persons and 443 homeless households. Of these, only 44 persons, or 8.0%, were unsheltered. There were 134 persons in transitional housing, and 369 persons that were housed in an emergency shelter. There were no chronically homeless families with children, but 87 chronically homeless individuals. Of the 547 homeless people counted, 87 (15.9%) were considered chronically homeless. There were 24 total unaccompanied youths that were homeless in 2024. There were 33 homeless Veterans, and three (3) of the homeless Veterans was considered chronically homeless. This indicates a need for greater outreach and shelter/housing options for these special needs groups.

Discussion:

Not Applicable.

NA-45 Non-Homeless Special Needs Assessment - 91.405, 91.205 (b,d)

Introduction

The assessment of non-homeless special needs includes the following:

- Elderly persons (age 65 years and older)
- Frail elderly
- Persons with mental, physical and/or developmental disabilities
- Persons with alcohol or other drug additions
- Persons with HIV/AIDS and their families
- Victims of domestic violence, dating violence, sexual assault, and stalking

The housing need of each of these groups were determined by consultation with social service providers and statistical information provided by social service provider agencies.

Describe the characteristics of special needs populations in your community:

Elderly Persons are defined as persons who are age 65 years and older. According to the 2018-2022 American Community Survey, elderly persons represent 15.9% of the County's total population. Approximately 6.4% of the population are age 75 years and older. The City of South Bend has a slightly lower elderly population than the rest of the County, at 13.3%. Roughly 33.0% of elderly persons in the County are living alone.

Frail Elderly are those persons who are elderly and have a form of disability, ranging from a hearing loss, vision difficulty, cognitive difficulty, ambulatory problems, and lack of self-help skills. It is estimated that approximately 32.2% of the total elderly population are frail elderly.

Persons with mental, physical and development disabilities, according to the ACS data for 2018-2022, persons with a disability comprise 13.4% (36,230 persons) of St. Joseph County's total population. Many of the social services agencies that serve the County acknowledge that there is a gap in services for persons with mental disabilities, which is approximately 40.4% of the disabled population.

Persons with HIV/AIDS and their families comprise a small percentage of the County's overall population. In 2022, it was estimated that 601 people were living with HIV/AIDS in St. Joseph County. Black and Hispanic or Latino residents of Indiana are more likely to be living with HIV/AIDS, and the prevalence of HIV/AIDS is much more common among males than females. There were 12 individuals with HIV/AIDS that were homeless according to the 2024 Point-In-Time Count.

Victims of Domestic Violence, dating violence, sexual assault and stalking are increasingly in need of shelter. Though there has been a decrease in the number of victims of domestic violence seeking shelter, the problem still remains. Shelter for these individuals and their families are not frequently available. There

were 36 victims of domestic violence in St. Joseph County that were homeless according to the 2024 Point-In-Time Count.

What are the housing and supportive service needs of these populations and how are these needs determined?

There is a severe need for supportive services associated with mental health care in the City of South Bend and St. Joseph County. Many people with mental health issues live in assisted living facilities or find themselves incarcerated because of this lack of services. People with mental health disorders who are lacking a diagnosis, struggle to find housing, and group homes will not often shelter these people.

The bulk of supportive services in St. Joseph County are located in the City of South Bend. Populations with special needs often lack transportation to access the services. For this reason, there is a need for public transit to the areas where services are located, particularly beyond the South Bend city limits. There is also the need to bring supportive services within a small geographic area.

There is a need for permanent housing for people with HIV/AIDS. Currently, the only specialized housing for this population is only transitional.

Ex-offenders, especially sex offenders, struggle to find housing in St. Joseph County and frequently end up homeless. These populations are frequently turned away from housing providers.

The LGBTQ Community is also a population that experiences homelessness at a disproportionate rate. This population is assisted by the LGBTQ Center, which is located in South Bend.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

Persons with HIV/AIDS and their families comprise a small percentage of the County's overall population. In 2022, it was estimated that there were 601 individuals who have been diagnosed with HIV/AIDS living in St. Joseph County according to the AIDSVu mapping tool. In St. Joseph County, approximately 53.1% of the people living with HIV/AIDS were black, 8.8% were Hispanic or Latino, and 33.1% were white in 2022. Approximately 72.9% of people statewide living with HIV/AIDS were male.

Persons living with HIV/AIDS and their families need supportive services, such as access to treatment and health care, insurance, medications, counselors or life coaches, support groups, job training and education, and transportation.

If the PJ will establish a preference for a HOME TBRA activity for persons with a specific category of disabilities (e.g., persons with HIV/AIDS or chronic mental illness), describe their unmet need for housing and services needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2) (ii))

Not Applicable.

Discussion:

The needs for these various groups of the Special Needs Population are only estimates, based on HUD data, U.S. Census Data, ACS data and interviews with housing providers and social service agencies. Accurate statistics are not available for groups, therefore “best estimates” are presented.

While many supportive service providers for special needs population are located in the City of South Bend, their service area and clients are in the City of Mishawaka, St. Joseph County, and often span the entire metropolitan area, which includes Cass County in Michigan. Therefore, the statistics are not limited to just St. Joseph County.

NA-50 Non-Housing Community Development Needs - 91.415, 91.215 (f)

Describe the jurisdiction's need for Public Facilities:

- Many park areas need to be improved to encourage public use and to become a welcoming environment.
- Parks in low-income areas need accessibility improvements and bike lanes, as well as trails, curbs, and sidewalk improvements.
- There is a need to expand recreational facilities in all parks, including basketball courts, playground equipment, sidewalks, benches, and picnic tables.

How were these needs determined?

These needs for public facilities were determined through: the resident surveys; agency needs surveys; interviews with County staff, City staff, City Council members, Department of Community Investment staff, and other City and County agencies; public hearing comments on needs; and the County's Comprehensive Plan.

Describe the jurisdiction's need for Public Improvements:

- The City has recently switched from one-way Downtown streets to two-way streets with bike lines. There is a need to widen all public sidewalks.
- The City has been responsive about addressing ADA complaints. There is still some work to be done on improving ADA accessibility on curbs and sidewalks.
- The County has the highest percentage of well and septic systems in the state. It is more expensive in the County to set up a municipal sewer lines than in neighborhoods in South Bend and Mishawaka.
- There are vacant lots which are a source of blight on the surrounding neighborhoods. There is a need to develop these lots for new housing or green landscaped areas.

How were these needs determined?

These needs for public facilities were determined through: the resident surveys; agency needs surveys; interviews with County staff, City staff, City Council members, Department of Community Investment staff, and other City and County agencies; public hearing comments on needs; and the County's Comprehensive Plan.

Describe the jurisdiction's need for Public Services:

- There is a persistent need to provide case management services to homeless, both sheltered and unsheltered. Coordination is needed between service providers and the Balance of State CoC. There is a need to get public services into shelters for the benefit of clientele.
- There is a need for improved public transit for low-income individuals in the City of South Bend including expanded bus routes and service hours.

- There is a need for after school programming and daycare for low- and moderate-income families.
- Public safety is a common concern in South Bend. There are many residents living in the City that have expressed concern about the amount of crime in their neighborhoods.
- There is a need for mental health care, particularly for individuals with addictions to drugs or alcohol.
- Job training and other educational services are needed to further development of the workforce in South Bend and St. Joseph County.
- Food insecurity and food deserts have increased in the region. There is a need to expand affordable food options

How were these needs determined?

These needs for public facilities were determined through: the resident surveys; agency needs surveys; interviews with County staff, City staff, City Council members, Department of Community Investment staff, and other City and County agencies; public hearing comments on needs; and the County's Comprehensive Plan.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

South Bend is the principal and largest city of the South Bend-Mishawaka Metropolitan Statistical Area. St. Joseph County is the surrounding county of both South Bend and Mishawaka and is fully within the Metropolitan Statistical Area. The City of South Bend receives an annual HOME allocation which can be utilized by the St. Joseph County Housing Consortium which also includes the County of St. Joseph and City of Mishawaka. According to the 2020 Census, the total population of St. Joseph County is 272,912. The total population of South Bend is 103,453, which is roughly 37.9% of the County's population. According to the 2016-2020 American Community Survey (ACS) Five-Year Estimates, there are approximately 117,050 housing units in St. Joseph County and 46,489 housing units in the City of South Bend. Roughly 39.7% of all housing units in St. Joseph County are located in the City of South Bend.

According to the 2016-2020 ACS Five-Year Estimates, there are 104,380 occupied housing units in the County and 39,709 occupied housing units in South Bend, which is 38% of all occupied housing units. Of the 12,670 vacant housing units, 6,780 vacant units are located in South Bend. Occupied housing units can be further broken down by owner-occupied and renter-occupied units. Owner-occupied units make up 67.9% or 70,887 of the total amount of housing units in the County, while renter-occupied units make up 32.1% or 33,493 units. The City of South Bend has 22,884 owner-occupied units (57.6%) and 16,825 renter-occupied units (42.4%).

The majority of housing units (66%) in St. Joseph County were built prior to 1979. Approximately 15.6% of housing units were built before 1939; 25.5% were built from 1940 to 1959; and 24.9% were built from 1950 to 1969. From 1980 to 1999, 23.0% of all housing units were built. Following this period, the rate of housing construction greatly decreased. Approximately 8.1% were built from 2000 to 2009 and 1.3% have been built since 2014. The City of South Bend follows a similar trend. Approximately 65.7% of all housing units were built before 1979.

MA-10 Housing Market Analysis: Number of Housing Units - 91,410, 91.210(a)&(b)(2)

Introduction

According to 2016-2020 ACS data, there are 112,173 total housing units in St. Joseph County, of which 67,746 are owner-occupied, 32,280 are renter-occupied, and 12,147 are vacant. The majority of housing units in the County are single unit detached houses. The vast majority of owner-occupied housing units (80%) have 3 or more bedrooms while only 29% of renter-occupied units have 3 or more bedrooms.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	83,565	74%
1-unit, attached structure	2,878	3%
2-4 units	5,678	5%
5-19 units	10,825	10%
20 or more units	7,442	7%
Mobile Home, boat, RV, van, etc	1,785	2%
Total	112,173	100%

Table 26 – Residential Properties by Unit Number

Data 2016-2020 ACS
Source:

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	24	0%	1,669	5%
1 bedroom	778	1%	8,684	27%
2 bedrooms	12,825	19%	12,540	39%
3 or more bedrooms	54,119	80%	9,387	29%
Total	67,746	100%	32,280	100%

Table 27 – Unit Size by Tenure

Data 2016-2020 ACS
Source:

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

According to HUD’s Low-Income Housing Tax Credit Database there are 2,126 Low Income Housing Tax Credit Units in St. Joseph County, with 918 units in the City of Mishawaka, 40 units located in other municipalities in St. Joseph County, and the remaining 1,168 located in the City of South Bend. In total, 2,126 units are considered low-income.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

There is no expected loss of property between the Housing Authorities of South Bend, Mishawaka, and St. Joseph County.

Does the availability of housing units meet the needs of the population?

There are 112,173 housing units in St. Joseph County. There are 67,746 owner-occupied housing units, 32,280 renter-occupied housing units, and 12,147 vacant units. The total population of St. Joseph County is 272,912 residents. While there is always a need for more available units, the primary need is more affordable housing. Housing costs have increased across St. Joseph County. In addition, a large amount of housing units sits vacant most of the year and are rented or utilized by tourists during the Notre Dame University's football season. This demand for "vacation" housing has led to outside investment and purchase of the housing stock for further high end development.

Describe the need for specific types of housing:

There is no overarching need for one specific type of housing within the St. Joseph County Consortium. Both downpayment and closing costs and monthly rentals have increased since the previously Five-Year Period and new units for both single family and multi-family units are needed to increase the supply and reduce prices. There is a need to develop affordable "starter" home units for families moving from renters to becoming owners.

Discussion

There are twice as many owner-occupied housing units than renter-occupied units in St. Joseph County. The largest type of housing is single family detached houses with 83,565 units throughout St. Joseph County. The Housing Consortium has primarily focused on new construction of housing units and rehabilitation of existing housing stock to meet the demands of the community. There is a lack of affordable housing for all types and sizes of owner-occupied and renter-occupied housing units. The Consortium focuses on multiple housing types to address the affordable housing need.

MA-15 Housing Market Analysis: Cost of Housing - 91.410, 91.210(a)

Introduction

The median value for a single family home in St. Joseph County has increased from \$112,500 to \$134,800, according to 2016-2020 ACS estimates. As of August 2024, Realtor.com lists the median sales price in South Bend at \$193,100. The median sales price for a single family home sold in the County was \$235,000. In the City of Mishawaka, the median sales price was \$197,200 during the same period. Home values are rising considerably and there is a need to increase the supply of affordable housing for low- and moderate-income households.

The median rent has increased by 20.4% in a period of 11 years. This increase has not been consistent across 11 years. 2017 ACS data approximated a median contract rent of \$613. From 2017 to 2020, there was an increase of 11% in the median contract rent.

Cost of Housing

	Base Year: 2009	Most Recent Year: 2020	% Change
Median Home Value	\$112,500	\$134,800	19.8%
Median Contract Rent	\$564	\$679	20.4%

Table 28 – Cost of Housing

Data Source: 2000 Census (Base Year), 2016-2020 ACS (Most Recent Year)

Rent Paid	Number	%
Less than \$500	7,680	23.8%
\$500-999	21,310	66.0%
\$1,000-1,499	2,362	7.3%
\$1,500-1,999	589	1.8%
\$2,000 or more	297	0.9%
<i>Total</i>	<i>32,238</i>	<i>99.9%</i>

Table 29 - Rent Paid

Data Source: 2016-2020 ACS

Housing Affordability

Number of Units affordable to Households earning	Renter	Owner
30% HAMFI	2,685	No Data
50% HAMFI	10,422	7,864
80% HAMFI	22,422	19,208
100% HAMFI	No Data	27,145
Total	35,529	54,217

Table 30 – Housing Affordability

Data Source: 2016-2020 CHAS

Monthly Rent

Monthly Rent (\$)	Efficiency (no bedroom)	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	\$755	\$923	\$1,099	\$1,397	\$1,476
High HOME Rent	\$530	\$652	\$810	\$1,047	\$1,095
Low HOME Rent	\$530	\$615	\$738	\$853	\$951

Table 31 – Monthly Rent

Data HUD FMR and HOME Rents
Source:

Is there sufficient housing for households at all income levels?

Need HAMFI data from HUD.

How is affordability of housing likely to change considering changes to home values and/or rents?

If the value of single family homes continues to rise at its current rate, it will be difficult to provide affordable housing to South Bend and St. Joseph County’s low- and moderate-income populations. The population of St. Joseph County has risen slowly. The total county population was 257,250 in 2009 and increased to 258,580 in 2020. While the population has grown steadily, new housing units have not kept pace with the increase in need. The result is high demand for housing, despite a steady population increase.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

According to Zillow, the median rent for a one-bedroom apartment is \$1,021, for a two-bedroom apartment is \$975, and for a three-bedroom apartment is \$1,042, and for a four or more-bedroom apartment is \$1,412. The median rent for 1-bedroom apartments in South Bend is 11% greater than the Fair Market Rent. The median rents for 2-bedroom and 3-bedroom apartments are 11% and 25% less than the Fair Market Rent. There is more demand for a 1-bedroom apartment, which causes the higher cost than for a two or three bedroom unit.

Discussion

The cost of housing has increased substantially for both first time homebuyers and renters. Housing is more affordable in the Cities of South Bend and Mishawaka than in the surrounding County of St. Joseph. While the County population has grown slightly, there is a need to proactively meet the demand of housing by providing affordable options for low- and moderate-income households.

MA-20 Housing Market Analysis: Condition of Housing - 91.410, 91.210(a)

Introduction

According to 2018-2022 ACS data, there is a total of 118,075 and 46,514 housing units in St. Joseph County and South Bend, respectively. Approximately 17.4% of housing units were built before 1939; 24.2% were built from 1940 to 1959; and 23.2% were built from 1950 to 1969. From 1980 to 1999, 21.5% of all housing units were built. Following this period, the rate of housing construction greatly decreased. Approximately 8.6% were built from 2000 to 2009 and 5.2% have been built since 2010. The City of South Bend follows a similar trend. Approximately 79.5% of all housing units were built before 1979.

Describe the jurisdiction's definition of "standard condition" and "substandard condition but suitable for rehabilitation":

The following definitions are used in the table below:

“Selected Housing Conditions:”

- Over-crowding (1.01 or more persons per room)
- Lacking a complete kitchen
- Lack of plumbing facilities and/or other utilities
- Cost overburden

“**Substandard Condition:**” Does not meet code standards, or contains one of the selected housing conditions.

“**Suitable for Rehabilitation:**” The amount of work required to bring the unit up to minimum code standards, and the existing debt on the property, together are less than the fair market value of the property.

“**Not Suitable for Rehabilitation:**” The amount of work required to bring the unit up to minimum code standard exceeds the fair market value of the property after rehabilitation work is complete.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	10,320	15%	13,375	41%
With two selected Conditions	150	0%	664	2%
With three selected Conditions	30	0%	10	0%
With four selected Conditions	0	0%	0	0%
No selected Conditions	57,260	85%	18,215	56%
Total	67,760	100%	32,264	99%

Table 32 - Condition of Units

Data Source: 2016-2020 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	7750	11%	2937	9%
1980-1999	15685	23%	7858	24%
1950-1979	26670	39%	13730	43%
Before 1950	17654	26%	7768	24%
Total	67,759	100%	32,293	100%

Table 33 – Year Unit Built

Data 2016-2020 CHAS
Source:

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980.	44,324	65%	21,498	67%
Housing units built before 1980 with children present	4527	7%	3269	10%

Table 34 – Risk of Lead-Based Paint

Data 2016-2020 ACS (Total Units) 2016-2020 CHAS (Units with Children present)
Source:

Vacant Units

	Suitable for Rehabilitation	Not Suitable for Rehabilitation	Total
Vacant Units			
Abandoned Vacant Units			
REO Properties			
Abandoned REO Properties			

Table 35 - Vacant Units

Describe the need for owner and rental rehabilitation based on the condition of the jurisdiction's housing.

There are many older homes in the County and in the City of South Bend. These older homes are often in poor condition and require rehabilitation. Additionally, older homes are not accessible and pose a difficulty to persons aging in place.

Many rental units are in poor condition and it is difficult for tenants to reach landlords. The State of Indiana does not have strong protections for tenants seeking recourse, which leads many to habitat in substandard units. There is a need to provide rental assistance to tenants to stabilize household incomes and also provide long term development of new units for persons moving out of substandard housing.

Estimate the number of housing units within the jurisdiction that are occupied by low or moderate income families that contain lead-based paint hazards. 91.205(e), 91.405

According to 2018-2022 ACS Data, the majority of housing units in St. Joseph County and the City of South Bend were built prior to 1980. A total of 76,462 housing units in the County and a total of 37,006 housing units in the City were built before 1980. This places the majority of households at risk of exposure to lead paint. According to the Indiana Department of Health's 2023 Childhood Lead Surveillance Report, 181 children, or 5.3% of all tested, tested positive for Elevated Blood Lead Levels. The Indiana Department of Health operates a Lead Risk Assessment Map which identifies Census Tracts with large percentages of housing units built before 1978. In South Bend, there are several Census Tracts which have the highest risk of lead exposure due to the percentage of older housing stock. The following are identified as the highest risk: Census Tract 17, Census Tract 07, Census Tract 06, Census Tract 29, Census Tract 30, Census Tract 27, Census Tract 22, Census Tract 21, and Census Tract 19. All but Census Tract 7 are majority low- and moderate-income.

Discussion

There is a need to provide funding to rehabilitate owner-occupied and renter-occupied housing units in St. Joseph County and the City of South Bend. There continues to be a need to address and reduce lead exposure risk in the City and County.

MA-25 Public And Assisted Housing - 91.410, 91.210(b)

Introduction

There are three (3) housing authorities in St. Joseph County. The Housing Authority of South Bend owns and professionally manages family communities and elderly/disabled rental apartments. The apartments are located throughout the City of South Bend. The Housing Authority of Mishawaka owns and manages properties for families and elderly/disabled residents in the City of Mishawaka. The St. Joseph County Housing Authority is located in North Liberty, and manages rental apartments located throughout the unincorporated areas of the county.

Totals Number of Units

	Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers						
				Total	Project-based	Tenant-based	Special Purpose Voucher			
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *	
# of units vouchers available			1,110	2,655				0	0	0
# of accessible units										

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 36 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

The Housing Authority of South Bend has the following units:

- Monroe Circle – 91 units – These units have been demolished.
- Rabbi Albert M. Shulman Complex – 127 units – These units are currently vacant and awaiting redevelopment.
- Laurel Place – 42 units

- South Bend Ave – 20 units
- LaSalle Landing – 24 units
- WestScott/Quads – 179 units
- Harber Homes – 54 units
- Edison and Twyckenham – 38 units
- Scattered Sites – 239 units
- Total – 814 units

There are sixty-two (62) units that are considered accessible in the Housing Authority of South Bend’s public housing inventory.

The Housing Authority of Mishawaka has three public housing properties. Barbee Creek is a family housing community, and Riverview Towers and Mishawaka Main Jr. High Apartments are elderly housing communities. Forty-one (41) of their units are accessible, and all are in Riverview Towers.

There is a total of 814 public housing units in the City of South Bend. The properties owned by the Housing Authority of South Bend are older and require repairs. There are not enough resources available to make all of the desired repairs to public housing communities, and increased funding is needed so HASB can better serve its residents.

Public Housing Condition

Public Housing Development	Average Inspection Score

Table 37 - Public Housing Condition

Describe the restoration and revitalization needs of public housing units in the jurisdiction:

The Housing Authority of South Bend has organized its fourteen (14) developments of 326 buildings into four Asset Management Planning (AMP) units. HASB submitted its Five-Year Plan Update for its FY 2023 through FY 2027 Public Housing Capital Fund Program Grant, along with its complete Five-Year Plan on June 1, 2023. The Capital Fund Grant award for FY 2024 was _____. The Housing Authority of South Bend has determined that the current housing is worth preserving and will not be converted to RAD. However, improvements are needed on all public housing properties, for which HASB plans to utilize its Capital Fund.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

Beginning on October 1, 2024, the Housing Authority of South Bend began utilizing National Standards for the Physical Inspection of Real Estate (NSPIRE). The Housing Authority has also adopted stricter regulations for walls, doors, floors, sinks, toilets, and security. In general, the Housing Authority inspects units on an annual basis, with units passing two consecutive inspections eligible to be inspected every other year.

Discussion:

The Housing Authority of South Bend is the primary provider of housing for the very low- and extremely low-income residents of the City of South Bend. The Housing Authority of Mishawaka provides housing for the very low- and extremely low-income residents of the City of Mishawaka. Both housing authorities assist individuals and families through their Public Housing Communities, Low Income Housing Tax Credit communities, and Section 8 Housing Choice Vouchers programs.

MA-30 Homeless Facilities and Services - 91.410, 91.210(c)

Introduction

The Center for the Homeless, Health Plus Indiana, Youth Service Bureau, the YWCA North Central Indiana, Life Treatment Centers, and other City service groups are the providers of housing and supportive services for the City of South Bend and St. Joseph County’s homeless and those who are at risk of being homeless population. There is a total of 701 beds for the homeless in St. Joseph County.

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)					
Households with Only Adults					
Chronically Homeless Households					
Veterans					
Unaccompanied Youth					

Table 38 - Facilities Targeted to Homeless Persons

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

The City of South Bend is fortunate to collaborate with local social service and advocacy agencies to provide access to health, mental health, job training, and other services to low- and moderate-income persons.

There are several agencies which provide housing (both emergency and transitional) and coordinate with other service providers for clientele to receive health and employment services. Our Lady of the Road provides shelter and coordinates with Beacon Family Medicine Residency for clientele to receive healthcare services. Dismas House provides temporary housing for ex incarcerated persons re-entering society and connects clientele with case management and employment training.

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

The Center for the Homeless provides housing and supportive services, and advocates for the homeless in St. Joseph County. The Center for the Homeless has facilities for emergency and transitional shelter, as well as permanent supportive housing. The Veterans' Annex has 24 beds, and 16 beds are currently occupied.

Oaklawn Psychiatric Center provides 100 Permanent Supportive Housing units for homeless individuals with mental health needs. Currently, all units are full and Oaklawn is in the process of constructing 60 more units.

Life Treatment Centers provides transitional housing for those experiencing addictions. They currently have 19 units but service more clients than they house. The YWCA North Central Indiana provides transitional housing for women and their families. HOPE Ministries also provides housing for women and victims of domestic violence.

Our Lady of the Road utilizes a motel to provide housing 120 persons and coordinates with case managers to provide mental health services.

There are additional group homes throughout the City of South Bend. These group homes are designed as transitional housing. Dismas House provides transitional housing to incarcerated persons. There are no facilities in St. Joseph County that provide housing for sex offenders.

MA-35 Special Needs Facilities and Services - 91.410, 91.210(d)

Introduction

St. Joseph County Housing Consortium and the City of South Bend have identified the priorities for services and facilities for special needs population. This includes elderly, frail elderly, persons with disabilities, persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, and public housing residents.

Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs

The following needs and objectives are established under this Five-Year Consolidated Plan:

- **Elderly** - rehabilitation of existing owner-occupied housing units, and construction of new affordable and accessible apartments
- **Frail Elderly** - construction of new affordable and accessible apartments with supportive services
- **Persons with Disabilities** - rehabilitation of existing housing units for accessible improvements, reasonable accommodations to rental housing units, and supportive employment opportunities
- **Alcohol and Other Drug Addictions** - supportive services to end addiction, and training to re-enter the work force
- **Public Housing Residents** - housing down payment assistance, job training and job opportunities, housing counseling for homeownership, and assistance in finding affordable housing
- **Victims of Domestic Violence** - additional temporary shelters, supportive services and training programs, and permanent supportive housing options
- **Persons with HIV/AIDS** - permanent supportive housing and health care services

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Hospitals must have written discharge policies for "appropriate referral and transfer plans" including evaluation of a patient's capacity for self-care and possibility of being cared for in "the environment from which s/he entered the hospital." The actual discharge plan varies with the individual being discharged, their primary and behavioral health needs, and resources and supports available. While health care facilities try to send individuals home or to family, sometimes they discharge to a nursing home, rehab hospital or as last resort, a non-HUD funded shelter. Some shelters have protocols against accepting certain individuals directly from a hospital. The CoC has a state and local discharge policy for those that are discharged from adult care facilities, as well as a discharge team to address the issues in discharging individuals from foster care, health care, mental health care, and correctional facilities.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The following goals are presented to address the needs of Other Special Needs Groups.

SN-1 Housing – Increase the number of decent, safe, sound, sanitary, accessible and affordable units that is available and accessible to all sectors of special needs populations.

SN-2 Accessibility – Promote and assist in making accessibility improvements to existing housing units, including making reasonable accommodations for the physically disabled so they can remain in their housing accommodations.

SN-3 Social Services – Promote and support social service programs and facilities that address the special needs population.

SN-4 Removal of Architectural Barriers – Remove architectural barriers which restrict the mobility and access to public facilities and services for persons with physical disabilities.

SN-5 Transportation – Improve and expand the access to transportation services for the elderly, persons with disabilities, and persons with other special needs.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

The City and Housing Consortium plan to achieve the following objectives to address the Special Needs Groups of the County:

- Assist with aging in place rehabilitation of existing homes for elderly and frail elderly;
- Provide housing options and supportive services for the mentally ill;
- Provide housing options and supportive services for persons with HIV/AIDS and their families, including children. Provide and expand case management to persons with substance abuse issues, persons with disabilities, and persons fleeing domestic violence

MA-40 Barriers to Affordable Housing - 91.410, 91.210(e)

Describe any negative effects of public policies on affordable housing and residential investment

The City of South Bend, the City of Mishawaka, and St. Joseph County have identified the following impediments for the 2025 Analysis of Impediments to Fair Housing Choice and have defined specific goals and strategies to address each impediment.

Impediment 1: Lack of Affordable Housing for Sale

The median value and cost to purchase a single-family home in St. Joseph County that is decent, safe, and sound has increased significantly to over \$165,700. For the City of South Bend it is over \$128,200, and for the City of Mishawaka it is \$113,800. This limits the choice of housing for lower-income households throughout the County and in both Cities.

Goal: Development of for-sale, single-family homes for lower-income households will occur through new construction, infill housing, and the rehabilitation of vacant structures throughout St. Joseph County and the Cities of South Bend and Mishawaka.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

1-A: Support and encourage plans from both private developers and nonprofit housing providers to develop and construct new affordable housing that is for sale for lower-income households throughout the Cities and County.

1-B: Support homebuyer education and training programs to improve homebuyer awareness and increase the opportunities for lower-income households to become homebuyers by affirmatively furthering fair housing choice.

1-C: Provide funds for down payment and closing cost assistance to lower-income households.

1-D: Promote housing counseling programs for first-time homebuyers.

Impediment 2: Affordable Rental Housing

The current supply of rental housing is not necessarily affordable to lower-income households. The monthly housing cost for apartments has steadily increased to the point that 46.0% of all rental households in St. Joseph County, 49.0% of all rental households in South Bend, and 44.5% of all rental households in Mishawaka are considered cost burdened by 30% or more.

Goal: The development of affordable rental housing will occur throughout the County and both Cities, especially for households whose income is less than 60% AMI, through new construction, the rehabilitation of vacant buildings, and the development of mixed-income housing, to reduce the number of lower-income households who are cost burdened.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

2-A: Support and encourage both private developers and nonprofit housing providers to develop plans for the construction of new affordable and mixed-income rental housing.

2-B: Support and encourage the rehabilitation of the existing housing stock and new housing which will be decent, safe, sound and affordable rental housing to lower-income households.

2-C: Support and encourage the development of independent housing and community living arrangements for the disabled in the County and both Cities.

2-D: Provide financial assistance in the form of development subsidies, so low-income households that are cost burdened, particularly households whose incomes are at or below 60% of AMI, are able to afford decent, safe, and sound housing.

2-E: Promote partnerships with the local housing authorities and private and nonprofit housing developers to construct additional Low Income Housing Tax Credit (LIHTC) multi-family rental housing in high opportunity areas of the County and Cities.

Impediment 3: Continuing Need for Accessible Housing Units

As an older built-up environment, there is a lack of accessible housing units in St. Joseph County and the Cities of South Bend and Mishawaka. Since 41.5% of the County's housing units, 60.6% of South Bend's housing units, and 31.3% of Mishawaka's housing units were built prior to 1960, these units were not constructed with accessibility features. It is estimated that 13.4% of the County's overall population, 14.4% of South Bend's population, and 16.4% of Mishawaka's population is classified as disabled.

Goal: Increase the number of accessible units for the physically disabled and developmentally delayed through new construction and rehabilitation of existing housing.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

3-A: Promote programs to increase the amount of accessible housing through rehabilitation of existing housing stock for homeowners and renters.

3-B: Encourage the development of new construction of accessible and visitable housing through financial or developmental incentives.

3-C: Continue to enforce ADA and Fair Housing requirements for landlords to make "reasonable accommodations" for tenants who are disabled.

3-D: Continue to promote programs and provide funds to assist elderly homeowners with accessibility improvements to their properties so they may remain in their own homes.

Impediment 4: Fair Housing Education and Outreach

There is a continuing need to educate persons about their rights under the Fair Housing Act and to raise community awareness to affirmatively further fair housing.

Goal: All residents of St. Joseph County and the Cities of South Bend and Mishawaka will have an increased awareness and knowledge of their rights under the Fair Housing Act and the County and Cities will continue to affirmatively further fair housing, especially for low-income residents, minorities, and the disabled population.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

4-A: Continue to promote fair housing awareness through the media, seminars, and training, to provide educational opportunities for all persons to learn more about their rights under the Fair Housing Act, Americans with Disabilities Act, and visibility.

4-B: Continue to provide and distribute literature and informational material in English and Spanish concerning fair housing issues, an individual's housing rights, and the landlords' responsibilities to affirmatively further fair housing, including laws regarding reasonable modifications and accommodations.

4-C: Continue to support and provide funding for the South Bend Human Rights Commission to provide testing services, education, outreach, referrals, and assistance in addressing fair housing complaints that may arise in the County and Cities.

4-D: Continue to work with the local Board of Realtors to educate and promote fair housing.

4-E: Strive for better intergovernmental cooperation between state and local partners, as well as community groups, to effectively identify and address potential barriers to affordable housing choice.

Impediment 5: Private Lending Practices

The HMDA data for St. Joseph County indicates that there may be a disparity between the approval rates of home mortgage loans originated from minorities and those originated from non-minority applicants.

Goal: Approval rates for all originated home mortgage loans will be fair, unbiased and equal, regardless of race, familial status, and location.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

5-A: The Cities and County should consider using Federal and State funding to provide housing or credit counseling to potential low- and moderate-income homebuyers in impacted neighborhoods to decrease the number of denials due to poor credit, debt-to-income ratios, or incomplete applications.

5-B: The Cities and County should consider entering into an agreement with Indiana Legal Services, Inc. to perform research to determine if any patterns of discrimination are present in home mortgage

lending practices for minorities and other protected classes when they wish to purchase properties located in impacted areas of the Cities or County.

5-C: The Housing Consortium should consider using Federal and State funding to provide a higher rate of public financial assistance to potential homebuyers in impacted neighborhoods to improve the loan-to-value ratio, so that private lenders will increase the number of loans made in these areas.

Impediment 6: Impacted Areas of Concentration

There are specific areas throughout the two Cities and the County where the concentration of low-income persons exceeds 70% of the area's population, and areas with concentrations of minority persons.

Goal: Promote the de-concentration of low-income and minority areas that may exist within the Cities of South Bend and Mishawaka to reduce concentrations of low-income households and minorities, while preserving fair housing choice for both low-income and minority residents.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

6-A: Support, promote, and plan for affordable housing developments outside areas of low-income concentration, while still supporting the improvement of housing within concentrated areas.

6-B: Market and promote housing opportunities for both minority and low-income residents outside areas of low-income concentration.

6-C: Provide financial assistance to low-income households to provide them with a choice to reside outside areas of low-income concentration.

Impediment 7: Economic Issues Affecting Housing Choice

There is a lack of economic opportunities in the County and both Cities which prevents low-income households from improving their income and providing an opportunity to live outside areas of low-income concentration.

Goal: The local economy will provide new job opportunities, which will increase household income, and thus promote fair housing choice and mobility.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

7-A: Strengthen partnerships that enhance local businesses, expand the tax base, and create a more sustainable economy for residents and businesses.

7-B: Support and enhance workforce development and skills training that results in increased job opportunities and a living wage.

7-C: Continue to support programming that enhances entrepreneurship and small business development, expansion, and retention within low- and moderate-income and minority neighborhoods.

7-D: Continue to promote and encourage economic development with local commercial and industrial firms to expand their operations and increase employment opportunities.

Impediment 8: Public Policies That May Affect Housing Choice

Public policies such as community comprehensive plans and zoning ordinances sometimes affect the location of affordable housing, special needs housing, and the development process of these types of housing.

Goal: The local governing bodies will review their public policies, plans, and ordinances to affirmatively further fair housing and eliminate any barriers or obstacles to fair housing choice.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

8-A: The Cities and County should consider making source of income a protected class, which would prevent landlords from rejecting tenants based on their source of income, i.e. Housing Choice Vouchers.

8-B: The Cities should consider offering vacant lots that they have acquired to private developers at no cost to promote the development of single-family affordable housing, along with providing development subsidies and reducing development standards.

8-C: The local zoning ordinances were reviewed and should be brought into compliance with the Fair Housing Act, especially the definition of “Family” and in particular protective classes and being permitted uses in all residential zoning districts.

8-D: The municipalities will annually review their zoning and development ordinances to make sure they are in compliance with the Fair Housing Act and the Americans with Disabilities Act.

MA-45 Non-Housing Community Development Assets - 91.410, 91.210(f)

Introduction

The goal of the City of South Bend’s Department of Community Investment is to help to plan and implement the City's future and character, support community values, preserve the environment, promote the wise use of resources, and protect public health and safety through code enforcement and public safety. The Neighborhoods Division, under the Department of Community Investment, is the administrator of the Community Development Block Grant Program. The office, through other funding sources, also provides outreach and technical assistance for a variety of downtown and city-wide community and economic development projects.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	64	16	0	0	0
Arts, Entertainment, Accommodations	5244	6134	13	11	-2
Construction	1395	2213	3	4	1
Education and Health Care Services	11147	20613	28	37	9
Finance, Insurance, and Real Estate	1617	2195	4	4	0
Information	503	876	1	2	1
Manufacturing	8422	6621	21	12	-9
Other Services	1423	1980	4	4	0
Professional, Scientific, Management Services	2430	5188	6	9	3
Public Administration	0	0	0	0	0
Retail Trade	4551	3813	11	7	-4
Transportation & Warehousing	1430	2136	4	4	0
Wholesale Trade	1942	3715	5	7	2
Total	40,168	55,500	-	-	---

Table 39 - Business Activity

Data 2016-2020 ACS (Workers), 2020 Longitudinal Employer-Household Dynamics (Jobs)
Source:

Labor Force

Total Population in the Civilian Labor Force	49615
Civilian Employed Population 16 years and over	46625
Unemployment Rate	6.04%
Unemployment Rate for Ages 16-24	16.4%
Unemployment Rate for Ages 25-65	3.92%

Table 40 - Labor Force

Data 2016-2020 ACS
Source:

Occupations by Sector	Number of People
Management, business and financial	9855
Farming, fisheries and forestry occupations	1545
Service	6074
Sales and office	8660
Construction, extraction, maintenance and repair	2690
Production, transportation and material moving	3705

Table 41 – Occupations by Sector

Data 2016-2020 ACS
Source:

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	33647	79%
30-59 Minutes	7503	18%
60 or More Minutes	1378	3%
Total	42528	100%

Table 42 - Travel Time

Data 2016-2020 ACS
Source:

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	3725	420	2760
High school graduate (includes equivalency)	9710	575	4185
Some college or Associate’s degree	11605	740	3110
Bachelor’s degree or higher	12170	260	1795

Table 43 - Educational Attainment by Employment Status

Data 2016-2020 ACS
Source:

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	179	333	464	1120	700
9th to 12th grade, no diploma	1084	1400	1359	2244	1305
High school graduate, GED, or alternative	3475	4575	2710	7185	4635
Some college, no degree	3450	3215	2915	4620	2565
Associate’s degree	235	1050	1380	2320	680
Bachelor’s degree	1385	2910	2164	3275	1790
Graduate or professional degree	225	1965	1849	2060	2290

Table 44 - Educational Attainment by Age

Data 2016-2020 ACS
Source:

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	\$65,480
High school graduate (includes equivalency)	\$168,539
Some college or Associate’s degree	\$168,728
Bachelor’s degree	\$247,831
Graduate or professional degree	\$275,517

Table 45 – Median Earnings in the Past 12 Months

Data 2016-2020 ACS
Source:

Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?

The largest employment sector by number of workers is Education and Healthcare Services. This is due to the number and size of universities in the South Bend-Mishawaka, MSA. There is a large difference between education and healthcare service workers (11,147) and the second largest sector of manufacturing which has approximately 8,422 workers. The next largest sectors are arts, entertainment, and accommodations with 5,244 workers and retail trade with 4,551.

Describe the workforce and infrastructure needs of the business community:

- A lack of child care and a lack of adequate public transportation affects those seeking job training and prevents them from pursuing these programs.

- Underemployment is common in the area and it is difficult to target these individuals. There is the potential to assist these workers with partnerships between employers and job trainers.
- There is a need for more diverse suppliers in the region. The City has committed to diversifying its suppliers and hiring more M/WBEs, but a lack of MBE/WBEs is a challenge to this commitment.
- The public education system in South Bend needs to be improved. Area graduates are at a disadvantage of finding employment due to a lack of job skills.
- South Bend experiences outmigration of educated workers that graduate from Notre Dame.
- Workforce development training is not particularly flexible in terms of timing. This creates difficulties for those that may be working or caring for children during training times.
- High interest rates have deterred businesses from borrowing or seeking loans.
- Ex-offenders struggle to find employment. There is a need to assist these individuals in overcoming barriers to employment and providing training so they can re-enter the workforce.

Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

There are planned developments for a warehouse/distribution center and an EV-battery plant in the western portion of St. Joseph County. While these facilities will not be located in the City of South Bend. These developments may increase job and population growth in the City of South Bend.

How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?

The unemployment rate for the City of South Bend is 6.0% which is higher than St. Joseph County's unemployment rate of 4.9%, but lower than the City of Mishawaka which is 6.9%. The unemployment rate for ages 20-24 and 35-44 are experiencing the highest unemployment at 7.8% and 7.9%. All other age ranges are experiencing smaller unemployment rates than the City's. Unemployment across education attainment is relatively consistent with no group experiencing an overwhelming difference in unemployment.

Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.

The City of South Bend's Workforce Development Agency partners with the area Chamber of Commerce to provide job training resources. The Workforce Development Agency runs the UpSkill SB Program which provides bi-annual opportunities to train high school graduates in business, information & technology, and healthcare sectors.

The City of South Bend and the St. Joseph Housing Consortium have identified Economic Development as a priority need. The City of South Bend will identify opportunities to provide low- and moderate-income persons with jobs. This will be accomplished through the identified goals:

ED-1 Employment – Encourage and support new job opportunities through job creation, job retention, job training, workforce development, and educational programs to address the need for a well-trained labor force.

ED-2 Financial Assistance – Support new development of business and industry through expansion, new development, capital equipment purchases, etc. to be funded with federal programs including the Section 108 Loan Guarantee Program.

ED-3 Incentives – Support local, state, and federal tax breaks, tax credits, land development bonuses, and planning initiatives to promote new development and expansion of business and industry.

Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDS)?

Yes. The City of South Bend participates in the Comprehensive Economic Development Strategy (CEDS) for the Michiana Area Council of Governments.

If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.

Need additional information.

Discussion

There is a need for job training for residents of St. Joseph County and the City of South Bend. Minorities in the City of South Bend are disproportionately unemployed and have a higher unemployment rate. There is a need for specific programs to address these disparities. Organizations in the area have worked to address this by partnering with potential entrepreneurs who are women and people of color. There is also a need to recruit and retain educated workers.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Areas with multiple housing problems are concentrated in low- and moderate-income block groups. The following census tract block groups are at least 51% low- and moderate-income households:

- Census Tract 1, Block Groups 1
- Census Tract 2, Block Groups 2, 3, & 4
- Census Tract 10, Block Groups 1 & 3
- Census Tract 111, Block Group 1, 3, & 4
- Census Tract 117.03, Block Group 1 & 3
- Census Tract 14, Block Group 1, 3
- Census Tract 15, Block Groups 1, 3, & 4
- Census Tract 17, Block Group 2
- Census Tract 19, Block Group 2
- Census Tract 20, Block Group 2
- Census Tract 21, Block Group 2
- Census Tract 22, Block Group 2, 3
- Census Tract 23, Block Group 2
- Census Tract 24, Block Group 2, 3
- Census Tract 25, Block Group 2
- Census Tract 26, Block Group 2, 3
- Census Tract 28, Block Group 2
- Census Tract 3.02, Block Group 2
- Census Tract 30, Block Group 2
- Census Tract 31, Block Group 2, 3, 4, & 5
- Census Tract 33, Block Group 2
- Census Tract 34, Block Group 2, 3, & 4
- Census Tract 35, Block Groups 2
- Census Tract 4, Block Groups 2 & 3
- Census Tract 5, Block Group 2
- Census Tract 6, Block Group 2
- Census Tract 9, Block Group 2
- Census Tract 11, Block Group 3
- Census Tract 113.10, Block Group 3
- Census Tract 3.01, Block Group 3

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

The HUD definition of a minority neighborhood is "a neighborhood in which the percentage of persons of a particular racial or ethnic minority is at least 20 points higher than that minority's percentage in the housing market as a whole. The neighborhood's total percentage of minority persons is at least 20 points higher than the total percentage of minorities for the housing market area as a whole, or in the case of a metropolitan area, the neighborhood's total percentage of minority persons exceed 50 percent of its population." Black/African American and Hispanic or Latino population concentration in St. Joseph County is concentrated in the City of South Bend in neighborhoods with groups of 46.1% or more. Neighborhoods of African American/Black concentration are CT 1, BG 1; CT 2, BG 2; CT 3.02, BG 1; CT 4, BG 2; CT 4, BG 3; CT 5, BG 2; CT 6, BG 2; CT 10, BG 1; CT 15, BG 2; CT 19, BG 2; CT 20, BG 1 and 2; CT 21, BG 1 and 2; CT 23, BG 1 and 2; CT 29, BG 1; and CT 34, BG 2. Neighborhoods of Hispanic or Latino population concentration in St. Joseph County is concentrated in the City of South Bend in CT 2, BG 4; CT 22, BG 1, 2, and 4; CT 24, BG 2; and CT 26, BG 1.

According to the 2016-2020 ACS data, the Asian population of St. Joseph County is 2.2%. Three Block Groups, CT 113.01 BG 3, CT 114.04 BG 3 and 4, CT 115.05 BG 2 have a high Asian population concentration at 23.1%, 25.8%, and 23.1%, respectively. These Block Groups are on the campus of Notre Dame, outside of the City of South Bend.

What are the characteristics of the market in these areas/neighborhoods?

Low- and moderate-income block groups are spread throughout the City of South Bend. The majority of low- and moderate-income areas are located in the western portion of the City. These block groups are mostly single unit residential neighborhoods. Several low- and moderate-income block groups adjoin the St. Joseph River which flows through the downtown of the City of South Bend. While there is denser housing units, the majority live in single family housing units.

Are there any community assets in these areas/neighborhoods?

Throughout South Bend, there are neighborhood associations which work to promote the needs of their community. Neighborhood associations provide construction or rehabilitation services to facilitate the housing needs of their community.

Are there other strategic opportunities in any of these areas?

These areas have a large share of renters as opposed to homeowners. The City is creating a rental registry that has the potential to stabilize the housing in the area. Many of the houses in these areas are relatively inexpensive and can provide a starter home for young families.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Need additional information.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

These areas have a large share of renters as opposed to homeowners. The City is creating a rental registry that has the potential to stabilize the housing in the area. Many of the houses in these areas are relatively inexpensive and can provide a starter home for residents.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)**Describe the jurisdiction's increased natural hazard risks associated with climate change.**

The County does not have increased natural hazard risks associated with climate change. However, the PJ does monitor flood areas and does not allow federal funds to be used in areas that FEMA designates as a flood zone.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

There is a number of low- and moderate-income households living close to the St. Joseph River and in the adjoining floodplains. The City should invest in stormwater separation and other flood reduction hazards to protect vulnerable neighborhoods. Additionally, heatwaves may affect unsheltered persons. There is a need to expand emergency shelters to increase their capacity during heatwaves and other extreme weather events.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

This is the City of South Bend's and the St. Joseph County Housing Consortium's First Year of funding under their new Five-Year Consolidated Plan for FY 2025-2029. The "Vision" of the Five-Year Consolidated Plan is to serve as a consolidated planning document, an application, and a strategic plan for the St. Joseph County Housing Consortium and the City of South Bend. As part of the Five-Year Consolidated Plan, the community has developed goals and objectives. The following strategies with subsequent goals and priorities have been identified for the St. Joseph County Housing Consortium and the City of South Bend for the period of FY 2025 through FY 2029 for the use of the Community Development Block Grant (CDBG) Program, the HOME Investment Partnership (HOME) Program, and the Emergency Solutions Grant (ESG) Program.

HOUSING PRIORITY - HS

St. Joseph County, including the Cities of South Bend and Mishawaka, has been experiencing a growth in population. This has created demand for housing and has strained the existing housing stock. This has resulted in an increase in the sale price of homes and rental costs in the County. Low- and moderate-income households have been severely impacted and are unable to find decent, safe, sanitary, and affordable housing because they can no longer pay the increase in housing costs. This has been identified as the top priority for St. Joseph Housing Consortium.

The following goals are presented to address this Housing Priority:

HS-1 Housing Development - Increase the number of decent safe, sanitary, accessible, and affordable housing units in the County, both for owner-occupied and rental-occupied housing.

HS-2 Homeownership – Increase the opportunities for homeownership for low- and moderate-income households through downpayment/closing cost assistance, and housing counseling services.

HS-3 Housing Rehabilitation – Promote and assist in the preservation of existing owner-occupied and renter-occupied housing in the County.

HS-4 Lead-Based Paint – Promote and educate property owners on the dangers of lead-based paint and safe work practices to abate lead-based paint in their residences.

HS-5 Housing Assistance – Promote and provide housing stability through mortgage assistance tax payments, rental assistance, deposits, and utility payments for low- and moderate-income households who are at risk of homelessness.

HS-6 Fair Housing – Affirmatively further fair housing by promoting and informing households on their rights, and by educating landlords, realtors, mortgage brokers, financial institutions, and sellers on fair housing practices which will reduce discrimination in the sale and rental of housing.

HS-7 Housing Supportive Services – Promote and assist low- and moderate-income households in the purchase, maintenance and upkeep of their homes through housing and financial counseling to avoid eviction proceedings.

HOMELESS PRIORITY – HO

There has been an increase in the number of persons who are unhoused in St. Joseph County. Homelessness is concentrated in the Cities of South Bend and Mishawaka. Due to the high cost of housing, there is a great risk of persons becoming homeless.

The following goals are presented to address the priority need for the homeless and those who are at risk of homelessness:

HO-1 Housing Opportunities – Increase the housing opportunities and living conditions of persons and families who are homeless or who are at risk of homelessness.

HO-2 Support and Management Services – Promote and assist supportive and management services for public and non-profit agencies and organizations which assist persons who are homeless or who are at risk of homelessness.

HO-3 Homeless Prevention – Promote and assist in anti-eviction and unfair housing practices which may contribute to homelessness.

HO-4 Permanent Supportive Housing – Promote and assist in the development of new permanent supportive housing opportunities for persons and families who are experiencing homelessness and who are exiting out of shelters and transitional housing programs.

HO-5 Shelter Housing – Support and assist in the development of shelters and supportive training and educational programs for sheltered residents.

SPECIAL NEEDS PRIORITY – SN

St. Joseph County and the Cities of South Bend and Mishawaka are experiencing an increase in the number of persons who are elderly, persons with physical disabilities, developmentally delayed persons, persons with mental illnesses, persons battling substance abuse, and persons exiting from institutional settings.

The following goals are presented to address under the priority of Special Needs Groups:

SN-1 Housing – Increase the number of decent, safe, sound, sanitary, accessible and affordable units that is available and accessible to all sectors of special needs populations.

SN-2 Accessibility – Promote and assist in making accessibility improvements to existing housing units, including making reasonable accommodations for the physically disabled so they can remain in their housing accommodations.

SN-3 Social Services – Promote and support social service programs and facilities that address the special needs population.

SN-4 Removal of Architectural Barriers – Remove architectural barriers which restrict the mobility and access to public facilities and services for persons with physical disabilities.

SN-5 Transportation – Improve and expand the access to transportation services for the elderly, persons with disabilities, and persons with other special needs.

COMMUNITY DEVELOPMENT PRIORITY – CD

The infrastructure, community facilities, building conditions, and public services are being strained by the County’s population growth, increase demand for services and the age of the infrastructure, buildings, and facilities. There is a need to improve, preserve, and develop public facilities and infrastructure to support the population growth in the County.

The following goals are presented to address this priority need:

CD-1 Infrastructure - Improve and upgrade the City’s infrastructure through rehabilitation, reconstruction, and new construction of streets, curbs, walks, ADA ramps, retaining walls, sewer lines, service lines, bridges, flood control, storm water management and sustainability.

CD-2 Community Facilities – Improve, upgrade, and expand the City's public and community facilities including parks, playgrounds, recreational facilities, libraries, public buildings, etc. to meet the needs of the growing population.

CD-3 Public Services – Improve, expand, and create public service programs including social, welfare, health and nutrition programs to meet the needs of the low- and moderate-income persons in the City.

CD-4 Clearance and Demolition – Remove slum and blighting conditions through the demolition and clearance of vacant buildings that are economically infeasible for rehabilitation, and sites that pose a threat to the health, safety, and welfare of the public.

CD-5 Public Safety – Improve and expand fire protection, emergency health and management services, crime prevention, etc. to better serve and protect the residents of the Cities.

CD-6 Public Transportation – Improve and expand public transportation with additional bus routes, improved bus shelters, increased time schedules, etc. to assist low- and moderate-income persons to access employment, medical treatment, and essential services.

CD-7 Neighborhood Revitalization – Improve and stabilize neighborhoods in the City by developing capacity and encouraging the formation and expansion of neighborhood based organizations, and planning/development under the Neighborhood Revitalization Strategy Area (NRSA) Program.

CD-8 Section 504 – Implement the City Section 504 Plans and bring the public and community facilities into compliance with the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990.

ECONOMIC DEVELOPMENT PRIORITY – ED

The local economy in the County has been expanding with new development occurring in the Western Portion. However, this growth requires a skilled and trained workforce. This has created a need for job training, workforce development, and services to meet the employment needs of these new companies.

The following goals are presented to address the priority need for economic development:

ED-1 Employment – Encourage and support new job opportunities through job creation, job retention, job training, workforce development, and educational programs to address the need for a well-trained labor force.

ED-2 Financial Assistance – Support new development of business and industry through expansion, new development, capital equipment purchases, etc. to be funded with federal programs including the Section 108 Loan Guarantee Program.

ED-3 Incentives – Support local, state, and federal tax breaks, tax credits, land development bonuses, and planning initiatives to promote new development and expansion of business and industry.

ADMINISTRATION & PLANNING - AP

There is a continuing need to provide administration, management, and sound planning to executive grants and loan programs by the City.

The following goals are presented to address the priority needs for sound administration and planning:

AP-1 General Administration – Continue to provide experienced management and oversight to maintain efficient and effective administration of local, state, and federal grant and loan programs.

AP-2 Planning – Provide sound planning for special studies, environmental review records, preparing grant applications, designing programs, planning project activities, etc.

AP-3 Affirmatively Further Fair Housing – Promote and support policies and activities to Affirmatively Further Fair Housing (AFFH) throughout St. Joseph County, including the preparation of Analysis of Impediments to Fair Housing Choice.

SP-10 Geographic Priorities - 91.415, 91.215(a)(1)

Geographic Area

1.	Area Name:	Low- and Moderate- Income Areas
	Area Type:	
	Other Target Area Description:	
	HUD Approval Date:	
	% of Low/ Mod:	
	Revital Type:	Other
	Other Revital Description:	Low- and Moderate-Income Areas
	Identify the neighborhood boundaries for this target area.	
	Include specific housing and commercial characteristics of this target area.	
	How did your consultation and citizen participation process help you to identify this neighborhood as a target area?	
	Identify the needs in this target area.	
	What are the opportunities for improvement in this target area?	
	Are there barriers to improvement in this target area?	

Table 46 - Geographic Priority Areas

General Allocation Priorities

Describe the basis for allocating investments geographically within the County

The City of South Bend has allocated its CDBG funds for FY 2025 to principally benefit low- and moderate-income persons.

- The housing activities are either located in a low- and moderate-income census tract/block group or have a low- and moderate-income service area benefit or a clientele with over 51% low- and moderate-income.
- The public facilities activities are either located in a low- and moderate-income C.T./B.G. area, have a low- and moderate-income service area benefit, or limited clientele who are presumed to be low- and moderate-income.

The proposed activities and projects for FY 2025 are located in areas of the City with the highest percentages of low- and moderate-income persons, and those block groups with a higher than average percentage of minority persons. The following census tracts and block groups have at least 51% of the households with low- and moderate-incomes:

C.T. 000100 B.G. 1	C.T. 000200 B.G. 2	C.T. 000200 B.G. 3	C.T. 000200 B.G. 4	C.T. 000301 B.G. 1	C.T. 000301 B.G. 3
C.T. 000302 B.G. 1	C.T. 000302 B.G. 2	C.T. 000400 B.G. 1	C.T. 000400 B.G. 2	C.T. 000400 B.G. 3	C.T. 000500 B.G. 1
C.T. 000500 B.G. 2	C.T. 000600 B.G. 1	C.T. 000600 B.G. 2	C.T. 000900 B.G. 2	C.T. 001000 B.G. 1	C.T. 001000 B.G. 2
C.T. 001000 B.G. 3	C.T. 001100 B.G. 3	C.T. 001400 B.G. 1	C.T. 001400 B.G. 2	C.T. 001400 B.G. 3	C.T. 001500 B.G. 1
C.T. 001500 B.G. 2	C.T. 001500 B.G. 3	C.T. 001500 B.G. 4	C.T. 001700 B.G. 1	C.T. 001700 B.G. 2	C.T. 001900 B.G. 1
C.T. 001900 B.G. 2	C.T. 002000 B.G. 1	C.T. 002000 B.G. 2	C.T. 002100 B.G. 1	C.T. 002100 B.G. 2	C.T. 002200 B.G. 1
C.T. 002200 B.G. 2	C.T. 002200 B.G. 3	C.T. 002300 B.G. 1	C.T. 002300 B.G. 2	C.T. 002400 B.G. 1	C.T. 002400 B.G. 2
C.T. 002400 B.G. 3	C.T. 002500 B.G. 1	C.T. 002500 B.G. 2	C.T. 002600 B.G. 1	C.T. 002600 B.G. 2	C.T. 002600 B.G. 3
C.T. 002700 B.G. 1	C.T. 002800 B.G. 1	C.T. 002800 B.G. 2	C.T. 002900 B.G. 1	C.T. 003000 B.G. 1	C.T. 003000 B.G. 2
C.T. 003100 B.G. 1	C.T. 003100 B.G. 2	C.T. 003100 B.G. 3	C.T. 003100 B.G. 4	C.T. 003100 B.G. 5	C.T. 003300 B.G. 1
C.T. 003300 B.G. 2	C.T. 003400 B.G. 2	C.T. 003400 B.G. 3	C.T. 003400 B.G. 4	C.T. 003500 B.G. 1	C.T. 003500 B.G. 2
C.T. 011100 B.G. 1	C.T. 011100 B.G. 2	C.T. 011100 B.G. 3	C.T. 011100 B.G. 4	C.T. 011203 B.G. 2	C.T. 011310 B.G. 2
C.T. 011703 B.G. 1	C.T. 011703 B.G. 3	C.T. 011704 B.G. 1			

SP-25 Priority Needs - 91.415, 91.215(a)(2)

Priority Needs

1.	Priority Need Name	Housing Priority
	Priority Level	High
	Population	Extremely Low-income Low-income Moderate-income Large Families Families with Children Elderly Public Housing Residents Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence
	Geographic Areas Affected	Low- and Moderate-Income Areas
	Associated Goals	HS-1 Housing Development HS-2 Homeownership HS-3 Housing Rehabilitation HS-4 Lead-Based Paint HS-5 Housing Assistance HS-6 Fair Housing HS-7 Housing Supportive Services
	Description	Improve, preserve, and expand the supply of affordable housing for low- and moderate-income persons and families in the cities of South Bend and Mishawaka, and the unincorporated areas of St. Joseph County.
	Basis for Relative Priority	There is a need for affordable, accessible, decent housing in the cities of South Bend and Mishawaka and the unincorporated areas of St. Joseph County. There is a need to increase the quality of the housing stock in both cities and the County for renters, homeowners, and homebuyers.

2.	Priority Need Name	Homeless Priority
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	Low- and Moderate-Income Areas
	Associated Goals	HO-1 Housing Opportunities HO-2 Support Management Services HO-3 Homeless Prevention HO-4 Permanent Supportive Housing HO-5 Shelter Housing
	Description	Improve the living conditions and services for homeless persons and families in the City of South Bend.
	Basis for Relative Priority	There is a need to assist the homeless by providing housing, counseling, and other services in the City of South Bend.
3.	Priority Need Name	Other Special Needs Priority
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Rural

		<p>Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth</p>
	Geographic Areas Affected	Low- and Moderate-Income Areas
	Associated Goals	<p>SN-1 Housing SN-2 Accessibility SN-3 Social Services SN-4 Removal of Architectural Barriers SN-5 Transportation</p>
	Description	Improve, preserve, and expand facilities for persons with special needs and the disabled in the City of South Bend.
	Basis for Relative Priority	There is a need to assist persons with special needs by expanding facilities and services for individuals with disabilities, the elderly, and other persons who have special needs.
4.	Priority Need Name	Community Development Priority
	Priority Level	High
	Population	<p>Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities</p>

		Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development
	Geographic Areas Affected	Low- and Moderate-Income Areas
	Associated Goals	CD-1 Infrastructure CD-2 Community Facilities CD-3 Public Services CD-4 Clearance and Demolition CD-5 Public Safety CD-6 Public Transportation CD-7 Neighborhood Revitalization CD-8 Section 504
	Description	Improve, preserve, and create new public and community facilities, infrastructure, and public services to ensure the quality of life for all residents of the City of South Bend.
	Basis for Relative Priority	There is a need to improve public and community facilities, infrastructure, public transit, public services, public safety, and the quality of life in the City of South Bend.
5.	Priority Need Name	Economic Development Priority
	Priority Level	Low
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Non-housing Community Development
	Geographic Areas Affected	Low- and Moderate-Income Areas
	Associated Goals	ED-1 Employment ED-2 Financial Assistance ED-3 Incentive

	Description	Increase and promote job creation, job retention, self-sufficiency, education, job training, technical assistance, and economic empowerment of low- and moderate-income residents of the City of South Bend.
	Basis for Relative Priority	There is a need to increase employment, self-sufficiency, education, job training, technical assistance, and economic empowerment of the residents of the City of South Bend.
6.	Priority Need Name	Administration & Planning
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse Veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development
	Geographic Areas Affected	Low- and Moderate-income Areas
	Associated Goals	AP-1 General Administration AP-2 Planning AP-3 Affirmatively Further Fair Housing
	Description	Provide sound and professional planning, administration, oversight and management of federally funded programs.
	Basis for Relative Priority	There is a continuing need for planning, administration, management, and oversight of federally funded programs.

Table 47 – Priority Needs Summary**Narrative (Optional)**

The priority ranking of needs for housing, homelessness, other special needs, community development, and economic development, are as follows:

- **High Priority** - Activities are assigned a high priority if the City expects to fund them during the Five-Year Consolidated Plan period.
- **Low Priority** - Activities are assigned a low priority if the activity may not be funded by the City during the Five-Year Consolidated Plan period. The City may support applications for other funding if those activities are consistent with the needs identified in the Five-Year Consolidated Plan.

SP-30 Influence of Market Conditions - 91.415, 91.215(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	The St. Joseph County Housing Consortium provides Tenant Based Rental Assistance to residents that could potentially face evictions. The eviction rate in the City of South Bend remains high. TBRA keeps tenants in their homes and promotes stability within neighborhoods.
TBRA for Non-Homeless Special Needs	The St. Joseph County Housing Consortium provides Tenant Based Rental Assistance to residents that could potentially face evictions. The eviction rate in the City of South Bend remains high. TBRA keeps tenants in their homes and promotes stability within neighborhoods.
New Unit Production	There is a need for infill housing in St. Joseph County, particularly on the vacant lots throughout the City of South Bend. The City needs affordable, accessible, decent, safe, and sanitary housing.
Rehabilitation	There is a demand in St. Joseph County to provide rehabilitation assistance. The County and the Cities of South Bend and Mishawaka need affordable, accessible, decent, safe, and sanitary housing that could be accomplished through rehabilitation.
Acquisition, including preservation	The St. Joseph County Housing Consortium has no need for acquisition. The City of South Bend has previously acquired vacant lots and is in the process of determining re-uses for the lots.

Table 48 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.420(b), 91.215(a)(4), 91.220(c)(1,2)**Introduction**

The St. Joseph County Housing Consortium anticipates receiving \$893,696 in HOME funds in PY 2025 and \$311,328 in reprogrammable funds for a total of \$1,205,025. The City of South Bend anticipates receiving \$2,320,384 in CDBG funds, \$0.00 in program income, and \$13,000 in reprogrammable funds for a total of \$2,333,384. The City of South Bend anticipates receiving \$203,698 in ESG funds in PY 2025. The program year is from January 1, 2025 through December 31, 2025. These funds will be used to address the following priority needs:

- Housing
- Public Services
- Public Facilities
- Emergency Shelter Operations
- Rapid Rehousing
- Economic Development
- Administration, Planning, and Management

The accomplishments of these projects/activities will be reported in the FY 2025 Consolidated Annual Performance and Evaluation Report (CAPER).

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$2,320,384		\$13,000	\$2,333,384		<p>All activities receiving South Bend's CDBG funding generally target specific and complementary geographies and activities. In 2025 South Bend will continue targeting the Near Northwest, Near West Side, and Southeast Neighborhoods through partnerships with three CDCs. These areas show relatively low incomes and high concentrations of poverty, high rates of residential vacancy and abandonment, and a high incidence of sub-prime loans. The target areas were also selected for review in the City's 2025 Analysis of Residential Market Potential. These are neighborhoods that are seeing increased redevelopment activity and have greater market potential. Programs that assist existing owner-occupants with repairs and promote homeownership for first time homebuyers will target the LaSalle Park and Kennedy Park</p>

								neighborhoods on the West Side of South Bend.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$893,696.89		\$311,328	\$1,205,024.89		2025 HOME funding will support housing programs such as acquisition/rehabilitation/resale, new home construction, homeownership assistance, and tenant-based rental assistance throughout St. Joseph County. The HOME program will exceed the 25% match requirements through private funding, project sponsors and banked match.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re- housing (rental assistance) Rental Assistance Services Transitional housing	\$203,698					Based on agreement with the St. Joseph County Regional Planning Council, 2025 ESG funding will be allocated as follows: up to 7.5% for program administration; no less than 32.5% for rapid re-housing; and, no more than 60% of funds will be spent on operations and essential services and for emergency shelters.

Table 49 - Anticipated Resources**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

In addition to the entitlement funds, the St. Joseph County Housing Consortium and the City of South Bend anticipates the following Federal resources may be available to local non-profit organizations to undertake the housing strategies identified in the Five-Year Consolidated Plan.

- Supportive Housing Program
- Low-Income Housing Tax Credit Program (LIHTC)
- Section 8 Rental Assistance Program
- Public Housing Capital Fund Program

Private and non-Federal resources that may be available to the St. Joseph County Housing Consortium and the City of South Bend in FY 2025 to address needs identified in the FY 2025-2029 Five-Year Consolidated Plan are listed below.

- **Private Banks & Credit Unions** – The City partnership with local banks and credit unions to operate the Community Homebuyers Corporation. This program leverages private equity to assist low- and moderate-income individuals to purchase houses in which they may not be able to obtain a traditional mortgage.
- **Indiana Housing & Community Development Authority** – The IHDC runs programs that assist individuals with first time homeownership and other housing purchases by providing funding for Veterans, rent-to-own, mortgage credits, and homebuyer subsidies.
- **Department of Health & Human Services** – Through the Family & Youth Service Bureau, the City of South Bend has leveraged funds through the Runaway and Homeless Youth Program to support street outreach, emergency shelters, longer-term transitional living, and maternity group home programs to serve and protect young people.
- **Federal Home Loan Bank Affordable Housing Program (AHP)** – Congress has mandated that ten (10%) of the Federal Home Loan Bank's (FHLB) profits be allocated to provide affordable housing. The FHLB encourages its members to work with public agencies and non-profit housing development organizations in creating highly leveraged affordable housing initiatives. Both sales and rental housing are eligible. Two (2) member banks of the Community Homebuyers Corporation are also member banks of the Federal Home Loan Bank.

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

Discussion

Vacant City-owned lots targeted for infill housing in CDBG target areas, as well as low-moderate income neighborhoods throughout the City.

SP-40 Institutional Delivery Structure - 91.415, 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
The City of South Bend	Government	Planning	Jurisdiction
Housing Authority of South Bend	PHA	Public Housing Rental	Jurisdiction
Indiana Balance of State CoC	Continuum of Care	Homelessness Non-homeless special needs Planning Public servicesRental	Region

**Table 50 - Institutional Delivery Structure
Assess of Strengths and Gaps in the Institutional Delivery System**

Persons with HIV/AIDS and their families comprise a small percentage of the County’s overall population. In 2020, it was estimated the 601 people were living with HIV/AIDS in St. Joseph County. Black and Hispanic or Latino residents of Indiana are more likely to be living with HIV/AIDS, and the prevalence of HIV/AIDS is much more common among males than females. There were 12 individuals with HIV/AIDS that were homeless according to the 2024 Point In Time Count.

Health Plus Indiana works with local individuals with HIV/AIDS to provide care coordination and housing. AHealth Plus Indiana receives ESG funding for Rapid Rehousing and emergency support services, and also provides Transitional Supportive Housing, state-based HOPWA housing, and permanent supportive housing. Health Plus also conducts outreach.

The Center for the Homeless coordinates activities to assist homeless individuals and families in St. Joseph County and the City of South Bend. In addition to emergency and transitional shelters and permanent supportive housing, the Center for the Homeless provides adult self-sufficiency training, children’s support and developmental services, and mental health counseling to homeless persons in the area. They also partner with the Notre Dame Legal Clinic for legal representation for the homeless, though the Legal Clinic’s resources are limited.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X		
Legal Assistance	X	X	
Mortgage Assistance	X		
Rental Assistance	X	X	
Utilities Assistance	X		
Street Outreach Services			
Law Enforcement			
Mobile Clinics	X		
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X	X	
Child Care	X	X	
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X		
HIV/AIDS	X	X	X
Life Skills	X	X	
Mental Health Counseling	X	X	
Transportation	X		
Other			
Other			

Table 51 - Homeless Prevention Services Summary

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The following services are targeted to the homeless:

The Center for the Homeless assists in coordinating homeless individuals and families, and veterans, with services for adult self-sufficiency, children’s support, and developmental services, and mental health care. The Center for the Homeless has a Veteran’s Annex to assist this population. Life Treatment Centers assists in accommodating homeless Veterans, offering 24 beds.

Health Plus Indiana has programs for education, which includes awareness and prevention of HIV/AIDS, testing, and the distribution of the PrEP pill to reduce the risk of HIV/AIDS in at-risk individuals. All programs are available to homeless individuals, and Health Plus Indiana receives funding for housing for homeless individuals or individuals at-risk of homelessness.

Youth Service Bureau provides a variety of housing and outreach programs for area youth that are homeless or at-risk of homeless. These programs include street outreach, a drop-in center for intake, a young mothers' program, and youth development services.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Across all special needs populations and the homeless population, there is a need for permanent supportive housing in the region. Currently, services for these populations are not based in housing, but are located within the same Southeast Neighborhood and within walking distance of transitional and emergency shelters. Wraparound services tied to permanent supportive housing are ideal solutions as well.

According to the HMIS Coordinator for Region 2.a. of the Indiana Balance of State CoC, care for persons who recently became homeless in the area focuses on Rapid Rehousing solutions. Due to the high eviction rates in the City of South Bend, prevention may be more effective than Rapid Rehousing. There are additional barriers to placing households with evictions on their records into Rapid Rehousing. Eviction prevention programs can avoid these barriers. Individuals and families that have been evicted typically do not seek out services for the homeless immediately following eviction but rely on personal connections first. There is a need to communicate that these services are targeted to this population.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

The most effective way to overcome the gaps will be through the centralization of services, shelters, and housing. The proposed "Gateway Center" has the potential to act as a site for intake in supportive services and placement for the best possible housing for the individual or family. The center would function correctly if it is near the relevant supportive services, or if it is on a bus line to the services and provides funding for the transportation of these individuals and families.

SP-45 Goals - 91.415, 91.215(a)(4)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	HS-1 Housing Development	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$4,400,000 HOME: \$5,245,000	Construction of New Housing: 115 units Construction of Rental Units:
2	HS-2 Homeownership	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$2,700,000	Direct Financial Assistance to Homebuyers: 135 Households Assisted Other: 0 Other
3	HS-3 Housing Rehabilitation	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$1,900,000	Rental units rehabilitated: 600 Household Housing Unit Homeowner Housing Rehabilitated: 110 Household Housing Unit Other: 0 Other
4	HS-4 Lead-Based Paint	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$0	Rental units rehabilitated: 0 Household Housing Unit Homeowner Housing

								Rehabilitated: 0 Household Housing Unit Other: 0 Other
5	HS-5 Housing Assistance	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$0	
6	HS-6 Fair Housing	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$0	Other: 5 Other
7	HS-7 Housing Supportive Services	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$0	
8	HO-1 Housing Opportunities	2025	2029	Homeless	Low- and Moderate-Income Areas	Homeless Priority	CDBG: \$767,060 ESG: \$1,018,490	Public service activities other than Low/Moderate Housing Benefit: 953 persons assisted
9	HO-2 Support and Management Services	2025	2029	Homeless	Low- and Moderate-Income Areas	Homeless Priority	CDBG: \$0	
10	HO-3 Homeless Prevention	2025	2029	Homeless	Low- and Moderate-Income Areas	Homeless Priority	CDBG: \$0	Homelessness Prevention: 0 Persons Assisted Other: 0 Other
11	HO-4 Permanent Supportive Housing	2025	2029	Homeless	Low- and Moderate-Income Areas	Homeless Priority	CDBG: \$0	Housing for Homeless added: 100 Household Housing Unit

								Other: 0 Other
12	HO-5 Shelter Housing	2025	2029	Homeless	Low- and Moderate-Income Areas	Homeless Priority	CDBG: \$0	Homeless Person Overnight Shelter: 0 Persons Assisted Other: 0 Other
13	SN-1 Housing	2025	2029	Non-Homeless Special Needs	Low- and Moderate-Income Areas	Other Special Needs Priority	CDBG: \$700,000	Rental units constructed: 0 Household Housing Unit Rental units rehabilitated: 0 Household Housing Unit Homeowner Housing Added: 0 Household Housing Unit Homeowner Housing Rehabilitated: 0 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 100 Households Assisted Other: 0 Other
14	SN-2 Accessibility	2025	2029	Non-Homeless Special Needs	Low- and Moderate-Income	Other Special Needs Priority	CDBG: \$0	Public Facility or Infrastructure Activities other than Low/Moderate

					Areas			Income Housing Benefit: 0 Persons Assisted Public service activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 0 Households Assisted Rental units rehabilitated: 0 Household Housing Unit Homeowner Housing Rehabilitated: 0 Household Housing Unit Other: 0 Other
15	SN-3 Social Services	2025	2029	Non-Homeless Special Needs	Low- and Moderate-Income Areas	Other Special Needs Priority	CDBG: \$0	Public service activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 0 Households Assisted Other: 0 Other

16	SN-4 Removal of Architectural Barriers	2025	2029	Non-Homeless Special Needs	Low- and Moderate-Income Areas	Other Special Needs Priority	CDBG: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 0 Households Assisted Other: 0 Other
17	SN-5 Transportation	2025	2029	Non-Homeless Special Needs	Low- and Moderate-Income Areas	Other Special Needs Priority	CDBG: \$0	
18	CD-1 Infrastructure	2025	2029	Non-Housing Community Development	Citywide.	Community Development Priority	CDBG:\$0	0 Other
19	CD-2 Community Facilities	2025	2029	Non-Housing Community Development	Low- and Moderate-Income Areas	Community Development Priority	CDBG: \$0	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 0 Households Assisted Other: 0 Other
20	CD-3 Public	2025	2029	Non-Housing	Low- and	Community	CDBG: \$0	Public service activities

	Services			Community Development	Moderate-Income Areas	Development Priority		<p>other than Low/Moderate Income Housing Benefit: 0 Persons Assisted</p> <p>Public service activities for Low/Moderate Income Housing Benefit: 0 Households Assisted</p> <p>Other: 0 Other</p>
21	CD-4 Clearance and Demolition	2025	2029	Non-Housing Community Development	Low- and Moderate-Income Areas	Community Development Priority	CDBG: \$0	Buildings Demolished: 0 Buildings
22	CD-5 Public Safety	2025	2029	Non-Housing Community Development	Low- and Moderate-Income Areas	Community Development Priority	CDBG: \$600,000	<p>Public service activities other than Low/Moderate Income Housing Benefit: 215000 Persons Assisted</p> <p>Public service activities for Low/Moderate Income Housing Benefit: 0 Households Assisted</p> <p>Other: 0 Other</p>
23	CD-6 Public Transportation	2025	2029	Non-Housing Community Development	Low- and Moderate-Income Areas	Community Development Priority	CDBG: \$0	<p>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted</p> <p>Public service activities other than Low/Moderate Income Housing Benefit:</p>

								<p>0 Persons Assisted</p> <p>Public service activities for Low/Moderate Income Housing Benefit: 0 Households Assisted</p> <p>Other: 0 Other</p>
24	CD-7 Neighborhood Revitalization	2025	2029	Non-Housing Community Development	Low- and Moderate-Income Areas	Community Development Priority	CDBG: \$0	
25	CD-8 Section 504	2025	2029	Non-Housing Community Development	Low- and Moderate-Income Areas	Community Development Priority	CDBG: \$0	
26	ED-1 Employment	2025	2029	Non-Housing Community Development	Low- and Moderate-Income Areas	Economic Development Priority	CDBG: \$0	<p>Public service activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted</p> <p>Jobs created/retained: 0 Jobs</p> <p>Other: 0 Other</p>
27	ED-2 Financial Assistance	2025	2029	Non-Housing Community Development	Low- and Moderate-Income Areas	Economic Development Priority	CDBG: \$0	<p>Businesses assisted: 0 Businesses Assisted</p> <p>Other: 0 Other</p>
28	ED-3 Incentives	2025	2029	Non-Housing Community Development	Low- and Moderate-Income	Economic Development Priority	CDBG: \$0	

					Areas			
29	AP-1 General Administration	2025	2029	Administration	Low- and Moderate-Income Areas	Administration, Planning, and Management Priority	CDBG: \$1,299,860 HOME: \$80,125	Other: 10 Other
30	AP-2 Planning	2025	2029	Administration	Low- and Moderate-Income Areas	Administration, Planning, and Management Priority	CDBG: \$0	Other: 0 Other
31	AP-3 Affirmatively Further Fair Housing	2025	2029	Administration	Low- and Moderate-Income Areas	Administration, Planning, and Management Priority	CDBG: \$50,000	Other: 10 Other

Table 52 – Goals Summary

Goal

Descriptions

1	Goal Name	HS-1 Housing Development
	Goal Description	Increase the number of decent safe, sanitary, accessible, and affordable housing units in the County, both for owner-occupied and rental-occupied housing.
2	Goal Name	HS-2 Homeownership
	Goal Description	Increase the opportunities for homeownership for low- and moderate-income households through downpayment/closing cost assistance, and housing counseling services.
3	Goal Name	HS-3 Housing Rehabilitation
	Goal Description	Promote and assist in the preservation of existing owner-occupied and renter-occupied housing in the County.
4	Goal Name	HS-4 Lead-Based Paint
	Goal Description	Promote and educate property owners on the dangers of lead-based paint and safe work practices to abate lead-based paint in their residences.

5	Goal Name	HS-5 Housing Assistance
	Goal Description	Promote and provide housing stability through mortgage assistance tax payments, rental assistance, deposits, and utility payments for low- and moderate-income households who are at risk of homelessness.
6	Goal Name	HS-6 Fair Housing
	Goal Description	Affirmatively further fair housing by promoting and informing households on their rights, and by educating landlords, realtors, mortgage brokers, financial institutions, and sellers on fair housing practices which will reduce discrimination in the sale and rental of housing.
7	Goal Name	HS-7 Housing Supportive Services
	Goal Description	HS-7 Housing Supportive Services – Promote and assist low- and moderate-income households in the purchase, maintenance and upkeep of their homes through housing and financial counseling to avoid eviction proceedings.
8	Goal Name	HO-1 Housing Opportunities
	Goal Description	Increase the housing opportunities and living conditions of persons and families who are homeless or who are at risk of homelessness.
9	Goal Name	HO-2 Support and Management Services
	Goal Description	Promote and assist supportive and management services for public and non-profit agencies and organizations which assist persons who are homeless or who are at risk of homelessness.
10	Goal Name	HO-3 Homeless Prevention
	Goal Description	Promote and assist in anti-eviction and unfair housing practices which may contribute to homelessness.
11	Goal Name	HO-4 Permanent Supportive Housing
	Goal Description	Promote and assist in the development of new permanent supportive housing opportunities for persons and families who are experiencing homelessness and who are exiting out of shelters and transitional housing programs.

12	Goal Name	HO-5 Shelter Housing
	Goal Description	Support and assist in the development of shelters and supportive training and educational programs for sheltered residents.
13	Goal Name	SN-1 Housing
	Goal Description	Increase the number of decent, safe, sound, sanitary, accessible and affordable units that is available and accessible to all sectors of special needs populations.
14	Goal Name	SN-2 Accessibility
	Goal Description	Promote and assist in making accessibility improvements to existing housing units, including making reasonable accommodations for the physically disabled so they can remain in their housing accommodations.
15	Goal Name	SN-3 Social Services
	Goal Description	Promote and support social service programs and facilities that address the special needs population.
16	Goal Name	SN-4 Removal of Architectural Barriers
	Goal Description	Remove architectural barriers which restrict the mobility and access to public facilities and services for persons with physical disabilities.
17	Goal Name	SN-5 Transportation
	Goal Description	Improve and expand the access to transportation services for the elderly, persons with disabilities, and persons with other special needs.
18	Goal Name	CD-1 Infrastructure
	Goal Description	Improve and upgrade the City’s infrastructure through rehabilitation, reconstruction, and new construction of streets, curbs, walks, ADA ramps, retaining walls, sewer lines, service lines, bridges, flood control, storm water management and sustainability.

19	Goal Name	CD-2 Community Facilities
	Goal Description	Improve, upgrade, and expand the City's public and community facilities including parks, playgrounds, recreational facilities, libraries, public buildings, etc. to meet the needs of the growing population.
20	Goal Name	CD-3 Public Services
	Goal Description	Improve, expand, and create public service programs including social, welfare, health and nutrition programs to meet the needs of the low- and moderate-income persons in the City.
21	Goal Name	CD-4 Clearance and Demolition
	Goal Description	Remove slum and blighting conditions through the demolition and clearance of vacant buildings that are economically infeasible for rehabilitation, and sites that pose a threat to the health, safety, and welfare of the public.
22	Goal Name	CD-5 Public Safety
	Goal Description	Improve and expand fire protection, emergency health and management services, crime prevention, etc. to better serve and protect the residents of the Cities.
23	Goal Name	CD-6 Public Transportation
	Goal Description	Improve and expand public transportation with additional bus routes, improved bus shelters, increased time schedules, etc. to assist low- and moderate-income persons to access employment medical treatment, and essential services.
24	Goal Name	CD-7 Neighborhood Revitalization
	Goal Description	Improve and stabilize neighborhoods in the City by developing capacity and encouraging the formation and expansion of neighborhood based organizations, and planning/development under the Neighborhood Revitalization Strategy Area (NRSA) Program
25	Goal Name	CD-8 Section 504
	Goal Description	Implement the City Section 504 Plans and bring the public and community facilities into compliance with the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990.

26	Goal Name	ED-1 Employment
	Goal Description	Encourage and support new job opportunities through job creation, job retention, job training, workforce development, and educational programs to address the need for a well-trained labor force.
27	Goal Name	ED-2 Financial Assistance
	Goal Description	ED-2 Financial Assistance – Support new development of business and industry through expansion, new development, capital equipment purchases, etc. to be funded with federal programs including the Section 108 Loan Guarantee Program.
28	Goal Name	ED-3 Incentives
	Goal Description	Support local, state, and federal tax breaks, tax credits, land development bonuses, and planning initiatives to promote new development and expansion of business and industry.
29	Goal Name	AP-1 General Administration
	Goal Description	Continue to provide experienced management and oversight to maintain efficient and effective administration of local, state, and federal grant and loan programs.
30	Goal Name	AP-2 Planning
	Goal Description	Provide sound planning for special studies, environmental review records, preparing grant applications, designing programs, planning project activities, etc.
31	Goal Name	AP-3 Affirmatively Further Fair Housing
	Goal Description	Promote and support policies and activities to Affirmatively Further Fair Housing (AFFH) throughout St. Joseph County, including the preparation of Analysis of Impediments to Fair Housing Choice.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

SP-50 Public Housing Accessibility and Involvement - 91.415, 91.215(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

The Housing Authority of South Bend currently has no recent requests to provide Section 504 accommodations. The Housing Authority has made accommodations in the past, and is not under a Voluntary Compliance Agreement. The Housing Authority of Mishawaka currently has no requests to make Section 504 accommodations.

Activities to Increase Resident Involvements

The Housing Authority of South Bend currently has no resident councils. The Housing Authority has attempted to create them for four (4) years, but the councils cannot sustain themselves once the participation of Housing Authority officials ends. Participation in the Family Self-Sufficiency program is high. There are over 60 participants that are involved in the Family Self-Sufficiency program, which has a community service component and cultivates involvement in this regard.

The Housing Authority of Mishawaka has resident involvement in its senior living facilities. Both councils are active. The Mishawaka Housing Authority does not have a Family Self-Sufficiency program.

Is the public housing agency designated as troubled under 24 CFR part 902?

Yes.

Plan to remove the ‘troubled’ designation

The City is working closely with the Housing Authority of South Bend in a variety of different ways.

1. The City is providing \$1 millions to the Housing Authority of South Bend (HASB) to make repairs to its vacant scattered-site units. This will help to house more families, reduce vacancy loss, and bring the HASB out of troubled status. The MOU for the funds has been executed and a scope of the project and needed repairs is currently being developed.
2. The City contracted with an outside consulting firm to provide an asset repositioning plan for HASB. The consultant has completed site visits of all vacant units and has completed the analysis and made initial recommendations.
3. The City is partnering with HASB on a transformation plan for the redevelopment of two former public housing sites which are currently vacant. The plan is to combine these sites into a mixed income community. The City and Community Foundation have applied for \$20 million in grant funds for the project. HASB has published a RFQ for a developer partner. The City has also committed funding to the project.

It is expected that once the vacant units are occupied, HASB will be able to shed its troubled status.

SP-55 Strategic Plan Barriers to Affordable Housing - 91.415, 91.215(h)

Barriers to Affordable Housing

St. Joseph County's 2025 Analysis of Impediments to Fair Housing Choice has identified the following impediments, along with goals and strategies to address those impediments and affirmatively further fair housing in the County:

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The City of South Bend, the City of Mishawaka, and St. Joseph County have identified the following impediments for the 2025 Analysis of Impediments to Fair Housing Choice and have defined specific goals and strategies to address each impediment.

Impediment 1: Lack of Affordable Housing for Sale

The median value and cost to purchase a single-family home in St. Joseph County that is decent, safe, and sound has increased significantly to over \$165,700. For the City of South Bend it is over \$128,200, and for the City of Mishawaka it is \$113,800. This limits the choice of housing for lower-income households throughout the County and in both Cities.

Goal: Development of for-sale, single-family homes for lower-income households will occur through new construction, infill housing, and the rehabilitation of vacant structures throughout St. Joseph County and the Cities of South Bend and Mishawaka.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

1-A: Support and encourage plans from both private developers and nonprofit housing providers to develop and construct new affordable housing that is for sale for lower-income households throughout the Cities and County.

1-B: Support homebuyer education and training programs to improve homebuyer awareness and increase the opportunities for lower-income households to become homebuyers by affirmatively furthering fair housing choice.

1-C: Provide funds for down payment and closing cost assistance to lower-income households.

1-D: Promote housing counseling programs for first-time homebuyers.

Impediment 2: Affordable Rental Housing

The current supply of rental housing is not necessarily affordable to lower-income households. The monthly housing cost for apartments has steadily increased to the point that 46.0% of all rental households in St. Joseph County, 49.0% of all rental households in South Bend, and 44.5% of all rental households in Mishawaka are considered cost burdened by 30% or more.

Goal: The development of affordable rental housing will occur throughout the County and both Cities, especially for households whose income is less than 60% AMI, through new construction, the

rehabilitation of vacant buildings, and the development of mixed-income housing, to reduce the number of lower-income households who are cost burdened.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

2-A: Support and encourage both private developers and nonprofit housing providers to develop plans for the construction of new affordable and mixed-income rental housing.

2-B: Support and encourage the rehabilitation of the existing housing stock and new housing which will be decent, safe, sound and affordable rental housing to lower-income households.

2-C: Support and encourage the development of independent housing and community living arrangements for the disabled in the County and both Cities.

2-D: Provide financial assistance in the form of development subsidies, so low-income households that are cost burdened, particularly households whose incomes are at or below 60% of AMI, are able to afford decent, safe, and sound housing.

2-E: Promote partnerships with the local housing authorities and private and nonprofit housing developers to construct additional Low Income Housing Tax Credit (LIHTC) multi-family rental housing in high opportunity areas of the County and Cities.

Impediment 3: Continuing Need for Accessible Housing Units

As an older built-up environment, there is a lack of accessible housing units in St. Joseph County and the Cities of South Bend and Mishawaka. Since 41.5% of the County's housing units, 60.6% of South Bend's housing units, and 31.3% of Mishawaka's housing units were built prior to 1960, these units were not constructed with accessibility features. It is estimated that 13.4% of the County's overall population, 14.4% of South Bend's population, and 16.4% of Mishawaka's population is classified as disabled.

Goal: Increase the number of accessible units for the physically disabled and developmentally delayed through new construction and rehabilitation of existing housing.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

3-A: Promote programs to increase the amount of accessible housing through rehabilitation of existing housing stock for homeowners and renters.

3-B: Encourage the development of new construction of accessible and visitable housing through financial or developmental incentives.

3-C: Continue to enforce ADA and Fair Housing requirements for landlords to make "reasonable accommodations" for tenants who are disabled.

3-D: Continue to promote programs and provide funds to assist elderly homeowners with accessibility improvements to their properties so they may remain in their own homes.

Impediment 4: Fair Housing Education and Outreach

There is a continuing need to educate persons about their rights under the Fair Housing Act and to raise community awareness to affirmatively further fair housing.

Goal: All residents of St. Joseph County and the Cities of South Bend and Mishawaka will have an increased awareness and knowledge of their rights under the Fair Housing Act and the County and Cities will continue to affirmatively further fair housing, especially for low-income residents, minorities, and the disabled population.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

4-A: Continue to promote fair housing awareness through the media, seminars, and training, to provide educational opportunities for all persons to learn more about their rights under the Fair Housing Act, Americans with Disabilities Act, and visitability.

4-B: Continue to provide and distribute literature and informational material in English and Spanish concerning fair housing issues, an individual's housing rights, and the landlords' responsibilities to affirmatively further fair housing, including laws regarding reasonable modifications and accommodations.

4-C: Continue to support and provide funding for the South Bend Human Rights Commission to provide testing services, education, outreach, referrals, and assistance in addressing fair housing complaints that may arise in the County and Cities.

4-D: Continue to work with the local Board of Realtors to educate and promote fair housing.

4-E: Strive for better intergovernmental cooperation between state and local partners, as well as community groups, to effectively identify and address potential barriers to affordable housing choice.

Impediment 5: Private Lending Practices

The HMDA data for St. Joseph County indicates that there may be a disparity between the approval rates of home mortgage loans originated from minorities and those originated from non-minority applicants.

Goal: Approval rates for all originated home mortgage loans will be fair, unbiased and equal, regardless of race, familial status, and location.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

5-A: The Cities and County should consider using Federal and State funding to provide housing or credit counseling to potential low- and moderate-income homebuyers in impacted neighborhoods to decrease the number of denials due to poor credit, debt-to-income ratios, or incomplete applications.

5-B: The Cities and County should consider entering into an agreement with Indiana Legal Services, Inc. to perform research to determine if any patterns of discrimination are present in home mortgage lending practices for minorities and other protected classes when they wish to purchase properties located in impacted areas of the Cities or County.

5-C: The Housing Consortium should consider using Federal and State funding to provide a higher rate of public financial assistance to potential homebuyers in impacted neighborhoods to improve the loan-to-value ratio, so that private lenders will increase the number of loans made in these areas.

Impediment 6: Impacted Areas of Concentration

There are specific areas throughout the two Cities and the County where the concentration of low-income persons exceeds 70% of the area's population, and areas with concentrations of minority persons.

Goal: Promote the de-concentration of low-income and minority areas that may exist within the Cities of South Bend and Mishawaka to reduce concentrations of low-income households and minorities, while preserving fair housing choice for both low-income and minority residents.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

6-A: Support, promote, and plan for affordable housing developments outside areas of low-income concentration, while still supporting the improvement of housing within concentrated areas.

6-B: Market and promote housing opportunities for both minority and low-income residents outside areas of low-income concentration.

6-C: Provide financial assistance to low-income households to provide them with a choice to reside outside areas of low-income concentration.

Impediment 7: Economic Issues Affecting Housing Choice

There is a lack of economic opportunities in the County and both Cities which prevents low-income households from improving their income and providing an opportunity to live outside areas of low-income concentration.

Goal: The local economy will provide new job opportunities, which will increase household income, and thus promote fair housing choice and mobility.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

7-A: Strengthen partnerships that enhance local businesses, expand the tax base, and create a more sustainable economy for residents and businesses.

7-B: Support and enhance workforce development and skills training that results in increased job opportunities and a living wage.

7-C: Continue to support programming that enhances entrepreneurship and small business development, expansion, and retention within low- and moderate-income and minority neighborhoods.

7-D: Continue to promote and encourage economic development with local commercial and industrial firms to expand their operations and increase employment opportunities.

Impediment 8: Public Policies That May Affect Housing Choice

Public policies such as community comprehensive plans and zoning ordinances sometimes affect the location of affordable housing, special needs housing, and the development process of these types of housing.

Goal: The local governing bodies will review their public policies, plans, and ordinances to affirmatively further fair housing and eliminate any barriers or obstacles to fair housing choice.

Strategies: To meet this goal, the following activities and strategies may be undertaken by St. Joseph County and the Cities of South Bend and Mishawaka:

8-A: The Cities and County should consider making source of income a protected class, which would prevent landlords from rejecting tenants based on their source of income, i.e. Housing Choice Vouchers.

8-B: The Cities should consider offering vacant lots that they have acquired to private developers at no cost to promote the development of single-family affordable housing, along with providing development subsidies and reducing development standards.

8-C: The local zoning ordinances were reviewed and should be brought into compliance with the Fair Housing Act, especially the definition of “Family” and in particular protective classes and being permitted uses in all residential zoning districts.

8-D: The municipalities will annually review their zoning and development ordinances to make sure they are in compliance with the Fair Housing Act and the Americans with Disabilities Act.

SP-60 Homelessness Strategy - 91.415, 91.215(d)

Describe how the jurisdiction's strategic plan goals contribute to:

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

Prior to joining the Indiana Balance of State the St. Joseph County CoC, the Region 2a Planning Council, voted to support the requirement of Coordinated Entry for all providers serving the homeless and adopted the use of the VI-SPDAT as an assessment tool.

Families with children – The Point-In-Time count for 2024 reported 46 homeless households with children in St. Joseph County, for a total of 145 persons. Numbers were similar in 2023 at 45 homeless households and 145 persons.

Veterans and their families – The Center for the Homeless has a Veterans Annex called the Millers Veterans Center. Homeless Veterans often require additional services, with mental health services being the most commonly cited need. The number of homeless Veterans in St. Joseph County has slightly increased from 32 in 2023 to 33 in 2024.

Unaccompanied youth – Teens aging out of foster care, and young adults in the 18-24 age transition stage are difficult to locate. Many of them are staying with friends and family temporarily but are technically homeless. Unaccompanied youth may also move between different shelters. There were 31 unaccompanied youth counted in the 2023 Point In Time count and 24 unaccompanied youth counted in 2024 for St. Joseph County.

Organizations that received CoC funding in St. Joseph County have adopted Coordinated Entry to better evaluate the needs of homeless individuals seeking services. Weather Amnesty Days has created an opportunity for providers to communicate with the homeless, through service providers that do not have their own resources to create events. It was assumed that a Gateway Center would provide a centralized location for outreach, intake and assessment of the homeless in the region.

Addressing the emergency and transitional housing needs of homeless persons

The Point-In-Time Count for St. Joseph County in 2024 reported a total of 547 homeless individuals and 443 homeless households. Of these, only 44 persons, or 8.04%, were unsheltered. There were 134 persons in transitional housing, and 369 persons that were housed in emergency shelter. There were 87 homeless and 0 chronically homeless families with children. There were 24 unaccompanied youths that were homeless in 2024. Of the 547 homeless individuals reported, 91 (16.63%) were considered chronically homeless. There were 33 homeless Veterans, and three (3) of the homeless Veterans was considered chronically homeless. This indicates a need for greater outreach and shelter/housing options for these special needs groups.

The Point-In-Time count for 2024 reported 46 homeless households with children in St. Joseph County, for a total of 145 persons. Numbers were higher in similar in 2023 at 45 homeless households and 145 persons.

Of the homeless households in 2024, 0 were unsheltered, but 83 persons were in emergency shelters. The number of individuals in emergency shelter among all homeless populations was 369, which is over half of the 547 homeless persons counted in 2024. There were 134 total persons in transitional housing. Households without children most frequently utilized emergency shelter over transitional housing.

The Center for the Homeless assists in coordinating homeless individuals and families, including Veterans, to services for adult self-sufficiency, children's support, developmental services, and mental health care. The Center for the Homeless has a Veteran's Annex to assist this population. Life Treatment Centers assists in accommodating homeless Veterans.

Health Plus Indiana has programs for education, which includes awareness and prevention of HIV/AIDS, testing, and the distribution of the PrEP pill to reduce the risk of HIV/AIDS in at-risk individuals. All programs are available to homeless individuals, and AMAA receives funding for housing for homeless individuals or individuals at-risk of homelessness.

Youth Service Bureau provides a variety of housing and outreach programs for area youth that are homeless or at-risk of homeless. These programs include street outreach, a drop-in center for intake, a young mothers' program, and youth development services.

Oaklawn Psychiatric Center provides services for adults and children with mental health needs. Oaklawn conducts outreach for its targeted clients. All listed agencies participated in the development of Coordinated Entry for St. Joseph County.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The Indiana Balance of State CoC's written standards focus on a Housing First Model and follow the best practices of that model. The written standards utilize several strategies to increase the number of people that exit Emergency Shelter, Transitional Housing, and Rapid Re-housing to Permanent Housing destinations. Evaluations of these standards will be based on the length-of-time homeless of an individual or family in Emergency Shelter, Transitional Housing, or Rapid Re-Housing. The CoC will seek to make progress on the turnover rate of individuals and families, the targeting of individuals and families based on risk, and the number of positive exits into Permanent Housing.

The Mayor of the City of South Bend established a Working Group on Chronic Homelessness in 2017. The Working Group released a report in the same year that analyzed the gaps in care for homeless individuals and families and proposed policies to address the gaps. The report recommended data sharing among homeless service providers, "Community ID Cards" for those utilizing homeless care, an intake center, and the construction of Permanent Supportive Housing.

St. Joseph County severely lacks Permanent Supportive Housing. Though there are a number of emergency shelters and transitional homes, these shelters are full because residents cannot be moved to Permanent Supportive Housing due to a lack of supply. Permanent Supportive Housing can be placed throughout the region, provided that supportive services are close by or readily accessible through public transit. Permanent Supportive Housing has faced resistance from the public when it has been proposed for construction in the past.

The City of South Bend has VASH Vouchers which are administered through the Housing Authority of South Bend and the VA Hospital Annex in Mishawaka. Life Treatment Centers has been successful in transitioning Veterans from its shelters through the VASH program.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The Indiana Balance of State CoC has prioritized Rapid Rehousing in response to the changes in Federal funding. However, given the large number of evictions and foreclosures in the City of South Bend, the CoC would like to expand by creating homelessness prevention programs. Individuals and families that are evicted or foreclosed face barriers to returning to a secure rental or homeownership state. For this reason, preventing an eviction or foreclosure is more desirable than addressing the need after the person becomes homeless.

Discharge policies at local hospitals are designed to prevent those leaving the hospitals from being referred to the Center for the Homeless. The Center for the Homeless provides emergency shelter and transitional housing for the homeless, along with supportive services. The Regional Planning Council understands that the City and federal funding requires their participation in Coordinated Entry and HMIS but also encourages those providers who do not receive federal dollars to do the same.

Dismas House serves ex-offenders and provides them with housing in St. Joseph County. Dismas House provides food and mentorship for ex-offenders. Dismas House supports its residents in finding permanent housing but struggles to place residents in decent housing. Most landlords will not rent to ex-offenders and the ex-offenders will only be able to find permanent housing with a slum lord that does not care about their tenants. Space is limited and sex offenders are not allowed to stay in Dismas House.

The Youth Service Bureau assists children in the region with transitional housing, emergency shelter, and other related supportive services. The Youth Service Bureau has tracked students that lack stability and who move between multiple schools, which contributes to the academic gaps in the City, leading to future unemployment and homelessness. Children without support systems frequently “couch-surf” and are difficult to reach with services.

SP-65 Lead-based Paint Hazards - 91.415, 91.215(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The revised Federal lead-based paint regulations published on September 15, 1999 (24 CFR Part 35) have had a significant impact on many activities – rehabilitation, tenant based rental assistance, and property acquisition – supported by the CDBG program. The St. Joseph County Housing Consortium and the City of South Bend will comply with Title 24 Part 35: Lead-Based Paint Poisoning Prevention in Certain Residential Structures (Current Rule).

The St. Joseph County Housing Consortium and the City of South Bend will ensure that:

- Applicants for rehabilitation funding receive the required lead-based paint information and understand their responsibilities.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint requirements.
- The level of federal rehabilitation assistance is properly calculated and the applicable lead-based paint requirements determined.
- Properly qualified personnel perform risk management, paint testing, lead hazard reduction, and clearance services when required.
- Required lead hazard reduction work and protective measures are incorporated into project rehabilitation specifications.
- Risk assessment, paint testing, lead hazard reduction, and clearance work are performed in accordance with the applicable standards established in 24 CFR Part 35.
- Required notices regarding lead-based paint evaluation, presumption, and hazard reduction are provided to occupants and documented.
- Program documents establish the rental property owner’s responsibility to perform and document ongoing lead-based paint maintenance activities, when applicable.

Program staff monitor owners for compliance with ongoing lead-based paint maintenance activities, when applicable.

How are the actions listed above related to the extent of lead poisoning and hazards?

Lead-based paint in St. Joseph County is most common in older rental housing. Older owner-occupied housing also has lead-based paint, but it is unlikely that homeowners will communicate the presence of lead to inspectors. Lead-based paint is common in the walls of housing and soil around these houses has tested positive for lead. There is a shortage of certified lead abatement workers in the region. Elevated childhood blood lead levels were found in 1.29% of children tested in St. Joseph County according to the Indiana State Department of Health. According to the St. Joseph County Health Department, in some parts of the City of South Bend, 20% of children have elevated blood lead levels, and in one Census Tract, 30% of children have elevated blood lead levels (according to 2005-2015 lead screening data). Because the affordable housing in the area frequently has lead-based paint, there is a need to provide assistance to those looking to complete lead abatements but may not have the financial means to do so.

How are the actions listed above integrated into housing policies and procedures?

The St. Joseph County Housing Consortium and the City of South Bend will ensure that:

- Applicants for homeownership assistance receive adequate information about lead-based paint requirements.
- The staff will properly determine whether proposed projects are exempt from some or all lead based paint requirements.
- A proper visual assessment is performed to identify deteriorated paint in the dwelling unit, any common areas servicing the unit, and exterior surfaces of the building or soil.
- Prior to occupancy, properly qualified personnel perform paint stabilization, and the dwelling passes a clearance exam in accordance with the standards established in 24 CFR Part 35.
- The home purchaser receives the required lead-based paint pamphlet and notices.

SP-70 Anti-Poverty Strategy - 91.415, 91.215(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

The resources and opportunities that the City has for reducing the number of families with incomes below the poverty line are limited. Since poverty is a function of income, its effect on housing opportunity and choice is apparent. Conversely, without adequate, stable housing, alleviating poverty is more difficult. Still, the means of addressing both issues are fragmented. Several structural barriers to poverty are addressed through different local policies. For example, the City has a policy that requires the employment of Section 3 households in construction contracts when applicable.

More direct efforts to alleviate poverty by combining case management, social services, job training, and housing assistance are becoming more common. City and County social service agencies have embraced the Continuum of Care models being introduced across the country. As these agencies increase services to the needy, poverty rates may decline.

The City's anti-poverty strategy is based on attracting a range of businesses and supporting workforce development including job-training services for low-income residents. In addition, the City's strategy is to provide supportive services for target income residents.

Planned economic development programs include:

- **ED-1 Employment** – Encourage and support new job opportunities through job creation, job retention, job training, workforce development, and educational programs to address the need for a well-trained labor force.
- **ED-2 Financial Assistance** – Support new development of business and industry through expansion, new development, capital equipment purchases, etc. to be funded with federal programs including the Section 108 Loan Guarantee Program.
- **ED-3 Incentives** – Support local, state, and federal tax breaks, tax credits, land development bonuses, and planning initiatives to promote new development and expansion of business and industry.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

Providing access to and increasing the supply of affordable housing is integrally tied to the City's anti-poverty strategy. The most successful way to implement this is through job training/creation activities while providing affordable housing.

SP-80 Monitoring - 91.230

Describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Subrecipients are expected to make available all participant level, financial and program records for periodic review on a schedule to be established by the City. In addition, subrecipients will maintain participant files in compliance with the standard set by the City. Significant deficiencies in file content or quality will result in required Plans of Corrective Action, with possible loss of funds upon discovery of continuing deficiencies.

Program compliance and data integrity will also be subject to regular and random monitoring by the City staff. Monitoring of subrecipients may be conducted by the City, local HUD Office of Community Planning and Development, HUD's Office of Special Needs Assistance Programs, HUD's Office of Inspector General, HUD's Office of Fair Housing and Equal Opportunity, or another Federal agency to determine whether the subrecipient complied with the requirements of this program.

Each subrecipient that will be subject to on-site or remote monitoring by the City will receive at least 5 days notification prior to the visit confirming the date and time of the monitoring and a monitoring review. The review contains a list of areas that will be reviewed and documents that will need to be made available at the time of monitoring.

Upon completion of the review, the City will send a letter detailing all concerns and findings discovered during the monitoring visit. The letter will be sent within 30 days of the monitoring visit unless an investigation of findings requires more time. If there are findings or concerns discovered, the letter will request the agency to submit a specific resolution or correction within a certain period of time.

Additionally, the City staff may be available throughout the program year to conduct interim monitoring to help new subrecipients or agencies with new staff ensure continued compliance with the CDBG, HOME, and ESG programs. Please contact the City staff to schedule an interim monitoring or Technical Assistance visit.

The City is responsible for ensuring that the CDBG, HOME, and ESG requirements are met. The City will maintain staff that will be responsible for continuous monitoring of all CDBG, HOME, and ESG agency activities.

The City will desktop-monitor subrecipients multiple times throughout the year by reviewing each claim for reimbursement that is submitted by the subrecipients. Each claim for payment submitted by a subrecipient requires a progress report relevant to the goals stated in the Scope of Services. On-site monitoring visits are in addition to the desk audits completed when reviewing subrecipient

claims, constant communication on projects via phone and email, and various meetings to discuss program issues. The City will conduct site visits to agencies and review of grant activities and reports. On-site monitoring will be conducted a minimum of every two years to review subrecipients' internal systems and ensure compliance with applicable requirements. Any new subrecipient will be monitored in its first year of funding. A minimum of 40% of subrecipients will be monitored every year.

The city will utilize the most recent HUD notice covering monitoring (an example is provided in the appendices) for determining which subrecipients are at-risk. Any agency deemed at-risk will be monitored more often than the two-year schedule until the issues are deemed resolved.

In the event of a National emergency, on-site monitoring will be conducted remotely to remain in compliance with the two-year schedule. In the event of City staffing issues or conflicts, on-site monitoring will be conducted at minimum every 3 years and may be conducted remotely.

Agencies are expected to make available all client files, and any financial and program records for periodic review on a schedule to be established by the City. In addition, agencies will maintain client fields in compliance with any standards set by the City. To prepare for a monitoring visit, the following steps will be taken:

1. The City will notify the award recipient in writing of the intent to conduct a monitoring. The letter will include the name of the person completing the monitoring, the date and time of the monitoring, and a list of the items to be monitored during the visit.
2. The City staff will use a monitoring tool that will be made available to the award recipient prior to the visit.
3. The award recipient must ensure that the files are complete and appropriate and that the appropriate people in the subrecipient's organization are available during the monitoring.
4. Subsequent to the monitoring, City staff will issue a letter outlining any findings, concerns, corrective action and recommendations determined as a result of the monitoring visit.

The subrecipient must respond to any findings and/or advisory concerns in the monitoring letter within the time period indicated in the letter.

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

The St. Joseph County Housing Consortium anticipates receiving \$893,696.89 in HOME funds in PY 2025 and \$311,328 in reprogrammable funds for a total of \$1,205,025. The City of South Bend anticipates receiving \$2,320,384 in CDBG funds, \$0.00 in program income, and \$13,000 in reprogrammable funds for a total of \$2,333,284. The City anticipates receiving \$203,698 in ESG funds in PY 2025. The program year is from January 1, 2025 through December 31, 2025. These funds will be used to address the following priority needs:

- Housing
- Public Services
- Public Facilities
- Emergency Shelter Operations
- Rapid Rehousing
- Economic Development
- Administration, Planning, and Management

The accomplishments of these projects/activities will be reported in the FY 2025 Consolidated Annual Performance and Evaluation Report (CAPER).

Anticipated Resources

Program	Source	Uses of Funds	Expected Amount Available Year 1	Expected	Narrative Description
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	of Funds		Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$	Amount Available Remainder of ConPlan \$	
CDBG	Public – federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$2,320,384	--	\$13,000	\$2,333,384	\$9,281,536	All activities receiving South Bend's CDBG funding generally target specific and complementary geographies and activities.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$893,696.89	--	\$311,328	\$1,205,025	\$3,574,787.56	2025 HOME funding will support housing programs such as acquisition/rehabilitation/resale, new home construction, homeownership assistance, and tenant-based rental assistance throughout St. Joseph County. The HOME program will exceed the 25% match requirements through private funding, project sponsors and bank match.
ESG	Public – federal	Conversion and rehab for transitional housing	\$203,698	--	--	\$203,698	\$814,792	2025 ESG funding will be allocated as follows: up to 7.5% for program administration; no less than 32.5% for rapid re-housing; and, no more than 60% of funds will be spent on

		Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing						operations and essential services and for emergency shelters. The ESG program will exceed the 100% match requirement through other grants, private funds and donations.
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Table 53 - Expected Resources – Priority Table

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

In addition to the entitlement funds, the St. Joseph County Housing Consortium and the City of South Bend anticipate the following Federal resources may be available to local non-profit organizations to undertake the housing strategies identified in the Five-Year Consolidated Plan.

- Supportive Housing Program
- Low-Income Housing Tax Credit Program (LIHTC)
- Section 8 Rental Assistance Program
- Public Housing Capital Fund Program

Private and non-Federal resources that may be available to the St. Joseph County Housing Consortium and the City of South Bend in FY 2025 to address needs identified in the FY 2025-2029 Five-Year Consolidated Plan are listed below.

- **Private Banks & Credit Unions** – The City partners with local banks and credit unions to operate the Community Homebuyers Corporation. This program leverages private equity to assist low- and moderate-income individuals to purchase houses that they may not have been able to obtain a traditional mortgage without this funding.
- **Indiana Housing & Community Development Authority** – The IHDC runs programs that assist individuals with first time homeownership

and other housing purchases by providing funding for Veterans, rent-to-own, mortgage credits, and homebuyer subsidies.

- **Department of Health & Human Services** – Through the Family & Youth Service Bureau, the City of South Bend has leveraged funds through the Runaway and Homeless Youth Program to support street outreach, emergency shelters, longer-term transitional living, and maternity group home programs to serve and assist young people.
- **Federal Home Loan Bank Affordable Housing Program (AHP)** – Congress has mandated that ten (10%) of the Federal Home Loan Bank's (FHLB) profits be allocated to provide affordable housing. The FHLB encourages its members to work with public agencies and non-profit housing development organizations in creating highly leveraged affordable housing initiatives. Both sales and rental housing are eligible. Two (2) member banks of the Community Homebuyers Corporation are also member banks of the Federal Home Loan Bank.

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

Vacant City-owned lots targeted for infill housing in CDBG get areas, as well as low-moderate income neighborhoods throughout the City.

Discussion

1. Community Development Block Funds (CDBG) – South Bend:

- a. **Anticipated 2025 funding:** \$2,320,384
- b. **If Funding Increases:** Any extra funds will go to the DCI CDBG Admin project, but it won't exceed 20% of the total amount of the grant. If more than 20%, the extra funds will be proportionally shared across other projects.
- c. **If Funding Decreases:** Any cuts will first come from the DCI Admin project. If the reduction affects the public services cap (15%), the SBPD Neighborhood Patrols project will be cut to stay within that limit. If the decrease is larger than the Admin project's share and the patrols project cap, the remaining cuts will be proportionally taken from the other CDBG projects.

2. Emergency Solutions Grant (ESG) – South Bend:

- a. **Anticipated 2025 funding:** \$203,698

- b. **If Funding Increases or Decreases:** The DCI ESG Admin project and each Shelter project will be adjusted to stay within their caps (7.5% for Admin and 60% for Shelter). Any excess will be proportionally added or taken from the Rapid Rehousing projects.

3. HOME Investment Partnerships Program (HOME) – St. Joseph County Housing Consortium:

- a. **Anticipated 2025 funding:** \$893,697
- b. **If Funding Decreases:** The cut will first be taken from the HOME Admin project. If the cut exceeds the Admin budget, the remaining amount will be proportionally taken from the other HOME projects.
- c. **If Funding Increases:** The extra funds will go to the Admin project up to 10% of the total of the grant. The rest will be proportionally added to the other HOME projects.

In essence, the allocations are based on draft numbers and will adjust based on the actual funds received.

The reallocations from CDBG and HOME funds were from projects that were either cancelled or did not require the full allocated budget.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1.	HS-1 Housing Development	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$880,000 HOME: \$1,049,000	Construction of Housing Units: 23 units
2.	HS-2 Homeownership	2025	2029	Affordable Housing	Low- and Moderate-Income Areas	Housing Priority	CDBG: \$540,000	Direct Financial Assistance to Homebuyers and Homeowners: 27 Households Assisted
3.	HS-3 Housing Rehabilitation	2025	2029	Affordable Housing	Low- and Moderate-income Areas	Housing Priority	CDBG: \$380,000	Rental units rehabilitated: 120 households Homeowner Units Rehabilitated: 22 households
4.	HO-2 Support and Management Services	2025	2029	Homeless	Low- and Moderate-Income Areas	Homeless Priority	CDBG: \$153,412 HOME: \$203,698	Public service activities other than Low/Moderate Housing Benefit: 953 persons assisted
5.	CD-5 Public Safety	2025	2029	Non Housing Community Development	Low- and Moderate-Income Areas	Community Development Priority	CDBG: \$120,000	Public service activities other than Low/Moderate Income Housing Benefit:
6.	SN-1 Housing	2025	2029	Other Special Needs	Low- and Moderate-Income	Other Special Needs Priority	CDBG: \$140,000	Tenant Based Rental Assistance: 24 households

7.	AP-1 General Administration	2025	2029	Administration	Low- and Moderate-Income Areas	Administration and Planning Priority	CDBG: \$259,972 HOME: \$16,025	Other:
8.	AP-3 Affirmatively Further Fair Housing	2025	2029	Administration	Citywide.	Administration and Planning Priority	CDBG: \$10,000	Other:

Table 54 – Goals Summary

Goal Descriptions

1	Goal Name	HS-1 Housing Development
	Goal Description	Increase the number of decent safe, sanitary, accessible, and affordable housing units in the County, both for owner-occupied and rental-occupied housing.
2	Goal Name	HS-2 Homeownership
	Goal Description	Increase the opportunities for homeownership for low- and moderate-income households through downpayment/closing cost assistance, and housing counseling services.
3	Goal Name	HS-3 Housing Rehabilitation
	Goal Description	Promote and assist in the preservation of existing owner-occupied and renter-occupied housing in the County.
4	Goal Name	HO-2 Support and Management Services
	Goal Description	Promote and assist supportive and management services for public and non-profit agencies and organizations which assist persons who are homeless or who are at risk of homelessness.
5	Goal Name	SN-1 Housing

	Goal Description	Increase the number of decent, safe, sound, sanitary, accessible and affordable units that is available and accessible to all sectors of special needs populations.
6	Goal Name	CD-5 Public Safety
	Goal Description	Improve and expand fire protection, emergency health and management services, crime prevention, etc. to better serve and protect the residents of the Cities.
7	Goal Name	AP-1 General Administration
	Goal Description	Continue to provide experienced management and oversight to maintain efficient and effective administration of local, state, and federal grant and loan programs.
8	Goal Name	AP-3 Affirmatively Further Fair Housing
	Goal Description	Promote and support policies and activities to Affirmatively Further Fair Housing (AFFH) throughout St. Joseph County, including the preparation of Analysis of Impediments to Fair Housing Choice.

AP-35 Projects - 91.420, 91.220(d)

Introduction

#	Project Name	Budget
1.	Department of Community Investment – General Administration	\$ 244,972.00
2.	South Bend Human Rights Commission – Fair Housing	\$ 15,000.00
3.	Community Homebuyers Corporation	\$ 100,000.00
4.	Department of Community Investment – Activity Delivery	\$ 80,000.00
5.	South Bend Heritage Foundation – Activity Delivery	\$ 100,000.00
6.	Near Northwest Neighborhood, Inc – Activity Delivery	\$ 80,000.00
7.	Near Northwest Neighborhood, Inc – Single Family Rehab	\$ 360,000.00
8.	Near Northwest Neighborhood, Inc. – New Construction Rental	\$ 400,000.00
9.	South Bend Heritage Foundation – New Construction Rental	\$ 480,000.00
10.	Rebuilding Together – Owner-Occupied Rehab	\$ 200,000.00
11.	Center of Homeless – Public Services	\$ 129,825.00
12.	Oaklawn – Public Services	\$ 23,587.00
13.	South Bend Police Department – Public Services	\$ 120,000.00
14.	Habitat for Humanity (CHDO) – New Construction	\$ 860,000.00
15.	Consortium Staff – General Administration	\$ 16,025.00
16.	Oaklawn – TBRA	\$ 140,000.00
17.	Northeast Neighborhood Revitalization Organization – New Con.	\$ 189,000.00
18.	2025 ESG South Bend	\$ 203,698.00

Table 55 – Project Information

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

The City of South Bend has allocated its CDBG funds for FY 2025 to principally benefit low- and moderate-income persons.

- The infrastructure improvement activities are either located in a low- and moderate-income census tract/block group have a low- and moderate-income service area benefit, or total clientele which is over 51% low- and moderate-income.
- The Public Facilities activities serve a low- and moderate-income clientele.

The proposed activities and projects for FY 2025 are located in areas of the City with the highest percentages of low- and moderate-income persons, and those block groups with a higher than average percentage of minority persons. The following census tracts and block groups have at least 51% of the households with low- and moderate-incomes:

- Census Tract 1, Block Groups 1
- Census Tract 2, Block Groups 2, 3, & 4
- Census Tract 10, Block Groups 1 & 3
- Census Tract 111, Block Group 1, 3, & 4
- Census Tract 117.03, Block Group 1 & 3
- Census Tract 14, Block Group 1, 3
- Census Tract 15, Block Groups 1, 3, & 4
- Census Tract 17, Block Group 2
- Census Tract 19, Block Group 2
- Census Tract 20, Block Group 2
- Census Tract 21, Block Group 2
- Census Tract 22, Block Groups 2 & 3
- Census Tract 23, Block Group 2
- Census Tract 24, Block Group 2, 3
- Census Tract 25, Block Group 2
- Census Tract 26, Block Groups 2 & 3
- Census Tract 28, Block Group 2
- Census Tract 3.02, Block Group 2
- Census Tract 30, Block Group 2
- Census Tract 31, Block Groups 2, 3, 4, & 5
- Census Tract 33, Block Group 2
- Census Tract 34, Block Groups 2, 3, & 4
- Census Tract 35, Block Groups 2
- Census Tract 4, Block Groups 2 & 3
- Census Tract 5, Block Group 2
- Census Tract 6, Block Group 2
- Census Tract 9, Block Group 2
- Census Tract 11, Block Group 3
- Census Tract 113.10, Block Group 3
- Census Tract 3.01, Block Group 3

AP-38 Project Summary

Project Summary Information

1.	Project Name	Department of Community Investment – General Administration
	Target Area	Low- and moderate-income Areas
	Goals Supported	AP-1 General Administration
	Needs Addressed	Administration & Planning Priority
	Funding	CDBG: \$244,972
	Description	Overall program administration of the CDBG Programs, including: staff salaries, wages, and benefits; related costs to administer the programs including supplies, materials, mailings, duplications, etc.; monitoring and oversight; advertising and public hearing costs; planning activities and the preparation of the Annual Action Plan, Consolidated Annual Performance and Evaluation Report, Environmental Review Records, etc.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	1 Other.
	Location Description	227 W. Jefferson Blvd, South Bend, IN 46601
	Planned Activities	The Matrix Code is 21A General Program Administration.
2.	Project Name	South Bend Human Rights Commission – Fair Housing
	Target Area	Citywide
	Goals Supported	AP-3 Affirmatively Further Fair Housing
	Needs Addressed	Administration and Planning Priority
	Funding	CDBG: \$15,000
	Description	Activities to affirmatively further fair housing.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	1 Other.
	Location Description	319 N. Niles Ave., South Bend, IN 46617
	Planned Activities	The Matrix Code is 21D Fair Housing Activities (subject to admin cap)
3.	Project Name	Community Homebuyers Corporation – Forgivable Second Mortgage
	Target Area	Citywide
	Goals Supported	HS-2 Homeownership
	Needs Addressed	Housing Priority
	Funding	CDBG: \$100,000

	Description	Provides mortgage reduction and closing cost assistance for first-time low- and moderate-income homebuyers.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	4 to 5 Households
	Location Description	227 W. Jefferson Blvd, South Bend, IN 46601
	Planned Activities	National objective is Low- and Moderate-Income Housing. The Matrix Code is 13B Homeownership Assistance.
4.	Project Name	Department of Community Investment – Activity Delivery
	Target Area	Citywide
	Goals Supported	HS-3 Housing Rehabilitation
	Needs Addressed	Housing Priority
	Funding	CDBG: \$80,000
	Description	Subsidize staff costs directly related to CDBG housing activities.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	40 Households.
	Location Description	227 W. Jefferson Blvd, South Bend, IN 46601
	Planned Activities	National Objective is Low- and Moderate-Income Housing. The Matrix Code is 14H Rehabilitation Administration.
5.	Project Name	South Bend Heritage Foundation – Activity Delivery
	Target Area	Citywide
	Goals Supported	HS-3 Housing Rehabilitation
	Needs Addressed	Housing Priority
	Funding	CDBG: \$100,000
	Description	Subsidize staff costs related to CDBG housing rehabilitation activities.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	80 households.
	Location Description	803 Lincolnway West South Bend, IN 46616
	Planned Activities	National Objective is Low- and Moderate-Income Housing. The Matrix Code is 14H Rehabilitation Administration.
6.	Project Name	Near Northwest Neighborhood, Inc. – Activity Delivery
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	HS-2 Homeownership
	Needs Addressed	Housing Priority
	Funding	CDBG: \$80,000

	Description	Subsidize Near Northwest Neighborhood (NNN) staff costs directly related to homeowner services.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	20 households.
	Location Description	1007 Portage Avenue, South Bend, IN 46616
	Planned Activities	National Objective is Low- and Moderate-Income Housing. The Matrix Code is 14H Rehabilitation Administration.
7.	Project Name	Near Northwest Neighborhood – Acquisition/Rehab
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	HS-2 Homeownership
	Needs Addressed	Housing Priority
	Funding	CDBG: \$360,000
	Description	The acquisition and rehabilitation construction of two existing vacant single family homes.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	2 Single Family Homes
	Location Description	1007 Portage Avenue, South Bend, IN 46616
	Planned Activities	National Objective is Low- and Moderate-Income Housing. The Matrix Code is 14G Rehabilitation: Acquisition.
8.	Project Name	Near Northwest Neighborhood – New Construction Rental
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	HS-1 Housing Development
	Needs Addressed	Housing Priority
	Funding	CDBG: \$400,000
	Description	Construction of one duplex rental unit and one accessory dwelling unit.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	3 Housing Units.
	Location Description	915 Harrison & 701 Harrison, South Bend Indiana
	Planned Activities	National Objective is Low- and Moderate-Income Housing. The Matrix Code is 12 Construction of Housing.
9.	Project Name	South Bend Heritage Foundation – New Construction Rum Village Quad Plex Rental
	Target Area	Low- and Moderate-Income Areas

	Goals Supported	HS-1 Housing Development
	Needs Addressed	Housing Priority
	Funding	CDBG: \$480,000
	Description	Construction of one renter occupied quadplex in the Rum Village neighborhood.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	4 Housing Units Constructed.
	Location Description	1600 Kremble Avenue, South Bend, IN
	Planned Activities	National Objective is Low- and Moderate-Income Housing. The Matrix Code is 12 Construction of Housing.
10.	Project Name	Rebuilding Together
	Target Area	Citywide
	Goals Supported	HS-3 Housing Rehabilitation
	Needs Addressed	Housing Priority
	Funding	CDBG: \$200,000
	Description	Repairs and rehabilitation for existing homeowners to bring units into compliance with South Bend Department of Code Enforcement and provide ADA accessible improvements if required.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	22 Homes.
	Location Description	Keller Park/Marquette Park Neighborhood, South Bend, IN
	Planned Activities	National Objective is Low- and Moderate-Income Housing. The Matrix Code is 14A Rehabilitation, Single-Unit Residential.
11.	Project Name	Center for the Homeless – Support for Expanded Scattered Site Operations
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	HO-2 Support and Management Services
	Needs Addressed	Homeless Priority
	Funding	CDBG: \$129,825
	Description	Support for expanded Permanent Supportive Housing scattered site operations.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	453 persons.
	Location Description	813 S. Michigan St., South Bend, IN 46601

	Planned Activities	National Objective is Low- and Moderate-Income Clientele The Matrix Code is 05Z Other Public Services Not Listed.
12.	Project Name	Oaklawn – Coordinated Entry
	Target Area	Citywide
	Goals Supported	HO-2 Support and Management Services
	Needs Addressed	Homeless Priority
	Funding	CDBG: \$23,587
	Description	Support for Oaklawn’s coordinated entry for
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	500 individuals
	Location Description	415 E. Madison, South Bend, IN 46617
	Planned Activities	National Objective is Low- and Moderate-Income Limited Clientele. The Matrix Code is 03T Operating Costs Homeless/AIDS Patients.
13.	Project Name	SBPD Neighborhood Action Reclamation Patrols
	Target Area	Low- and Moderate-Income Areas.
	Goals Supported	CD-5 Public Safety
	Needs Addressed	Community Development Priority
	Funding	CDBG: \$120,000
	Description	Subsidize salary costs of police department foot patrols in Neighborhood Reclamation Areas.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Need estimated beneficiaries.
	Location Description	Neighborhood Reclamation Areas
	Planned Activities	National Objective is low- and moderate-income area. The Matrix Code is 05I Crime Awareness.
14.	Project Name	Habitat for Humanity of St. Joseph County
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	HS-1 Housing Development
	Needs Addressed	Housing Priority
	Funding	HOME: \$860,000
	Description	New construction of 14 single family homes on Sibley and Florence Streets.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	14 Single Family Homes.

	Location Description	Sibley and Florence Street, South Bend, IN 46616
	Planned Activities	National Objective is Low- and Moderate-Income Housing. The Matrix Code is 12 Construction of Housing.
15.	Project Name	Oaklawn – TBRA
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	SN-1 Housing
	Needs Addressed	Other Special Needs Priority
	Funding	HOME: \$140,000
	Description	Subsidize rents for severely mentally ill clients in the Oaklawn Psychiatric Center.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	24 Households.
	Location Description	415 E. Madison, South Bend, IN 46617
	Planned Activities	The national objective is Low/Mod-Income Housing. The Matrix Code is
16.	Project Name	Northeast Neighborhood Revitalization Organization, Inc.
	Target Area	Low- and Moderate-Income Areas
	Goals Supported	HS-1 Housing Development
	Needs Addressed	Housing Priority
	Funding	HOME: \$189,000
	Description	Construction of Affordable Infill Housing as part of the NNRO Community Land Trust (CLT)
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	2 Single Family Homes
	Location Description	1112 & 1116 Duey Street
	Planned Activities	The national objective is Low/Mod-Income Housing. The Matrix Code is 12 Construction of Housing.
17.	Project Name	HOME Consortium Administration
	Target Area	Countywide
	Goals Supported	AP-1 General Administration
	Needs Addressed	Administration and Planning Priority
	Funding	HOME: \$16,025
	Description	DCI staff will administer the St. Joseph County Housing Consortium’s HOME grant and contract for the Analysis of Impediments to Fair Housing Choice (AI).
	Target Date	12/31/2024
	Estimate the number	1 Other.

	and type of families that will benefit from the proposed activities	
	Location Description	Citywide.
	Planned Activities	The Matrix Code is 21A General Program Administration.
18.	Project Name	Emergency Solutions Grant
	Target Area	Citywide
	Goals Supported	HO-2 Support and Management Services
	Needs Addressed	Homeless Priority
	Funding	ESG: \$203,698
	Description	Subsidize the costs of operating emergency homeless shelters; provide case management and rent/utility assistance for individuals and families transitioning out of homelessness; subsidize the cost of DCI's administration of the ESG program.
	Target Date	12/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	1 Other.
	Location Description	Citywide.
	Planned Activities	The national objective is Low/Mod Income Clientele Benefit (LMC). The project matrix code is 05F Substance Abuse Services, 05G Services for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, 05Q (Subsistence Payments), 05S (Rental Housing Subsidies), and 05T (Security Deposit).

AP-50 Geographic Distribution - 91.420, 91.220(f)

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

The 2018-2022 American Community Survey 5 Year Estimates were used to analyze the social, economic, housing, and general demographic characteristics of the City of South Bend.

POPULATION:

The City of South Bend's overall population as reported in the 2018-2022 American Community Survey Five-Year Estimates was 103,084. According to the 2010 Census, the population of the City was 102,073. There has been a small population increase over the previous decade.

AGE:

The following is the age composition of the City of South Bend from the 2018-2022 American Community Survey Five-Year Estimates:

- The median age in the City is 33.4.
- Approximately 26.9% of the population is under the age of 18.
- Seniors over the age of 65 make up 13.7% of the total population.

RACE/ETHNICITY:

Racial/ethnic composition of the City of South Bend from 2018-2022 American Community Survey Five-Year Estimates:

- 55.9% are White
- 25.4% are Black or African American
- 0.5% are American Indian or Alaska Native
- 2.0% are Asian
- 0.1% are Native Hawaiian and Other Pacific Islander
- 16.2% are Two or More or Some Other Race.

INCOME PROFILE:

According to the 2018-2022 American Community Survey, the median household income in the City of South Bend was \$49,056.

- 29.9% of households received earnings from social security.
- 18.7% received retirement income.
- 4.0% of households received public assistance income.

ECONOMIC PROFILE:

The following illustrates the economic profile for the City of South Bend, according to the 2018-2022 American Community Survey:

- 28.2% of workers are employed in educational services, healthcare, and social assistance.
- 16.6% of workers were employed in manufacturing.
- 10.6% of workers were employed in retail trade.
- 4.0% of workers were considered self-employed.
- 86.2% of workers are private wage and salary workers.

Geographic Distribution

Target Area	Percentage of Funds
Low- and Moderate-Income Areas	100%

Table 56 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City of South Bend will allocate its CDBG funds to those geographic areas whose residents are above the 51% low- and moderate-income rate. At least 70% of all the City’s CDBG funds that are budgeted for activities will principally benefit low- and moderate-income persons. The following guidelines for allocating CDBG and HOME funds were used by the City for the FY 2024 Program Year:

- The public services activities are for social service organizations whose clientele are considered lower income or in certain cases, a limited clientele with a presumed low- and moderate-income status.
- The public facilities activities are either located in a low- and moderate-income census tract/block group, have a low- and moderate-income service area benefit, or have clientele over 51% low- and moderate-income.
- The infrastructure improvement activities are either located in a low- and moderate-income census tract/block group or have a low- and moderate-income service area benefit or clientele, which is over 51% low- and moderate-income.
- The housing activities have income eligibility criteria; therefore, the income requirement limits funds to low- and moderate-income households throughout the City.
- Economic development projects will either be located in a low- and moderate-income census tract/block group, or a poverty tract greater than 20%, or part of a redevelopment area, or 51% of the jobs will be made available to low- and moderate-income households.

The proposed Activities/Projects under the FY 2024 CDBG and HOME Program Year are located in areas with the highest percentages of low- to moderate-income persons and those block groups with a percentage of minority persons above the average for the City of South Bend.

The HOME funds will be used for administration and for housing projects. These funds will be targeted to low-income persons and projects designed to provide affordable housing to low-income persons and are

usually located in low- and moderate-income areas.

The ESG funds will be used for street outreach, emergency shelters, homeless prevention, rapid re-housing, and HMIS. Funding will also be used for the renovations, operating expenses, and essential services such as child care, drug and alcohol abuse education, job training, and counseling for homeless individuals and organizations that serve the homeless. The disbursement is based on need of each shelter or agency, not by geographic area.

Discussion

The City is allocating its CDBG funds to areas or projects/activities which predominantly benefit low- and moderate-income persons to rehabilitate or construct new housing for low- and moderate-income households; to create low- and moderate-income jobs; and to projects/activities that benefit the low- and moderate-income population.

Affordable Housing

AP-55 Affordable Housing - 91.420, 91.220(g)

Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	453
Non-Homeless	187
Special-Needs	24
Total	664

Table 57 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	24
The Production of New Units	43
Rehab of Existing Units	142
Acquisition of Existing Units	2
Total	211

Table 58 - One Year Goals for Affordable Housing by Support Type

Discussion

During the FY 2025 Program Year, the City intends to fund the following housing activities:

CDBG Funds:

- Community Homebuyer Corporation – Forgivable Second Mortgage
- Department of Community Investment –
- South Bend Heritage Foundation –
- Near Northwest Neighborhood –
- Near Northwest Neighborhood – Acquisition/Rehabilitation Homeownership – 2 Single Family Homes
- Near Northwest Neighborhood – New Construction Rental – 3 units
- South Bend Heritage Foundation – New Construction Rental – 1 Quadplex in Rum Village Neighborhood
- Rebuilding Together – Owner-occupied Rehabilitation - 22 units

HOME Funds:

- Habitat for Humanity – New Construction Single Family – 14 units
- Oaklawn – Tenant Based Rental Assistance – 24 units
- Northeast Neighborhood Revitalization Organization – 2 Single Family Units

AP-60 Public Housing - 91.420, 91.220(h)

Introduction

According to their Five-Year and Annual Plan for 2024-2029, the Housing Authority of South Bend's progress in meeting their mission and goals states that HASB will attain and maintain high performer status in both of its housing programs. The HASB has struggled to form Resident Councils and Resident Advisory Boards. The Housing Authority of South Bend has strategized recruiting more Section 8 Housing Choice landlords. Demand among public housing residents for Section 8 Housing Choice Vouchers has increased.

The Housing Authority of South Bend has the following units:

- Laurel Court – 42 units
- South Bend Ave – 20 units
- LaSalle Landing – 24 units
- WestScott/Quads – 179 units
- Harber Homes – 54 units
- Edison and Twyckenham – 39 units
- Scattered Sites – 238 units

Total – 596 units

There are sixty-two (62) units that are considered accessible in the Housing Authority of South Bend's public housing inventory.

The waiting list open up January 15, 2023, and stayed open for 2 weeks, had a total of 1146 on waiting list was closed January 31, 2023. The count on February 1, 2023, was 2088 after purging of files for non-compliance. There are currently 942 households on the waitlist as of November 9, 2023. The waiting list open back up on November 1, 2023, for all bedroom sizes, the count does not included open online list that has not been dumped over as of yet.

The Housing Authority of South Bend administers 2,365 Section 8 Housing Choice Vouchers as of November 2023. Demand for a quality Section 8 Housing rental exceeds the supply of decent, affordable rental units. There are 1,275 families/individuals on the Housing Choice Voucher waiting list as of November 2023. The waiting list is currently closed.

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

The Housing Authority of South Bend (HASB), partnering with the City of South Bend, is currently working with a consultant on a repositioning plan for HASB to modernize the vacant scattered site units in its portfolio. Scoping the repairs is currently underway which will lead to a plan to address the needed repairs. An asset repositioning plan is also in the beginning stages with a consulting firm inspecting the units and making recommendations for a plan to move forward. Once repairs are completed, new income eligible households will be able to move into the HASB units with affordable rents.

The HASB is also working with the City on a transformation plan for the redevelopment of two former public housing sites which are currently vacant. The plan is to combine these sites into a mixed income community. The City and Community Foundation have applied for \$20 million in grant funds for the project. HASB has published an RFQ for a developer partner. The City has also committed funding to the project.

It is expected that once the vacant units are occupied, HASB will be able to shed its troubled status.

HASB is continuing its active outreach to landlords and property managers within the South Bend area to increase the number of eligible options for HASB Housing Choice Voucher holders. The HASB staff is educating landlords and encouraging participation in the HCV program to expand the availability of rental housing to HASB voucher holders.

HASB will host NSPIRE training for maintenance in 2024 to align with HUD's goal to replace the HQS inspection process with one that prioritizes health and safety of its residents and focuses more heavily on the living spaces of the residents.

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

The Housing Authority of South Bend currently has no resident councils. The Housing Authority has attempted to create them for five (5) years, but the councils cannot sustain themselves once the participation of Housing Authority officials ends.

HASB has an active Family Self-Sufficiency (FSS) program which promotes the development of local strategies to coordinate public and private resources that help residents obtain employment that will enable participating families to achieve economic independence. Guest speakers share their experience and participation is high with more than 60 participants actively involved in the program, which also has a community service component and cultivates involvement in this regard.

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

The Housing Authority of South Bend was previously designated as troubled. It is improving steadily with a new director and Board Members. The Mayor and City Council of South Bend have been very supportive of the efforts to improve the Housing Authority's properties and management. The City is working closely with the Housing Authority of South Bend in a variety of different ways.

1. The City is providing \$1 millions to the Housing Authority of South Bend (HASB) to make repairs to its vacant scattered-site units. This will help to house more families, reduce vacancy loss, and bring the HASB out of troubled status. The MOU for the funds has been executed and a scope of the project and needed repairs is currently being developed.
2. The City contracted with an outside consulting firm to provide an asset repositioning plan for HASB. The consultant has completed site visits of all vacant units and has completed the analysis and made initial recommendations.
3. The City is partnering with HASB on a transformation plan for the redevelopment of two former public housing sites which are currently vacant. The plan is to combine these sites into a mixed income community. The City and Community Foundation have applied for \$20 million in grant funds for the project. HASB has published a RFQ for a developer partner. The City has also committed funding to the project.

It is expected that once the vacant units are occupied, HASB will be able to shed its troubled status.

Discussion

The Housing Authority of South Bend is the largest provider of affordable housing in the City. It provides affordable housing for the very low-income, the disabled, and veterans. It is a valuable resource and is needed to meet the housing demand of the very low-income.

AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)

Introduction

The Five-Year Consolidated Plan is to serve as a consolidated planning document, an application, and a strategic plan for the City South Bend, IN. The following goals and objective for the City of South Bend's Homeless Strategy have been identified for the Five-Year period of FY 2025 through FY 2029.

- **HO-1 Housing Opportunities** – Increase the housing opportunities and living conditions of persons and families who are homeless or who are at risk of homelessness.
- **HO-2 Support and Management Services** – Promote and assist supportive and management services for public and non-profit agencies and organizations which assist persons who are homeless or who are at risk of homelessness.
- **HO-3 Homeless Prevention** – Promote and assist in anti-eviction and unfair housing practices which may contribute to homelessness.
- **HO-4 Permanent Supportive Housing** – Promote and assist in the development of new permanent supportive housing opportunities for persons and families who are experiencing homelessness and who are exiting out of shelters and transitional housing programs.
- **HO-5 Shelter Housing** – Support and assist in the development of shelters and supportive training and educational programs for sheltered residents.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Point-In-Time Count for St. Joseph County reported a total 547 homeless individuals. This included 369 individuals in emergency shelters, 134 in transitional housing, and 44 unsheltered individuals. There were 100 children under the age of 18 living in emergency shelters and transitional housing. There were no children unsheltered.

Households with Children. The Point-In-Time Count for 2024 reported 46 households with at least one child in St. Joseph County. There no households with children that were unsheltered. 26 households were in emergency shelters and 20 were in transitional housing. There was a total of 145 individuals including 97 children.

Veterans and Families. The Point-In-Time Count did not report any homeless veteran families with children. There were 33 homeless veterans who were unaccompanied living in emergency shelters (13), transitional housing (18) and unsheltered (2).

Unaccompanied Youth. There was a total of 24 unaccompanied youths in the County. Only two (2)

individuals were unsheltered. The remaining were in emergency shelters (10) or transitional housing (12).

Addressing the emergency shelter and transitional housing needs of homeless persons

The majority of the homeless population in St. Joseph County resides in emergency shelters and transitional housing. According to the 2024 Point-In-Time count, a total of 369 individuals resided emergency shelters and 134 resided in transitional housing. A total of 44 individuals were unsheltered. Compared to the Point-In-Time count in 2023, the homeless population has remained constant. In 2023, there were 551 homeless individuals in the County: 385 in emergency shelters, 114 in transitional housing, and 52 unsheltered.

The Center for the Homeless assists in coordinating homeless individuals and families, including Veterans, to services for adult self-sufficiency, children's support, developmental services, and mental health care. The Center for the Homeless has a Veteran's Annex to assist this population. Life Treatment Centers assists in accommodating homeless Veterans, offering 24 beds.

AIDS Ministries/AIDS Assist has programs for education, which includes awareness and prevention of HIV/AIDS, testing, and the distribution of the PrEP pill to reduce the risk of HIV/AIDS in at-risk individuals. All programs are available to homeless individuals, and AMAA receives funding for housing for homeless individuals or individuals at-risk of homelessness.

Youth Service Bureau provides a variety of housing and outreach programs for area youth that are homeless or at-risk of homeless. These programs include street outreach, a drop-in center for intake, a young mothers' program, and youth development services.

Oaklawn Psychiatric Center provides services for adults and children with mental health needs. Oaklawn conducts outreach for this population.

All listed agencies participated in the development of Coordinated Entry for St. Joseph County.

The City, along with service providers of Hope Ministries and Center for the Homeless, have conducted a weather amnesty program based on specific timeframe of November 1 to April 1 for the last three years. Weather Amnesty provides a warm sleeping site from 8PM to 8AM. Outside of these hours, other than the few day centers available, the homeless are back on the street.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Indiana Balance of State CoC's written standards focus on a Housing First Model and follow the best practices of that model. The written standards utilize several strategies to increase the number of people that exit Emergency Shelter, Transitional Housing, and Rapid Re-housing to Permanent Housing destinations. Evaluations of these standards will be based on the length-of-time homeless of an individual or family in Emergency Shelter, Transitional Housing, or Rapid Re-Housing. The CoC will seek to make

progress on the turnover rate of individuals and families, the targeting of individuals and families based on risk, and the number of positive exits into Permanent Housing.

St. Joseph County severely lacks Permanent Supportive Housing. Though there are a number of emergency shelters and transitional homes, these shelters are full because residents cannot be moved to Permanent Supportive Housing due to a limited supply of permanent housing. Permanent Supportive Housing can be placed throughout the region, provided that supportive services are close by or readily accessible through public transit. Permanent Supportive Housing has faced resistance from the public when it has been proposed for construction in the past.

The City of South Bend has 104 VASH Vouchers which are administered through the Housing Authority of South Bend and the VA Hospital Annex in Mishawaka. Life Treatment Centers has been successful in transitioning Veterans from its shelters through the VASH program at a 75-76% success rate.

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

The Indiana Balance of State CoC has prioritized Rapid Rehousing in response to the changes in Federal funding. However, given the large number of evictions and foreclosures in the City of South Bend, the CoC would like to expand by creating homelessness prevention programs. Individuals and families that are evicted or foreclosed, face barriers to returning to a secure rental or homeownership state. For this reason, preventing an eviction or foreclosure is more desirable than addressing the need after the person becomes homeless.

Discharge policies at local hospitals are designed to prevent those leaving the hospitals from being referred to the Center for the Homeless. The Center for the Homeless provides emergency shelter and transitional housing for the homeless, along with supportive services. The Regional Planning Council understands that the City and federal funding requires their participation in Coordinated Entry and HMIS but also encourages those providers who do not receive federal dollars to do the same.

Dismas House serves ex-offenders and provides them with housing in St. Joseph County. Dismas House provides food and mentorship for ex-offenders. Dismas House supports its residents in finding permanent housing, but struggles to place residents in decent housing. Most landlords will not rent to ex-offenders and the ex-offenders will only be able to find permanent housing with a slum lord that does not care about their tenants. Space is limited and sex offenders are not allowed to stay in Dismas House.

The Youth Service Bureau assists children in the region with transitional housing, emergency shelter, and other related supportive services. The Youth Service Bureau has tracked students that lack stability and who move between multiple schools, which contributes to the academic gaps in the City, leading to future unemployment and homelessness. Children without support systems frequently “couch-surf” and are difficult to reach with services.

Discussion

There are numerous services and agencies which address the needs of emergency shelter and transitional housing. The problem that needs to be addressed is the large need for permanent supportive housing. This need is greater than the resources provided to the City through the federal and State financial programs.

AP-75 Barriers to affordable housing - 91.420, 91.220(j)

Introduction

The City of South Bend, the City of Mishawaka, and St. Joseph County have identified the following impediments for the 2025 Analysis of Impediments to Fair Housing Choice:

Impediment 1: Lack of Affordable Housing for Sale. The median value and cost to purchase a single-family home in St. Joseph County that is decent, safe, and sound has increased significantly to over \$165,700. For the City of South Bend it is over \$128,200, and for the City of Mishawaka it is \$113,800. This limits the choice of housing for lower-income households throughout the County and in both Cities.

Impediment 2: Affordable Rental Housing. The current supply of rental housing is not necessarily affordable to lower-income households. The monthly housing cost for apartments has steadily increased to the point that 46.0% of all rental households in St. Joseph County, 49.0% of all rental households in South Bend, and 44.5% of all rental households in Mishawaka are considered cost burdened by 30% or more.

Impediment 3: Continuing Need for Accessible Housing Units. As an older built-up environment, there is a lack of accessible housing units in St. Joseph County and the Cities of South Bend and Mishawaka. Since 41.5% of the County's housing units, 60.6% of South Bend's housing units, and 31.3% of Mishawaka's housing units were built prior to 1960, these units were not constructed with accessibility features. It is estimated that 13.4% of the County's overall population, 14.4% of South Bend's population, and 16.4% of Mishawaka's population is classified as disabled.

Impediment 4: Fair Housing Education and Outreach. There is a continuing need to educate persons about their rights under the Fair Housing Act and to raise community awareness to affirmatively further fair housing.

Impediment 5: Private Lending Practices. The HMDA data for St. Joseph County indicates that there may be a disparity between the approval rates of home mortgage loans originated from minorities and those originated from non-minority applicants.

Impediment 6: Impacted Areas of Concentration. There are specific areas throughout the two Cities and the County where the concentration of low-income persons exceeds 70% of the area's population, and areas with concentrations of minority persons.

Impediment 7: Economic Issues Affecting Housing Choice. There is a lack of economic opportunities in the County and both Cities which prevents low-income households from improving their income and providing an opportunity to live outside areas of low-income concentration.

Impediment 8: Public Policies That May Affect Housing Choice. Public policies such as community comprehensive plans and zoning ordinances sometimes affect the location of affordable housing, special needs housing, and the development process of these types of housing.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning

ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The St. Joseph County Housing Consortium has identified public policies which may impede fair housing. The City of South Bend and St. Joseph County should revise planning and zoning policies to expand the ability for disabled residents to make ADA improvements to homes. Local zoning ordinances need review and should be brought into compliance with the Fair Housing Act.

The St. Joseph County Housing Consortium has prepared a new Analysis of Impediments to Fair Housing Choice for 2025. The St. Joseph County Housing Consortium is committed to affirmatively furthering fair housing.

During its FY 2025 CDBG, HOME, and ESG Program Year the St. Joseph County Housing Consortium, the City of South Bend, and the City of Mishawaka propose to fund activities/projects that affirmatively further fair housing. This includes:

- Assistance with rehabilitation costs for lower income homeowners and renters.
- Funds for affordable second mortgages for first-time homebuyers.
- Funds for downpayment assistance for first-time homebuyers.
- Funds for education and outreach for fair housing.
- Funds for neighborhood fair housing organizations.
- Funds for project financing and related costs for affordable housing developments.
- Funds for permanent supportive housing development.

Discussion

A full list of the Impediments to Fair Housing Choice and related strategies to overcome these impediments is attached in the Appendix section of the Five-Year Consolidated Plan.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

The City of South Bend has developed the following actions planned to: address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based hazards, reduce the number of poverty-level families, develop institutional structures, and enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

Despite efforts made by the City of South Bend and social service providers, a number of significant obstacles remain to meeting underserved needs. With funding resources being scarce, funding becomes the greatest obstacle for the City of South Bend to meet its underserved needs. Insufficient funding lessens the ability to fund many worthwhile public service programs, activities, and agencies. Through its planning efforts, the City will use its limited resources to address the City of South Bend's greatest needs and improve the quality of life for its residents. The following obstacles need to be overcome in order to meet underserved needs:

- Lack of decent, safe, sound, and affordable owner and renter housing.
- High cost of construction and rehabilitation work.
- Aging in place population who need accessibility improvements.
- Need major rehabilitation of the City's aging housing stock.
- High eviction rates and foreclosure rates leading to vacant properties.
- Low wages in the service and retail sector job market.

Actions planned to foster and maintain affordable housing

To foster and maintain affordable housing, the City of South Bend proposes the following Five-Year Goals and Strategies:

HS-1 Housing Development - Increase the number of decent safe, sanitary, accessible, and affordable housing units in the County, both for owner-occupied and rental-occupied housing.

HS-2 Homeownership – Increase the opportunities for homeownership for low- and moderate-income households through downpayment/closing cost assistance, and housing counseling services.

HS-3 Housing Rehabilitation – Promote and assist in the preservation of existing owner-occupied and renter-occupied housing in the County.

HS-4 Lead-Based Paint – Promote and educate property owners on the dangers of lead-based paint and safe work practices to abate lead-based paint in their residences.

HS-5 Housing Assistance – Promote and provide housing stability through mortgage assistance tax payments, rental assistance, deposits, and utility payments for low- and moderate-income households who are at risk of homelessness.

HS-6 Fair Housing – Affirmatively further fair housing by promoting and informing households on their rights, and by educating landlords, realtors, mortgage brokers, financial institutions, and sellers on fair housing practices which will reduce discrimination in the sale and rental of housing.

HS-7 Housing Supportive Services – Promote and assist low- and moderate-income households in the purchase, maintenance and upkeep of their homes through housing and financial counseling to avoid eviction proceedings.

The City of South Bend will continue to work with the City’s Human Rights Commission during this program year to again provide education and outreach and conduct activities to affirmatively further fair housing.

Actions planned to reduce lead-based paint hazards

The revised Federal lead-based paint regulations published on September 15, 1999 (24 CFR Part 35) have had a significant impact on many activities – rehabilitation, tenant based rental assistance, and property acquisition – supported by the CDBG program. The St. Joseph County Housing Consortium and the City of South Bend will comply with Title 24 Part 35: Lead-Based Paint Poisoning Prevention in Certain Residential Structures (Current Rule).

The St. Joseph County Housing Consortium and the City of South Bend will ensure that:

- Applicants for rehabilitation funding receive the required lead-based paint information and understand their responsibilities.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint requirements.
- The level of federal rehabilitation assistance is properly calculated and the applicable lead-based paint requirements determined.
- Properly qualified personnel perform risk management, paint testing, lead hazard reduction, and clearance services when required.
- Required lead hazard reduction work and protective measures are incorporated into project rehabilitation specifications.
- Risk assessment, paint testing, lead hazard reduction, and clearance work are performed in accordance with the applicable standards established in 24 CFR Part 35.
- Required notices regarding lead-based paint evaluation, presumption, and hazard reduction are provided to occupants and documented.
- Program documents establish the rental property owner’s responsibility to perform and document ongoing lead-based paint maintenance activities, when applicable.

Program staff monitor owners for compliance with ongoing lead-based paint maintenance activities, when applicable.

The St. Joseph County Housing Consortium and the City of South Bend will ensure that:

- Applicants for homeownership assistance receive adequate information about lead-based paint requirements.
- The staff will properly determine whether proposed projects are exempt from some or all lead based paint requirements.
- A proper visual assessment is performed to identify deteriorated paint in the dwelling unit, any common areas servicing the unit, and exterior surfaces of the building or soil.
- Prior to occupancy, properly qualified personnel perform paint stabilization and the dwelling passes a clearance exam in accordance with the standards established in 24 CFR Part 35.
- The home purchaser receives the required lead-based paint pamphlet and notices.

Actions planned to reduce the number of poverty-level families

According to 2018-2022 ACS data, 17.7% of families in South Bend live below the poverty line. The poverty rate was greater for families with children, approximately 27.4% of households with children under 18 years were below the poverty line. Approximately 37.4% of all female headed households in the City were below the poverty line.

The City’s planned action to reduce the number of poverty-level families is based on economic development and addressing the needs of the homeless. The City will support activities to attract and expand businesses, support workforce development through job training, and address infrastructure needs. The City will also engage in addressing the immediate needs of families and individuals using public service providers.

Planned Public services will include:

- Job-training services through South Bend Career Pathways.
- Developing small businesses.
- Encouraging entrepreneurship among women and minorities.
- Incubating start-ups that begin at Notre Dame.
- Development of new commercial/industrial facilities.
- Homeless prevention services.
- Promotion of new job opportunities.

Actions planned to develop institutional structure

The City of South Bend works with the following agencies to enhance coordination:

- **City of South Bend – Department of Community Investment** - oversees the CDBG and ESG programs, and the HOME program on behalf of the St. Joseph County Housing Consortium.
- **Housing Authority of South Bend** - oversees the improvements to public housing communities, Section 8 Housing Choice Voucher Program and the development of scattered site housing.
- **Social Services Agencies** - the City provides funds to address the needs of low- and moderate-income persons.
- **Housing Providers** - the City provides funds to agencies and organizations to rehabilitate and develop new affordable housing for low- and moderate-income families and individuals.

- **Indiana Balance of State CoC Region 2a Planning Council** - oversees the Continuum of Care Network for St. Joseph County.

As part of the CDBG application planning process, local agencies, and organization are invited to submit proposals for CDBG funds for eligible activities. These groups participate in the planning process by attending the public hearings, informational meetings, and completing survey forms.

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

Public Institutions: The City will act as a clearinghouse and facilitator for many of the activities described in the annual action plan. As the local unit of government, the City is empowered to apply for and administer certain types of grants. Support from the City, expressed as a certification of consistency or some other instrument, may be all that is required for some activities. Other activities will involve the more direct participation of the City for funding, acquisition of land or buildings, or in convening meetings of various agencies to iron out differences or strategies on how to seize opportunities. The City will continue to administer the CDBG and ESG programs, and the HOME program on behalf of the St. Joseph County Housing Consortium.

The Housing Authority of South Bend administers public housing and Section 8 Rental Assistance Programs in the City. This Authority is responsible for the management and maintenance of public housing units. The Housing Authority will continue in its efforts to modernize these public housing units in order to provide decent, affordable housing in the City.

Non-Profit Organizations: Non-profit housing agencies play a role in the implementation of this plan. Through the construction of new housing, and the rehabilitation of existing units, these agencies access financing sources such as the Low Income Housing Tax Credit, the Federal Home Loan Bank, and charitable contributions that increase the supply of affordable housing. While some groups focus on the rehabilitation of single units for resale to first time homebuyers, others have attempted to create assisted rental developments.

The City of South Bend works closely with its neighborhood organizations and CDCs to undertake housing development and rehabilitation projects in the City. Two (2) of the CDCs are certified CHDOs and receive funding through the St. Joseph County Housing Consortium to develop additional housing in the City.

Social service agencies are a link between the provision of housing and the population it is intended to serve. The agencies work directly with providers of services to persons with special needs including: mental health, mental retardation, elderly, drug and alcohol addiction and families that are at-risk of becoming homeless. Although these agencies cannot provide housing, they can direct housing efforts where needed and are integral in the planning of housing and services for target populations. Emergency shelters, including the Center for the Homeless, will continue to provide shelter for the homeless.

Private Industry: Several lending institutions cooperate with the City and the St. Joseph County Housing Consortium to provide funding for downpayment assistance and second mortgages. Those lending institutions play an important role by providing financial partnerships that would not otherwise be available to low- and moderate-income households.

Discussion

Monitoring:

Subrecipients are expected to make available all participant level, financial and program records for periodic review on a schedule to be established by the City. In addition, subrecipients will maintain participant files in compliance with the standard set by the City. Significant deficiencies in file content or quality will result in required Plans of Corrective Action, with possible loss of funds upon discovery of continuing deficiencies.

Program compliance and data integrity will also be subject to regular and random monitoring by the City staff. Monitoring of subrecipients may be conducted by the City, local HUD Office of Community Planning and Development, HUD's Office of Special Needs Assistance Programs, HUD's Office of Inspector General, HUD's Office of Fair Housing and Equal Opportunity, or another Federal agency to determine whether the subrecipient complied with the requirements of this program.

Each subrecipient that will be subject to on-site or remote monitoring by the City will receive at least 5 days notification prior to the visit confirming the date and time of the monitoring and a monitoring review. The review contains a list of areas that will be reviewed and documents that will need to be made available at the time of monitoring.

Upon completion of the review, the City will send a letter detailing all concerns and findings discovered during the monitoring visit. The letter will be sent within 30 days of the monitoring visit unless an investigation of findings requires more time. If there are findings or concerns discovered, the letter will request the agency to submit a specific resolution or correction within a certain period of time.

Additionally, the City staff may be available throughout the program year to conduct interim monitoring to help new subrecipients or agencies with new staff ensure continued compliance with the CDBG, HOME, and ESG programs. Please contact the City staff to schedule an interim monitoring or Technical Assistance visit.

The City is responsible for ensuring that the CDBG, HOME, and ESG requirements are met. The City will maintain staff that will be responsible for continuous monitoring of all CDBG, HOME, and ESG agency activities.

The City will desktop-monitor subrecipients multiple times throughout the year by reviewing each claim for reimbursement that is submitted by the subrecipients. Each claim for payment submitted by a subrecipient requires a progress report relevant to the goals stated in the Scope of Services. On-site monitoring visits are in addition to the desk audits completed when reviewing subrecipient claims, constant communication on projects via phone and email, and various meetings to discuss program issues. The City will conduct site visits to agencies and review of grant activities and reports. On-site monitoring will be conducted a minimum of every two years to review

subrecipients' internal systems and ensure compliance with applicable requirements. Any new subrecipient will be monitored in its first year of funding. A minimum of 40% of subrecipients will be monitored every year.

The city will utilize the most recent HUD notice covering monitoring (an example is provided in the appendices) for determining which subrecipients are at-risk. Any agency deemed at-risk will be monitored more often than the two-year schedule until the issues are deemed resolved.

In the event of a National emergency, on-site monitoring will be conducted remotely to remain in compliance with the two-year schedule. In the event of City staffing issues or conflicts, on-site monitoring will be conducted at minimum every 3 years and may be conducted remotely.

Agencies are expected to make available all client files, and any financial and program records for periodic review on a schedule to be established by the City. In addition, agencies will maintain client fields in compliance with any standards set by the City. To prepare for a monitoring visit, the following steps will be taken:

1. The City will notify the award recipient in writing of the intent to conduct a monitoring. The letter will include the name of the person completing the monitoring, the date and time of the monitoring, and a list of the items to be monitored during the visit.
2. The City staff will use a monitoring tool that will be made available to the award recipient prior to the visit.
3. The award recipient must ensure that the files are complete and appropriate and that the appropriate people in the subrecipient's organization are available during the monitoring.
4. Subsequent to the monitoring, City staff will issue a letter outlining any findings, concerns, corrective action and recommendations determined as a result of the monitoring visit.

The subrecipient must respond to any findings and/or advisory concerns in the monitoring letter within the time period indicated in the letter.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

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

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

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$0.00
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	\$0.00
3. The amount of surplus funds from urban renewal settlements	\$0.00
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	\$0.00
5. The amount of income from float-funded activities	\$0.00
Total Program Income	\$0.00

Other CDBG Requirements

1. The amount of urgent need activities	\$0.00
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)**

- 1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:**

The St. Joseph County Housing Consortium does not intend to use any other forms of investment other than those described in 24 CFR 92.205(b).

- 2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:**

See attachments.

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

No units will be acquired with HOME funds by the HOME consortium.

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

The St. Joseph County Housing Consortium does not intend to refinance any existing debt for multifamily housing that will be rehabilitated with HOME Funds.

- 5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).**

The Oaklawn Psychiatric Center will provide Tenant Based Rental Assistance to individuals and families currently utilizing their services. TBRA will be available to persons with mental illness and/or substance use disorders who can live independently but lack financial security.

- 6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).**

The Oaklawn Psychiatric Center will provide Tenant Based Rental Assistance to 24-30 households. Oaklawn provides supportive services to patients with mental illness and/or substance use disorders. By providing housing stability, these persons will be able to commit to treatment provided at Oaklawn. No preferences will be established internally for which patients receive TBRA.

- 7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).**

Oaklawn Psychiatric Center will provide TBRA to patients and their families utilizing its services. Oaklawn provides assistance to persons with mental illness and substance use disorders.

**Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)**

1. Include written standards for providing ESG assistance (may include as attachment)

2024 Emergency Solutions Grants funds will be used to support local recipients' emergency shelter operations, transitional housing operations, and rapid rehousing measures. Specific standards are detailed in the attached ESG manual for the City of South Bend and includes guidance on coordination of services, evaluating and serving clients, shelter and housing standards, and reporting and confidentiality of client data.

The Regional Planning Council (RPC) agrees that any client is eligible to receive assistance up to 12 months within a 3-year period as determined by the certification process required for all ESG clients. In December 2014 the RPC agreed to extend the time period for youth to a maximum of 24 months. The RPC anticipates this timeframe to be of assistance, and believes it supports the rapid re-housing emphasis of the program. It is the case manager's responsibility to document client need and ensure that ESG is the most appropriate assistance for the client. Any potential client must go through a detailed intake process in order to determine and document eligibility to participate in the program. Case managers will consistently reevaluate the need for assistance during the 12 month period. All sub-grantees are expected to provide support to clients for the full time necessary to stabilize that client and provide for the likelihood of a positive housing outcome after assistance.

Also approved by the RPC in December 2014 was the option for an agency to tier the rent assistance over the 12-month period. For example, 100% assistance would be provided for the first three (3) months, 75% for months four (4) through six (6), 50% for months seven (7) through nine (9), and 25% for the remaining three months of the period. This scale may be adjusted for youth that are eligible for 24 months of assistance.

Attached is the City of South Bend's ESG Manual which was provided to all ESG subrecipients.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The RPC started implementing coordinated entry in 2017. The goal of CE is to increase the efficiency of local response systems and improve fairness and ease of access to resources. In 2024, plans are in place to begin a transition from the previously used VI-SPDAT as an assessment tool, to the Collaborative Housing Assessment Tool (CHAT). The CHAT model was selected as it is shorter and uses plain languages in a conversational format which is more client friendly. It is designed to reduce duplication of questions and information regarding clients that has already been recorded in HMIS. Additionally, members of the RPC have specific days/times and locations that were agreed upon for outreach. Monthly meetings occur to review and update the list with referrals being made as appropriate.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based

organizations).

- The City of South Bend publishes a Notice of Funding Opportunity with Request for Proposals annually to be submitted for consideration during the Annual Action Plan process. Proposals are evaluated and preference is given to those which address the following:
 - Priority is given to agencies that are actively involved in the Regional Planning Council;
 - Allow for the use of ESG Program funds so that as many homeless individuals and families as possible will be assisted;
 - Demonstrate a commitment to the project in terms of time, effort, resources, etc.;
 - Include a realistic, detailed financial package that documents the ability of the applicant entity to match the Emergency Solutions Grant funds and demonstrates the ability to leverage financing from other sources. (Expenditures should be explained);
 - Describe the nature and extent of the (documented) unmet homeless need within the applicant’s jurisdiction and detailed extent to which the proposed activities address the need;
 - Provide the ability of the applicant entity to carry out the proposed activities within the 2023 program year;
 - Demonstrate effectiveness in serving the homeless, including the ability to establish, maintain, and/or improve the self-sufficiency of homeless individuals;
 - Timeliness of reimbursement requests/draw requests will be considered for currently or previously funded entities; and,
 - The City of South Bend has the final decision-making authority on the selection of proposals to be funded.
 - The City of South Bend recognizes that it is a HUD policy that, within the framework of constitutional church-state guidelines, faith-based organizations should be able to compete on an equal footing with other organizations for Federal funding. Accordingly, organizations that are faith-based are eligible, on the same basis as any other organization, to participate in HUD programs and activities, and therefore the City of South Bend’s HUD-funded programs and activities.
 - The City is a member of the Regional Planning Council and works closely with them and the agencies involved to ensure that policies and procedures, as well as funding allocations, are in line with the best practices for those with needs in the community.

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4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The Region 2a RPC continues to strive to maintain active participation by a person or persons with lived experience. The RPC has an outreach focus group that is led by the City of South Bend’s Homeless Coordinator which meets regularly with persons with lived experience to gain insight into challenges faced by that demographic. Attendees of the group are encouraged to attend RPC meetings.

The outreach groups allow participants to shared their experiences with different programs in South Bend, serving those who have, or are, experiencing housing instability. Feedback has been used to modify how ESG, CoC and other programs and services are administered by participating agencies. Specific efforts have addressed changes to the weather amnesty program and the point-in-time count procedures. Currently, there are discussions with this group and Beacon Memorial to assess the unmet medical needs of the unhoused. This input is helping Beacon Memorial design a street outreach program to address those unmet health needs of persons who would otherwise not seek care. Other efforts of the outreach group have

resulted in partnerships with Notre Dame students in assessing needs and recommending best practices in serving the needs of unhoused persons.

The City, along with the Regional Planning Council, has as their combined agenda, the development of a long-term plan to include homeless participation on the Continuum. All sub-grantees are required to involve program participants in the operation of their ESG-funded programs. This involvement can be in the form of a program participant's employment or volunteering in program activities such as construction, renovation, maintenance, general operation of facilities, and provision of services. For example, a shelter might involve participation in ongoing maintenance tasks or other operations of the facility such as staffing the reception desk. This involvement can include paid and/or volunteer work. One formerly homeless individual serves on the St. Joseph County Regional Planning Council.

5. Describe performance standards for evaluating ESG.

The City of South Bend recently revised its ESG manual in 2023 as a result of consultation with its ESG subrecipients and HUD. The manual has been approved by the Region 2a Planning Council for its ESG programs. This manual has all been reviewed and shared with each Subrecipient agency/organization and lists specific standards for each ESG program as well as performance expectations. The City regularly checks in with subrecipients to ensure compliance as well as evaluate performance standards.

Specific performance standards in place and expected to continue include:

- A 1:1 match requirement for ESG. When applying for ESG funds, subrecipients must include the source of match in their request for proposals. Annually the subrecipient will provide the actual amount matched and source.
- All ESG subrecipients will use HMIS ClientTrack or ClientTrack DV to track beneficiaries.
- All ESG subrecipients are required to be actively involved in the Balance of State Continuum and the Region 2a Homeless Planning Council.

As the 2024 program year is the last of the 2020-2024 HCD plan, agencies will be expected to use the existing measure of performance that 35% of households served with Rapid Rehousing Assistance will be stably housed within six (6) of the last date of assistance. The City of South Bend is currently drafting the 2025-2029 HCD Plan and anticipates that as a result of stakeholder meetings, interviews and surveys the likelihood exists that a different metric may be used to measure the success of the ESG Rapid Rehousing programs which would be effective for Program Year 2025.

Annually, the City will review each agency to assess their success in meeting the performance standards as part of the CAPER. Performance will be compared to expectations and additional training provided to those agencies who fall short of the expectations. Any changes in performance standards will be announced in advance of contracts being awarded and will be included in the written agreement with the subrecipient. Training will be provided at the time performance standards change in ensure all subrecipients understand the expectations.



CITY OF SOUTH BEND

COMMUNITY INVESTMENT

Emergency Solutions Grant (ESG)

Policies and Procedures Manual

Prepared by the Department of Community Investment
Neighborhoods Division

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I. Introduction

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act), enacted into law on May 20, 2009, consolidated three homeless assistance programs administered by HUD under the McKinney-Vento Homeless Assistance Act into a single grant program, and revised the Emergency Shelter Grants program into the Emergency Solutions Grants (ESG) program. The HEARTH Act also codified into law the Continuum of Care planning process, a longstanding part of HUD's application process to assist homeless persons by providing greater coordination in responding to their needs.

The change in the program's name reflects the change in the program's focus from addressing the needs of homeless people in emergency or transitional shelters to include assisting people to regain stability in permanent housing quickly after experiencing a housing crisis and/or homelessness.

The key changes that reflect this new emphasis are the expansion of the homelessness prevention component of the program and the addition of a new rapid re-housing assistance component. The homelessness prevention component includes various housing relocation and stabilization services and short- and medium-term rental assistance to help people avoid becoming homeless. The rapid re-housing assistance component includes similar services and assistance to help people who are homeless move quickly into permanent housing and achieve stability in that housing.

The five major components of the ESG program are Street Outreach, Emergency Shelter, Homelessness Prevention, Rapid Re-housing and HMIS. The Federal regulations place a 60% cap on the total amount of the grant a grantee can spend on Street Outreach and Emergency Shelter activities. The grantee may also take a portion up to 7.5% for Administration.

The City of South Bend receives a direct allocation of ESG funds annually. The Department of Community Investment, Neighborhoods Division, is the City department administering the process to solicit, award, contract and monitor ESG funds. The St. Joseph County Regional Planning Council (RPC) is a group of local representatives of relevant organizations that are organized to plan for and provide, as necessary, a system of outreach, engagement, and assessment; emergency shelter; rapid re-housing; transitional housing; permanent housing; and prevention strategies to address the various needs of homeless persons and persons at risk of homelessness on behalf of the Indiana Balance of State Continuum of Care (IN502 BOS). The RPC, in the 2012 Substantial Amendment, elected to focus funding on Emergency Shelter Operations, Emergency Shelter Essential Services, Rapid Re-Housing Housing Relocation and Stabilization Services and Short-and Medium-term Rental Assistance.

All subrecipients with a role in ESG must read the U.S. Department of Housing and Urban Development (HUD) ESG Notice at <https://www.onecpd.info/resource/1927/hearth-esg-program-and-consolidated-plan-conforming-amendments/> and comply with the requirements within.

1.1 – Purpose

The purpose of this program manual is to provide guidance to entities (hereafter referred to as "subrecipient") that the City of South Bend (hereafter referred to as "the City") has awarded Emergency Solutions Grant (ESG) funding for rapid re-housing and/or homeless prevention. ESG subrecipients must review this document closely to ensure full understanding of the income eligibility determination requirements, housing status eligibility determination, and appropriate documentation. In addition, subrecipients are responsible for disseminating the information included in this document to staff to ensure that they are aware of, understand, and comply with the requirements, as outlined.

1.2 – Other ESG Regulation, Policy and Procedure Resources

Subrecipients should review HUD's regulations located at <https://www.onecpd.info/resource/1927/hearth-esg-program-and-consolidated-plan-conforming-amendments/>. In addition, subrecipients are strongly encouraged to visit HUD's OneCPD website, <https://www.onecpd.info/>, for the most recent updates to the ESG program.

II. Program Overview & Objectives

The Emergency Solutions Grant (ESG) is a formula grant allocated by HUD according to population and other demographic factors to eligible jurisdictions nationwide.

As a result of HEARTH Act changes, the City has established three separate eligible ESG program areas:

1. **ESG Shelter Program**
2. **ESG Rapid Re-housing/Homeless Prevention program**
3. **ESG Outreach Program**

The ESG program is designed as the first step in the continuum of assistance to prevent homelessness and to enable the homeless population to move steadily toward independent living. The Coordinated Entry model is based on the understanding that homelessness is not caused by simply a lack of shelter, but involves a variety of underlying needs. The fundamental components of the Coordinated Entry system are:

- Outreach and assessment to identify homeless person’s needs;
- Immediate shelter as a safe, decent alternative to the streets;
- Transitional housing with appropriate supportive services; and
- Permanent housing or permanent supportive housing for the disabled homeless.

2.1 – Priority Levels for Funding

In order to increase the percentage of homeless persons moving from transitional housing to permanent housing, HUD requires that the maximum allowed for shelter operations will be sixty percent (60%) of the total available annual allocation for the payment of certain operating and social service expenses in connection with emergency shelter for the homes. The Consortium has decided the balance is to be split between the administration cost, with a maximum of five percent (5%) of the total annual allocation; and the remainder thirty-five percent (35%) will be reserved for rapid re-housing. Funding allocations may be changed due to extenuating circumstances in order to meet the expenditure deadlines set by HUD, however, that will be at the discretion of the City and will only be approved on a case-by-case basis.

III. Program Requirements

3.1 – Eligibility Intake Criteria

The subrecipient must conduct an initial evaluation to determine each household's eligibility for ESG assistance and the amount and types of assistance the household needs to regain stability in permanent housing. Subrecipient staff will conduct an initial intake interview with participants using a standardized assessment to verify program eligibility and assess the type of housing the participant may need.

Primary eligibility for Rapid Re-housing and Homelessness Prevention:

The City is promoting the HUD Endorsed Benchmarks and Standards for Rapid Re-housing created by The National Alliance to End Homelessness (“NAEH”). The benchmarks promote a housing- first adoption of Rapid Re-housing that is available to people experiencing literal homelessness without preconditions of income, criminal history, previous rental experience or other external factors.

Benchmarks and Standards can be found on the NAEH website:

<http://endhomelessness.org/wp-content/uploads/2016/02/Performance-Benchmarks-and-Program-Standards.pdf>

The City expects subrecipients that administer ESG-funded Rapid Re-housing programs to adopt the low-barrier, Housing First approach to serving eligible households in the community.

Similarly, the City expects that households served by Homelessness Prevention (“HP”) funds will be screened solely on regulatory requirements (income and housing status).

See Documentation Requirements under Section IV.

3.2 – Creating & Maintaining an Operations Manual

Subrecipients are required to create and maintain an operations manual that details program and contract expectations for staff and volunteers. The operations manual should include program specific rules and contract expectations as set forth in this Manual.

3.3 – Keeping Accurate Financial and Service Delivery Records

Maintaining accurate records is an important aspect of management of ESG projects. Measurement of project performance relies on the tracking of information about services and activities. Sufficient records must be established and maintained to enable the subrecipient to show that ESG requirements are being met. Therefore, it is important that accurate information and documentation regarding program activities and services provided with ESG funds is gathered and maintained. The City requires consistent reporting on expenditure of funds, program activities, and measurable outcomes. In order to report fully on program outcomes and activities, subrecipients should consistently gather demographic information on the population being served by the ESG program and consistently report the types of activities being provided to participants.

Subrecipients that utilize ESG funds under the Essential Services category for Case Management activities are required to enter all relevant client-level data including case notes into HMIS or DV Client Track (if it is a victim services provider) on a consistent basis.

ESG regulations require that records be maintained for a period of at least **five years** after the end of the grant term.

Subrecipients must have policies and procedures to ensure the requirements are met. The policies and procedures must be established in writing and implemented by the recipient and its subrecipients to ensure that ESG funds are used in accordance with the requirements. In addition, sufficient records must be established and maintained to enable the recipient and HUD to determine whether the following ESG requirements are being met.

Examples of sufficient record keeping documents:

- Homeless status
- Determination of ineligibility
- Annual income
- Program participant records
- Centralized or coordinated assessment systems and procedures
- Rental assistance agreements and payments
- Utility allowance
- Habitability form
- Emergency shelter facilities
- Coordination with the Continuum of Care and other programs
- Faith-based activities
- Other Federal requirements
- Financial records
- Contractors
- Matching
- HMIS
- Homeless Participation
- Conflicts of interest
- Lead safe housing
- Rent reasonableness

3.4 – Coordination with Other Targeted Homeless Services

Subrecipients must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by the Coordinated Entry system or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for that area. These programs include: Permanent Supportive Housing Programs, HUD VASH programs, Education for Homeless Children, Health Care, Domestic Violence agencies, Health Care for Homeless Veterans, Youth and Runaway programs, etc.

3.5 – System and Program Coordination with Mainstream Resources

Subrecipients must coordinate and integrate, to the maximum extent practicable, ESG funded activities with mainstream housing, health, social services, employment, education, and youth programs for which families and individuals at risk of homelessness and homeless individuals and families may be eligible. Coordination with mainstream resources must be documented in case management notes and retained in client files.

Subrecipient staff will actively visit and/or contact homeless shelters and any other known areas where individuals who meet program eligibility requirements may be found in the community with a goal of engagement and admittance to the Program.

Subrecipient staff will work closely with community agencies to build collaborative relationships and to become familiar with how to access available services for participants efficiently and effectively. Further, subrecipient staff will be responsible for developing a self-sufficiency matrix of available resources in their community to use as a tool in directing participants to the appropriate agencies in order to prioritize and access services they need.

3.6 – Coordinated Entry Assessment

HUD has required that each Continuum of Care has a Coordinated Entry system that all ESG-funded projects and agencies that serve homeless persons utilize to rapidly connect households that are facing or are at-risk of facing homelessness with the most appropriate need-based interventions and by coordinating, intake, assessment and referral. Coordinated Entry must be utilized by each type of program that serves the homeless including, but not limited to: Safe Havens, Day Shelters, Emergency Shelters, Transitional Housing, Permanent Housing including Rapid Re-housing, Homeless Prevention and Continuum of Care and Shelter Plus Care Programs Legacy projects. Therefore, the

subrecipient must work with the IN502 BOS to ensure the screening, assessment and referral of program participants are consistent with the established written standards.

The Balance of State uses HMIS for Coordinated Entry. Subrecipients are expected to complete the Coordinated Entry enrollment.

3.7 – Habitability

Each unit that houses a client that is receiving ANY assistance from the ESG program must be inspected to make sure it meets the minimum habitability standards set forth in 24 CFR 576.403(c). Any ESG assistance means rental assistance, security deposit, the last month's deposit, a utility deposit, moving costs, counseling, financial education, supportive services, etc., that is being paid or reimbursed with ESG funding. Subrecipients must certify that the unit has passed the inspection and meets the habitability standards before any funds have been expended that will be paid by or reimbursed with ESG program funds. In addition to the initial inspection, each ESG-assisted unit must be inspected annually.

The following habitability standards are required for shelters that receive ESG-funded operating assistance:

- **Inspections:** Current fire and health inspections must be in place during the contract period.
- **Structure and Materials:** The shelter building should be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
- **Access:** The shelter must be accessible, and there should be a second means of exiting the facility in the case of emergency or fire.
- **Space and Security:** Each resident should have adequate space and security for themselves and their belongings. Each resident must have an acceptable place to sleep.
- **Interior Air Quality:** Each room or space within the shelter/facility must have a natural or mechanical means of ventilation. The interior air should be free of pollutants at a level that might threaten or harm the health of residents.
- **Water Supply:** The shelter's water supply should be free from contamination.
- **Sanitary Facilities:** Each resident should have access to sanitary facilities that are in proper operating condition. These facilities should be able to be used in privacy and be adequate for personal cleanliness and the disposal of human waste.
- **Thermal Environment:** The shelter/facility must have any necessary heating/cooling facilities in proper operating condition.
- **Illumination and Electricity:** The shelter/facility should have adequate natural or artificial illumination to permit normal indoor activities and support health and

safety. There should be sufficient electrical sources to permit the safe use of electrical appliances in the shelter.

- **Food preparation:** Food preparation areas, if any, should contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
- **Sanitary Conditions:** The shelter should be maintained in a sanitary condition.
- **Fire Safety – Sleeping Areas:** There should be at least one working smoke detector in each occupied unit of the shelter facility. In addition, smoke detectors should be located near sleeping areas where possible. The fire alarm system should be designed for a hearing-impaired resident.
- **Fire Safety – Common Areas:** All public areas of the shelter must have at least one working smoke detector.

The following habitability standards are required for permanent housing for any client that receives ESG services or funds:

- **Structure and materials:** The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
- **Space and security:** Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
- **Interior air quality:** Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
- **Water supply:** The water supply must be free from contamination.
- **Sanitary facilities:** Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
- **Thermal environment:** The housing must have any necessary heating/cooling facilities in proper operating condition.
- **Illumination and electricity:** The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.
- **Food preparation:** All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
- **Sanitary conditions:** The housing must be maintained in a sanitary condition.
- **Fire safety:**
 - There must be a second means of exiting the building in the event of fire or other emergency.
 - Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit.

Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.

- The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

The Habitability Standards Form must be utilized to conduct inspections and be saved in the client file and/or grant file. A copy of the checklist can be found in the Appendices and at <https://www.hudexchange.info/resource/3766/esg-minimum-habitability-standards-for-emergency-shelters-and-permanent-housing/>

3.8 – Ensuring Confidentiality

A. The subrecipient must develop and implement written procedures to ensure:

1. All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and/or receives ESG assistance will be kept secure and confidential;
2. The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG will not be made public, except with written authorization of the person responsible for the operation of the shelter; and
3. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the City or the subrecipient and consistent with State and local laws regarding privacy and obligations of confidentiality.

B. The confidentiality procedures of the subrecipient must be in writing and must be maintained in accordance with this section.

C. In addition, the subrecipient should keep written records or files pertaining to families secured and only allow authorized personnel access to these files.

3.9 – Rent Reasonableness

Subrecipients must ensure that ESG funds used for rental assistance do not exceed the actual rental cost, which must be in compliance with HUD’s standard of “rent reasonableness.” “Rent reasonableness” means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units.

The subrecipient must utilize GoSection8 Software to receive the rent reasonable checklist.

It is free to utilize: <http://www.gosection8.com/>

Documentation of rent reasonableness must be saved in the client file.

3.10 – Fair Market Rent

The rent for each unit must be at or below the Fair Market Rent.

The subrecipient must utilize the HUD Fair Market Rent website in order to confirm that this requirement is being met: <http://www.huduser.org/portal/datasets/fmr.html>

3.11 – Progressive Engagement

The City encourages subrecipients to work with individual households to identify the financial resources needed to assist in returning to housing as quickly as possible. Subrecipients should be transparent and realistic when working with households to identify what financial assistance is available.

A progressive engagement approach is encouraged. Progressive engagement includes providing the minimum assistance necessary to assist a household in establishing permanent housing and reassessing their needs for financial assistance on a routine basis. Engagement is to be documented in case manager notes and saved in the client file.

3.12 – Utility Payments

ESG funds may be used for utility payments for up to 24 months per program participant, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. Utility payments must not be paid in situations where the

standard practice of the landlord is to include utility costs in the rent. See Section VI for more information on the requirements. No program participant shall receive more than 24 months of utility assistance within any 3-year period.

Subrecipients must obtain proof that a participant or a household member has a utility account in his/her name or proof of responsibility to make utility payments such as cancelled checks or receipts in his/her name from a utility company before utility payments are approved and released on behalf of the participant. Copies of the proof of responsibility should be obtained and maintained in the participant file. Utility payments may co-occur with rental assistance when the lease does not include utilities.

Utilize utility allowance as a guide of the amount of utilities expenses that can be paid. See IHEDA website at the following link <http://www.in.gov/myiheda/2430.htm> for current allowances by county. These change annually around May or June.

Once a unit is determined to meet the FMR and rent reasonableness requirements, ESG funds may be used to pay for the actual utility costs. The utility allowance calculation is only used to determine whether the unit meets the FMR standard.

3.13 – Re-evaluations for Homelessness Prevention & Rapid Re-housing Assistance

The subrecipient must re-evaluate the program participant's eligibility and the types and amounts of assistance that the program participant needs not less than once every 3 months for program participants receiving homelessness prevention assistance, and not less than once annually for program participants receiving rapid re-housing assistance. At a minimum, each re-evaluation of eligibility must establish that:

1. The program participant does not have an annual income that exceeds 30 percent of median family income for the area, as determined by HUD; and
2. The program participant lacks sufficient resources and support networks necessary to retain housing without ESG assistance.

The subrecipient must require each program participant receiving assistance to notify the recipient or subrecipient regarding changes in the program participant's income or other circumstances (e.g., changes in household composition) that affect the program participant's need for assistance under ESG. When notified of a relevant change, the

subrecipient must re-evaluate the program participant's eligibility and the amount and types of assistance the program participant needs.

Re-evaluations for homelessness prevention and rapid re-housing assistance are to be documented and saved in the client file.

3.14 – Housing Stability Case Management

While providing homelessness prevention or rapid re-housing assistance to a program participant, the subrecipient must:

1. Provide the program participant with a case manager and require that the program participant to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability; and
2. Develop a plan to be included in the client file that will assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area; and

3.15 – Housing Plan

The ESG program uses standardized Housing Case Management Plans that are to be saved in the client file. There are two basic forms of the Plan. The Homeless Prevention Phase Plan is intended for households which receive prevention assistance in an effort to maintain their present housing. The Rapid Re-Housing Phase Plan is aimed at households who are already experiencing homelessness. The Housing Plan must be completed and placed in the participant file.

Additionally, the Plan must be used to actively assist participants in meeting established outcomes based upon individual participant need. The Plan should be referenced, revised and updated regularly throughout a participant's participation in the program. Either plan may address short term or intermediate term (up to 12 months) goals which are directly tied to the household's ability to recover and/or maintain housing stability.

All goals are to be written in observable and concrete terms, e.g.

“Will increase household income-- through part-time employment of spouse” or;

“Will obtain access to transportation – by relocating to apartment close to bus route” – with the first portion the goal and the remainder an example of an objective.

All goal statements should include specific objectives, which may be understood as “way points” in reaching the goal.

Typically, objectives may be added to the Housing Plan as the participant achieves each “step”, but it is also allowable for the case manager and the participant to outline all the objectives when formulating a goal. This can give a participant a “road map” to follow in achieving a mutually agreed upon goal. Goals are not realistic unless they are understood by and accepted by the ESG participant. Interventions are services or direct assistance that will facilitate the participant in reaching the goal.

3.16 – Termination of Participation & Grievance Procedure

It is important that subrecipients effectively communicate termination and grievance procedures to program participants and ensure that the procedures are fully understood. Subrecipients will require each participant to sign a form indicating the participant has been provided a copy of the termination and grievance policy and an opportunity to ask questions about this policy. Posting the policy on a bulletin board in a common area within the facility is an effective way to ensure that the termination and grievance procedures are available for program participants to access at any time.

- A.** If a participant violates ESG program requirements, the subrecipient may terminate assistance in accordance with a formal process established by the subrecipient that recognizes the rights of individuals affected. The subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.
- B.** To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, must consist of:
 - a.** Written notice to the program participant containing a clear statement of the reasons for termination;
 - b.** A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and

- c. Prompt written notice of the final decision to the program participant within 10 days of the final decision.
- C. Termination under this section does not bar the subrecipient from providing further assistance at a later date to the same family or individual. A program participant whose assistance was previously terminated may resume assistance if and when the reasons for termination have been rectified.

3.17 – Participation of People with lived Experiences of Homelessness

To the maximum extent practicable, the subrecipients must involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.

Subrecipients must document participation with signed verification of the employee or volunteer that they have experienced homelessness.

- A. Subrecipients must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity of the subrecipient, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receive funding under Emergency Solutions Grant (ESG).
- B. If the subrecipient is unable to meet the requirement under paragraph (A), it must instead develop and implement a plan to consult with homeless or formerly homeless individuals in considering and making policies and decision regarding any facilities, services, or other assistance that receive funding under Emergency Solutions Grant (ESG). The plan must be included in the annual action plan required under 24 CFR 91.220.
- C. To the maximum extent practicable, the subrecipient must involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.

3.18 – Coordination Among Service Providers

Within St. Joseph County, all ESG subrecipients are expected to work collaboratively to coordinate funding that addresses the needs of the entire RPC. To achieve these goals, the RPC requires that all subrecipient service providers will:

- A. Participate in a coordinated assessment system, where client entry into homelessness prevention or rapid re-housing programs can begin at any point within the system. Service providers will use a common assessment tool that will allow providers to enter data on a client and provide transfer information when a client fits the services of another provider, without having to engage in another assessment. Reasons for client transfer can include better fit in a specialized program, the correct geographic service area, and available resources within the community.
- B. Establish a staff member as a point of contact for other case managers and members of the service provider continuum of care. This contract should be able to provide information for other housing case managers on what current programs and resources are available to clients entering into the provider system through their organization.
- C. Attend all coordinated training for case managers within the homelessness prevention and rapid re-housing provider system. Each subrecipient is expected to send at least one staff member and share all lessons learned with all housing case management staff. Subrecipients will also participate in meetings of program staff to share best practices and engage in collective problem solving. Meetings will be facilitated by the Continuum of Care.

3.19 – Performance Standards

Implementation of the Emergency Solutions Grant will allow the City to gain baseline data about specific performance measures and performance standards. Baseline information from the previous year will be used to further refine measures and standards for the following grant year funds. When developing the performance standards, the City will also consider which data elements were required to be collected in HMIS for ESG, and additional data elements per the most recently published HMIS Data Standards. Discussion to date has included standards of housing stability; maintaining income/employment; access to other resource assistance; and the ability of a client to not fall back into a homeless situation. The RPC will continue to be a consulting partner as the ESG performance standards are finalized.

Performance Measures for Homelessness Prevention

- a. A reduction in the number of homeless households involving families with children (a priority need for homeless assistance within the local Continuum of Care community).
- b. *Expected Outcome:* At least 35% of participants assisted will remain in permanent housing six (6) months after the last assistance provided under ESG.

Performance Measures for Homeless Rapid Re-housing

- a. A reduction in the number of homeless households involving families with children, both sheltered and unsheltered (a priority need for homeless assistance within the local Continuum of Care community).
- b. *Expected Outcome:* At least 35% of participants assisted will remain in permanent housing six (6) months after the last assistance provided under ESG.

3.20 – Emergency Shelter Standards

The Emergency Solutions Grant (ESG) program establishes minimum standards for safety, sanitation, and privacy in emergency shelters funded with ESG. In December 2019, the local BOS Regional Planning Council reviewed and approved the following emergency shelter standards:

Administration & Organizational Requirements:

1. The shelter shall not require clients to participate in religious services or other forms of religious expression.
2. The shelter shall not discriminate on the basis of race, religion, or national origin. Shelters serving families shall also not discriminate on the basis of the sex or age of the children or the size of the family, except where limited by facility.
3. The shelter’s Board of Directors shall consist of voluntary (unpaid) members, with the possible exception of the agency’s CEO or Director.
4. The shelter’s Board of Directors shall meet at least on a quarterly basis and set overall policy for the shelter.
5. The shelter shall have a secure storage space for confidential documents relating to clients and personnel.

6. The shelter shall develop and implement procedures to ensure the confidentiality of records pertaining to any individuals provided family violence prevention or treatment services.
7. The shelter shall have a policy manual which includes the shelter's purpose, population, served, program description, non-discrimination policy and confidentiality statement.
8. The shelter shall provide an evaluation of the effectiveness of the services offered, at least annually. This evaluation should include client input that could take the form of a client exit survey or house meetings. It may also include board evaluation of programs/services, staff evaluation of programs/services, or an assessment completed by other shelter providers (e.g., coalition of providers).

Personnel Requirements:

1. The shelter shall have a table of organization of all paid staff working in the shelter. There shall be written position descriptions for each position type, which includes job responsibilities and qualifications.
2. The shelter shall have written policies for the selection of all paid personnel in conformance with the EEO (Equal Employment Opportunity) guidelines.
3. The shelter shall have adequate, trained, on-site staff coverage during all hours the shelter is open to residents, unless individual secured units are provided. "Trained, on-site staff" is defined as persons having training in the areas listed below as items 4 and 5 in the Personnel Requirements section and items 3 and 4 in the Health Requirements section.
4. All shelter staff (including, direct service, finance, maintenance, volunteers, etc.) shall receive training in at least the following:
 - a. emergency evacuation procedures
 - b. agency operation procedures
5. All relevant direct service staff shall receive additional training in at least the following:
 - a. non-violent crisis intervention techniques
 - b. referral procedures to relevant community resources; and
 - c. first aid procedures

Facility Requirements:

1. The shelter shall comply with applicable local fire, environmental, health, and safety standards and regulations.
2. The shelter shall be clean and in good repair.
3. Each room or space within the shelter must have a natural or mechanical means of ventilation. The interior must be free of pollutants at a level that might threaten or harm the health of residents.
4. The shelter shall have reasonable access to transportation services (this could consist of being within walking distance to public transportation or coordinating transportation with another agency). But the shelter is not required to provide clients with transportation services.
5. The shelter shall provide a bed or crib for each guest except in extenuating “overflow” conditions. The shelter shall make provision for clean linens for each client. There shall be procedures to provide for the sanitizing of all linens and sleeping surfaces.
6. The shelter shall provide sufficient showers/baths, wash basins, and toilets, which are in proper condition for personal hygiene. These should be adequate for the number of people served.
7. The shelter shall provide private space to meet with clients. Private space is any space relatively free from regular interruptions and noise and provides clients with the assurance that the conversation will not be overheard by others in the shelter.
8. The shelter shall have laundry facilities available to clients or a system available for like services.
9. The shelter shall have a fire safety plan, which includes at least the following:
 - a. posted evacuation plan
 - b. fire drills that are conducted at least quarterly
 - c. fire detection systems that conform to local building and fire codes
 - d. adequate fire exits; and,
 - e. adequate emergency lighting
10. The shelter shall have adequate provision of the following services:
 - a. pest control services

- b. removal of garbage
 - c. proper ventilation
 - d. proper ventilation and heating/cooling systems; and,
 - e. removal of garbage and other debris, ice, snow, and other hazards to keep clear all entrances, exits, steps, and walkways
11. The shelter shall provide adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. Sufficient electrical sources shall be provided to permit the use of essential electrical appliances while assuring safety from fire.

Operational Requirements:

1. In addition to sleeping arrangements, the shelter shall provide the following basic needs:
 - a. humane care which preserves individual dignity
 - b. a clean environment
 - c. reasonable security; and,
 - d. referrals to other agencies
2. The shelter shall have written policies for the intake of clients and criteria for admitting people to the shelter.
3. The shelter shall maintain an attendance list which includes, at least, the name and sex of each person residing in the shelter.
4. The shelter shall post and read, or otherwise make known, the rules, regulations, and procedures of the shelter.
5. The shelter shall post and read, or otherwise make known, the rights and responsibilities of shelter clients that shall include a grievance procedure for addressing potential violations of their rights.
6. The shelter shall report child abuse and endangerment as required by law.
7. The shelter shall only require clients to perform duties directly related to daily living activities within the shelter.
8. The shelter shall provide access to a public or private telephone for use by shelter clients to make and receive calls. This should include one of the following:
 - a. access to a phone in staff areas

- b. installation of private or pay phone for client use (with funds to use if the client lacks necessary income); or
 - c. coordinated services with another agency
- 9. The shelter shall maintain records to document services provided to each client.
- 10. The shelter shall provide accommodations for shelter clients to store personal belongings. This can be defined as any place (a client's room, a closet, a locker, etc.) that provides reasonable security from theft or damage. "Personal belongings" include items such as clothing, personal hygiene products, radio, clock that can be consolidated into limited storage space.
- 11. The shelter shall provide a safe, secure environment and have policies to regulate access.
- 12. The shelter shall have a policy regarding the control of weapons.
- 13. The shelter shall encourage the involvement of clients in the decision-making processes of the shelter. This can be accomplished in a variety of ways, including: having resident advisory councils to give input into the operations of the shelter, having homeless or formerly homeless people on the board, or having homeless or formerly homeless people trained and hired as staff, etc.
- 14. The shelter shall allow current clients to use the shelter as a legal residence for the purpose of voter registration and the receipt of public benefits.
- 15. The shelter shall maintain a daily log to record at a minimum all unusual or significant incidents.
- 16. The shelter shall have written policies for consensual and nonconsensual searches.

Health Requirements:

- 1. At all times, the shelter shall have available first aid equipment and supplies in case of a medical emergency.
- 2. All staff on duty shall have access to a telephone. Emergency telephone numbers shall be posted conspicuously near the telephone.
- 3. The shelter shall ensure that at least one staff person on duty is trained in emergency first aid procedures.

4. The shelter shall have a procedure for making referrals to appropriate medical providers.
5. The shelter shall have a written policy regarding the possession and use of controlled substances as well as prescription and over-the-counter medication.
6. The shelter shall have a written policy regarding the control of infectious diseases, such as HIV, tuberculosis, etc.
7. The shelter shall provide a locked space for the storage of medication. If a client can secure their prescription medication in her/his locked room that another client does not have access to and shelter policies allow for this, then this standard is void. If a client cannot secure their prescription medication, then the shelter should provide a means to secure the medication via a locked office, cabinet, etc.

Food Services Requirements:

1. Shelters providing food services shall make adequate provisions for the sanitary storage and preparation of foods.
2. Shelters providing food for infants, young children, and pregnant mothers shall make provisions to meet their nutritional needs.
3. Shelters shall provide, or arrange, food services to clients or make known nearby available services.

Fiscal Management Requirements:

1. There shall be an accounting system that is maintained in accordance with Generally Accepted Accounting Principles (GAAP).
2. The shelter shall have a record of accountability for client's funds or valuables the shelter is holding.
3. The shelter shall receive an annual independent audit or audit review.
4. The shelter shall have internal fiscal control procedures which are reviewed and approved by the Board of Trustees.

IV. Eligibility Criteria

4.1 – ESG Rapid Re-housing Eligibility Criteria

Rapid Re-Housing Assistance may be provided to individuals and families that meet the criteria in Paragraph 1 of the “homeless” definition in 24 CFR 576.2 or meet the criteria in Paragraph 4 of the homeless definition and live in an emergency shelter or other place described in paragraph (1) of the “homeless”.

The purpose of ESG funds for rapid re-housing is to assist eligible program participants to quickly obtain and sustain stable housing. Therefore, subrecipients providing assistance will utilize a process to assess, for all potential program participants, their level of service need, other resources available to them, and the appropriateness of their participation in the rapid re-housing assistance portion of ESG.

Program participants who require longer-term housing assistance and services should be directed to programs that can provide the requisite services and financial assistance. In such cases, the ESG may serve as a “bridge” to permanent supportive housing if the housing program has been identified and the individual has been identified as homeless and disabled at time that Rapid Re-housing assistance began.

There is no income threshold to be met at intake with Rapid Re-housing, only that they are homeless under these categories.

Rapid Re-housing (24 CFR 576.104): ESG funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. This assistance, referred to as rapid re-housing assistance, may be provided to program participants who meet the following criteria:

Paragraph 1 of 24 CFR 576.2: An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- i. An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
- ii. An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable

organizations or by Federal, State, or local government programs for low income individuals); or

- iii. An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

OR

Paragraph 4 of 24 CFR 576.2: Any individual or family who:

- i. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- ii. Has no other residence; and
- iii. Lacks the resources or support networks, e.g., family, friends, faith based or other social networks, to obtain other permanent housing.

AND

The individual and family must also live in an emergency shelter or other place described in paragraph (1) of the "homeless" definition.

Documenting that a Participant is Homeless (for Rapid-Re-housing - RRH assistance):

Qualifying under the definition in Paragraph 1 listed in order of priority:

- A signed and dated general certification from an outreach worker verifying that the services are going to homeless persons, and indicates where the persons served reside.
- Written referral from the agency: Staff should provide written information obtained from a third party regarding the participant's whereabouts, and, then sign and date the statement.

- Written verification from the institution’s staff that the participant has been residing in the institution for less than 90 days; and information on the previous living situation as being homeless in shelter or streets.
- Written verification if available. Self-report is acceptable. Utilize the area on the form for person to self-declare and then sign and date.

Qualifying under the definition in Paragraph 4:

- Acceptable Evidence for Individuals Fleeing Domestic Violence:
- Oral statement by the individual or head of household seeking assistance that indicates that they are fleeing that situation,
 - that no subsequent residence has been identified and that they lack the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other housing, that is certified by the individual or head of household that the oral statement is true and complete; AND where the safety of the individual or family would NOT be jeopardized:
- Written observation by intake worker; or
- Written referral by a housing or service provider, social worker, or other organization from whom the household has sought assistance for domestic violence.

If the individual or family is being admitted to a domestic violence shelter or is receiving services from a victim services provider, the oral statement need only be documented by a certification by the individual or head of household, or by the intake worker.

4.2 – ESG Homelessness Prevention Eligibility Criteria

ESG funds may be used to provide housing relocation and stabilization services and short-and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in 24 CFR 576.2.

This assistance, referred to as homelessness prevention, may be provided to individuals and families who meet the criteria under the “at risk of homelessness” definition, or who meet the criteria in paragraph (2), (3), or (4) of the “homeless” definition in 24 CFR 576.2 **and have an annual income below 30 percent of median family income** for the area, as determined by HUD. The costs of homelessness prevention are only eligible to the extent that the

assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing and achieve stability in that housing.

AT RISK OF HOMELESSNESS DEFINITION:

- a) Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance; OR
- b) Is living in the home of another because of economic hardship; OR
- c) Has been notified that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance; OR
- d) Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government programs for low-income individuals; OR
- e) Lives in an SRO or efficiency apartment unit in which there reside more than 2 persons or lives in a larger housing unit in which there reside more than one and a half persons per room;

OR

- f) Is exiting a publicly funded institution or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility or correction program or institution); OR
- g) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved Consolidated Plan

Paragraph 2: Individual or family, who will imminently lose their primary nighttime residence, provided that:

1. Residence will be lost within 14 days of the date of application for homeless assistance;
2. No subsequent residence has been identified; **AND**
3. The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;

Paragraph 3: Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

- i. Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 1404e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)
- ii. Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;
- iii. Have experienced persistent inability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and
- iv. Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment;

Paragraph 4: Any individual or family who:

- i. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
- ii. Has no other residence; **and**
- iii. Lacks the resources or support networks, e.g., family, friends, faith based or other social networks, to obtain other permanent housing.

4.3 – Documentation Requirements

Qualifying under Paragraph 2 definition:

At least one of the following stating that the household must leave current residence within 14 days:

- i. A court order resulting from an eviction notice or equivalent notice, or a formal eviction notice;
- ii. For individuals in hotels or motels that they are paying for, evidence that the individual or family lacks the necessary financial resources to stay for more than 14 days; or
- iii. An oral statement by the individual or head of household stating that the owner or renter of the residence will not allow them to stay for more than 14 days.
- iv. The intake worker must verify the statement either through contact with the owner or renter, or documentation of due diligence in attempting to obtain such a statement.
- v. Certification by the individual or head of household that no subsequent residence has been identified.
- vi. Self-certification or other written documentation that the individual or head of household lacks the financial resources and support networks to obtain other housing.

Qualifying under Paragraph 3 definition:

A nonprofit, State, or local government entity that administers the listed Federal statute must certify that the household qualifies as homeless under that statute's definition.

To document that the individual has not had a lease, occupancy agreement, or ownership interest in housing in the last 60 days, certification by the individual or head of household, written observation by an outreach worker, or referral by a provider.

To document that the individual or family has moved two times in the past 60 days, a certification from the individual and supporting documentation, including records or statements from each owner or renter of housing, shelter or housing provider, or social worker, case worker, or appropriate official of an institution where the individual or family resided. Where these statements are unobtainable, the intake worker should include a written record of his or her due diligence in attempting to obtain them.

Evidence of barriers includes: Written diagnosis from a licensed professional, employment records, department of corrections records, literacy, and English proficiency tests.

For disability, any of the above, written verification from the Social Security Administration (or a disability check receipt), or observation of the intake worker of disability, which must be confirmed within 45 days by an appropriate professional.

Qualifying under Paragraph 4 definition:

Acceptable Evidence for Individuals Fleeing Domestic Violence:

- i. Oral statement by the individual or head of household seeking assistance, that is certified by the individual or head of household; and where the safety of the household is not in jeopardy:
- ii. Written observation by intake worker; or
- iii. Written referral by a housing or service provider, social worker, or other organization from whom the household has sought assistance for domestic violence.
- iv. If the individual or family is being admitted to a domestic violence shelter or is receiving services from a victim service provider, the oral statement need only be documented by a certification of the individual or head of household, or by the intake worker.
- v. It can be more challenging to identify persons who are housed but who have a very high risk of becoming homeless. There are many people who are housed and have great need but would not become homeless if they did not receive assistance. Subrecipients are encouraged to target prevention assistance to those individuals and families at the greatest risk of becoming homeless.
- vi. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other permanent housing and achieve stability in that housing. Homelessness prevention must be provided in accordance with the housing relocation and stabilization services requirements in 24 CFR 576.105, the short- term and medium-term rental assistance requirements in 24 CFR 576.106, and the written standards and procedures established under 24 CFR 576.400.

HUD requires subrecipients to evaluate and certify the eligibility of program participants at least once every 3 months for all persons receiving medium-term rental assistance or other ESG assistance.

Similarly, subrecipients should carefully assess a household's need and appropriateness for ESG assistance. If the household needs more intensive supportive services or long-term assistance than the subrecipient can provide, or if a household is not at risk of imminent homelessness, subrecipients must work to link them to other appropriate available resources.

V. Housing Relocation & Stabilization Services

5.1 – Housing Relocation & Stabilization: Financial Assistance

Financial assistance is limited to the following activities:

Rental Application Fees: ESG funds may pay for the rental housing application fee that is charged by the owner to all applicants

Security Deposits: ESG funds may pay for a security deposit that is equal to no more than 2 months' rent.

In contrast to the requirements regarding rental assistance payments, security and utility deposits covering the same period of time in which assistance is being provided through another housing subsidy program are eligible, as long as they cover separate cost types. One example of this would be providing a security deposit for a participant receiving a HUD VA Supportive Housing (VASH) voucher, which provides rental assistance and services.

Last Month's Rent: If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any 3-year period.

Utility Deposits: ESG funds may pay for a standard utility deposit required by the utility for all customers for the utilities listed under the utility payment section.

Utility Payments: Utility payments. ESG funds may pay for up to 24 months of utility payments per program participant, per service, including up to 6 months of utility payments in arrears. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.

Moving Cost Assistance: ESG funds may pay for moving costs, such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up

to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance for services (housing search & placement and/or case management) and before the program participant moves into permanent housing. Payment of temporary storage fees in arrears is not eligible.

If accessing moving/storage services, the subrecipient must document in detail the circumstances surrounding the need to access these services, include monthly fees that will be charged and the dates in which the services will be accessed. In addition, subrecipient staff should take an active role in assisting the participant in finding reasonably priced vendors for this service.

5.2 – Housing Relocation & Stabilization: Service Costs

Subject to the general restrictions under the homeless definitions of homeless prevention and rapid re-housing, 24 CFR 576.103 and 24 CFR 576.104, ESG funds may be used to pay the costs of providing the following services:

Housing Search and Placement

ESG funds may be used for services or activities designed to assist individuals or families in locating, obtaining, and retaining suitable permanent housing include the following:

1. Assessment of housing barriers, needs, and preferences;
2. Development of an action plan for locating housing;
3. Housing search;
4. Outreach to and negotiation with owners;
5. Assistance with submitting rental applications and understanding leases;
6. Assessment of housing for compliance with Emergency Solutions Grant (ESG) requirements for habitability, lead-based paint, and rent reasonableness;
7. Assistance with obtaining utilities and making moving arrangements;
8. Tenant counseling.

The City Requirement: Utilize Go Section8 software for determination of rent reasonableness. Site: <https://www.gosection8.com/>

Housing Stability Case Management

ESG funds may be used to pay cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a program participant who resides in permanent housing or to assist a program participant in overcoming immediate barriers to obtaining housing. This assistance cannot exceed 30 days during the period the program participant is seeking permanent housing and cannot exceed 24 months during the period in permanent housing. Component services and activities consist of:

1. Using the centralized or coordinated assessment system as required under 24 CFR 576.400(d), to evaluate individuals and families applying for or receiving homelessness prevention or rapid re-housing assistance;
2. Conducting the initial evaluation required under 24 CFR 576.401(a), including verifying and documenting eligibility, for individuals and families applying for homelessness prevention or rapid re-housing assistance;
3. Counseling;
4. Developing, securing, and coordinating services and obtaining Federal, State, and local benefits;
5. Monitoring and evaluating program participant progress;
6. Providing information and referrals to other providers;
7. Developing an individualized housing and service plan, including planning a path to permanent housing stability; and
8. Conducting re-evaluations required under 24 CFR 576.401(b).

5.3 – Mediation, Legal Services, Credit Repair Maximum

Mediation

ESG funds may pay for mediation between the program participant and the owner or person(s) with whom the program participant is living, provided that the mediation is necessary to prevent the program participant from losing permanent housing in which the program participant currently resides.

Legal Services

ESG funds may pay for legal services, as set forth in 24 CFR 576.102(a)(1)(vi), except that the eligible subject matters also include landlord/tenant matters, and the services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides.

Credit Repair

ESG funds may pay for credit counseling and other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems. This assistance does not include the payment or modification of a debt.

5.4 – Amounts of Assistance

Maximum Amounts & Periods of Assistance

The subrecipient may set a maximum dollar amount that a program participant may receive for each type of financial assistance within this section. The recipient may also set a maximum period for which a program participant may receive any of the types of assistance or services under this section. However, except for housing stability case management, the total period for which any program participant may receive the services under service costs paragraph (2) of this section must not exceed 24 months during any 3-year period. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.

Determining Length of Rental Assistance

The RPC agreed in the 2012 Substantial Amendment that any client is eligible to receive assistance up to 12 months within a 3 year period as determined by the certification process required for all ESG clients. All subrecipients are expected to provide support to clients for the full time necessary to stabilize that client and provide for the likelihood of positive housing outcomes after assistance.

An updated policy was approved by the RPC in December 2014. Additionally approved was the option for an agency to tier the rent assistance over the 12 month period, for example pay 100% for the first 3 months; 75% the next 3 months; 50% the next 3 months and so on to assist clients with the planning and ability to assume rent costs themselves.

Rent assistance for youth can be provided for a maximum of 24 months, unless or until a client could do this on their own.

Use of Other Subsidies

Financial assistance under 24 CFR 576.105 (a) cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under the URA, during the period of time covered by the URA payments.

VI. Rental Assistance

Rental assistance may be provided under homelessness prevention category of activities or under the rapid re-housing category of activities.

1. *Use with other subsidies:* Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance, or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a program participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments.

Rent must meet rent reasonableness standards and CANNOT EXCEED HUD'S published FMRs for the area. In some communities, the reasonable rent for a specific unit may be lower than the FMR that has been established for the community.

2. *Rent Restrictions:* Rental assistance cannot be provided if it exceeds the Fair Market Rent (FMR) established by HUD, as provided under 24 CFR part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.

For purposes of calculating rent under this section, the rent shall equal the sum of the total monthly rent for the unit, any fees required for occupancy under the lease (other than late fees and pet fees) and, if the tenant pays separately for utilities, the monthly allowance for utilities (excluding telephone) established by the public housing authority for the area in which the housing is located.

The City requires the utilization of the Utility Allowance guidance. Utility Allowance guidance is released annually (May or June) and is located at:
<https://www.in.gov/myihcda/430.htm/>

6.1 – Rental Assistance Agreements

1. *Lease:* The subrecipient must ensure that each program participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the owner and the program participant. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under State law and the

agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks.

2. *Rental assistance payment contract:* The subrecipient can make rental assistance payments only to an owner with whom the subrecipient has entered into a rental assistance payment contract. The rental assistance payment contract sets forth the terms under which rental assistance will be provided and other applicable requirements. The rental assistance payment contract provides that, during the term of the agreement, the owner must give the subrecipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under State or local law to commence an eviction action against the program participant. The subrecipient must enter into a rental assistance payment contract with the program participant.
3. *Late payments:* The subrecipient must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The subrecipient is solely responsible for paying late payment penalties that it incurs with non-ESG funds.
4. *Lease addendum:* The subrecipient must ensure that each program participant and landlord executes an ESG lease addendum, which includes all requirements that apply to tenants, the owner or lease under 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), as supplemented by 24 CFR 576.409, including the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c).
5. *Homeless prevention activity rental assistance:* Generally, the homeless prevention activity provides rental assistance in 3 month increments – however it can be provided up to 24 months, if needed.
6. *Absences from Unit:* The City recommends that subrecipients evaluate a program participant's eligibility/need to continue to receive rental subsidy during absences from his or her unit in 30 day increments, when a program participant is away because of medical treatment or jail/incarceration. The subsidy cannot be provided for longer than 90 days in any scenario and should not be provided for longer than 30 days in most instances.

Rental assistance payments cannot be made on behalf of eligible individuals or families for the same period of time and for the same cost types that are being provided through another Federal, State or local housing subsidy program.

VII. Reports & HMIS

ESG subrecipients are required to submit a quarterly and annual report to the City Staff. Please e-mail or send these reports to the City Staff.

Any forms and requirements will be e-mailed to your organization by the City Staff and/or will be posted online prior to the due date. These dates are subject to change with notification from the City Staff

- Quarterly Match and Progress Reports are due as follows:
 - Quarter 1 – Second Monday in April
 - Quarter 2 – Second Monday in July
 - Quarter 3- Second Monday in October
 - Quarter 4 – Second Monday in January - This will also serve as your final/closeout report
- Last Claim is due no later than the last Monday in November.

All reports are due by the close of business (5pm EST) on the date(s) noted.

Delays in HUD funding could result in an extension of the reporting deadlines.

Subrecipients will receive notice from the City staff if there will be an extension.

Homeless Management Information System

The Homeless Management Information System (“HMIS”) is a secure, electronic data collection system used to determine the nature and extent of homelessness.

The subrecipient must ensure that data on all program participants is entered into the Homeless Management Information System (“HMIS”) in accordance with HUD's standards on participation, data collection, and reporting requirements.

The subrecipient is required to enter data into HMIS on a regular and consistent basis, which is defined as data entry within five (5) days from the time of intake. Failure to enter data on a regular and consistent basis may result in the termination of the ESG agreement and funding.

The HMIS data elements to be collected are determined by HUD. The HMIS system is used to report to HUD on an annual basis and to aid in local and statewide policy and planning.

The data required for entry into HMIS includes the following data elements: Name, Social Security Number, Date of Birth, Ethnicity, Race, Gender, Veteran Status, Disabling Condition, Residence Prior to Program Entry, Zip Code, Length of Stay at Previous Residence and Homeless Cause. The subrecipient agrees to collect any other data elements as required by HUD as it updates its HMIS data standards, from time to time. The subrecipient is required to update a client's status annually. These updates should be completed at intake and discharge and at client's annual recertification.

Subrecipients that utilize Essential Service funds for Case Management activities are required to enter all relevant client level data including case notes into HMIS or DV ClientTrack (if the subrecipient is a victim services provider) on a consistent basis.

Victim services providers are not allowed to enter data into the HMIS but must enter data into a comparable database as described below.

Victim service providers must enter client-level data on ESG beneficiaries/clients into a comparable database, which collects all of the HMIS universal data elements listed in this paragraph and generates unduplicated aggregate reports. Victim service providers are encouraged to use DV ClientTrack database. The data required for entry into DV ClientTrack database or the victim service provider's comparable database must include the following data elements: Name, Social Security Number, Date of Birth, Ethnicity, Race, Gender, Veteran Status, Disabling Condition, Residence Prior to Program Entry, Zip Code, Length of Stay at Previous Residence and Homeless Cause.

To sign up for DV ClientTrack, please contact DV helpdesk at DVhelpdesk@ihcda.in.gov. Victim service providers within the Balance of State Continuum of Care can choose to opt into DV ClientTrack. Access to the data entered into the system will be restricted to the organization that entered it and therefore, the system will be compliant with the Violence Against Women's Act (VAWA). The system will collect client-level data over time including, but not limited to all of HMIS's universal data elements, and generate unduplicated aggregate reports based on the data. Information entered into this comparable database will not be entered directly into or provided to an HMIS.

All subrecipients will be required to meet the following minimum standards for HMIS/ESG data collection and reporting;

- Subrecipients must execute an HMIS Agency Participation Agreement and ensure that all of its HMIS staff attend Security and New User training, if they have not already attended this training.

- All of subrecipient’s staff that participates in ESG-eligible activities must have regular and convenient access to a computer with a high speed Internet connection.
- All subrecipient staff that participates in ESG eligible activities must have a unique assigned username and password by which they can access HMIS regularly during work hours.

The Indiana Housing and Community Development Authority (IHCDA) has been and continues to be the IN502 BOS lead agency with regard to HMIS. IHCDA maintains a data quality team that can assist with training and any HMIS issues. IHCDA contracts directly with the provider Client Track for HMIS service.

Client-level data including personally identifying information should never be stored in unsecured platforms including but not limited to Google Docs.

7.1 – Point in Time Count

The subrecipient is required to participate in the annual Statewide Point-in-Time count in collaboration with its regional RPC by submitting appropriate data upon requested deadlines established by the City.

VIII. Award Monitoring

Subrecipients are expected to make available all participant level, financial and program records for periodic review on a schedule to be established by the City. In addition, subrecipients will maintain participant files in compliance with the standard set by the City. Significant deficiencies in file content or quality will result in required Plans of Corrective Action, with possible loss of funds upon discovery of continuing deficiencies.

Program compliance and HMIS usage and data integrity will also be subject to regular and random monitoring by the City staff. Monitoring of subrecipients may be conducted by the City, local HUD Office of Community Planning and Development, HUD's Office of Special Needs Assistance Programs, HUD's Office of Inspector General, HUD's Office of Fair Housing and Equal Opportunity, or another Federal agency to determine whether the subrecipient complied with the requirements of this program.

Each subrecipient that will be subject to on-site or remote monitoring by the City will receive at least 5 days notification prior to the visit confirming the date and time of the monitoring and a monitoring checklist. The checklist contains a list of areas that will be reviewed and documents that will need to be made available at the time of monitoring.

Upon completion of the review, the City will send a letter detailing all concerns and findings discovered during the monitoring visit. The letter will be sent within 30 days of the monitoring visit unless an investigation of findings requires more time. If there are findings or concerns discovered, the letter will request the agency to submit a specific resolution or correction within a certain period of time.

Additionally, the City staff may be available throughout the program year to conduct interim monitoring to help new subrecipients or agencies with new staff ensure continued compliance with the ESG program. Please contact the City staff to schedule an interim monitoring or Technical Assistance visit.

The City is responsible for ensuring that the ESG requirements are met. The City will maintain staff that will be responsible for continuous monitoring of all ESG agency activities.

The City will desktop-monitor subrecipients multiple times throughout the year by reviewing each claim for reimbursement that is submitted by the subrecipients. The City will conduct site visits to agencies and review of grant activities and reports. On-site monitoring will be conducted a minimum of every two years to review subrecipients' internal systems and ensure compliance with applicable requirements. Any new

subrecipient will be monitored in its first year of funding. A minimum of 40% of subrecipients will be monitored every year.

The city will utilize HUD Notice CPD-22-11 (provided in the appendices) for determining which subrecipients are at-risk. Any agency deemed at-risk will be monitored more often than the two-year schedule until the issues are deemed resolved.

In the event of a National emergency, on-site monitoring will be conducted remotely to remain in compliance with the two-year schedule. In the event of City staffing issues or conflicts, on-site monitoring will be conducted at minimum every 3 years.

Monitoring of agencies may be conducted by the City, local HUD Office of Community Planning and Development, HUD's Office of Special Needs Assistant Programs, HUD's Office of Inspector General, HUD's Office of Fair Housing and Equal Opportunity, or another authorized city or Federal agency to determine agency compliance with the requirements of this program.

Agencies are expected to make available all client files, and any financial and program records for periodic review on a schedule to be established by the City. In addition, agencies will maintain client fields in compliance with any standards set by the City. To prepare for a monitoring visit, the following steps will be taken:

1. The City will notify the award recipient in writing of the intent to conduct a monitoring. The letter will include the name of the person completing the monitoring, the date and time of the monitoring and a list of the items to be monitored during the visit.
2. The City staff will use a monitoring tool that will be made available to the award recipient prior to the visit.
3. The award recipient must ensure that the files are complete and appropriate and that the appropriate people in the subrecipient's organization are available during the monitoring.
4. Subsequent to the monitoring, City staff will issue a letter outlining any findings, concerns, corrective action and recommendations determined as a result of the monitoring visit.
5. The subrecipient must respond to any findings and/or advisory concerns in the monitoring letter within the time period indicated in the letter.

IX. Administrative Costs

Eligible administrative costs include:

1. General management, oversight: and coordination: Costs of overall program management, coordination, monitoring, and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
 - a. Salaries, wages, and related costs of the staff of subrecipients, or other staff engaged in program administration.

X. Financial Management

Before a subrecipient may request reimbursement for ESG funds expended on specific activities/budget line items, the following items must be received by the City:

- Signed/executed award agreement;
- Completed budget page;
- Requested documentation in response to conditional funding (if applicable)

10.1 – Match

Each subrecipient must match dollar-for-dollar the ESG funding provided by HUD with funds from other public or private sources. A subrecipient may comply with this requirement through matching funds or voluntary efforts provided by any recipient or project sponsor.

- Matching funds must be provided after the date of the grant award to the subrecipient. Funds used to match a previous ESG grant may not be used to match a subsequent grant award. Most Federal funds cannot be used to match ESG funds with the common exceptions of CDBG & CSBG. If a grant is not statutorily prohibited from being used as a match it could be used to match ESG funds, however it would be the subrecipient's responsibility to verify that eligibility.

Required Match Reporting and Documentation

Cash/Grant (United Way, private monetary donations, local foundations, etc.):

- Must have a signed MOU/ Award Letter from the organization providing the cash donation documenting the following:
- Specific date the cash will be made available (noted on MOU if grant is a monthly claims process/ Time period during which funding will be available)
- The actual grant and fiscal year to which the cash match will be contributed.

In-Kind Services

- Must have a signed MOU from the organization providing the in-kind services documenting the following:
- Who will provide the services, value per hour of the services provided and how that rate was determined;
- Commitment of the agency providing the services to supply the subrecipient with the documentation to support the value of the services/ match provided. It is the

responsibility of the subrecipient to obtain the documentation and provide to the City with the match report.

An end of the year match report will be requested by the City every January, for the previous year. Subrecipients must include all supporting documentation.

ESG Match Reporting and Documentation Form must be used to report match to the City along with supporting documentation which should include the following:

- Internal tracking to show match was received and used for eligible activities.
- Copy of general ledger with match funds received clearly noted as ESG match and ties out to the amount on the match report. The general ledger should also show the match funds were spent on ESG eligible activities.
- Copy of bank statement showing cash donations (other grants, private donations, etc.) showing funds deposited into account. If the funds are received through a claims process, a copy of each month's statement showing that monthly deposit should be provided.
- Documentation of case management used as match but not claimed for reimbursement must include tracking of time spent with ESG participants (case management provided by agency is considered cash match, not in-kind. Case management provided by a third party would be in-kind).
- Documentation for any salary paid to staff to carry out the ESG program (that is not reimbursed by the ESG grant) must include timesheets showing staff salary and time spent on ESG funded program.

The requirements for matching ESG funds are described in section 576.201 of the ESG Interim Rule, and the requirements for documenting matching contributions are described in section 576.500(o).

In general, Federal (other than ESG), State, local, or private funds may be used to satisfy the requirement that the recipient provide matching contributions to ESG, so long as the following conditions are met:

1. The matching funds are contributed to the ESG program and expended for the recipient or subrecipient's allowable ESG costs.*
2. If the matching funds are from another Federal program, there is no specific statutory prohibition on using those funds as match;
3. The matching funds are used in accordance with all requirements that apply to ESG grant funds, except for the expenditure limits in 24 CFR 576.100. This includes

requirements such as documentation requirements, eligibility requirements, and eligible costs.

4. The matching funds are expended (that is, the allowable cost is incurred) after the date HUD signs the grant agreement for the ESG funds being matched.
5. The matching funds are expended by the expenditure deadline that applies to the ESG funds being matched;
6. The matching funds have not been and will not be used to match any other Federal program's funds nor any other ESG grant;
7. The recipient does not use ESG funds to meet the other program's matching requirements; and
8. The recipient keeps records of the source and use of the matching funds, including the particular fiscal year ESG grant for which the matching contribution is counted.

**Note: because the matching funds are contributed to the ESG program and expended for the recipient or subrecipient's allowable ESG costs, the following are not allowed to be used as match:*

- SNAP benefits (food stamps), because the funds are being used to cover the program participant's costs;
- Housing Choice Vouchers, because the funds are used to pay the PHA's obligations under its Housing Assistance Payment contract with the owner; and
- The tenant's portion of the rent, because this amount is the tenant's obligation. Please also note the following:
- HUD's matching requirement applies to the recipient. HUD provides the recipient with the discretion to pass that requirement on to subrecipients.
- The matching funds are provided based on the total grant amount and do not have to be provided on a component- by-component basis. For example, if a recipient is spending \$10,000 on HMIS, they do not need to find \$10,000 in data collection funds from another source to use as match.
- HOME-TBRA funds generally cannot be used as match, because the requirements for rental assistance are significantly different between the two programs. There

could be a rare instance where it is possible; if you believe this is the case, please contact the City to see if it would be allowable.

- CoC funds generally cannot be used as match, because very few activity costs are allowable under both CoC and ESG. However, in some cases, such as where CoC funds are used for HMIS or street outreach costs that are allowable under ESG, CoC funds can be counted as match in accordance with conditions 1-8 above. Please note, however, that HMIS costs are only eligible to be used as match under ESG if they are eligible under section 576.107 and allocable to the ESG program, whether charged as direct costs or indirect costs. If the CoC HMIS funds are being used to pay for CoC projects' data entry, those data entry costs are not allocable to the ESG program and the funds used cannot be counted as match.

10.2 – Examples of Possible Sources of ESG Match

Below are some examples of expenses that could be used as ESG match. Please note that in order for the match to be counted, the source must be eligible and its use must be an eligible ESG activity. Match can be provided by the subrecipient itself OR any other community agency, but must directly benefit the ESG participants and be provided during the award term in order to be counted. **This list is not exhaustive.**

In-Kind Match		
Volunteer - professional - local, customary rate	Emergency Shelter/ Transitional Housing - services provided in program, not billed to ESG	Motel Stays
AIDS/HIV-related services provided to ESG participants	Faith Based Community; Ecumenical/Ministerial associations	Move in Kits donated
Alcohol and substance abuse services	Food donated to participants by local churches (food stamps <i>cannot</i> be counted)	Office space donated
Bookkeeping/Administrative services for ESG program (but not billed to ESG)	Furniture donated	Street Outreach: Engagement, case management, emergency mental health services, transportation, services to special populations
Budgeting, credit repair service provided to participants in the community (but not billed to ESG)	Health care provided by	Outpatient Health services - Community Health Centers, other medical centers
Case management (not billed to ESG)	Housing Food kit, Move-in kit preparation	Rent, not paid with ESG
Child care	Housing placement	Renovation of shelter facility, benefiting ESG participants
Clothing, Household, Hygiene items donated	Hygiene Kit preparation	School Corporations- eligible services provided to ESG participants
Community Center - educational meetings related to housing, transportation vouchers, other eligible financial assistance	Legal Services	Transportation
Donation Inventory Management	Life skills Training not billed to ESG	Utilities, not paid with ESG
Education, GED, classes (parenting)	Mental health services (CMHC's)	Utility Companies- any amount that is waived from arrears or deposits off of amount due
Employment assistance & Job Training	Minority Health Coalitions	

Cash Match		
CDBG, CSBG	ICJI grants, as eligible	Program income
City or County funds	Local Foundations	United Way
Community Action Agencies	Private donations	Township Trustees(s) assistance provided to ESG participants

10.3 – Budget Modifications

At some point during the program year, the subrecipient may need to reallocate funds budgeted among their approved activities.

Budget modification requests are reviewed by the City staff to determine whether the subrecipient has administered the grant in a timely and responsible manner, whether the proposed modification would hinder subrecipient’s abilities meeting Federal or State regulatory or policy requirements, and if the request in any way changes the factors involved in the initial evaluation of the proposal for funds.

There are two types of budget modifications permitted:

1. *Line-item modification:* Subrecipients can modify the amounts between line items within Essential Services and Operations as they deem necessary following the approval from the City staff through the submission of a subrecipient budget amendment form.
2. *Budget modification:* Subrecipients are recommended to limit the number of budget modifications each program year. These modifications include all changes made to the totals of Essential Services and Operations. Rapid Re-housing funds awarded via the shelter agreement may not be moved to Essential Service activities or Shelter Operations and vice versa. To submit a budget modification, complete the subrecipient budget amendment form and submit it to the City staff for consideration.

10.4 – Claims

The City of South Bend contracts with ESG subrecipients on a cost reimbursement basis. Under such an agreement, the City agrees to reimburse the subrecipient or developer for work performed and/or costs incurred, up to and including the total amount specified in the ESG contract.

The City will reimburse funds to ESG subrecipients based upon invoices and information submitted to the Department of Community Investment (DCI). ESG-eligible expenditures must be consistent with the Scope of Services described in the ESG contractual agreement between the City of South Bend and the subrecipient.

For ESG reimbursement requests to be considered, the following supporting documentation must be included with claims submitted to DCI:

- Copy of vendor invoice. Each invoice should note:

- Date that expense was incurred
 - Amount of expense
 - Vendor name and address
 - Purpose of expense, i.e., “furnace installation at 123 Main Street”
 - Subrecipient or developer approval for payment
- Front and back of subrecipient’s cancelled check; **OR**
front of the subrecipient’s check along with an account register that documents invoice was paid; **OR**
other mutually agreed upon documentation proving that payment was made prior to requesting reimbursement;
 - If requesting payroll reimbursement, copies of time sheets that indicate number of hours worked on ESG-eligible activities. Timesheets should include employee and supervisor signatures.

The City staff will review each request for reimbursement against supporting documentation and the contract Scope of Services. No payment shall be made except for services within the scope of each contract; therefore, it is extremely important that subrecipients verify the ESG eligibility of an expense prior to expending funds. Claims for reimbursement that are submitted with insufficient documentation and/or that are incorrect will not be paid until the deficiencies and/or errors have been corrected. Questionable or ineligible expenses will be identified and the subrecipient will be requested to submit clarifications, corrections, or additional information.

Please note that the following expenditures will NOT be reimbursed with ESG funds:

- Costs that are outside the contract Scope of Services
- Costs incurred prior to the contract start date
- Credits such as purchase discounts or price adjustments
- Sales tax

It is important that subrecipients submit claims for reimbursement regularly, preferably on a monthly basis, but no less than quarterly. The City will make payment to the subrecipient as soon as practicable, but not more than thirty (30) days after an invoice is received, assuming all supporting documentation is attached and correct.

In the event payment occurs for costs later determined to be disallowed, the City expects the full payment(s) to be returned. Disallowed costs are defined as:

- ESG ineligible costs;

- Expenses or services that are outside the scope of the contract;
- Expenses paid by another funding source.

In certain circumstances, subrecipients or developers may be provided with advance payments for expenses incurred but not yet paid. In such instances, the subrecipient or developer must provide acceptable documentation (as previously noted) to the City staff that proves payment was made to the vendor no more than three (3) days after receipt of ESG funds from the City. Any arrangement to receive advance payments must be agreed upon between the City and the subrecipient or developer prior to submission of a claim to request funds and the agreement must be in writing.

10.5 – OMB & Financial Statements

OMB Audit Required:

Subrecipients that expend \$750,000 or more in Federal funds (as a collective whole from all of their Federal awards) in a fiscal year must be audited in accordance with the requirements of 2 CFR 200.501 and provide a copy of such audit to the City and to the Federal Audit Clearinghouse.

If this applies to your organization, please submit an electronic copy of your financial statements and OMB Audit to the City. Please ensure that your OMB audit is performed by an approved auditor.

Questions regarding your OMB audit should be directed to
federalgrants@southbendin.gov

OMB Audit Not Required:

Subrecipients that do not spend over \$750,000 in Federal funds (as a collective whole from all of their grants) will only need to submit their year-end financial statement or Form 990. If this applies to your agency, please send an electronic copy of year-end financial statement or Form 990 to federalgrants@southbndin.gov.

Internal Controls:

The subrecipient must:

1. Establish and maintain effective internal control over Federal funds that provides reasonable assurance that the subrecipient is managing Federal funds in compliance with Federal statutes, regulations, and the terms and conditions of the Federal funding. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the

Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

2. Comply with Federal statutes, regulations, and the terms and conditions of Federal funds.
3. Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
4. Take reasonable measures to safeguard protected personally identifiable information and other information that the City or HUD designates as sensitive or the subrecipient considers sensitive consistent with applicable Federal, State, local, and tribal laws regarding privacy and obligations of confidentiality.

Mandatory Disclosure:

The subrecipient must disclose, in a timely manner, in writing to the City all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the ESG funds. The subrecipient’s failure to make these disclosures may subject the subrecipient to remedies of non-compliance set forth in 2 CFR 200.338.

If the total value of the subrecipient’s currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then the subrecipient must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

Federal Funding Accountability and Transparency Act (“FFATA”):

FFATA reporting requirements will apply to any Federal funding to a subrecipient in the amount of \$30,000 or greater. The subrecipient must provide any information needed pursuant to these requirements. This includes entity information, the unique identifier of the subrecipient, the unique identifier of subrecipient’s parent, and relevant executive

compensation data, if applicable (see subsection B below regarding executive compensation data).

A. *System for Award Management (SAM)*

The subrecipient shall register in the System for Award Management (“SAM”), which is the primary registrant database for the U.S. Federal Government, and shall enter any information required by FFATA into the SAM, update the information at least annually after the initial registration, and maintain its status in the SAM. Information regarding the process to register in the SAM can be obtained at <https://www.sam.gov/SAM/pages/public/searchRecords/search.jsf>.

B. *Executive Compensation*

The subrecipient shall report the names and total compensation of the five (5) most highly compensated officers of the subrecipient in SAM if the subrecipient in the preceding fiscal year received eighty percent (80%) or more of its annual gross revenues from Federal contracts and Federal financial assistance (as defined at 2 CFR 170.320) and \$25,000 or more in annual gross revenues from Federal contracts and Federal financial assistance (as defined at 2 CFR 170.320); and if the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or 26 U.S.C. § 6104 of the Internal Revenue Code of 1986. The subrecipient may certify that it received less than eighty percent (80%) of annual gross revenues from the Federal government, received less than \$25,000 of its annual gross revenues from the Federal government, already provides executive compensation to the Securities Exchange Commission, or meets the Internal Revenue Code exemption, and will not be required to submit executive compensation data into the SAM under FFATA, provided, that the subrecipient shall still register and submit the other data requested.

XI. ESG-CV POLICIES AND WAIVERS

11.1 – Housing Stability and Case Management

Citation: 24 CFR 576.401(e)

Timeframe: A two-month period starting 3/31/2020.

Under current Emergency Solutions Grant (ESG) regulations, subrecipients must require program participants to meet with a case manager not less than once per month to assist them in ensuring long-term housing stability, unless the Violence Against Women Act of 1994 (VAWA) or Family Violence Prevention and Services Act (FVPSA) prohibits the subrecipient from making its shelter or housing conditional on the participant’s acceptance of services.

Due to COVID-19, agencies may experience limited staff capacity and/or the inability of ESG program participants to meet via phone or internet. Therefore, the monthly case management requirement is temporarily waived to allow subrecipients to provide case management on an as-needed basis and reduce the possible spread and harm of COVID-19.

Subrecipients seeking to utilize this waiver must maintain written documentation in ESG clients’ files supporting the necessity to temporarily limit or suspend monthly in-person case management due to COVID-19.

City of South Bend Department of Community Investment staff will confirm the written documentation during regular on-site monitoring of the subrecipients’ ESG programs.

11.2 – Restriction of Rental Assistance to Units with Rents at or Below Fair Market Value (FMR)

Citation: 24 CFR 576.106(d)(1)

Timeframe: A six-month period starting 3/31/2020.

Under current Emergency Solutions Grant (ESG) regulations, rental assistance cannot be provided unless the total rent is equal to or less than the Fair Market Rent (FMR)

established by HUD, as provided under 24 CFR Part 888 and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.

To prevent the spread of COVID-19, the limit on rental assistance to rents that are equal to or less than the FMR, established by HUD is waived. This will assist subrecipients in more quickly locating additional units to house individuals and families experiencing homelessness, in turn preventing the spread of COVID-19.

Subrecipients may waive the FMR restriction for any individual or family receiving ESG Rapid Rehousing assistance who executes a lease for a unit during the 6-month period starting March 31, 2020. The ESG subrecipient must still ensure that the units in which ESG assistance is provided meets the rent reasonableness standard.

Subrecipients seeking to utilize this waiver must maintain written documentation in ESG clients' files supporting the necessity to waive the FMR restriction and quickly house individuals or families due to COVID-19.

City of South Bend Department of Community Investment staff will confirm the written documentation during regular on-site monitoring of the subrecipients' ESG programs.

11.3 – HMIS Lead Activities Waiver

Citation: 24 CFR 576.117(a)(2)

Timeframe: A six-month period starting 3/31/2020.

The McKinney-Vento Homeless Assistance Act authorizes the use of Emergency Solutions Grant (ESG) funds for managing and operating the Homeless Management Information System (HMIS) only where the ESG recipient is the HMIS Lead, as designated by the Continuum of Care (CoC). The waiver allows more recipients to use ESG funding to upgrade or enhance the HMIS as needed to incorporate ESG program data, such as program participants and activities, related to COVID-19.

Subrecipients that find it necessary to upgrade their HMIS to accommodate new data related to COVID-19 and seek reimbursement for such costs through ESG must contact the appropriate Department of Community Investment (DCI) staff via email to determine the following:

1. Activity eligibility per ESG program guidelines.
2. Activity eligibility as related to COVID-19.
3. Reimbursable costs.
4. Availability of ESG funds.
5. Appropriate time frame; and,

6. Required supporting documentation.

Upon confirmation of activity eligibility, DCI will email a Notice to Proceed to the subrecipient. The subrecipient will provide DCI with a claim and supporting documentation for reimbursement of costs related to the activity. DCI staff will process the claim for payment from the subrecipient's 2019 and/or 2020 ESG funds.

11.4 - Hazard Pay

Background

Due to COVID-19, organizations may have employees that are exposed to hazardous situations in the normal course of performing their job duties. As such, organizations may choose to provide a reasonable hazard pay differential to staff working at locations that have either had individuals (workers or service recipients) who (1) tested COVID Positive or (2) are or were under investigation for COVID.

Definitions

Hazardous Situations:

Conditions in which work is performed that increases the risk of contracting COVID-19, and that risk is not adequately alleviated by protective equipment, devices, training, or CDC/St. Joseph County Department of Health recommended practices.

Hazard Pay Differential:

A pre-determined percentage of an employee's base salary that is paid for performing duties in Hazardous Situations, as defined in this policy.

Hazard Pay Differential Rate:

The maximum amount of Hazard Pay Differential that an employee working in Hazardous Situations may receive is capped at 25% of the employee's base salary. A Hazard Pay Differential may not be calculated on an overtime rate, nor can it be calculated on vacation, sick, PTO, or other time in which the employee is not performing duties in a Hazardous Situation.

Hazard Pay Approval and Documentation:

The Hazard Pay Differential must be approved by a subrecipient using one of the following methods:

1. Employees submit a one-time application or request for the Hazardous Pay Differential to a supervisor, human resources director, or other designated member of management. The application or request to be completed by the employee can be a standard form created by the subrecipient. The request must identify the risk and indicate how that risk is not adequately reduced by using protective equipment,

devices, training, or CDC/St. Joseph County Department of Health recommended practices. If approved, the request must be signed by the Executive Director and payroll supervisor; or

2. The Executive Director submits a written document stating which employees are eligible for the Hazard Pay Differential and the specific circumstances that make them each eligible. This document is then approved by the agency's Board of Directors and reflected in meeting minutes.

Regardless of the approval method selected, all requests to the City for reimbursement of the Hazard Pay Differential must be accompanied by signed time sheets for each employee and documentation that indicates the employee was approved for a Hazard Pay Differential. All requests for reimbursement are subject to review and approval of the City, and all City determinations shall be final and conclusive. Approved reimbursements will be paid in accordance with City procedures.

Time Frame for Hazard Pay Differential:

A person authorized in accordance with this policy to receive a Hazard Pay Differential may receive it for hours worked commencing on March 6, 2020 until December 31, 2021, or until funds available for reimbursement for Hazard Pay Differential have been depleted, whichever first occurs.

Amendments:

This policy may be amended from time to time at the sole discretion of the City.

XII. Conflicts of Interest

Requirements

- A. Organizational conflicts of interest. The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the subrecipient, or a parent or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent or subsidiary of the subrecipient, carry out the initial evaluation required under 24 CFR 576.401 or administer homelessness prevention assistance under 24 CFR 576.103.

- B. General procurement standards.
 - 1. The subrecipient must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.

 - 2. Subrecipients must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

 - 3. The subrecipient must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, the subrecipient may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the subrecipient.

4. If the subrecipient has a parent, affiliate, or subsidiary organization that is not a State, local government, or Indian tribe, the subrecipient must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the subrecipient is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
5. The subrecipient's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.
6. To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into State and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.
7. The subrecipient is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.
8. The subrecipient is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.
9. The subrecipient must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also 2 CFR 200.213 Suspension and debarment.
10. The subrecipient must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

11. The subrecipient may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a subrecipient is the sum of:
 - i. The actual cost of materials; and
 - ii. Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.
12. Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the subrecipient awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.
13. The subrecipient alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the subrecipient of any contractual responsibilities under its contracts.

HUD Procedure for Individual Conflicts of Interest Conflicts

Prohibited

No persons (as described in persons covered) who exercise or have exercised any functions or responsibilities with respect to ESG activities or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Persons Covered

The conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the state, or of the subrecipient.

XIII. Other Federal Requirements

13.1 – Lead Based Paint Requirements

Lead-Based Paint Requirements (24 CFR 35, subpart M)

- 1. Overview:** The Lead Safe Housing Rule EPA’s Renovation, Repair, and Painting (RRP) Rule applies to properties built on or after January 1, 1978, except for housing for the elderly or persons with disabilities (unless a child of less than 6 years of age resides or is expected to reside in such housing for the elderly or persons with disabilities) or any zero- bedroom dwelling.
- 2. Purpose:** Subrecipients must use procedures to eliminate as far as practicable lead-based paint hazards in housing occupied by families receiving tenant-based rental assistance. Subrecipients must work with landlords to comply with these requirements.
- 3. Applicability:** If a unit is occupied or to be occupied by families or households that have one or more children of less than 6 years of age, common areas servicing such units, and exterior painted surfaces associated with such units or common areas. Common areas servicing a unit include those areas through which residents pass to gain access to the unit and other areas frequented by resident children of less than 6 years of age, including on-site play areas and child care facilities.
- 4. Tenant Education:** Subrecipients must ensure that each household receives: the EPA Protect Your Family from Lead in Your Home Booklet or an equivalent educational material, even if they are exempt. Documentation must be maintained in each client file that includes a signature from the client/tenant that he or she received the educational materials.
- 5. Disclosure:** Subrecipients must ensure that each Landlord completes a Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards (LBP Disclosure Form).
- 6. Exemption Form:** Subrecipients must ensure that a Lead Regulations Exemption (LBP Exemption Form) is completed for each unit receiving assistance from the Program.

7. **HUD Inspection Form HUD-52580:** Subrecipients must ensure that any person that will conduct HQS inspections on behalf of the subrecipient use form HUD-52580 (4/2015) or a more recent version.
8. **Visual Assessment:** During initial and periodic inspections, an inspector acting on behalf of the subrecipient and trained in visual assessment for deteriorated paint surfaces in accordance with the procedures established by HUD, shall conduct a visual assessment of all painted surfaces in order to identify any deteriorated paint. If visual assessment indicates deteriorated paint a lead-based paint inspection, conducted by a lead inspector/risk assessor licensed by the State of Indiana must be conducted.
9. **Visual Assessment Training:** Subrecipients must ensure that any person that will conduct HQS inspections on behalf of the subrecipient must attend the HUD Visual Assessment training so that it can conduct visual assessments on behalf of the subrecipient.

The HUD Visual Assessment training is located at the following link:
<http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>.

Each subrecipient must provide a current copy of this certificate of completion to the City.

10. **Compliance Checklist:** Subrecipients must complete the **File Checklist for Compliance with Lead-Based Paint Regulations** for each unit.
11. **Stabilization/Hazard Reduction Activities:** The landlord must stabilize each deteriorated paint surface before commencement of assisted occupancy. If assisted occupancy has commenced prior to a periodic inspection, such paint stabilization must be completed within 30 days of notification of the landlord of the results of the visual assessment. Paint stabilization is considered complete when clearance is achieved in accordance with 24 CFR 35.1340. If the landlord does not complete the hazard reduction required by this section, the unit is in violation of Housing Quality Standards (HQS) until the hazard reduction is completed or the unit is no longer covered by a Rental Assistance Payment Contract.
12. **Extension of Time:** The subrecipient may grant the landlord an extension of time to complete paint stabilization and clearance for reasonable cause, but such an extension shall not extend beyond 90 days after the date of notification to the landlord of the results of the visual assessment.

13. Notice of Hazard Reduction: When hazard reduction activities are undertaken, the landlord must: (1) Provide a notice to occupants no more than 15 calendar days after the hazard reduction activities (including paint stabilization) have been completed and that also describes the results of the clearance examination. (24 CFR 35.125(b) contains more information regarding the required contents of the notice).

14. Maintenance Plan for Ongoing Maintenance Activities: The subrecipient must work with landlord to develop a maintenance plan which incorporates ongoing lead-based paint maintenance activities into regular building operations. Subrecipient must execute An Agreement for Ongoing Maintenance Activities related to Lead-Based Paint Requirements, which describes the following required activities: (1) visual assessment for deteriorated paint, and the failure of any hazard reduction measures shall be performed at unit turnover and every twelve months; (2) All deteriorated paint on interior and exterior surfaces located on the residential property shall be stabilized in accordance with 24 CFR 35.1330(a)(b), except for any paint that an evaluation has found is not lead-based paint; (3) All bare soil shall be treated with standard treatments in accordance with 24 CFR 35.1335(d) through (g), or interim controls in accordance with 24 CFR 35.1330(a) and (f); except for any bare soil that a current evaluation has found is not a soil-lead hazard (4) Safe work practices, in accordance with 24 CFR 35.1350, shall be used when performing any maintenance or renovation work that disturbs paint that may be lead-based paint; (5) Any encapsulation or enclosure of lead-based paint or lead-based paint hazards which has failed to maintain its effectiveness shall be repaired, or abatement or interim controls shall be performed; (6) Clearance testing shall be performed at the conclusion of repair, abatement or interim controls in accordance with 24 CFR 35.1340; and (7) the unit shall be provided with written notice asking occupants to report deteriorated paint and, if applicable, failure of encapsulation or enclosure, along with the name, address and telephone number of the person whom occupants should contact. The language included in the notice shall be in accordance with 24 CFR 35.125(c)(3). The landlord shall respond to such report and stabilize the deteriorated paint or repair the encapsulation or enclosure within 30 days.

EXCEPTION: Ongoing maintenance activities do not need be conducted if a lead-based paint inspection, conducted by a lead inspector/risk assessor licensed by the State of Indiana, indicates that no lead-based paint is present in the unit, common areas, and on exterior surfaces, or a clearance report as set forth in 24 CFR 35.1340(a) indicates that all lead-based paint has been removed.

15. Reevaluation activities: Reevaluation shall be conducted in accordance with this paragraph, and the designated party shall conduct interim controls of lead-based paint hazards found in the reevaluation.

- a. Reevaluation shall be conducted if hazard reduction has been conducted to reduce lead-based paint hazards found in a risk assessment or if standard treatments have been conducted, except that reevaluation is not required if any of the following cases are met:
 - i. An initial risk assessment found no lead-based paint hazards;
 - ii. A lead-based paint inspection found no lead-based paint; or
 - iii. All lead-based paint was abated in accordance with 24 CFR 35.1325, provided that no failures of encapsulations or enclosures have been found during visual assessments conducted in accordance with 24 CFR 35.1355(a)(2) or during other observations by maintenance and repair workers in accordance with 24 CFR 35.1355(a)(5) since the encapsulations or enclosures were performed.
- b. Reevaluation shall be conducted to identify:
 - i. Deteriorated paint surfaces with known or suspected lead-based paint;
 - ii. Deteriorated or failed interim controls of lead-based paint hazards or encapsulation or enclosure treatments;
 - iii. Dust-lead hazards; and
 - iv. Soil that is newly bare with lead levels equal to or above the standards in 24 CFR 35.1320(b)(2).
- c. Each reevaluation shall be performed by a certified risk assessor.
- d. Each reevaluation shall be conducted in accordance with the following schedule if a risk assessment or other evaluation has found deteriorated lead-based paint in the residential property, a soil-lead hazard, or a dust-lead hazard on a floor or interior window sill. (Window troughs are not sampled during reevaluation). The first reevaluation shall be conducted no later than two years from completion of hazard reduction. Subsequent reevaluation

shall be conducted at intervals of two years, plus or minus 60 days. To be exempt from additional reevaluation, at least two consecutive reevaluations conducted at such two-year intervals must be conducted without finding lead-based paint hazards or a failure of an encapsulation or enclosure. If, however, a reevaluation finds lead-based paint hazards or a failure, at least two more consecutive reevaluations conducted at such two year intervals must be conducted without finding lead-based paint hazards or a failure.

- e. Each reevaluation shall be performed as follows:
 - i. Dwelling units and common areas shall be selected and reevaluated in accordance with 24 CFR 35.1320(b).
 - ii. The worksites of previous hazard reduction activities that are similar on the basis of their original lead-based paint hazard and type of treatment shall be grouped. Worksites within such groups shall be selected and reevaluated in accordance with 24 CFR 35.1320(b).
- f. Each reevaluation shall include reviewing available information, conducting selected visual assessment, recommending responses to hazard reduction omissions or failures, performing selected evaluation of paint, soil and dust, and recommending response to newly found lead-based paint hazards.

16. Child with an environmental intervention blood lead level:

- a. Within 15 days after being notified by a public health department or other medical health care provider that a child of less than 6 years of age living in an assisted unit has been identified as having an environmental intervention blood lead level, the designated party shall complete a risk assessment of the unit in which the child lived at the time the blood was last sampled and of the common areas servicing the unit. The risk assessment shall be conducted in accordance with 24 CFR 35.1320(b). When the risk assessment is complete, the subrecipient shall immediately provide the report of the risk assessment to the landlord. If the child identified as having an environmental intervention blood lead level is no longer living in the unit when the designated party receives notification from the public health department or other medical health care provider, but another household receiving tenant-based rental assistance is living in the unit or is planning to live there, these requirements will still apply just as they do if the child still lives in the unit. If a public health department has already conducted an evaluation of the unit, or the subrecipient conducted a risk assessment of the unit and common areas servicing the unit between the date the child's blood was last sampled and the

date when the designated party received the notification of the environmental intervention blood lead level, these requirements shall not apply.

- b. After receiving information from a source other than a public health department or other medical health care provider that a child of less than 6 years of age living in an assisted unit may have an environmental intervention blood lead level, the designated party shall immediately verify the information with a public health department or other medical health care provider. If that department or provider verifies that the child has an environmental intervention blood lead level, then the landlord must undertake hazard reduction activities.
- c. Within 30 days after receiving the risk assessment report or the evaluation from the public health department, the landlord shall complete the reduction of identified lead-based paint hazards. Lead-based paint hazard reduction is considered complete when clearance is achieved in accordance with 24 CFR 35.1340 and the clearance report states that all lead-based paint hazards identified in the environmental investigation have been treated with interim controls or abatement or the public health department certifies that the lead-based paint hazard reduction is complete. The requirements of this paragraph do not apply if the designated party or the landlord, between the date the child's blood was last sampled and the date the designated party received the notification of the elevated blood lead level, already conducted an environmental investigation of the unit and common areas servicing the unit and the landlord completed reduction of identified lead-based paint hazards. If the landlord does not complete the lead-based paint hazard reduction required by this section, the unit is in violation of the standards of 24 CFR 982.401.
- d. **Notice of lead-based paint hazard evaluation and reduction.** The landlord shall notify building residents of any lead-based paint hazard evaluation or reduction activities in accordance with 24 CFR 35.125.
- e. **Reporting requirement.** (1) The landlord and subrecipient shall report the name and address of a child identified as having an elevated blood lead level to the public health department within 5 business days of being so notified by any other medical health care professional. (2) The landlord shall also report each confirmed case of a child with an elevated blood lead level to the HUD field office and the HUD Office of Lead Hazard Control and Healthy Homes within 5 business days of being so notified. (3) The landlord shall provide to

the HUD field office documentation that it has conducted the activities of paragraphs (A) through (D) of this section, within 10 business days of the deadline for each activity.

Exemptions to Lead Based Paint Requirements

- The property was constructed on or after January 1, 1978, and
- The property is a zero-bedroom unit or property (e.g., SRO, efficiency)
- The housing is dedicated elderly housing (unless a child of less than 6 years of age resides or is expected to reside in such housing (i.e., age 62 or older)
- The housing is dedicated for the disabled (unless a child of less than 6 years of age resides or is expected to reside in such housing)
- A paint inspection conducted in accordance with 40 CFR 745 established that the property is free of lead-based paint
- All lead-based paint in the property been identified and removed, with qualified clearance examiner reporting the project passed clearance
- The unit will be occupied for a total of less than 100 days under emergency leasing assistance to eligible households

13.2 – Nondiscrimination & Equal Opportunity Requirements

Subrecipients must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). In addition, subrecipients must make known that ESG rental assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about ESG and equal access to the financial assistance and services provided under this program.

Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English (“limited English proficient persons” or “LEP”) may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the subrecipient agrees to take reasonable steps to ensure meaningful access to activities for LEP persons.

Any of the following actions could constitute “reasonable steps”, depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project, hiring bilingual employees or

volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.

In addition, all notices and communications shall be provided in a manner that is effective for persons with hearing, visual, and other communication related disabilities consistent with section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.6. If the procedures that the subrecipient intends to use to make known the availability of the rental assistance and services are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for such rental assistance and services, the subrecipient must establish additional procedures that will ensure that such persons are made aware of the rental assistance and services.

13.3 – Affirmatively Furthering Fair Housing

Under section 808(e) (5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. Subrecipients will have a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. Protected classes include race, color, national origin, religion, sex, disability, and familial status. Examples of affirmatively furthering fair housing include: (1) marketing the program to all eligible persons, including persons with disabilities and persons with limited English proficiency; (2) making buildings and communications that facilitate applications and service delivery accessible to persons with disabilities (see, for example, HUD’s rule on effective communications at 24 CFR 8.6); (3) providing fair housing counseling services or referrals to fair housing agencies; (4) informing participants of how to file a housing discrimination complaint, including providing the toll-free number for the Housing Discrimination Hotline: 1-800- 669- 9777; and (5) recruiting landlords and service providers in areas that expand housing choice to program participants.

13.4 – Lobbying & Disclosure Requirements

The disclosure requirements and prohibitions of section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1990 (31 U.S.C. 1352) (the Byrd Amendment), and implementing regulations at 24 CFR part 87, apply to ESG. Applicants must disclose, using Standard Form LLL (SF-LLL), “Disclosure of Lobbying Activities,” any funds, other than federally appropriated funds, that will be or have been used to influence Federal employees, members of Congress, or congressional staff regarding specific grants or contracts.

13.5 – Violence Against Women Reauthorization Act of 2013 (VAWA)

Subrecipients must ensure that it and Landlords/Owners will comply with the VAWA provisions set forth below.

A. Overview

The core statutory protections of VAWA that prohibit denial or termination of assistance or eviction solely because an applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking applied upon enactment of VAWA 2013 on March 7, 2013, and reauthorized as VAWA 2022 on March 15, 2022. The VAWA regulatory requirements under 24 CFR part 5, subpart L, as supplemented by this section, apply to all eligibility and termination decisions that are made with respect to ESG rental assistance on or after December 16, 2016. The subrecipient must ensure that these requirements are included or incorporated into rental assistance agreements and lease pursuant to the ESG lease addendum as provided in 24 CFR 576.106(e) and (g).

B. Required Notice of Occupancy Rights and Certification

The subrecipient must ensure that the notice of occupancy rights which is set forth in Form HUD 5380 and the certification form set forth in Form HUD 5382 is provided to each applicant for ESG rental assistance and each program participant receiving ESG rental assistance at each of the following times:

1. When an individual or family is denied rental assistance;
2. When an individual or family's application for a unit receiving project-based rental assistance is denied;
3. When a program participant begins receiving rental assistance;
4. When a program participant is notified of termination of rental assistance;
5. When a program participant receives notification of eviction; and
6. During the 12-month period following December 16, 2016, either during annual recertification or lease renewal, whichever is applicable, or, if

there will be no recertification or lease renewal for a tenant during the first year after the rule takes effect, through other means.

C. Request for VAWA protections/Documentation

If a tenant seeks VAWA protections set forth in 24 CFR part 5, subpart L, the tenant must submit such request through the subrecipient. If an applicant or tenant represents to the subrecipient that the individual is a victim of domestic violence, dating violence, sexual assault, or stalking entitled to the protections under §5.2005, or remedies under §5.2009, the subrecipient may request, in writing, that the applicant or tenant submit to the subrecipient a completed Form HUD 5382. If an applicant or tenant does not provide the documentation requested within 14 business days after the date that the tenant receives a request in writing for such documentation from the subrecipient, nothing in 24 CFR 5.2005 or 24 CFR 5.2009, which addresses the protections of VAWA, may be construed to limit the authority of the subrecipient to:

1. Deny admission by the applicant or tenant to the program;
2. Deny assistance under the program to the applicant or tenant;
3. Terminate the participation of the tenant in the program; or
4. Evict the tenant, or a lawful occupant that commits a violation of a lease.

A subrecipient may, at its discretion, extend the 14-business-day deadline. The subrecipient must work with the landlord or property manager to facilitate protections on the tenant's behalf. The subrecipient must follow the documentation specifications in 24 CFR 5.2007, including the confidentiality requirements in 24 CFR 5.2007(c). If the program participant is entitled to protection, the subrecipient must notify the owner in writing that the program participant is entitled to protection under VAWA and work with the owner on the program participant's behalf. Any further sharing or disclosure of the program participant's information will be subject to the requirements in 24 CFR 5.2007.

D. Emergency Transfers

The subrecipient must use and implement the emergency transfer plan set forth in Form HUD-5381 for ESG-RR. The subrecipient may provide Form HUD-5383 to a tenant that is requesting an emergency transfer and ask the tenant to complete this form. With respect to tenants who qualify for an emergency

transfer and who wish to make an external emergency transfer when a safe unit is not immediately available, the subrecipient must assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, subrecipient will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking. The subrecipient must provide the tenant with a list of Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

E. Confidentiality

Any information submitted to the subrecipient, including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking (confidential information), shall be maintained in strict confidence by the subrecipient.

The subrecipient shall not allow any individual administering assistance on behalf of the subrecipient or any persons within their employ (e.g., contractors) or in the employ of the subrecipient to have access to confidential information unless explicitly authorized by the subrecipient for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

The subrecipient shall not enter confidential information described above into any shared database or disclose such information to any other entity or individual, except to the extent that the disclosure is:

- i. Requested or consented to in writing by the individual in a time-limited release;
- ii. Required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program; or
- iii. Otherwise required by applicable law. The subrecipient's compliance with the protections of 24 CFR 5.2005 and 24 CFR 5.2009, based on documentation received under this section shall not be sufficient to constitute evidence of an unreasonable act or omission by the subrecipient. However, nothing in this paragraph shall be construed to limit the liability of the subrecipient for failure to comply with 24 CFR 5.2005 and 24 CFR 5.2009.

F. Remedies Available To Victims Of Domestic Violence, Dating Violence, Sexual Assault, Or Stalking.

The subrecipient must ensure that the Landlord understands that it may bifurcate a lease, or remove a household member from a lease in order to evict, remove, terminate occupancy rights, or terminate assistance to such member who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual:

1. Without regard to whether the household member is a signatory to the lease; and
2. Without evicting, removing, terminating assistance, or otherwise penalizing a victim of such criminal activity who is also a tenant or lawful occupant.

A lease bifurcation, as provided in this section, shall be carried out in accordance with any requirements or procedures as may be prescribed by Federal, State, or local law for termination of assistance or leases and ESG requirements.

G. Remaining participants following bifurcation of a lease or eviction as a result of domestic violence, dating violence, sexual assault, or stalking.

1. When a family receiving tenant-based rental assistance separates under 24 CFR 5.2009(a), the family's tenant-based rental assistance and utility assistance, if any, shall continue for the family member(s) who are not evicted or removed.
2. If a family living in a unit receiving project-based rental assistance separates under 24 CFR 5.2009(a), the family member(s) who are not evicted or removed can remain in the assisted unit without interruption to the rental assistance or utility assistance provided for the unit.

H. Prohibited Denial/Termination

Subrecipient shall ensure that any applicant for or tenant for ESG may not be denied admission to, denied assistance under, terminated from participation in, or evicted from the housing on the basis that the applicant or tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission, assistance, participation, or occupancy.

I. Construction Of Lease Terms

Subrecipient shall ensure that an incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be construed as:

1. A serious or repeated violation of a lease for ESG-assisted housing by the victim or threatened victim of such incident; or
2. Good cause for terminating the assistance, tenancy or occupancy rights to ESG-assisted housing of the victim of such incident.

J. Termination On The Basis Of Criminal Activity

No person may deny assistance, tenancy, or occupancy rights to ESG-assisted housing to a tenant solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant, if the tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking. Notwithstanding the foregoing, the landlord of ESG-assisted housing may bifurcate a lease for the housing in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual, without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such criminal activity who is also a tenant or lawful occupant of the housing. The subrecipient of ESG-assisted housing must provide any remaining tenants with an opportunity to establish eligibility and a reasonable time to find new housing or to establish eligibility.

K. Lease Addendum

Each tenant receiving ESG rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the Landlord and the program participant. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the tenant an enforceable leasehold interest under State law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks. For tenants living in housing with project- based

rental assistance under paragraph the lease must have an initial term of 1 year. Each lease executed on or after December 16, 2016 must incorporate a lease addendum that includes all requirements that apply to tenants, the owner/Landlord or lease under 24 CFR part 5, subpart L (Protection for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking), as supplemented by 24 CFR 576.409, including the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c).

L. Limited applicability of VAWA requirements:

1. Nothing in this section limits the authority of the Landlord, when notified of a court order, to comply with a court order with respect to:
 - a. The rights of access or control of property, including civil protection orders issued to protect a victim of domestic violence, dating violence, sexual assault, or stalking; or
 - b. The distribution or possession of property among members of a household.
2. Nothing in this section limits any available authority of the subrecipient evict or terminate assistance to a tenant for any violation not premised on an act of domestic violence, dating violence, sexual assault, or stalking that is in question against the tenant or an affiliated individual of the tenant. However, the subrecipient must not subject the tenant, who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, or is affiliated with an individual who is or has been a victim of domestic violence, dating violence, sexual assault or stalking, to a more demanding standard than other tenants in determining whether to evict or terminate assistance.
3. Nothing in this section limits the authority of the Landlord to terminate assistance to or evict a tenant under a covered housing program so long as the Landlord can demonstrate an actual and imminent threat to other tenants or those employed, at or providing service to property of the subrecipient, would be present if that tenant or lawful occupant is not evicted or terminated from assistance. In this context, words, gestures, actions, or other indicators will be considered an “actual and imminent threat” if they meet the standards provided in the definition of “actual and imminent threat” in §5.2003.

4. Any eviction or termination of assistance, as provided paragraph (3) of this section should be utilized by the Landlord only when there are no other actions that could be taken to reduce or eliminate the threat, including, but not limited to, transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat. Restrictions predicated on public safety cannot be based on stereotypes but must be tailored to particularized concerns about individual residents.

XIV. Appendices

- A. Applicable Requirements for Rental Assistance and Housing Relocation and Stabilization Services**
- B. ESG Minimum Habitability Standards for Emergency Shelters and Permanent Housing**
- C. ESG Minimum Habitability Standards for Emergency Shelters and Permanent Housing: Checklists**
- D. Rent Reasonableness and Fair Market Rent Under the Emergency Solutions Grants Program**
- E. HUD Notice CPD22-11: Implementing Risk Analyses for Monitoring Community Planning and Development Grant Programs in FY 2023**

Appendix A

Applicable Requirements for Rental Assistance and Housing Relocation and Stabilization Services



Emergency Solutions Grants (ESG) Program

Applicable Requirements for Rental Assistance and Housing Relocation and Stabilization Services

ABOUT THIS RESOURCE

This matrix is designed to provide ESG recipients and subrecipients with a quick reference for assessing which ESG standards apply when providing rental assistance or housing relocation and stabilization services under the Rapid Re-Housing or Homelessness Prevention components of the ESG program. Recipients and subrecipients should always refer to the program regulations to ensure that they are in compliance with all requirements.

Standard	Rental Assistance	Housing Relocation and Stabilization Services	
		Financial Assistance	Services
Fair Market Rent <i>24 CFR 576.106(d)</i>	X		
Rent Reasonableness <i>24 CFR 576.106(d)</i>	X		
Housing Standards <i>24 CFR 576.403(c)</i>	X	X	X
Lead-based paint requirements <i>24 CFR 576.403(a)</i>	X	X	X ¹
Lease between the program participant and landlord <i>24 CFR 576.106(g)</i>	X		
Rental assistance agreement between the landlord and recipient or subrecipient <i>24 CFR 576.106(e)</i>	X		
Maximum Amounts and Periods of Assistance (24-month cap in 3-year period) <i>24 CFR 576.105(c) & 576.106(a)</i>	X	X	X ²
Participation in HMIS³ <i>24 CFR 576.400(f)</i>	X	X	X
Prohibition of use with other subsidies <i>24 CFR 576.104(d) & 576.106(c)</i>	X ⁴	X	
Recordkeeping and Reporting Requirements <i>24 CFR 576.500</i>	X	X	X

¹ When providing *homelessness prevention services only* assistance – housing search and placement, housing stability case management, mediation, legal services, and credit repair – to keep a program participant *in the same unit*, a lead-based paint assessment is not required.

² Housing stability case management services cannot exceed 30 days during the period the program participant is seeking permanent housing. In addition, these services cannot exceed 24 months, not including the previous 30 days, during the period the program participant is living in permanent housing (*24 CFR 576.105(b)(2)*).

³ Excludes victim service providers and legal service providers, which must maintain a comparable database.

⁴ A one-time payment of rental arrears of the tenant's portion of the rental payment is permitted while the program participant is receiving another subsidy for rent.

The following chart provides a list of the eligible activities under each category of assistance, within the Rapid Re-Housing and Homelessness Prevention components.

Rapid Re-Housing and Homelessness Prevention Components		
Rental Assistance°	Housing Relocation and Stabilization Services	
	Financial Assistance	Services Costs
<p><u>Eligible activity types:</u></p> <ul style="list-style-type: none"> • Short-term rental assistance • Medium-term rental assistance • Rental arrears <p>°Rental assistance can be project-based or tenant-based.</p>	<p><u>Eligible activity types:</u></p> <ul style="list-style-type: none"> • Rental Application Fees • Security Deposits • Last Month’s Rent • Utility Deposits • Utility Payments • Moving Costs 	<p><u>Eligible activity types:</u></p> <ul style="list-style-type: none"> • Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair

Appendix B

**ESG Minimum Habitability Standards for
Emergency Shelters and
Permanent Housing**

ESG Minimum Habitability Standards for Emergency Shelters and Permanent Housing

Introduction

The Emergency Solutions Grants (ESG) Program interim rule, at 24 CFR 576.403, establishes minimum standards for safety, sanitation, and privacy in emergency shelters funded with ESG, and minimum habitability standards for permanent housing funded under the Rapid Re-housing and Homelessness Prevention components of ESG. This document explains when the minimum standards apply.

Note: This document does not describe how to conduct an inspection, nor does it address the lead-based paint requirements, which can be found at 24 CFR part 35.

Minimum Standards for Emergency Shelters

Whenever ESG funds are used under the Emergency Shelter component for renovation or shelter operations, the building must meet the minimum standards for safety, sanitation, and privacy provided in §576.403(b), also listed in Appendix A. If cash or non-cash contributions (e.g. funds or staff time) used for renovation or shelter operations are to be contributed to the recipient's ESG program as match, the emergency shelter must meet the minimum standards, because all matching contributions must meet all requirements that apply to the ESG funds provided by HUD (§576.201(c)).

Note: The same standards apply regardless of the amount of ESG funds involved. For example, a shelter that receives \$1,000 in ESG funds to replace a water heater is subject to the same standards as a shelter that receives \$80,000 for operating costs.

The recipient or subrecipient must be sure to maintain documentation of compliance with the minimum standards for Emergency Shelter activities in the program's records.

Renovation

Any building for which ESG funds are used for conversion, major rehabilitation, or other renovation must meet:

- The minimum safety, sanitation, and privacy standards under §576.403(b); **and**
- State or local government safety and sanitation standards, as applicable.

In addition:

- If the recipient established any other standards that add to or exceed HUD's minimum standards, the recipient/subrecipient must ensure that the shelter meets these standards.
- An inspection to ensure that the building meets all of the minimum standards must be completed when the renovation is complete and before the shelter is occupied.
- The shelter should follow the minimum standards for as long as the minimum period of use requirement is in place for the facility (10 years for major rehabilitation and conversion, or 3 years for other renovation).

- The recipient should be involved in planning the renovation up front to ensure that the renovation work will result in the shelter meeting the minimum standards.

Shelter Operations

Any emergency shelter that receives ESG funds for shelter operations (including minor repairs) must meet the minimum safety, sanitation, and privacy standards under §576.403(b).

In addition:

- If the recipient established any other standards that add to or exceed HUD’s minimum standards, the recipient/subrecipient must ensure that the shelter meets these standards.
- The shelter must be inspected on-site to ensure that it meets the minimum standards before ESG funds are provided for shelter operations.
- The shelter must meet all standards for the entire period during which ESG funds are provided for operating the emergency shelter. For example, if operating assistance is provided for 24 months, the shelter must remain in compliance with the minimum standards for those 24 months.
- If the shelter fails to meet the minimum standards, ESG funds (under either shelter operations or renovation) may be used to bring it up to the minimum standards.
- If the shelter continues to receive ESG shelter operating funds over a period of time, then a periodic, on-site inspection must be conducted each time the shelter receives funds. For example, if the shelter receives an annual allocation of funds from the ESG recipient, an inspection must be conducted annually.
- If the recipient/subrecipient moves the shelter to a new site or structure, that new site or structure must meet all emergency shelter standards for the remaining period that ESG funds are used for operating expenses.

**Minimum Standards Do Not Apply to
Essential Services and HMIS Activities**

- The minimum standards for emergency shelters apply only when ESG funds are used for **shelter operations** and **conversion, major rehabilitation, or other renovation**.
- **Essential services** provided under the Street Outreach and Emergency Shelter components do not trigger either the minimum standards for emergency shelter or the minimum standards for permanent housing. This is because there is no unit to inspect; these services are provided for persons who are sleeping in emergency shelters or with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.
- Likewise, the minimum standards do not apply to an emergency shelter (or other organization) receiving ESG funds only for **HMIS** costs.

Minimum Standards for Permanent Housing

The recipient or subrecipient cannot use ESG funds to help a program participant **remain in** or **move into** housing that does not meet the minimum habitability standards under §576.403(c) (also listed in Appendix A).

This restriction applies to all activities under the Homelessness Prevention and Rapid Re-housing components, including rental assistance and housing relocation and stabilization services. In addition:

- If an eligible household needs homelessness prevention assistance to remain in its existing unit, the assistance can only be provided if that unit meets the minimum standards.
- If an eligible household needs homelessness prevention or rapid re-housing assistance to move to a new unit, the assistance can only be provided if the new unit meets the minimum standards. The unit the household is leaving does not need to be inspected.
- The housing must also comply with any other standards established by the recipient that exceed or add to these minimum standards.

Note: The same standards apply regardless of the amount of ESG funds involved. For example, the recipient or subrecipient must inspect the unit and confirm that it meets the ESG minimum habitability standards, even if the only ESG assistance being provided is for a security deposit or moving assistance.

The recipient or subrecipient must be sure to document compliance with the ESG habitability standards for Emergency Shelter activities in the program participant's file.

Homelessness Prevention

When ESG Rental Assistance and/or Housing Relocation and Stabilization Services are provided under the Homelessness Prevention component to help a program participant **remain in** or **move into** permanent housing, the ESG minimum habitability standards apply to either the current unit (if the program participant is staying in place) or to a new unit (if the program participant is moving). Even if only a minimal amount of Housing Relocation and Stabilization Services assistance—such utility arrears/payments (Financial Assistance) or housing stability case management (Services)—is provided under the Homelessness Prevention component to assist a program participant to stay in their unit, the habitability standards apply to the unit and must be documented in the program participant's file.

Example: Jonathan has a part-time job and a large amount of debt; he has not been paying his entire rent for the past few months. He has received an eviction notice, and he has no family or friends in the area that can help him. After he goes through the ESG intake assessment and is determined to be eligible, the case manager determines that he could benefit from credit counseling and a financial literacy course.

Scenario A: The credit counseling and financial literacy course is all the ESG assistance Jonathan needed to help him re-prioritize rent payments and get back on track. Even though he has received services only, because it is homelessness

prevention and the assistance is directly related to helping him remain in his unit, a habitability inspection is required.

Scenario B: First, the case manager attempts mediation with the landlord, but the landlord refuses to work with them and goes to court. Jonathan needs legal services to prevent the eviction and help him stay in the unit, along with payments of several months of rental arrears. Again, a habitability inspection must be completed because the ESG services and assistance are directly related to assisting him to stay in his unit.

Rapid Re-housing

When ESG Rental Assistance and/or Housing Relocation and Stabilization Services are provided under the Rapid Re-housing component to help a program participant move into a new permanent housing unit, the habitability standards apply to the unit into which they are moving and must be documented in the program participant's file. If Rapid Re-housing services are being provided before a unit has been identified, no habitability inspection is required until there is a unit to inspect. If assistance with arrears for a prior unit is needed as part of the rapid re-housing assistance, no habitability inspection is required for the old unit on which the arrears are owed, so long as the program participant will be rapidly re-housed in a different unit.

Example: Sarah and her 1 year-old daughter are staying in an emergency shelter, and an ESG subrecipient is assisting her to prepare for permanent housing, funded under the Rapid Re-housing component.

Scenario A: After developing a housing plan with her case manager, she receives housing stability case management to identify and address some of the issues preventing her from obtaining and remaining in housing, and housing search and placement assistance to assess housing barriers, to develop an action plan for locating housing, and to start the housing search process. The case manager also helps Sarah access other mainstream resources, including child care and food stamps, to help increase their stability when Sarah is able to find and rent an apartment on her own. In this scenario, there is not yet a unit to inspect, so no habitability inspection is required.

Scenario B: In addition to housing stability case management and housing search and placement assistance, the case manager is able to obtain funds from a local charity that will cover Sarah's security deposit and the first 2 months of rent in her own apartment. The case manager also spends time helping Sarah make moving arrangements. In this scenario, the unit she moves into must meet the habitability standards—even though no ESG financial assistance or rental assistance was provided—because the ESG-funded services were directly related to a helping the program participant move into a particular unit.

When and how often must inspections be conducted for Rapid Re-housing and Homelessness Prevention assistance?

The timing and frequency of inspections depends on the type of activity, as described below.

If the program participants need Homelessness Prevention assistance to stay in their current housing, the housing must be inspected and found to meet the minimum habitability standards before the recipient/subrecipient incurs ESG costs for any of the following:

- Providing any service to the program participant;
- Entering into a rental assistance agreement with the owner; or
- Making any payment on behalf of the program participant (e.g., rental or utility arrears, rental or utility payments, etc.).

Note: The interim rule states that ESG funds may not be used to help someone move into or remain in a unit that does not meet the habitability standards. However, in some situations (e.g. when providing legal services), homelessness prevention assistance to stay in a unit must be provided quickly—even before the habitability inspection can be completed. In these cases, a recipient/subrecipient could use *non-ESG funds* to pay for an eligible program participant’s rental arrears, rental assistance, or financial assistance, or provide services to keep an individual or family in their unit, **before an inspection is performed**, so long as the unit is inspected and determined to meet the habitability standards **before** any costs are charged to the ESG grant or matching funds. If the unit does not meet the habitability standards at the time of the inspection, recipients are prohibited from using ESG funds to pay for assistance provided before the unit meets the standards. In addition, funds spent before a unit meets the habitability standards may not be counted as match.

If the program participant needs Homelessness Prevention or Rapid Re-housing assistance to obtain housing, the unit into which the program participant is moving must be inspected before the program participant signs the lease and before the recipient/subrecipient provides any ESG rental assistance or housing relocation and stabilization services specific to the unit into which the program participant will be moving.¹

In all cases, if ESG funds are used for **ongoing** assistance (such as rental assistance, utility payments, etc.), the recipient/subrecipient must take reasonable measures to ensure the unit meets the minimum habitability standards for permanent housing for the duration of the assistance. If HUD monitors and discovers that a unit does not meet the minimum standards, then HUD may determine that the recipient is out of compliance with the ESG requirements.

For one-time assistance (such as rental arrears, a security deposit, etc.), the unit for which assistance is being provided—either for households that remain in place or for households that are moving to a unit—must meet the minimum standards for permanent housing at the time the assistance is provided (e.g., when the rental arrears payment is made).

¹ One exception to this is the rental application fee. If a program participant applies for several units, only the unit into which they ultimately decide to move must be inspected.

About the Standards

The minimum standards for emergency shelters and permanent housing, respectively, are listed in the regulation, at §576.403(b) and (c), and also in Appendix A of this document. Recipients/subrecipients must keep sufficient records to demonstrate that they are meeting the minimum standards.

Can we use different standards?

Recipients may establish standards more stringent than the ESG program's minimum standards for permanent housing and emergency shelter, or may allow the subrecipient to establish such standards, as long as all HUD-required standards are also met. For recipients that intend to apply more stringent standards, these standards should be described in a written policy to ensure that all individuals responsible for implementing the policy have access to consistent guidance.

It is important to note that the Housing Quality Standards (HQS) used for other HUD programs are different than the minimum standards for permanent housing and emergency shelter assisted with ESG funds. While in most respects HQS is more stringent and detailed than the ESG minimum standards for permanent housing and emergency shelter, the ESG standards for fire safety are more specific. Recipients/subrecipients who choose to use HQS instead of the ESG habitability standards should amend their checklists and notify inspectors that they must complete the more stringent inspection for fire safety. Appendix A illustrates the differences between the standards for permanent housing and emergency shelters, and compares those standards with HQS.

Does a certified inspector need to conduct inspections?

Inspections to determine that emergency shelters and permanent housing meet the ESG minimum standards do not need to be evaluated by a certified inspector. In general, ESG inspections may be conducted by:

- ESG program staff (recipient/subrecipient staff); or
- Staff from or hired by an agency of the recipient/subrecipient, such as a city department that is designated to conduct inspections, or a contractor hired for that task; or
- Staff from another subsidy program that is providing assistance and also requires an inspection (e.g., Section 8, Public Housing).

However, the inspection must determine whether all aspects of the ESG minimum habitability standards have been met for the particular unit assisted with ESG funds; **simply conducting an HQS inspection, a city housing code inspection, a sampling of units in a particular development, or another type of housing quality assessment is insufficient.**

How should compliance with minimum standards for emergency shelter or permanent housing be documented?

Recipients/subrecipients must document compliance with the ESG permanent housing and emergency shelter standards, as applicable, and this documentation must include inspection reports, as required under §576.500(j). Recipients (or subrecipients, if applicable) have discretion to establish their own approaches to documenting initial and ongoing compliance with the

standards. Procedures for ensuring such compliance must be included in the recipient's/subrecipient's written policies and procedures, as required under §576.500(a).

Documenting compliance with the appropriate minimum standards includes ensuring that inspection reports from the initial and any follow-up inspections are retained. In developing these policies and procedures, recipients should consider issues such as what action will be taken if conditions change or if a recipient/subrecipient has reason to believe the shelter or housing unit might not pass another inspection.

HUD is providing inspection checklists that may be used to document the results of on-site inspections for emergency shelters and for permanent housing. These can be found in the companion document, *ESG Minimum Standards for Emergency Shelter and Permanent Housing: Checklists* on HUD's OneCPD website (<http://onecpd.info/esg>). The checklists are models for documenting compliance with the appropriate standard; HUD is not requiring recipients/subrecipients to use this specific format. However, they do capture the information HUD requires.

Recipients/subrecipients may accept documentation of inspections conducted by staff affiliated with another subsidy program. However, as described above, since other programs' standards may be different (e.g., HQS standards differ slightly, as illustrated in Appendix A), in these cases, recipients/subrecipients must ensure that the other program's inspection protocol is adapted to adequately document compliance with all applicable ESG standards.

For permanent housing units, the completed checklist (or equivalent documentation) should be placed in the program participant's file. For an emergency shelter, the completed checklist (or equivalent documentation) should be placed in a file pertaining to the shelter. In either case, the documentation must be available during monitoring by HUD or the recipient.

Note: These records are subject to record retention requirement at 24 CFR 576.500(y) and the access to records requirements at 24 CFR 576.500(z).

Can ESG funds be used to pay for inspections?

Recipients/subrecipients may charge expenses associated with conducting emergency shelter and permanent housing inspections to the ESG grant. Inspection costs may be charged in different ways depending on the situation.

Charge to the Emergency Shelter component:

- As an emergency shelter renovation cost if a recipient/subrecipient pays for an inspection of its own shelter after completing a renovation to ensure the shelter meets the standards after the renovation.
- As a shelter operations cost if a recipient/subrecipient pays for an inspection of its own shelter while it is receiving and using funds for shelter operations.

Charge to the Rapid Re-housing or Homelessness Prevention component:

- As a housing search and placement cost if a recipient/subrecipient is helping a program participant remain in or move into a particular housing unit and inspects that housing unit to comply with the minimum standards for permanent housing.

Charge as an Administrative Cost:

- If the recipient is inspecting a shelter run by a subrecipient to ensure the shelter complies with the minimum standards for emergency shelter (e.g. as a part of a monitoring review).
- If the recipient is inspecting permanent housing occupied by program participants to ensure the subrecipient has complied with the minimum standards for permanent housing (e.g. as a part of a monitoring review).

What happens if HUD determines that the emergency shelter or permanent housing minimum standards have not been followed?

If HUD monitors and discovers that the recipient or subrecipient is out of compliance with the emergency shelter or permanent housing standards, HUD may require any of the remedial actions or sanctions set forth in §576.501(b).

Are the emergency shelter or permanent housing inspections the same as the lead-based paint inspections?

No. The requirements are both listed under 576.403 of the ESG Interim Rule, under “Shelter and Housing Standards,” but lead-based paint requirements must be assessed **in addition to** the minimum standards for emergency shelter and permanent housing standards. However, recipients/subrecipients may choose to conduct the inspection at the same time. For information about lead-based paint requirements, see 24 CFR part 35, subparts A, B, H, J, K, M, and R, which apply to all ESG-funded shelters and all housing occupied by ESG program participants.

Appendix A
Comparison of ESG Minimum Standards for Emergency Shelter and Permanent Housing and HQS
(Bold text highlights areas of the minimum standards different from HQS)

Minimum safety, sanitation, and privacy standards for emergency shelter §576.403(b)ⁱ	Minimum habitability standards for permanent housing §576.403(c)ⁱⁱ	Housing quality standards (HQS) §982.401
<p>(1) Structure and materials. The shelter building must be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents. Any renovation (including major rehabilitation and conversion) carried out with ESG assistance must use Energy Star and WaterSense products and appliances.</p>	<p>(1) Structure and materials. The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.</p>	<p>(g) Structure and materials —</p> <p>(1) Performance requirement. The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.</p> <p>(2) Acceptability criteria.</p> <p>(i) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.</p> <p>(ii) The roof must be structurally sound and weathertight.</p> <p>(iii) The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.</p> <p>(iv) The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.</p> <p>(v) Elevators must be working and safe.</p>
<p>(2) Access. The shelter must be accessible in accordance with Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; the Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing regulations at 24 CFR part 100; and Title II of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.) and 28 CFR part 35; where applicable.</p>		

Minimum safety, sanitation, and privacy standards for emergency shelter §576.403(b)¹	Minimum habitability standards for permanent housing §576.403(c)ⁱⁱ	Housing quality standards (HQS) §982.401
<p>(3) Space and security. Except where the shelter is intended for day use only, the shelter must provide each program participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.</p>	<p>(2) Space and security. Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.</p>	<p>Space and security —</p> <p>(1) Performance requirement. The dwelling unit must provide adequate space and security for the family.</p> <p>(2) Acceptability criteria.</p> <p>(i) At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.</p> <p>(ii) The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.</p> <p>(iii) Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.</p> <p>(iv) The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.</p>
<p>(4) Interior air quality. Each room or space within the shelter must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.</p>	<p>(3) Interior air quality. Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.</p>	<p>(h) Interior air quality —</p> <p>(1) Performance requirement. The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.</p> <p>(2) Acceptability criteria.</p> <p>(i) The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.</p> <p>(ii) There must be adequate air circulation in the dwelling unit.</p> <p>(iii) Bathroom areas must have one openable window or other adequate exhaust ventilation.</p> <p>(iv) Any room used for sleeping must have at least one window. If the window is designed to be openable, the window must work.</p>

Minimum safety, sanitation, and privacy standards for emergency shelter §576.403(b) ⁱ	Minimum habitability standards for permanent housing §576.403(c) ⁱⁱ	Housing quality standards (HQS) §982.401
<p>(5) Water supply. The shelter's water supply must be free of contamination.</p>	<p>(4) Water supply. The water supply must be free from contamination.</p>	<p>(i) Water supply —</p> <p>(1) Performance requirement. The water supply must be free from contamination.</p> <p>(2) Acceptability criteria. The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.</p>
<p>(6) Sanitary facilities. Each program participant in the shelter must have access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.</p>	<p>(5) Sanitary facilities. Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.</p>	<p>(b) Sanitary facilities —</p> <p>(1) Performance requirements. The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition, and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.</p> <p>(2) Acceptability criteria.</p> <p>(i) The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.</p> <p>(ii) The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.</p> <p>(iii) The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.</p> <p>(iv) The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).</p>
<p>(7) Thermal environment. The shelter must have any necessary heating/cooling facilities in proper operating condition.</p>	<p>(6) Thermal environment. The housing must have any necessary heating/cooling facilities in proper operating condition.</p>	<p>(e) Thermal environment —</p> <p>(1) Performance requirement. The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.</p> <p>(2) Acceptability criteria.</p> <p>(i) There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.</p> <p>(ii) The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.</p>

<p>Minimum safety, sanitation, and privacy standards for emergency shelter §576.403(b)ⁱ</p>	<p>(8) Illumination and electricity. The shelter must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the shelter.</p>	<p>Minimum habitability standards for permanent housing §576.403(c)ⁱⁱ</p>	<p>(7) Illumination and electricity. The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.</p>	<p>Housing quality standards (HQS) §982.401</p>	<p>(f) Illumination and electricity —</p> <p>(1) Performance requirement. Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.</p> <p>(2) Acceptability criteria.</p> <p>(i) There must be at least one window in the living room and in each sleeping room.</p> <p>(ii) The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.</p> <p>(iii) The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.</p>
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Minimum safety, sanitation, and privacy standards for emergency shelter §576.403(b)ⁱ	Minimum habitability standards for permanent housing §576.403(c)ⁱⁱ	Housing quality standards (HQS) §982.401
<p>(9) Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.</p>	<p>(8) Food preparation. All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.</p>	<p>(c) Food preparation and refuse disposal —</p> <p>(1) Performance requirement.</p> <p>(i) The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.</p> <p>(ii) There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).</p> <p>(2) Acceptability criteria.</p> <p>(i) The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the owner or the family. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.</p> <p>(ii) The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.</p> <p>(iii) The dwelling unit must have space for the storage, preparation, and serving of food.</p> <p>(iv) There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).</p> <p>(m) Sanitary condition —</p> <p>(1) Performance requirement. The dwelling unit and its equipment must be in sanitary condition.</p> <p>(2) Acceptability criteria. The dwelling unit and its equipment must be free of vermin and rodent infestation.</p>
<p>(10) Sanitary conditions. The shelter must be maintained in a sanitary condition.</p>	<p>(9) Sanitary conditions. The housing must be maintained in a sanitary condition.</p>	<p>(1) Performance requirement. The dwelling unit and its equipment must be in sanitary condition.</p> <p>(2) Acceptability criteria. The dwelling unit and its equipment must be free of vermin and rodent infestation.</p>

Minimum safety, sanitation, and privacy standards for emergency shelter §576.403(b) ⁱ	Minimum habitability standards for permanent housing §576.403(c) ⁱⁱ	Housing quality standards (HQS) §982.401
<p>(11) Fire safety. There must be at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors must be located near sleeping areas. The fire alarm system must be designed for hearing-impaired residents. All public areas of the shelter must have at least one working smoke detector. There must also be a second means of exiting the building in the event of fire or other emergency.</p>	<p>(10) Fire safety. (i) There must be a second means of exiting the building in the event of fire or other emergency. (ii) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person. (iii) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.</p> <p>See endnote ⁱⁱⁱ.</p>	<p>(n) Smoke detectors performance requirement —</p> <p>(1) Except as provided in paragraph (n)(2) of this section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition, on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, - smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).</p> <p>(2) For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993 in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992, (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).</p>
<p>See endnote ⁱⁱⁱ.</p>	<p>See endnote ⁱⁱⁱ.</p>	<p>(j) Lead-based paint performance requirement. The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, M, and R of this title apply to units assisted under this part.</p>
		<p>(k) Access performance requirement. The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).</p>

Minimum safety, sanitation, and privacy standards for emergency shelter §576.403(b)ⁱ	Minimum habitability standards for permanent housing §576.403(c)ⁱⁱ	Housing quality standards (HQS) §982.401
		<p>(1) Site and Neighborhood —</p> <p>(1) Performance requirement. The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.</p> <p>(2) Acceptability criteria. The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding; poor drainage, septic tank backups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.</p>

ⁱ The minimum safety, sanitation, and privacy standards for emergency shelter apply to emergency shelters receiving ESG funds for renovation (including conversion and major rehabilitation) and/or operating costs. In addition, any building for which Emergency Solutions Grant (ESG) funds are used for conversion, major rehabilitation or other renovation must meet also state or local government safety and sanitation standards, as applicable. The recipient may also establish standards that exceed or add to these minimum standards.

ⁱⁱ ESG funds cannot be used to help a program participant remain or move into housing that does not meet these minimum habitability standards. The recipient may also establish standards that exceed or add to these minimum standards.

ⁱⁱⁱ Although the minimum standards for emergency shelter and permanent housing do not cover lead-based paint requirements, the recipient or subrecipient must follow the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations in 24 CFR part 35, subparts A, B, H, J, K, M, and R, with respect to shelters assisted under ESG and housing occupied by program participants.

Appendix C

**ESG Minimum Habitability Standards
for Emergency Shelters and
Permanent Housing: Checklists**

ESG Minimum Habitability Standards for Emergency Shelters and Permanent Housing: Checklists

About this Tool

The Emergency Solutions Grants (ESG) Program Interim Rule establishes different habitability standards for emergency shelters and for permanent housing (the Rapid Re-housing and Homelessness Prevention components).

- **Emergency Shelter Standards.**
 - Emergency shelters that receive ESG funds for renovation or shelter operations must meet the minimum standards for safety, sanitation, and privacy provided in §576.403(b).
 - In addition, emergency shelters that receive ESG funds for renovation (conversion, major rehabilitation, or other renovation) also must meet state or local government safety and sanitation standards, as applicable.
- **Permanent Housing Standards.** The recipient or subrecipient cannot use ESG funds to help a program participant remain in or move into housing that does not meet the minimum habitability standards under §576.403(c). This restriction applies to all activities under the Homelessness Prevention and Rapid Re-housing components.

Recipients and subrecipients must document compliance with the applicable standards. Note that these checklists do not cover the requirements to comply with the Lead-Based Paint requirements at §576.403(a). For more discussion about how and when the standards apply, see *ESG Minimum Standards for Emergency Shelters and Permanent Housing*, located at <http://OneCPD.info/esg>.

The checklists below offer an optional format for documenting compliance with the appropriate standards. These are intended to:

1. Provide a clear summary of the requirements and an adaptable tool so recipients and subrecipients can formally assess their compliance with HUD requirements, identify and carry out corrective actions, and better prepare for monitoring visits by HUD staff.
2. Provide a tool for a recipient to monitor that its subrecipient is in compliance with HUD requirements. Where non-compliance is identified, the ESG recipient can use this information to require or assist the subrecipient to make necessary changes.

Prior to beginning the review, the subrecipient should organize relevant files and documents to help facilitate their review. For instance, this may include local or state inspection reports (fire-safety, food preparation, building/occupancy, etc.), or policy and procedure documents related to emergency shelter facility maintenance or renovations.

Carefully read each statement and indicate the shelter's or unit's status for each requirement (Approved or Deficient). Add any comments and corrective actions needed in the appropriate box. The reviewer should complete the information about the project, and sign and date the form. This template includes space for an "approving official," if the recipient or subrecipient has designated another authority to approve the review. When the assessment is complete, review it with program staff and develop an action plan for addressing any areas requiring corrective action.

Minimum Standards for Emergency Shelters

Instructions: Place a check mark in the correct column to indicate whether the property is approved or deficient with respect to each standard. A copy of this checklist should be placed in the shelter's files.

Approved	Deficient	Standard (24 CFR part 576.403(b))
		<p>1. <i>Structure and materials:</i></p> <ul style="list-style-type: none"> a. The shelter building is structurally sound to protect the residents from the elements and not pose any threat to the health and safety of the residents. b. Any renovation (including major rehabilitation and conversion) carried out with ESG assistance uses Energy Star and WaterSense products and appliances.
		<p>2. <i>Access.</i> Where applicable, the shelter is accessible in accordance with:</p> <ul style="list-style-type: none"> a. Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; b. The Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing regulations at 24 CFR part 100; and c. Title II of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.) and 28 CFR part 35.
		<p>3. <i>Space and security:</i> Except where the shelter is intended for day use only, the shelter provides each program participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.</p>
		<p>4. <i>Interior air quality:</i> Each room or space within the shelter has a natural or mechanical means of ventilation. The interior air is free of pollutants at a level that might threaten or harm the health of residents.</p>
		<p>5. <i>Water Supply:</i> The shelter's water supply is free of contamination.</p>
		<p>6. <i>Sanitary Facilities:</i> Each program participant in the shelter has access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.</p>
		<p>7. <i>Thermal environment:</i> The shelter has any necessary heating/cooling facilities in proper operating condition.</p>
		<p>8. <i>Illumination and electricity:</i></p> <ul style="list-style-type: none"> a. The shelter has adequate natural or artificial illumination to permit normal indoor activities and support health and safety. b. There are sufficient electrical sources to permit the safe use of electrical appliances in the shelter.
		<p>9. <i>Food preparation:</i> Food preparation areas, if any, contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.</p>
		<p>10. <i>Sanitary conditions:</i> The shelter is maintained in a sanitary condition.</p>
		<p>11. <i>Fire safety:</i></p> <ul style="list-style-type: none"> a. There is at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors are located near sleeping areas. b. All public areas of the shelter have at least one working smoke detector. c. The fire alarm system is designed for hearing-impaired residents. d. There is a second means of exiting the building in the event of fire or other emergency.
		<p>12. If ESG funds were used for renovation or conversion, the shelter meets state or local government safety and sanitation standards, as applicable.</p>
		<p>13. Meets additional recipient/subrecipient standards (if any).</p>

CERTIFICATION STATEMENT

I certify that I have evaluated the property located at the address below to the best of my ability and find the following:

- Property meets all of the above standards.
- Property does not meet all of the above standards.

COMMENTS:

ESG Recipient Name: _____

ESG Subrecipient Name (if applicable): _____

Emergency Shelter Name: _____

Street Address: _____

City: _____ State: _____ Zip: _____

Evaluator Signature: _____ Date of review: _____

Evaluator Name: _____

Approving Official Signature (if applicable): _____ Date: _____

Approving Official Name (if applicable): _____

Minimum Standards for Permanent Housing

Instructions: Place a check mark in the correct column to indicate whether the property is approved or deficient with respect to each standard. The property must meet all standards in order to be approved. A copy of this checklist should be placed in the client file.

Approved	Deficient	Standard <i>(24 CFR part 576.403(c))</i>
		1. <i>Structure and materials:</i> The structure is structurally sound to protect the residents from the elements and not pose any threat to the health and safety of the residents.
		2. <i>Space and security:</i> Each resident is provided adequate space and security for themselves and their belongings. Each resident is provided an acceptable place to sleep.
		3. <i>Interior air quality:</i> Each room or space has a natural or mechanical means of ventilation. The interior air is free of pollutants at a level that might threaten or harm the health of residents.
		4. <i>Water Supply:</i> The water supply is free from contamination.
		5. <i>Sanitary Facilities:</i> Residents have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
		6. <i>Thermal environment:</i> The housing has any necessary heating/cooling facilities in proper operating condition.
		7. <i>Illumination and electricity:</i> The structure has adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There are sufficient electrical sources to permit the safe use of electrical appliances in the structure.
		8. <i>Food preparation:</i> All food preparation areas contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
		9. <i>Sanitary condition:</i> The housing is maintained in sanitary condition.
		10. <i>Fire safety:</i> <ol style="list-style-type: none"> a. There is a second means of exiting the building in the event of fire or other emergency. b. The unit includes at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors are located, to the extent practicable, in a hallway adjacent to a bedroom. c. If the unit is occupied by hearing-impaired persons, smoke detectors have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person. d. The public areas are equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, day care centers, hallways, stairwells, and other common areas.
		11. Meets additional recipient/subrecipient standards (if any).

CERTIFICATION STATEMENT

I certify that I have evaluated the property located at the address below to the best of my ability and find the following:

- Property meets all of the above standards.
- Property does not meet all of the above standards.

COMMENTS:

ESG Recipient Name: _____

ESG Subrecipient Name: _____

Program Participant Name: _____

Street Address: _____

Apartment: _____

City: _____ State: _____ Zip: _____

Evaluator Signature: _____ Date of review: _____

Evaluator Name: _____

Approving Official Signature (if applicable): _____ Date: _____

Approving Official Name (if applicable): _____

Appendix D

**Rent Reasonableness and Fair
Market Rent Under the Emergency
Solutions Grants Program**

Rent Reasonableness and Fair Market Rent Under the Emergency Solutions Grants Program

ABOUT THIS RESOURCE

Providing rental assistance through the Emergency Solutions Grants (ESG) program requires understanding and adherence to **both** Fair Market Rents (FMRs) and rent reasonableness standards, to determine whether a specific unit can be assisted with short- or medium-term rental assistance. This resource provides an explanation of both concepts and describes how to determine and document compliance with each. In addition, it briefly describes some of the differences and similarities between rental assistance provided under the Homelessness Prevention and Rapid Re-Housing Program (HPRP) and ESG. ESG recipients and their subrecipients can use this resource to develop policies, procedures, and documentation requirements to comply with HUD rules.

OVERVIEW

The ESG program Interim Rule allows short- and medium-term rental assistance to be provided to eligible program participants only when the rent, including utilities (gross rent¹), for the housing unit:

1. Does not exceed the Fair Market Rent (FMR) established by HUD for each geographic area, as provided under 24 CFR 888 and 24 CFR 982.503; **and**
2. Complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.²

This requirement is in the ESG program Interim Rule at 24 CFR 576.106(d).

HPRP & ESG: Key Difference

HPRP: Rent must meet rent reasonableness standards.

ESG: Rent must meet rent reasonableness standards **and** cannot exceed HUD's published FMRs for the area.

In some communities, the reasonable rent for a specific unit may be lower than the FMR that has been established for the community.

Bottom line: The rent for the unit assisted with ESG funds must not exceed the **lesser** of the FMR or the rent reasonableness standard.

¹ Gross rent is the sum of the rent paid to the owner plus, if the tenant pays separately for utilities, the monthly allowance for utilities established by the public housing authority for the area in which the housing is located. For purposes of calculating the FMR, utilities include electricity, gas, water and sewer, and trash removal services but not cable or satellite television service, or internet service. If the owner pays for all utilities, then gross rent equals the rent paid to the owner.

² The rent must be reasonable when compared to other units of similar location, type, size, and amenities within the community.

DETERMINING IF RENT IS ACCEPTABLE FOR ESG RENTAL ASSISTANCE

Whether a household is seeking to maintain its current housing or relocate to another unit to avoid homelessness (Homelessness Prevention), or exiting homelessness into new housing (Rapid Re-Housing), the process for determining acceptable rent amounts is the same:

- The recipient or subrecipient first compares the gross rent (see box below) for the current or new unit with current FMR limits, which are updated annually.
- If the unit's gross rent is at or below FMR, the recipient/subrecipient next uses current data to determine rent reasonableness (more information is provided below on how to determine and document this).

If the gross rent is at or below both the FMR **and** the rent reasonableness standard for a unit of comparable size, type, location, amenities, etc., ESG funds may be used to pay the rent amount for the unit.

If the gross rent for the unit exceeds either the rent reasonableness standard or FMR, ESG recipients are prohibited from using ESG funds for **any** portion of the rent, even if the household is willing and/or able to pay the difference. However, because the FMR and rent reasonableness requirements apply only to rental assistance, ESG funds may be used:

1. to pay for financial assistance and services to help the eligible program participant stay in the unit, or
2. to pay for financial assistance and services to locate and move to a different unit that meets the rent reasonableness standard and is at or below FMR and pay rental assistance in that unit.

Rent reasonableness and FMR requirements **do not apply** when a program participant receives only financial assistance or services under Housing Stabilization and Relocation Services. This includes rental application fees, security deposits, an initial payment of "last month's rent," utility payments/deposits, and/or moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair. (**Note:** "Last month's rent" may not exceed the rent charged for any other month; security deposits may not exceed 2 months' rent.)

Calculating the GROSS RENT AMOUNT

To calculate the gross rent of a unit that is being tested by the FMR standard:

$$\begin{array}{r} \text{Total contract rent amount of the unit} \\ + \\ \text{Any fees required for occupancy under the lease (excluding late fees and pet fees)} \\ + \\ \text{Monthly utility allowance* (excluding telephone) established by local PHA} \\ = \\ \text{Gross Rent Amount} \end{array}$$

***Note:** The monthly utility allowance is added only for those utilities that the tenant pays for separately (for more information on utility allowances established by the local public housing agency (PHA), see 24 CFR § 982.517). The utility allowance does not include telephone, cable or satellite television service, and internet service. If all utilities are included in the rent, there is no utility allowance.

WHAT IS THE FMR REQUIREMENT?

HUD establishes FMRs to determine payment standards or rent ceilings for HUD-funded programs that provide rental assistance, which it publishes annually for 530 metropolitan areas and 2,045 non-metropolitan county areas. Federal law requires that HUD publish final FMRs for use in any fiscal year on October 1—the first day of the fiscal year (FY). FMRs for each fiscal year can be found by visiting HUD’s website at www.huduser.org/portal/datasets/fmr.html and clicking on the current “Individual Area Final FY20__ FMR Documentation” link. This site allows recipients/subrecipients to search for FMRs by selecting their state and county from the provided list. The site also provides detailed information on how the FMR was calculated for each area.

Recipients/subrecipients must consult the most current FMR published for their geographic area and document FMR for all units for which ESG funds are used for rental assistance.

To calculate the gross rent for purposes of determining whether it meets the FMR, consider the entire housing cost: rent plus the cost of utilities that must, according to the lease, be the responsibility of the tenant. Utility costs may include gas, electric, water, sewer, and trash. However, telephone, cable or satellite television service, and internet service are not included in FMRs, and are not allowable costs under ESG. The FMR also does not include pet fees or late fees that the program participant may accrue for failing to pay the rent by the due date established in the lease.

HUD sets FMRs to ensure that a reasonable supply of modest but adequate rental housing is available to HUD program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible.

Note: Once a unit is determined to meet the FMR and rent reasonableness requirements, ESG funds may be used to pay for the actual utility costs. The utility allowance calculation is only used to determine whether the unit meets the FMR standard.

Determining and Documenting FMR

Recipients/subrecipients must ensure that the rent for units assisted under the ESG Program does not exceed current HUD-published FMRs for their particular geographic region.

Determining FMR standards is straight forward; no geographic area has more than one FMR standard. However, if a recipient/subrecipient covers multiple cities or counties, they must use the appropriate FMR for the geographic area in which the assisted rental unit is located. Recipients/subrecipients should print and place in case files a copy of the applicable FMR data to document the FMR for that participant’s unit size and geographic area.

Example:

A case manager is looking to rapidly re-house a mother and son, and has identified a 2-bedroom unit at a rent of \$1,200 per month, not including utilities (the tenant’s responsibility). The utility allowance established by the PHA is \$150. Therefore, the gross rent is \$1,350. A check of three similar units in the neighborhood reveals that the reasonable rent is \$1,400 for that area of the city. However, the FMR for the jurisdiction is \$1,300. This means the family cannot be assisted with ESG in this unit because the gross rent exceeds the FMR.

WHAT IS THE RENT REASONABLENESS REQUIREMENT?

HUD's rent reasonableness standard is designed to ensure that rents being paid are reasonable in relation to rents being charged for comparable unassisted units in the same market. Methods of determining and documenting rent reasonableness are described in the section below. For units within the FMR limit, if a rent reasonableness determination supports a **lower** rent than the advertised rent, then ESG funds may not be used to rent the unit (unless the landlord is willing to lower the rent). However, as with FMR, ESG funds could be used to assist the program participant to move to a different unit that meets both the FMR and rent reasonableness standards. If the rent reasonableness determination supports the advertised rent (and is within the FMR limit), rental assistance with ESG funds may be provided for the unit, as long as all other program requirements are met.

Determining and Documenting Rent Reasonableness

Recipients are responsible for determining what documentation is required in order to ensure the rent reasonableness standard is met. Recipients and subrecipients should determine rent reasonableness by considering the location, quality, size, type, and age of the unit, and any amenities, maintenance, and utilities to be provided by the owner. Comparable rents can be checked by using a market study of rents charged for units of different sizes in different locations or by reviewing advertisements for comparable rental units. For example, a participant's case file might include the unit's rent and description, a printout of three comparable units' rents, and evidence that these comparison units shared the same features (location, size, amenities, quality, etc.). Another acceptable method of documentation is written verification signed by the property owner or management company, on letterhead, affirming that the rent for a unit assisted with ESG funds is comparable to current rents charged for similar unassisted units managed by the same owner.

Caution

Comparable rents vary over time with market changes, so it is important to ensure that the comparison you are using is up-to-date and appropriate for each prospective unit.

Recipients must establish their own written policies and procedures for documenting comparable rents and ensure that they are followed when documenting rent reasonableness in the case file. A recipient may require all subrecipients to use a specific form or a particular data source. Use of a single form to collect data on rents for units of different sizes and locations will make the data collection process uniform. A sample "Rent Reasonableness Checklist and Certification" form is available at:

www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc

Note: This sample form is used across different housing programs.

Before conducting its own study of rent levels in its community, a recipient/subrecipient should consult existing sources of rental housing data that can be used to establish comparable rents. The section below describes some different sources of information on rental units to help recipients and subrecipients meet rent reasonableness requirements. Each recipient must determine which approach is appropriate for its jurisdiction, given the size of its program, other housing programs it administers, local staff capacity, and other resources available within the community.

Rental Housing Data Sources

Public sources of data: There may be organizations within the recipient’s jurisdiction that collect and aggregate data on the rental housing stock, such as a state or local Public Housing Agency (PHA) or the local Chamber of Commerce.

Real estate advertisements and contacts: Ads in newspapers or online are simple ways to identify comparable rents. The following are potential sources of information:

- Newspaper ads (including internet versions of newspaper ads);
- Weekly or monthly neighborhood or “shopper” newspapers with rental listings;
- “For Rent” signs in windows or on lawns;
- Bulletin boards in community locations, such as grocery stores, laundromats, churches, and social service offices;
- Real estate agents;
- Property management companies that handle rental property; and
- Rental Listing websites like:
www.apartmentguide.com
www.apartments.com
www.forrentmag.com
www.move.com/apartments/main.aspx

Tip: Real estate ads and contacts might not provide all the information the recipient requires to determine rent reasonableness. In such instances, a follow-up call to obtain the missing information may be required. Newspaper and internet listings often contain either the lowest rent or the range of rents when there is variation among units with the same number of bedrooms. The recipient should follow up to determine what causes the rents to vary (e.g., unit size, location within the development, number of bathrooms, amenities), and then document these factors.

Rental market study: A rental market study is an in-depth analysis of a particular rental market that is often prepared by independent organizations for specific communities. Commercial firms will frequently conduct these studies before developing rental housing in a particular location. They can provide a good source of data to use as the basis of a rent reasonableness policy. However, some rental market studies may be narrowly focused on a particular type of rental housing (such as housing for seniors or rental condominiums) and might be useful only for certain housing units assisted with ESG funds.

Tip: When using either a market study or a market survey, it is very important to understand what is and is not included in the rent reported. For example, surveys/studies may report rents with all, some, or no utilities included. When comparing unassisted market units with ESG-assisted units, it is important to consider whether utilities and other amenities are included in the rent.

Rental market survey: A rental market survey provides a comparison of various landlords and property management companies in the area. Some local governments conduct surveys to assist with planning activities. Additionally, local associations of rental owners and managers may survey their members periodically and publish the results. Many of these surveys report average rents and/or rent ranges by the number of bedrooms and submarket location. However, such surveys frequently do not contain the detailed information required for rent reasonableness comparisons, such as amenities (free parking, laundry, etc.) or additional fees that must be paid. Rental market surveys are designed to show the overall picture of the rental market and may not be useful in evaluating the rent for a particular unit type.

Rental database: For HPRP, some grantees found it useful to build their own rental database in order to perform more efficient searches for comparable rents. Building a rental database allows the majority of work to be completed on the front end, which increases the efficiency of making

rent reasonableness determinations and allows assistance to be provided more quickly. However, there are serious resource issues to consider for this option, including updating the data and maintaining the database, which can be labor-intensive and costly. If choosing this option, ESG recipients in close proximity to one another may choose to collaborate on a regional database.

Rural Housing Data Sources

While there may be fewer rental units in rural areas than in urban and suburban areas, it is possible to find comparable rents for different unit types located in these areas using various data sources, including:

- **U.S. Department of Agriculture’s Rural Development Agency (USDA):** USDA provides direct and guaranteed loans for single and multi-family housing development in rural areas and for farm laborers. Contact information for Rural Development State and Local Offices or USDA Service Centers is available at www.rurdev.usda.gov/recd_map.html. Each Rural Development Office, if it has a Rural Housing component, should provide information on the types of rental housing available in communities throughout the state, and include unit sizes and rental rates.
- **PHAs:** If a rural community is also under the jurisdiction of a PHA, the PHA may be a source of comparable rent data.
- **Real estate agents:** Local real estate agents are not only knowledgeable about real estate prices but often are a source of information on rental housing in the area. They may be able to extrapolate rent estimates based on the general cost of housing in the area. To find real estate agents active in particular communities, recipients can consult the National Association of Realtors on the web at www.realtor.org. For demographic information on the housing stock, market trends, etc., recipients should access www.realtor.org/research.

COMPONENTS OF AN EFFECTIVE POLICY

For monitoring purposes, HUD will determine whether the recipient/subrecipient developed a written policy and followed that policy to determine and document that:

1. The rent was reasonable; **and**
2. The rent was within the established FMR limit.

The basis for the determination must be supported by the evidence documented in the case file. Therefore, adequate documentation will enable a supervisor or other entity charged with monitoring the program to readily identify the factors and process that resulted in the determination that each unit met HUD requirements.

Recipients’/subrecipients’ policies and procedures must be transparent and consistently applied across their program, and result in decisions that comply with HUD requirements. At a minimum, an effective policy includes a methodology, documentation requirements, staffing assignments, and strategies for addressing special circumstances.

This means that policies and procedures should provide step-by-step guidance on making comparisons between the program participant’s rent, the FMR, and the rent reasonableness standards for comparable units in that community. This includes the documentation to be included in each case file, such as forms and/or case notes from the staff making the

determination. For example, a recipient could create a policy where a provider must consider the rents of three comparable units and allow as “reasonable” only rents that fall within \$50 of the average of the three comparable rents. In this example, a rent could be paid that is slightly higher than some of the individual comparable units. That rent would still be considered “reasonable” under the recipient’s policy—but rent could only be paid if it is **also** at or below the FMR.

STAFF ROLES AND RESPONSIBILITIES

Recipients/subrecipients should have a procedure in place to ensure that compliance with rent reasonableness and FMR are documented prior to a check for rent being approved and/or prepared. The responsibility of determining and documenting each unit’s compliance with these standards may be assigned to one or more program staff, such as the case manager, clerical support staff, or a staff member who is assigned to conduct habitability inspections. One staff person may perform all the checks, or the tasks may be divided among more than one staff. For example, for rent reasonableness, one staff member could conduct a telephone survey of the property owner/landlords, while another searches rental databases for comparable properties.

Appendix E

HUD Notice CPD22-11

**Implementing Risk Analyses for Monitoring
Community Planning and
Development Grant Programs in FY 2023**



Special Attention of:

NOTICE: CPD-22-11

All Regional Office Directors

Issued: October 7, 2022

All Field Office Directors

Supersedes: Notice CPD-22-04

All CPD Division Directors

This Notice is effective until it is amended, supersede, or rescinded.

SUBJECT: Implementing Risk Analyses for Monitoring Community Planning and Development Grant Programs in FY 2023

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I. Purpose

The purpose of this Notice is to provide a consistent methodology for conducting risk analyses for Community Planning and Development (CPD) formula and competitive grantees¹ and establish monitoring priorities within available resources. This risk analysis process has been incorporated into CPD's Grants Management Process Reporting (GMP-R) system, a computer-based information system which is used to provide a documented record of conclusions and results.

This Notice reflects a risk analysis methodology that was implemented by Notice CPD-22-04, published February 10, 2022. The methodology was developed by a CPD working group in collaboration with the Office of the Chief Risk Officer, that considered risk factors, subfactors, and symptomatic causes in program performance. The methodology CPD utilizes is designed to best identify risk, utilize a streamlined process, and ensure consistency across reviews through the integration of available performance data from grant reporting systems, and use, to the greatest extent feasible, subfactors which can be auto-populated using data extracted from existing information technology systems available to CPD. This Notice updates the methodology to reflect the full utilization of the GMP-R system for completing Risk Analysis Worksheets (Attachments A-1 through A-10) and documenting Management Representative electronic approval for completing grantee risk ranking and for documenting grantee and program selection for annual CPD monitoring review. Limited substantive changes were made to incorporate additional automation using system performance data, revise factor scoring and questions where needed to best align with risk predictors, and improve language clarity. Additional non-substantive revisions were made to clarify and better organize the language outlining CPD's Risk Analysis process and policies.

This Notice is intended to augment the Departmental policy contained in Handbook 1840.1, *Departmental Management Control Program*, which requires the development of risk-based rating systems for all programs, and Handbook 6509.2, *Community Planning and Development Monitoring Handbook*, which establishes standards and provides guidance for monitoring CPD Programs. The major steps for implementing risk-based monitoring include:

- Developing risk-based rating systems to evaluate all program grantees;
- Rating and selecting grantees for monitoring;
- Identifying program risks and setting monitoring objectives; and
- Documenting the process and recording the rationale for choosing grantees to be monitored.

Each CPD Field Office will perform the risk analysis using the methodology described in this Notice. The Evaluator (e.g., CPD Representative, Financial Analyst, or CPD Specialist) and

¹ The terms "program participant," "grantee," "participating jurisdiction" (PJ), and "recipient" all refer to the entity that receives the Federal award directly from HUD and are used interchangeably in this Notice.

Management Representative (e.g., CPD Director, Program Manager) have specific responsibilities for risk analysis review and information update for each grantee.

II. Background

The Office of Field Management (OFM) Director establishes the completion dates for risk analysis and monitoring work plans each fiscal year. Each CPD Field Office is responsible for completing risk analysis review and for developing a monitoring work plan encompassing CPD grantees and programs to be monitored during the fiscal year. The monitoring work plan documents the CPD Field Office decisions regarding where to apply staff and travel resources for monitoring, training, and/or technical assistance. Using the monitoring work plan, CPD Field Offices will develop individual grantee monitoring strategies to define the scope, focus, and appropriate level of monitoring for selected CPD grantees, consistent with identified risk and available resources. The CPD Field Office includes the final individual grantee monitoring strategy in the Monitoring Notification Letter that is sent to the grantee.

Risk analysis provides the information needed for CPD to effectively target its resources to grantees that pose the greatest risk to the integrity of CPD programs, including identifying the grantees it will monitor on-site or remotely, and the program areas it will cover. The selection process identifies those grantees and activities that represent the greatest vulnerability to fraud, waste, abuse, and mismanagement.

III. Frequency of Risk Analysis

This Notice reflects an annual assessment period and provides policy guidance for fiscal years 2023 and beyond, until superseded by further guidance.

IV. Applicability

CPD Field Offices will apply the risk analysis process to the formula and competitive grant programs listed below, including programs funded under the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136) (CARES Act). Additionally, the Neighborhood Stabilization Programs (NSP-1, NSP-2, and NSP-3 grant programs) will remain combined regarding the use of the Attachment A-3 risk analysis worksheet. Also, the Community Development Block Grant-Disaster Recovery (CDBG-DR) assistance (including CDBG National Disaster Resilience (NDR) and CDBG Mitigation (MIT) funds) remains in this Notice for two reasons: first, to provide further guidance to the CPD Field Offices on how to evaluate risk with CDBG-DR grants; and second, to provide a consistent risk analysis tool for all CDBG-DR grants, irrespective of whether they are managed by the CPD Field Offices or by Headquarters.² CDBG-DR reviewers will use the Attachment A-2 risk analysis worksheet.

² CDBG-DR grants managed by HQ are maintained by the Office of Block Grant Assistance- Disaster Recovery & Special Issues Division. For the purpose of this notice, DRSI is considered the Field Office for those grants managed by the Division.

Programs Assessed

- Community Development Block Grant Program (CDBG)
- HOME Investment Partnerships Program (HOME)
- Emergency Solutions Grants Program (ESG)
- Housing Opportunities for Persons with AIDS Program (HOPWA)
- Housing Opportunities for Persons with AIDS Program Competitive (HOPWA-C)
- Continuum of Care (CoC)
- Neighborhood Stabilization Programs (NSP 1, 2, and 3)
- Section 8 Single Room Occupancy Moderate Rehabilitation (SRO)
- Community Development Block Grant Disaster Recovery (CDBG-DR, including CDBG-NDR and CDBG-MIT funds)
- Community Development Block Grant-CARES Act (CDBG-CV)
- Emergency Solutions Grants Program-CARES Act (ESG-CV)
- Housing Opportunities for Persons with AIDS Program-CARES Act (HOPWA-CV)
- Housing Opportunities for Persons with AIDS Program Competitive-CARES Act (HOPWA-C-CV)
- Recovery Housing Program (RHP)

V. Risk Categories and Criteria

All CPD program risk analyses use standardized factors and a quantifiable rating system. Risk analysis factors are consistent with the Departmental factors outlined in the *HUD Monitoring Desk Guide: Policies and Procedures for Program Oversight*, available here:

https://www.hud.gov/sites/documents/DOC_35339.PDF.

Program risk subfactors used for each risk factor include the areas listed below with some variation among the CPD Programs, based on each program office's specific determinants of risk.

1. Grant Management

- a. Grantee Reporting
- b. Grantee Staff Capacity and Program Design
- c. Grantee Program Complexity
- d. Grantee Findings (Monitoring and Office of Inspector General (OIG) and Sanctions)
- e. Grantee's Management of Subrecipients

2. Financial Management

- a. Grantee Financial Staff Capacity
- b. Monitoring Finding Resulting in Repayment or Grant Reduction
- c. Grant Amount
- d. Grantee Program Income

e. Grantee Audits Required by 2 CFR § 200.501

3. Services & Satisfaction

- a. Grantee Citizen Complaints or Negative Media Exposure
- b. Grantee Responsiveness

4. Physical

- a. Physical Condition of Properties

Factor 4, Physical, only applies to the worksheets for HOPWA, HOPWA-C, HOPWA-CV, and HOPWA-C-CV (Attachment A-6). CDBG-DR, CDBG-NDR, and CDBG-MIT (Attachment A-2) include a Factor 4, which reflects Project-Specific Risk, instead of Physical Condition of Properties.

VI. Risk Analysis Process

CPD Field Offices will perform the risk analysis review and rating process for all grantees in their portfolio with active grants at the beginning of the risk analysis review process, by the deadline established by the OFM Director. The risk analysis covers all “active” grants. An active grant is defined as any grant within the Field Office’s portfolio not closed out at the start of the risk analysis review process. When evaluating each grantee against program risk criteria, the Field Office will record and document the results in the GMP-R system.

Risk Analysis consists of two steps:

1. Rating:
 - Extracting data for system-driven risk factors;
 - Incorporating assessment and rating of factors by the Evaluator; and
 - Reviewing results by Management.
2. Ranking & Selecting:
 - Generating ranking of grantees by risk score, from highest to lowest;
 - Determining monitoring exceptions; and
 - Certifying results.

The results of this two-step process provide the basis for developing the Field Office monitoring work plan and individual grantee monitoring strategies. This includes identifying which grantees will be monitored, method of monitoring (on-site or remote), programs and areas to be monitored, areas of technical assistance and training needed, resources needed, and projected timeframes.

Step 1 – Rating Grantees

Evaluator

Using a combination of data extracted from grant reporting systems and information available from other sources, the Evaluator will review and rate each program by a grantee. Each factor and its relevant subfactors are assigned a level of risk: high, medium, or low. Evaluator reviews are conducted by completing the applicable Risk Analysis Worksheets (Attachments A-1 through A-10) in GMP-R.

The risk analysis process begins with a review of each grantee against each subfactor. Certain subfactors are auto-populated or assigned a score of high, medium, or low risk based on data available from grant reporting systems. Support data for auto-populated fields will be displayed in the comment field. Other subfactors are not auto-populated, and the Evaluator must assign a risk score based on information readily available from other sources. In completing this review, various sources of information are used, including data obtained from the Integrated Disbursement and Information System (IDIS), Disaster Recovery Grant Reporting System (DRGR), e-SNAPS, Annual Progress Reports (APRs), CAPERS and PERs, prior monitoring visits, audits, and citizen complaints. Special attention should be given to recent audits with findings, compliance with program expenditure requirements established by the Department, and fair housing/civil rights issues, including those raised in any fair housing or civil rights complaints, investigations, compliance reviews, letters of finding, charges, cause determinations, and Justice Department lawsuits.

CPD Field Offices evaluate CPD formula and competitive programs using criteria outlined in Attachments A-1 (for CDBG), A-2 (for CDBG-DR, including -NDR and -MIT), A-3 (for NSP1, 2, and 3), A-4 (for HOME), A-5 (for ESG), A-6 (for HOPWA, HOPWA-C, HOPWA-CV, and HOPWA-C-CV), A-7 (for CDBG-CV), A-8 (for ESG-CV), A-9 (for RHP), and A-10 (for CoC and SRO). CPD Field Offices evaluate a grantee using criteria for each program type it administers per the specific attachments listed above. For example, if a grantee administers CDBG and CDBG-CV programs, the grantee's risk will be evaluated for each program separately: one analysis for CDBG and one analysis for CDBG-CV. If a grantee administers HOPWA programs, then grantee's risk evaluations will use Attachment A-6 for each individual HOPWA program type (i.e., HOPWA, HOPWA-C, HOPWA-CV, and HOPWA-C-CV). For example, if a grantee administers HOPWA and HOPWA-CV, the Evaluator will complete Attachment A-6 for HOPWA and a separate Attachment A-6 for HOPWA-CV.

Special instructions regarding NSP-2, as implemented in the competitive side of GMP-R, are as follows (as noted in *Section IV-Applicability*): if the grantee has received an NSP-1 and/or NSP-3 allocation, and additionally received an NSP-2 allocation, the NSP-2 grantee must be entered into GMP-R using the same score and worksheet. Attachment A-3 will be used to review all the NSP grants a grantee may have.

Management Review

After the Evaluator has completed documenting the risk analysis results for each grantee, a Management Representative begins the review and completes the certification in GMP-R. The

role of the Management Representative is to provide quality control to ensure validity and consistency through an assessment of each Evaluator's ratings and comments. The Management Representative will ensure that any updates are entered into the GMP-R system.

Step 2 – Grantee Ranking and Selection

Grantee Ranking

After all information has been entered into GMP-R, the automated system provides the results in a Risk Analysis Summary Report for formula and for competitive grantees (except for CDBG-DR grantees managed by the Disaster Recovery and Special Issues (DRSI) Division, whose results will be available in the DRGR Summary in GMP-R). Grantees will be ranked in descending order on the Risk Analysis Summary Report in GMP-R, from highest average risk score to lowest average risk score. The Management Representative will then begin the grantee selection and exception process, utilizing the Risk Analysis Summary Report.

Grantee Selection

CPD Field Offices will make grantee monitoring selections based upon the numerical monitoring goal assigned by the OFM Director. The appropriate fiscal year monitoring goal must be applied to determine the total number of grantees to be monitored for the fiscal year.

After separately ranking formula and competitive grantees, the Management Representative will then determine its grantee selection method and begin the exception process, as documented on the GMP-R Risk Analysis Summary Report. This constitutes the Field Office monitoring work plan.

CPD Field Offices have two methods available for selecting grantees to monitor:

- (1) The **100% Option**: Select 100% of grantees in risk rank order for monitoring; or
- (2) The **70/30% Option**: Select the first 70% of the grantees in risk rank order, with the remaining 30% being selected at the discretion of the Management Representative.

Any grantee with an average risk score of 51 or higher and/or a program score(s) of 51 or higher identified within the rank order must be selected for monitoring unless an eligible exception can be applied.

In addition, monitoring a limited number of non-high-risk grantees (either due to the risk score results or through discretionary monitoring selections) can serve to validate the soundness of the rating criteria as well as possibly detect early warnings of potentially serious problems.

Applying Exceptions

The Management Representative will determine whether any grantee meets an exception from monitoring based on five exception categories identified below. CPD Field Offices have two possible methods for selecting grantees for monitoring, as identified in the **Grantee Selection** section above. A grantee cannot be excepted from monitoring without the CPD Field Office identifying an appropriate exception. The five exceptions included in GMP-R consist of the following:

- **A** – The Office of Inspector General is currently conducting an audit of the high-risk grantee and/or high-risk program(s);
- **B** – High-risk grantee and/or high-risk program(s) were monitored within the last two years;
- **C** – Grantee will be provided technical assistance or training in the current fiscal year;
- **D** – The grantee’s HUD grant program is selected to be monitored as a discretionary selection; and
- **X** – Other.

Management Representatives will review all grantees within the rank order and determine whether a grantee and program will be selected for review or whether an exception code applies. For grantees determined to be high-risk or to contain a high-risk program(s), the management representative must either select the grantee and program(s) for review or identify a valid exception code. Management Representatives will annotate the exception codes on the Risk Analysis Worksheet.

Utilizing Exception Codes A & B

For any grantee with an average risk score of 51 or higher and/or a program score of 51 or higher that falls within the rank order dictated by the monitoring goal (discussed above), the only allowable exceptions the Management Representative can apply are:

- Exception A - The Office of Inspector General is currently conducting an audit of the high-risk grantee and/or high-risk program(s); or
- Exception B – High-risk grantee and/or high-risk program(s) were monitored within the last two years.

Utilizing Exception Code D (Discretionary Monitoring)

Exception Code D (Discretionary Monitoring) applies to specific circumstances when a grant program is selected to be monitored as a discretionary selection. If the CPD Field Office selects the 70/30% grantee selection method outlined above, the Management Representative must use applicable exceptions when determining the 70% of grantees that are in rank order. For the 30%, the Management Representative must use Exception Code D to document the grantee and HUD grant program selected for discretionary monitoring.

Utilizing Exception Code X (Other)

Exception Code X should only be used to document selections based on the descriptions provided below. A CPD Field Office may use Exception Code X (Other) to document specific

circumstances when grant programs will not be monitored in the current fiscal year. Additionally, a CPD Field Office may use Exception Code X (Other) to document specific circumstances:

- when two or more grant programs are assessed high risk, but not all of the high-risk programs require monitoring in the current fiscal year because one or more of the high-risk programs were monitored during the last two years; and
- to identify the specific high-risk program(s) for which the Office of Inspector General is conducting an audit, when the OIG is not conducting a full review of all of the programs; and
- to except a medium/low risk grantee when there are no high-risk programs.

When a CPD Field Office applies Exception Code X (Other), the specific circumstances must be documented. Examples of how to document Exception Code X (Other) are provided as follows:

- CDBG and HOME grant programs were assessed high-risk, but HOME was monitored in the last two years; CDBG will be monitored this fiscal year.
- The OIG is conducting an audit of the HOME program; however, CDBG will be monitored this fiscal year.
- This medium/low-risk grantee will not be monitored this fiscal year.

Additional Considerations

- Depending on the availability of travel resources, weather conditions, mandatory pandemic-related work from home, and operational limitations, CPD Field Offices can use remote monitoring as an alternate to on-site monitoring.
- Although CPD Field Offices use risk analysis as their primary monitoring basis, they may also identify other areas needing special emphasis during monitoring based on national program reviews and evaluations by Congress, the U.S. Office of Management and Budget (OMB), or the HUD OIG.

VII. Individual Grantee Monitoring Strategy

The CPD Field Office will incorporate risk areas identified during the risk analysis process into the grantee's individual grantee monitoring strategy. Strategies will also identify monitoring Exhibits that CPD Field Offices plan to use during monitoring (see CPD Monitoring Handbook: <https://www.hud.gov/offices/adm/hudclips/handbooks/cpdh/6509.2/index.cfm>). When developing individual monitoring strategies, CPD Monitoring Handbook Exhibits will be selected based upon the areas of risk identified by grantee and applicable program(s). CPD Field Offices will document all individual grantee monitoring strategies under the Work Plan Module in the GMP-R system. Chapter 2, paragraph 2-5A of the CPD Monitoring Handbook, provides guidance on the development of grantee monitoring strategies. Whether monitoring is conducted remotely or on-site, the development of an individual, written monitoring strategy is needed to define the scope and focus the monitoring efforts. It identifies:

1. the HUD grant program(s), grantee projects/activities, and functional areas to be reviewed, including a brief discussion of the high-risk factor(s) identified through the risk analysis process;
2. data or information to be submitted by the program participant prior to monitoring (if any);
3. the names of any participant staff members who will need to be consulted during the monitoring;
4. anticipated staff who will conduct the monitoring (e.g., CPD Representatives and, if participating, any Specialists);
5. clearly defined areas of responsibilities for each reviewer (to avoid duplication) if more than one staff person will be conducting the monitoring;
6. a schedule for carrying out the monitoring tasks and the anticipated time frames;
7. required resources (e.g., travel funds if on-site; time needed, if remote); and
8. the planned *CPD Monitoring Handbook 6509.2* Exhibits that are selected based upon the areas of risk identified by grantee and program.

Timely and concise written documentation of the grantee monitoring strategy is an important tool for management use in assessing planned grantee actions against accomplishments.

VIII. Recordkeeping

Each CPD Field Office must document and be able to justify its ranking and management decisions relative to grantee and program selection for monitoring. The documented results to be recorded in GMP-R (with any exceptions noted) consist of:

- Grantee Risk Analysis Worksheets (Attachments A-1, A-2, A-3, A-4, A-5, A-6, A-7, A-8, A-9, and A-10) that provide criteria for evaluation of grantee risk by program area, evaluation comment, and electronic certification.
- GMP-R Risk Analysis Summary Report for formula and competitive grantees, with exception codes identified. Field Office Management Representatives will notate on the GMP-R Risk Analysis Summary Reports the selection method utilized and the resulting grantees and programs selected for monitoring. This constitutes the Field Office monitoring work plan.

IX. Work Plans

As a result of assessing those grantees that pose the greatest risk and program areas in need of improvement, an annual work plan will be developed in accordance with the guidance provided in Chapter 2 of the CPD Monitoring Handbook 6509.2. This work plan must be documented into GMP-R under the Work Plan Module and include the identification of:

- Grantees scheduled for monitoring.
- The programs or functions to be monitored (including, for example, lead-based paint, Section 3, and relocation reviews).
- Method and Type of monitoring, e.g., on-site, or remote.
- Scheduled timeframes for monitoring; and
- Resources needed, such as staff, travel, etc.

Work plans also include:

- Technical assistance and training to be provided to grantees; and
- Other grantees that need to be addressed as part of the annual work plan.

X. Contact Information

Questions regarding the content of this Notice may be directed to Kathleen Burke, Director, Office of Field Management, at (303) 839-2634.

Attachment A-1

**Community Development Block Grant (CDBG) Program
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents the Evaluator's assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and

unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following reports and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance (TA) Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactors A, B and G. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s). The scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1. A. Grantee Reporting How would you rate the grantee's overall reporting quality and responsiveness? Risk is based on the grantee meeting report deadlines with primary consideration given to completeness and accuracy of information contained in the Consolidated Plan, Annual Action Plan, Consolidated Annual Performance and Evaluation Report (CAPER) or Performance and Evaluation Report (PER), and Financial Reporting, including the PR26 (Entitlement) or PR28 (State). This score is manually selected.					No
i. Within the last three years: the grantee has not been timely in submitting at least two reports; OR at least two reports have not been complete and/or accurate.	High	6			
ii. Within the last three years: the grantee has submitted at most one report that has not been complete, timely, and/or accurate.	Medium	3			
iii. Within the last three years: the grantee has been timely with submitting its reports and reports have been complete and accurate.	Low	0			
1. B. Staff Capacity Risk is based on current grantee staff capacity and its ability to ensure programmatic compliance with the CDBG regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. This score is manually selected.					No
i. During the last three program years: the grantee has experienced turnover in at least one key position within its program administration and the grantee has designed a program more complex than the current capacity and programmatic knowledge of its staff.	High	6			

ii. During the last three program years: the grantee has experienced turnover in at least one key position within its program administration; OR the grantee has designed a program that is more complex than the current capacity and programmatic knowledge of its staff.	Medium	3			
iii. During the last three program years: the grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
1. C. Management of Subrecipients Does the grantee fund one or more large activities that are managed by subrecipients or contractors? Subrecipients include units of general local government for States. This score is auto-populated from IDIS data.					Yes
i. Over the last five years, the grantee has funded at least one activity for \$1,000,000 or more that is carried out by a subrecipient or contractor.	High	6			
ii. Over the last five years, the grantee has funded at least one activity for more than \$500,000 and less than \$1,000,000 that is carried out by a subrecipient or contractor.	Medium	3			
iii. None of the above conditions exists.	Low	0			
1. D. Other Risks Does the grantee either: expend a large portion of housing rehabilitation funding for costs reported as administration of the rehabilitation activities or use a significant amount of CDBG funds for code enforcement? This score is auto-populated from IDIS data.					Yes
i. Expenditures for rehab administration are 50 percent or more of overall housing rehab program expenditures; OR expenditures on code enforcement are 10 percent or more of grant over 5-year average; OR the grantee funded a Section 104(d) one-for-one replacement activity or a URA and/or Section 104(d) relocation activity in the past 5 years.	High	6			
ii. Expenditures for rehab administration are more than 20 percent but less than 50 percent of overall housing rehab program expenditures; OR expenditures on code enforcement are 5 percent or more of the grant over 5-year average.	Medium	3			
iii. No rehab administration and no code enforcement expenditures were reported, or they did not surpass (i) or (ii) above; and no Section 104(d) one-for-one replacement activities	Low	0			

and no URA and/or Section 104(d) relocation activities have been funded in the past 5 years.					
<p>1. E. At-Risk Flags in IDIS</p> <p>Are a high percentage of open activities flagged in IDIS as at-risk? The flags include: 1) an activity has infrequent draws (for most activities, if there are no draws for a year or more, the activity will be flagged. For planning and administration activities, two years is allowed without a draw, or three years for State CDBG); 2) an activity has been open for three or more years, and no accomplishments have been reported; and 3) the activity is 80 percent drawn down, but no accomplishments have been reported. Note: Certain public facilities and economic development activities are not flagged. This score is auto-populated from IDIS data.</p>					Yes
i. Percent of "Open" activities flagged as at-risk is more than 50%, or the amount of funds committed to the at-risk activities is more than 50% of funds that are committed to all "Open" activities; OR the amount of funds committed to at-risk activities is more than two times the current year allocation.	High	6			
ii. Percent of "Open" activities are flagged as at-risk is less than 50%, or the amount of funds committed to the at-risk activities is less than 50% of funds that are committed to all "Open" activities; OR the amount of funds committed to at-risk activities is less than two times the current year allocation.	Medium	3			
iii. The grantee has no at-risk flags, or a low percentage of activities are flagged.	Low	0			
<p>1. F. Economic Development Activities</p> <p>Risk is based on the grantee expending a significant amount of CDBG funding for economic development activities. This score is auto-populated from IDIS data.</p>					Yes
i. Expenditures for economic development activities are 30 percent or more of one or more of its CDBG allocations.	High	4			
ii. The above condition doesn't exist.	Low	0			
<p>1. G. Prior Monitoring and Audit Findings</p> <p>Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program requirements within the last three years; the grantee's past performance regarding the number of open, overdue, and unresolved findings; or sanctions have been imposed; or grantee</p>					No

has not been monitored within the last three years. This score is manually selected.					
i. Within the last three years: the grantee has received two or more findings that are still open, overdue, and unresolved; OR sanctions being imposed on the grantee; OR grantee has not been monitored.	High	6			
ii. Within the last three years: the grantee has received one finding that is still open, overdue, and unresolved; OR grantee has had imposed sanctions removed from the grantee.	Medium	3			
iii. None of the above conditions exists.	Low	0			
Subtotal for Grant Management (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits conducted under 2 CFR part 200, subpart F, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

Factor 2, in its entirety, is auto-populated with scores and comments.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>2. A. Grantee Audits required by 2 CFR § 200.501 Criteria: Assessment is based on the timely submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal award, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on the grantee’s current accounting practices. Audits deadlines are specified in 2 CFR §</p>					Yes

200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is auto-populated.					
i. During the last three program years, the grantee has not been timely in its submission of audits required under 2 CFR § 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	8			
ii. None of the criteria in subfactor (i) applies.	Low	0			
2. B. Administration and Planning and Public Services Caps Does the grantee exceed the caps on administration and planning or public services costs? This score is auto-populated from IDIS data.					Yes
i. The grantee has exceeded the program administration and planning or public services cap in one or more of the last five reported years.	High	12			
ii. The grantee has not exceeded the program administration and planning or public services cap in the last five reported years.	Low	0			
2. C. Program Income and Revolving Funds Does the grantee have inactive cash-on-hand, program income, or revolving fund accounts? Inactive accounts may be indicative of noncompliance with cash management principles. This score is auto-populated from IDIS data.					Yes
i. The grantee has a local account (LA) or program income (PI) balance exceeding \$1,000 and there has been at least one year since the last transaction; OR the grantee has a revolving fund balance (RL or SF) exceeding \$10,000 and there has been at least two years since the last transaction.	High	8			
ii. The grantee's program income and revolving fund accounts are active; OR the grantee has not reported program income in IDIS.	Low	0			
2. D. Voucher Revisions Risk is based on the grantee having numerous or large voucher revisions in IDIS. "Numerous" refers to having 20 draw revisions or more for any year in the last five years. "Large" refers to total revisions of \$500,000 or more in the last five years. This score is auto-populated from IDIS data.					Yes
i. The grantee has voucher revisions totaling over \$500,000 in the last 5 years; OR has 20 or more voucher revisions in the last 5 years.	High	8			

ii. The grantee has voucher revisions in the past 5 years of lesser amount and number than (i) above.	Medium	4			
iii. The grantee did not revise a voucher in the past 5 years.	Low	0			
2. E. Untimely Expenditure Does the grantee regularly fail the timeliness test? This score is auto-populated from IDIS data.					Yes
i. The grantee failed the timeliness test in two of the last five reported years.	High	6			
ii. The grantee failed the timeliness test in one of the last five reported years.	Medium	3			
iii. The grantee appears to have met the timeliness test for the last five reported years.	Low	0			
2. F. Section 108 Exposure Risk Has the grantee borrowed a significant amount using Section 108 loans by pledging the annual CDBG program for payment? This score is auto-populated from program data.					Yes
i. Total amounts available for commitment and unpaid balances are either over \$5 Million OR over 2.5 times the most recent CDBG allocation.	High	6			
ii. Total amounts available for commitment and unpaid balances are either over \$750,000 OR over 0.5 times the most recent CDBG allocation.	Medium	3			
iii. Either the grantee does not have a Section 108 loan OR has a Section 108 loan(s) that does not meet (i) or (ii) above.	Low	0			
Subtotal for Financial Management (Max. 48 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPERs) or Performance and Evaluation Reports (PERs), other financial reporting, and auto-populated tracking systems.

The Evaluator will award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3. A. Grantee Citizen Complaints / Negative Media Exposure Do local issues, media exposure, or citizen complaints negatively impact the grantee's ability to meet program objectives? Does the grantee respond timely to citizen complaints and inquiries? Risk is based on negative media or other issues involving CDBG funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's ability to respond to these issues timely and effectively. This score is manually selected.					No
i. Within the last three years: the grantee has had citizen complaints, issues, or negative media exposure related to its CDBG program and the grantee has failed to respond to the complaints, issues and/or inquiries within the prescribed timeframes.	High	12			
ii. Within the last three years: the grantee has had citizen complaints, issues, or negative media exposure related to its CDBG program, but the grantee has responded to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6			
iii. Within the last three years: the grantee has not had any complaints, issues or negative media exposure related to its CDBG program.	Low	0			
Subtotal for Services and Satisfaction (Max. 12 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	48
3. Services & Satisfaction	12
Total	100

Attachment A-2

**Community Development Block Grant
Disaster Recovery (CDBG-DR), National Disaster Resilience (CDBG-NDR), and Mitigation (CDBG-MIT) Grants
Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a grantee has failed to comply with requirements; or
- Instances of unacceptable grantee performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using four factors: Grant Management, Financial Management, Services & Satisfaction, and Project-Specific Risk. The first three of these factors are standard factors selected by the Department. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator must choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents the Evaluator's assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the grantee has the capacity to carry out HUD grants according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of the grantee's staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's activities; the grantee's management of its subrecipients; open

and unresolved findings; or problems such as completion of activities, staff turnover, lack of experience with Federal grants or activities. The following documents, reports and reporting systems should be considered: Action Plan(s) and substantial amendments, grantee quarterly performance reports, Financial Management and Grant Compliance Certification, Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), Office of Inspector General (OIG) audits, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactor B, D, E and F. The Evaluator will choose only one risk score for these four subfactors from the point values listed below and document their determination in the Evaluator's Comment field. The remaining scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
1.A. Grantee Reporting on Recovery Progress Criteria: Risk is based on the grantee meeting report deadlines with primary consideration given to the completeness and accuracy of the information contained in the Action Plan, as amended, and grantee performance reports.					Yes
i. Grantee has not been timely in submitting two or more performance reports within the last three fiscal years; OR two or more submissions (performance reports or DRGR Action Plans) have been rejected as incomplete or inaccurate.	High	8			
ii. Grantee has not been timely in submitting one performance report within the last three fiscal years; OR one submission (performance report or DRGR Action Plan) has been rejected as incomplete or inaccurate.	Medium	4			
iii. None of the above conditions exists.	Low	0			
1.B. Grantee Staff Capacity and Financial Capacity Criteria: Risk is based on grantee staff capacity and ability to ensure compliance with CDBG-DR requirements. Significant staff capacity issues may include under-staffing and recent turnover of key staff. Additionally, the grantee may have a highly complex project or activity but lacks the necessary experienced and specialized staff to administer it efficiently.					No
i. During the last three fiscal years: the grantee has experienced turnover in one or more key positions (senior leadership; program managers for housing, economic revitalization, and infrastructure; senior personnel responsible for procurement and contract management; internal auditor) within its grant administration and	High	14			

the grantee has designed a project or activity that is more complex than the current capacity and programmatic knowledge of its staff; OR financial management staff has demonstrated a lack of knowledge or skill sets needed to administer the financial management responsibilities of the CDBG-DR grants and grantee has had one or more violations or deficiencies of the applicable regulations, or <i>Federal Register</i> notices' requirements in the last three fiscal years.					
ii. During the last three fiscal years: the grantee has not experienced turnover in any key positions (as defined in 1.B.i. above) but has designed a project or activity that is more complex than the current capacity and programmatic knowledge of its staff; OR financial management staff has demonstrated a lack of knowledge or skill sets needed to administer the financial management responsibilities of the CDBG-DR grant, but the grantee has not had any violations or deficiencies of the requirements, including applicable regulations or <i>Federal Register</i> notice requirements.	Medium	10			
iii. None of the above conditions exists.	Low	0			
1.C. Grantee Project or Activity Complexity Criteria: Risk is based on the complexity of the grantee's projects or activities, primarily the number and variety of activity types the grantee is undertaking, which may pose a challenge to the grantee's staff regarding compliance and reporting.					Yes
i. The grantee is administering a grant that implements ten or more activity types.	High	10			
ii. The grantee is administering a grant that implements at least five but not more than nine activity types.	Medium	6			
iii. The grantee is administering a grant that implements four or fewer activity types.	Low	0			
1.D. Grantee Findings and Sanctions (Monitoring and OIG) Criteria: Risk is based on OIG audits and the monitoring of the CDBG-DR grants by HUD to ensure compliance with applicable requirements within the last three years; the grantee's past performance regarding the number of open, overdue, and unresolved findings; sanctions imposed; and time since last monitoring.					No

i. Within the last three fiscal years: the grantee has received two or more findings that are still open; OR sanctions have been imposed on the grantee; OR grantee has not been monitored.	High	8			
ii. Within the last three fiscal years: the grantee has been monitored at least one time and has received one finding that is still open; OR has had imposed sanctions removed.	Medium	4			
iii. Within the last three fiscal years: the grantee has been monitored at least once, has no open findings, and no sanctions that were imposed.	Low	0			
1.E. Grantee's Management of Subrecipients Criteria: Risk is based on the grantee's reliance on and management of its subrecipients.					No
i. Grantee has demonstrated a lack of management over its subrecipients, contractors, or state recipients. This has been demonstrated by, including but not limited to, the lack of a program monitoring schedule, late or inaccurate reporting on activities and/or projects, missing or inaccurate accomplishments being reported in DRGR, its recordkeeping system, HUD management monitoring findings within the last three grant years, etc.	High	8			
ii. Grantee uses subrecipients or state recipients to administer the program or relies on a contractor to deliver program services but has not demonstrated a lack of management over its subrecipients, contractors or state recipients.	Medium	4			
iii. None of the above conditions exists.	Low	0			
1.F. Grantee Pre-Award Risk Assessment Criteria: All CDBG-DR and CDBG-MIT grants awarded since 2017 require a Pre-Award Risk Assessment to identify risks associated with the grantee's implementation of the award and develop specific grant conditions to mitigate those risks. The identification of risks and conditions to mitigate risk are based on the conclusions of the Pre-Award Risk Assessment for each grant award.					No
i. The Pre-Award Risk Assessment identified an unmitigated risk which resulted in one or more grant conditions and any resulting grant condition is still in effect at the time of this risk analysis.	High	2			
ii. The Pre-Award Risk Assessment identified an unmitigated risk which resulted in one or more grant conditions, but the grantee	Medium	1			

has met the conditions outlined in the grant agreement and the specific conditions have been removed.					
iii. The grantee has not received funds since 2017; OR no unmitigated risks were identified through the Pre-Award Risk Assessment.	Low	0			
Subtotal for Grant Management (Max. 50 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure for the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Disaster Recovery Grant Reporting System (DRGR), audit management systems, audits conducted under 2 CFR part 200, subpart F, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

Factor 2, in its entirety, is auto-populated with scores and comments.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. CDBG-DR Grant Amount Criteria: Risk is based on the relative amount of the grantee’s CDBG-DR grant and the age of the most recent grant.					Yes
i. During the most recent fiscal year, the grantee was awarded CDBG-DR funds more than three times its current CDBG grant amount for the most recent federal fiscal year; OR the grantee is a new CDBG-DR grant recipient.	High	8			
ii. During the most recent fiscal year, the grantee was awarded CDBG-DR funds between two and three times its current CDBG grant amount for the most recent federal fiscal year.	Medium	6			
iii. None of the above conditions applies.	Low	0			
2.B. Grantee Program Income, Revolving Loan Fund, or Float-Funded Activities Criteria: Risk is based on the grantee’s use of program income, revolving loan funds activities.					Yes

i. The grantee or its subrecipient(s) received \$1,000,000 or greater in program income; OR funded activities with funds from a Revolving Loan Fund.	High	4			
ii. The grantee or its subrecipient(s) received less than \$1,000,000 in program income.	Medium	2			
iii. The grantee or its subrecipient(s) has not generated any program income or funded activities with funds from a Revolving Loan Fund.	Low	0			
2.C. Grantee Progress on Expenditure Criteria: Assessment is based on whether the grantee is on track to meet applicable expenditure deadlines based on data entered in DRGR.					Yes
i. The grantee is not on track to meet applicable expenditure deadlines as demonstrated by the grantee's overseeing any grant with a spending status of "Slow Spender" on the CDBG-DR Grants Financial Report for three or more months in the last fiscal year.	High	8			
ii. None of the above conditions applies.	Low	0			
2.D. Grantee Audits required by 2 CFR § 200.501 Criteria: Assessment is based on the timely submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on the grantee's current accounting practices. Audits deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits).					Yes
i. During the last three fiscal years, the grantee has not been timely in its submission of audits required under 2 CFR § 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	6			
ii. None of the above conditions exists.	Low	0			
Subtotal for Financial Management (Max. 26 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD grantees deliver grant activities and projects that are compliant and clients express satisfaction or dissatisfaction with the delivery of grant activities and projects.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Action Plans, grantee performance reports, and auto-populated tracking systems.

The Evaluator will award a point value to subfactor A. The Evaluator will choose only one risk score for this subfactor from the point values listed below and document their determination in the Evaluator’s Comment field.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3.A. Grantee Citizen Complaints / Negative Media Exposure Criteria: Do local issues, media exposure, or citizen complaints negatively impact the grantee's ability to meet program objectives? Does the grantee respond timely to citizen complaints and inquiries? Risk is based on negative media or other issues involving CDBG-DR grants, significant negative impacts related to perceived fraud or conflicts of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's ability to respond to these issues timely and effectively.					No
i. Within the last three years: the grantee has had citizen complaints, issues, or negative media exposure related to its CDBG-DR grants and the grantee has not responded to the complaints, issues and/or inquiries within the prescribed timeframes.	High	8			
ii. Within the last three years: the grantee has had citizen complaints, issues, or negative media exposure related to its CDBG-DR grants, but the grantee has responded to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	4			
iii. Within the last three years: the grantee has not had any complaints, issues or negative media exposure related to its CDBG-DR grants.	Low	0			

Subtotal for Services and Satisfaction (Max. 8 pts.)	Subtotal				
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FACTOR 4 – PROJECT-SPECIFIC RISK

Factor Definition: Extent to which grantees develop and deliver different types of disaster recovery projects and activities that are compliant and meet the recovery needs of the impacted communities.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to consideration of the types of projects or activities the grantee is implementing and the grantee’s administrative capacity to manage specific projects and activities effectively; the complexity of the specific recovery projects and activities, and open and unresolved findings specific to the projects. The following documents, reports and reporting systems should be considered, including but not limited to: Action Plans, grantee performance reports, Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), Office of Inspector General (OIG) audits, and related reporting mechanisms and systems.

Factor 4, in its entirety, is auto-populated with scores and comments. A grantee may have multiple grants or activities that receive a high, medium, or low Risk Score. In these instances, the grantee will be assigned the highest Risk Score associated with any of the grantee’s grants or activities reviewed.

FACTOR 4 – PROJECT-SPECIFIC RISK	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
4.A. Housing Rehabilitation and Reconstruction Criteria: Risk is based on the grantee’s administering a housing rehabilitation or reconstruction assistance project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant.					Yes
i. Grantee has a housing rehabilitation or reconstruction activity that is beyond the projected start date and the grantee has not drawn funds against the activity as of the end of the fiscal year; OR a grant beyond three years of grant agreement execution date and the grantee has drawn less than 50% of budgeted funds for the activity.	High	4			
ii. Grantee has a grant beyond three years of grant agreement execution date and the grantee has drawn at least 50% but not more than 75% of budgeted funds for the activity.	Medium	2			
iii. None of the above conditions applies.	Low	0			

4.B. Acquisition and/or Buyout Criteria: Risk is based on the grantee’s administering an acquisition or buyout project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant.					Yes
i. Grantee has an acquisition and/or buyout activity that is beyond the projected start date and the grantee has not drawn funds against the activity as of the end of the fiscal year; OR grantee has a grant beyond three years of grant agreement execution date and the grantee has drawn less than 50% of budgeted funds for the activity.	High	4			
ii. Grantee has a grant beyond three years of grant agreement execution date and the grantee has drawn at least 50% but not more than 75% of budgeted funds for the activity.	Medium	2			
iii. None of the above conditions applies.	Low	0			
4.C. Economic Revitalization Criteria: Risk is based on the grantee’s administering small business assistance or other economic revitalization project or activity effectively based on the amount of funds drawn and point in the life cycle of the grant.					Yes
i. Grantee has an economic revitalization activity that is beyond the projected start date and the grantee has not drawn funds against the activity as of the end of the fiscal year; OR grantee has a grant beyond 3 years of grant agreement execution date and the grantee has drawn less than 50% of budgeted funds for the activity.	High	4			
ii. Grantee has a grant beyond 3 years of grant agreement execution date and the grantee has drawn at least 50% but not more than 75% of budgeted funds for the activity.	Medium	2			
iii. None of the above conditions applies.	Low	0			
4.D. Infrastructure Criteria: Risk is based on the grantee administering an infrastructure project or activity effectively, based on the point in the life cycle of the grant.					Yes
i. Grantee has an infrastructure activity that is beyond the projected start date and the grantee has not drawn funds against the activity as of the end of the fiscal year; OR the date the grant was signed by HUD was at least 3 years prior to this risk scoring	High	4			

and the grantee has obligated less than 50% of budgeted funds for the infrastructure activity.					
ii. Grantee does not have any grants or activities that fit into category i., has a grant within 24 months of expenditure deadline, and grantee has drawn less than 75% of budgeted funds for the infrastructure activity; OR grantee has a grant with no expenditure deadline beyond 4 years of the date the grant is signed by HUD and the grantee has drawn more than 50% but less than 75% of budgeted funds for the activity.	Medium	2			
iii. None of the above conditions applies.	Low	0			
Subtotal for Project-Specific Risk (Max. 16 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	50
2. Financial Management	26
3. Services & Satisfaction	8
4. Project-Specific	16
Total	100

Attachment A-3

**Neighborhood Stabilization Program (NSP)
Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator’s Rating Box. The Evaluator’s comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit, as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator’s Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee’s administrative capacity to manage the grant, including: the grantee’s ability to provide timely reports that are complete and accurate; the complexity of the grantee’s program; the grantee’s management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program

workload. The following reports and reporting systems should be considered, including but not limited to: Action Plans, Quarterly Performance Reports (QPRs), Technical Assistance Plans, Disaster Recovery Grant Reporting (DRGR), Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), Office of Inspector General (OIG) audits, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and other reporting mechanisms and systems.

The Evaluator should award point values to subfactors B, D, and E. For subfactor B, a grant status of “Ready to Close” in DRGR will override other considerations in awarding a point value. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s), if appropriate. The remaining scores and comments for the remaining subfactors are auto-populated from DRGR data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1.A. Grantee Reporting How would you rate the grantee's overall reporting quality and responsiveness? Risk is based on the grantee meeting report deadlines with primary consideration given to completeness and accuracy of information contained in the Action Plan and Quarterly Performance Report (QPR). This score is auto-populated.					Yes
i. The grantee has not been timely in submitting at least two reports within the last three years; OR at least two reports have not been complete and/or accurate.	High	8			
ii. The grantee has submitted at most one report within the last three years that has not been complete, timely, and/or accurate.	Medium	4			
iii. Within the last three years, the grantee has been timely with submitting its reports, and they have been complete and accurate.	Low	0			
1.B. Staff Capacity Risk is based on current grantee staff capacity and its ability to ensure programmatic compliance with the NSP and applicable CDBG regulations, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. This score is manually selected.					No
i. During the last three program years: the grantee has experienced turnover in at least one key position within its program administration and the grantee has designed a program more complex than the current capacity and programmatic knowledge of its staff.	High	14			
ii. During the last three program years: the grantee has experienced turnover in at least one key position within its program administration; OR the grantee has designed a program	Medium	8			

that is more complex than the current capacity and programmatic knowledge of its staff.					
iii. The grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge; OR the grantee has a NSP grant that has been marked "Ready to Close" in DRGR as its grant status.	Low	0			
1.C. Grantee Land Banking Activities Risk is based on the grantee's undertaking land banking activities. This score is auto-populated.					Yes
i. Within the last three grant years, the grantee has disposed of land-banked properties and either it or its subrecipients (including contractors and state recipients) operates or has operated a land bank.	High	4			
ii. Within the last three grant years, the grantee has disposed of land-banked properties.	Medium	2			
iii. None of the above conditions exists.	Low	0			
1.D. Grantee Findings and Sanctions (Monitoring and OIG) Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program requirements within the last three grant years; the grantee's past performance regarding the number of open, overdue, and unresolved findings; OR sanctions have been imposed; OR the grantee has not been monitored within the last three grant years. This score is manually selected.					No
i. Within the last three years: the grantee has received two or more findings that are still open, overdue, and unresolved; OR sanctions have been imposed on the grantee; OR grantee has not been monitored.	High	10			
ii. Within the last three years: the grantee has had imposed sanctions removed from the grantee.	Medium	6			
iii. None of the above conditions exists.	Low	0			
1.E. Management of Subrecipients Risk is based on the grantee's management of its subrecipients. This score is manually selected.					No
i. Grantee (including States for its state recipients) has demonstrated a lack of management over its subrecipients. This has been demonstrated by, including but not limited to, the lack of a program monitoring schedule, late or inaccurate reporting on activities and/or projects, missing or inaccurate accomplishments	High	4			

being reported in DRGR, its recordkeeping system, HUD management monitoring findings within the last three grant years, etc.					
ii. Grantee uses subrecipients and/or contractors and, for state grantees, uses subgrantees to help administer the program.	Medium	2			
iii. None of the above conditions exists.	Low	0			
Subtotal for Grant Management (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Disaster Recovery Grant Reporting System (DRGR), audit management systems, single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Loan Servicing, grantee's financial records, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

Factor 2, in its entirety, is auto-populated with scores and comments.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
2.A. NSP Grant Balance Risk is based on the total LOC balance of the grantee's NSP grant(s) [NSP-1, NSP-2, and NSP-3]. This score is auto-populated.					Yes
i. \$500,000 or greater.	High	12			
ii. At least \$100,000 but less than \$500,000.	Medium	8			
iii. Less than \$100,000.	Low	0			
2.B. Grantee Expenditures Risk is based on the expenditure rate/activity of Active grants. This score is auto-populated.					Yes
i. The grantee has an active grant with no expenditures over the last 12 quarters.	High	15			
ii. The grantee has an active grant with no expenditures over the last 4 quarters.	Medium	10			

iii. The grantee has an active grant with expenditures over the last 4 quarters.	Low	0			
2.C. Voucher Revisions Risk is based on the frequency and dollar amount of NSP voucher revisions. This score is auto-populated.					Yes
i. The grantee has made voucher revisions totaling \$5 million or more over the last 12 quarters.	High	15			
ii. The grantee has made voucher revisions totaling \$500,000 or more, but less than \$5 million, over the last 12 quarters.	Medium	10			
iii. The grantee has made voucher revisions totaling less than \$500,000 over the last 12 quarters.	Low	0			
2.D. Grantee Audits required by 2 CFR § 200.501 Assessment is based on the timely submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more in Federal awards during the non-Federal entity's fiscal year, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on the grantee's current accounting practices. Audit deadlines are specified in 2 CFR §200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is auto-populated.					Yes
i. During the last three program years, the grantee has not been timely in its submission of audits required under 2 CFR § 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	6			
ii. None of the criteria in subfactor (i) applies.	Low	0			
Subtotal for Financial Management (Max. 48 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press

information, loss of community support, failure to reply or submit reports, Action Plans, Quarterly Performance Reports (QPRs), and automated tracking systems.

The Evaluator will award a point value to subfactor A. There should only be one risk score for the subfactor from the point values listed below. The Evaluator must document their determination in the Evaluator’s Comments field.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3.A. Grantee Citizen Complaints / Negative Media Exposure Do local issues, media exposure, or citizen complaints negatively impact the grantee's ability to meet program objectives? Does the grantee respond timely to citizen complaints and inquiries? Risk is based on negative media or other issues involving NSP funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's ability to respond to these issues timely and effectively. This score is manually selected.					No
i. Within the last three years: the grantee has had citizen complaints, issues, or negative media exposure related to its NSP funding and the grantee has failed to respond to the complaints, issues and/or inquiries within the prescribed timeframes.	High	12			
ii. Within the last three years: the grantee has had citizen complaints, issues, or negative media exposure related to its NSP funding, but the grantee has responded to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6			
iii. Within the last three years: the grantee has not had any complaints, issues or negative media exposure related to its NSP funding.	Low	0			
Subtotal for Services and Satisfaction (Max. 12 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	48
3. Services & Satisfaction	12
Total	100

Attachment A-4

**HOME Investment Partnerships (HOME) Program
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Participating Jurisdiction (PJ) Risk is assessed to:

- Determine PJs that pose the highest risk to the Department
- Identify PJs to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase PJ effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the PJ, using three of the four standard factors selected by the Department to determine the level of risk a PJ may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this PJ. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The Evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills and ability of program staff, and the PJ's administrative capacity to manage the grant, including: the PJ's ability to provide timely reports that are complete and accurate; the complexity of the PJ's program; the PJ's management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following

HOME (Attachment A-4)

reports and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance (TA) Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactors E and H. Choose only one risk score for these two subfactors from the point values listed below and enter the associated comment(s), if appropriate. The remaining scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>1.A. Involuntarily Terminated Status Does the PJ have activities that failed to meet the 4-year project completion requirement or are at-risk of missing the 4-year project completion requirement? Risk is based on HOME regulations in 24 CFR § 92.205(e) that require the PJ to complete a HOME project within 4 years of executing a legally binding written agreement evidencing a commitment of HOME funds. Projects that do meet this requirement are automatically flagged for involuntary termination in HUD’s Integrated Disbursement and Information System (IDIS). This score is auto-populated from IDIS data.</p>					Yes
i. The PJ has at least one involuntarily terminated activity in IDIS.	High	15			
ii. The PJ has received at least one warning flag for involuntary termination within 30 and 90 days; OR the PJ has been flagged for involuntary termination in the past 365 days.	Medium	10			
iii. None of the above conditions exists.	Low	0			
<p>1.B. Infrequent Draw Status Does the PJ have activities that are flagged for Infrequent Draw for 12 Months or More? Risk is based on HOME projects that are not disbursing funds timely, which may be an indication of stalled projects. IDIS automatically flags activities for which HOME funds have been disbursed, but there have not been any disbursements in a 12-month period. The risk is calculated by determining the average number of infrequent draw flags among all activities with infrequent draw flags. This score is auto-populated from IDIS data.</p>					Yes
i. The PJ has an average of 4 or more flags for all activities flagged for Infrequent Draw for 12 months or more.	High	5			

ii. The PJ has an average of 2 or more, but fewer than 4 flags for all activities flagged for Infrequent Draw for 12 months or more.	Medium	3			
iii. The PJ has an average of fewer than 2 flags for activities flagged Infrequent Draw for 12 months or more.	Low	0			
1.C. Percent of Infrequent Draw Status Does the PJ have activities that are flagged for Infrequent Draw for 12 Months or More? Risk is based on HOME projects that are not disbursing funds timely, which may be an indication of stalled projects. IDIS automatically flags activities for which HOME funds have been disbursed, but there haven't been any drawdowns in a 12-month period. The metric is calculated based on the percentage of all open HOME activities flagged for Infrequent Draws. This score is auto-populated from IDIS data.					Yes
i. 100% - 14% of the PJ's open HOME activities are flagged for Infrequent Draw for 12 months or more.	High	5			
ii. More than 0 and less than 14% of the PJ's open HOME activities are flagged for Infrequent Draw for 12 months or more.	Medium	3			
iii. The PJ has 0 HOME activities that are flagged for Infrequent Draw for 12 months or more.	Low	0			
1.D. Time to Project Completion Does the PJ take a reasonable amount of time, on average, to move HOME projects from commitment to completion in comparison to a significant majority of PJs? Risk is calculated based on the average number of years it takes for the PJ to complete HOME projects. This score is auto-populated from IDIS data.					Yes
i. The PJ takes longer than 94% or more of PJs to move projects from commitment to completion.	High	10			
ii. The PJ takes longer than 70% or more of PJs but less time than 94% of PJs to move projects from commitment to completion.	Medium	5			
iii. The PJ takes less time than 70% or more of PJs to move projects from commitment to completion.	Low	0			
1.E. Staff Capacity Do staffing issues negatively impact the PJ's ability to carry out programs? Risk is based on PJ staff capacity to ensure programmatic compliance with HOME requirements, fulfill all PJ obligations, and design a program appropriate to the level of its capacity. Significant staff capacity issues may include understaffing and recent turnover of key staff. Additionally, the PJ may have a highly complex program but lack the necessary					No

experienced and specialized staff to administer it effectively and efficiently. This score is manually selected and not scaled.					
i. Significant staff capacity issues are negatively impacting the PJ's program administration. In the last 3 program years: the PJ has experienced turnover in at least 1 key position within its program administration and the program the PJ has designed is more complex than the current capacity and programmatic knowledge of the staff.	High	10			
ii. Moderate staff capacity issues are creating challenges for the PJ's program administration. In the last 3 program years: the PJ has experienced turnover in at least 1 key position within its program administration; OR the PJ has designed a program that is more complex than the current capacity and programmatic knowledge of its staff.	Medium	5			
iii. The PJ has a low risk of compliance problems stemming from staff capacity issues. The PJ has not experienced recent turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
1.F. Grantee Audits required by 2 CFR § 200.501 Assessment is based on the timely submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the PJ has received a finding and/or the auditor noted recommendations in a management letter based on the PJ's current accounting practices. Audits deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits).					Yes
i. During the last 3 program years, the PJ has not been timely in its submission of audits required under 2 CFR § 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	5			
ii. None of the criteria in subfactor (i) applies.	Low	0			
1.G. CPD Monitoring Findings How would you rate the overall severity of prior CPD monitoring findings and their resolution? This score is automatically generated using GMP-R data.					Yes

i. The PJ currently has unaddressed open CPD monitoring findings.	High	5			
ii. Within the last 3 fiscal years, the PJ had CPD monitoring findings that are either closed or corrective actions are being carried out by the PJ.	Medium	3			
iii. The PJ has had no CPD monitoring findings within the last 3 fiscal years.	Low	0			
1.H. Reporting Quality How would you rate the PJ's overall reporting quality? This score is manually selected and not scaled.					No
i. Within the last 3 program years, the PJ's Con Plans/Action Plans/CAPERs were not submitted timely (including if extensions were requested) or submissions were not complete or accurate, and HOME activity reporting in IDIS was incomplete, inaccurate, or lacked detail (e.g., activities not marked completed in IDIS; unit occupancy not reported in IDIS).	High	5			
ii. Within the last 3 program years, HOME activity reporting in IDIS was incomplete, inaccurate, or lacked detail (e.g., activities not marked completed in IDIS; unit occupancy not reported in IDIS).	Medium	3			
iii. Within the last 3 program years, the PJ's overall reporting quality is sufficient or better.	Low	0			
Subtotal for Grant Management (Max. 60 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the PJ accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, Single audits, audit or monitoring findings that require repayment or grant reduction, program income, PJ's financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and PJ performance reports. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment if appropriate.

All scores and comments for the subfactors are auto-populated from IDIS data.

HOME (Attachment A-4)

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
2.A. Final Draw Status Does the PJ have activities that remain open 120 days or more after the final drawdown of HOME funds for a project? Risk is based on HOME regulations at 24 CFR § 92.502(d) that require PJs to complete projects within 120 days of the final disbursement of funds in IDIS. Final Draw Status indicates the PJ has fully disbursed all funds committed to the project in IDIS. The score is derived by looking at the PJ's open HOME activity which has the most days since its final draw date.					Yes
i. The PJ has at least 1 open activity that was in Final Draw Status 120 days or more from the date the report/data is run.	High	10			
ii. The PJ has at least 1 open activity that was in Final Draw Status 30 days or more but fewer than 120 days from the date the report/data is run.	Medium	5			
iii. None of the above conditions exists.	Low	0			
2.B. Allocation Years Unexpended Does the PJ have a large number of years' worth of unexpended HOME funds when compared to a recent HOME allocation? Risk is calculated based on the PJ's average number of years of unexpended HOME funds. The calculation takes a PJ's total LOCCS grant balance and divides it by the obligated amount of the PJ's recent fiscal year's HOME grant. This score is auto-populated from IDIS data.					Yes
i. The PJ is in the top 33% of PJs with years of unexpended HOME funds when compared to other PJs.	High	15			
ii. The PJ is in the top 66% but under the top 33% of PJs with years of unexpended HOME funds when compared to other PJs.	Medium	10			
iii. The PJ is under the top 66% of PJs with years of unexpended HOME funds when compared to other PJs.	Low	0			
2.C. Repayments In the last 3 program years, has the PJ repaid funds for ineligible costs or activities? Risk is calculated based on the amount of HOME funds repaid to the Treasury account, the local account, or through a voluntary grant reduction, as a percent of the PJ's recent fiscal year's HOME allocation. This score is auto-populated from IDIS data.					Yes

i. The PJ has repaid HOME funds in the last 3 program years and the PJ's calculated risk is higher than the calculated risk is in the top 50% of PJs that repaid HOME funds in the last 3 program years.	High	10			
ii. The PJ has repaid HOME funds in the last 3 program years but its calculated risk is lower than the calculated risk of 50% of PJs that repaid HOME funds in the last 3 program years.	Medium	7			
iii. The PJ has not repaid HOME funds in the last 3 program years.	Low	0			
Subtotal for Financial Management (Max. 35 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, PJ responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPERs) and other financial reporting, and auto-populated tracking systems.

The Evaluator will award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment if appropriate.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
3.A. PJ Responsiveness / Negative Media Exposure or Citizen Complaints Do local issues, media exposure, or citizen complaints negatively impact the PJ's ability to meet program objectives? Does the PJ respond timely to citizen complaints and inquiries? Risk is based on negative media or other issues involving HOME funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the PJ's ability to respond to these					No

issues timely and effectively. This score is manually selected and not scaled.					
i. In the last 3 years, the PJ has one or more instances of negative local issues, media exposure, or citizen complaints related to its HOME program and has not responded timely or effectively to these issues or complaints.	High	5			
ii. In the last 3 years, the PJ has one or more instances of negative local issues, media exposure, or citizen complaints related to its HOME program or has not responded timely or effectively to issues or complaints.	Medium	3			
iii. In the last 3 years, the PJ has not had any instances of negative local issues, media exposure, or citizen complaints related to its HOME program.	Low	0			
Subtotal for Services and Satisfaction (Max. 5 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	60
2. Financial Management	35
3. Services & Satisfaction	5
Total	100

Attachment A-5

**Emergency Solutions Grants
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a recipient has failed to comply with program requirements; or
- The recipient has performed unacceptably
-

Recipient Risk is assessed to:

- Determine recipients that pose the highest risk to the Department
- Identify recipients to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the recipient, using the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The four factors include: Grant Management, Financial Management, Services & Satisfaction, and Physical. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the factual information available on this recipient. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting system, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the recipient has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is based on information that directly evidences the recipient's capacity to administer the grant, including the scope of eligible activities and subrecipients; progress in implementing the project, changes in staff during the last year, lack of experience with Federal grants or project activities, and frequency and level of technical assistance required by the recipient/subrecipient to carry out activities. The following reports and reporting systems can be considered, including but not limited to: Consolidated Plans, Consolidated Annual Performance

ESG (Attachment A-5)

and Evaluation Reports (CAPERs), Integrated Disbursement and Information System (IDIS), Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), Office of Inspector General (OIG) audits, and other reporting mechanisms and systems. Environmental Compliance, Relocation, and Acquisition Policies Compliance, and Flood Insurance Protection Compliance may be considered. ESG funds may be used for various eligible activities, including renovation and shelter operation activities. Each building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years as specified in 24 CFR § 576.102(c)(1), unless the only ESG funds used for the renovation were ESG-CV funds (and/or FY2020 or earlier fiscal year ESG funds used in accordance with section IV of the [ESG-CV Notice \(Notice CPD-21-08\)](#)), the shelter meets the “temporary emergency shelter” definition in the ESG-CV Notice, and the building is used and disposed of as provided by 2 CFR § 200.311.)

The 3- or 10-year period of use requirement starts on the date the building is first occupied by a homeless individual or family after the completed renovation.

The Evaluator will award point values to subfactors B and D. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
I.A. Recipient Reporting Criteria: Risk is based on the recipient meeting deadlines while ensuring completeness and accuracy of information contained therein. Reports and submissions include Consolidated Annual Performance and Evaluation Reports (CAPERs).					Yes
i. Two or more of recipient’s required CAPER submissions for the last three program years were not submitted within the prescribed timeframe.	High	8			
ii. At least one of the CAPER submissions has not been received within the prescribed timeframe for the last three program years.	Medium	4			
iii. All recipient’s required CAPER submissions are complete and have been received by the Field Office within prescribed timeframes for the three most recent program years.	Low	0			
I.B. Recipient Staff Capacity Criteria: Risk is based on the current staff’s ability to ensure compliance with the regulations and fulfill all of the recipient’s obligations under the program (includes financial staff that may be separate from administrative). (Key staff is defined as staff with assigned management and administrative responsibilities for program compliance with regulations.)					No
i. During the last three program years: key staff have demonstrated an inability to administer the ESG program as evidenced through serious or numerous violations of regulations, recurring monitoring finding(s), or failure to resolve open findings timely, or poor	High	8			

performance that is ongoing that the recipient has failed to improve within a reasonable time period; OR one or more vacancies for key ESG staff have existed for more than six months.					
ii. Although key staff have not demonstrated an inability to administer the ESG program as specified in (i) above, one or more vacancies for key staff have existed for the past 3 to 6 months; OR key program staff have been hired in the past two program years but lack necessary experience and have not received program training.	Medium	6			
iii. No program deficiencies have been identified as evidenced through violations or findings or poor performance and any key staff vacancies have existed for less than three months and any key staff hired in the past program year have received or do not need program training.	Low	0			
I.C. Program Complexity Criteria: Risk is based on recipient’s ability to administer complex program activities, as measured by overseeing multiple subrecipients.					Yes
i. Recipient funds and oversees more than 20 subrecipients.	High	8			
ii. Recipient funds and oversees 10 –20 subrecipients.	Medium	6			
iii. Recipient funds and oversees fewer than 10 subrecipients.	Low	0			
I.D. Recipient Findings and Sanctions (Monitoring and OIG) Criteria: Risk is based on the CPD monitoring or OIG audit of the recipient’s program to ensure compliance with program requirements, including cross-cutting programmatic requirements (relocation, environmental, nondiscrimination, lead-based paint, etc.).					No
i. The recipient has two or more CPD monitoring or OIG audit findings that are still open, overdue, and unresolved; OR sanctions have been imposed on the recipient; OR the recipient has not been monitored by CPD or audited by OIG within the last three years.	High	9			
ii. Recipient has one CPD monitoring or OIG audit finding that is still open and unresolved; OR has had sanctions imposed that have subsequently been removed.	Medium	6			
iii. Within the last three years, the recipient has been monitored by CPD or audited by OIG , and there have been no findings identified.	Low	0			
I.E. Physical Condition of Emergency Shelters Criteria: Risk is based on the recipient’s use of ESG funds for renovation or shelter operations and the related emergency shelter’s physical condition. (Consider the last three grant years)					Yes

i. HUD has not conducted a review of the physical conditions of any ESG-funded emergency shelter within the past three program years; OR previous monitoring findings (on-site or remote) concerning the physical condition of ESG-funded emergency shelters remain unresolved.	High	7			
ii. HUD conducted a review of the physical conditions of an ESG-funded emergency shelter within the past three program years, but not during the last two program years.	Medium	4			
iii. HUD has conducted an on-site review of the physical conditions of ESG-funded emergency shelters during the last two program years and there were no findings relating to shelter standards; OR recipient did not use ESG funds for renovation or shelter operations.	Low	0			
Subtotal for Grant Management Assessment (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the recipient accounts for and manages financial resources in accordance with financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to, financial management and information systems, such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits required by 2 CFR § 200.501, assessment of recipient’s drawdown history, submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and recipient performance reports.

The Evaluator will award point values to subfactor A. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. Staff Capacity for Financial Compliance Criteria: Risk is based on the key financial management staff’s ability to administer the financial management responsibilities for the ESG program. (Key financial management staff is defined as staff with direct oversight of financial records and/or distribution of program funds.) Consider the last three program years.					No
i. One or more violations, findings or concerns have been identified with respect to the recipient’s compliance with 2 CFR part 200; OR	High	10			

one or more vacancies for key financial management staff of ESG programs have existed for more than six months.					
ii. Although no violations, findings, or concerns have been identified with the recipient’s compliance with 2 CFR part 200, one or more vacancies for key financial management staff have existed for the past 3 to 6 months; OR key financial management staff have been hired in the past program year and have not received ESG financial management training.	Medium	5			
iii. No financial management deficiencies have been identified as evidenced through violations, findings, or concerns and any key financial management staff vacancies have existed for less than three months and any key staff hired in the past program year have received ESG financial management training.	Low	0			
2.B. Grant Amount Criteria: Risk is based upon the recipient’s grant amount for the most recently completed program year.					Yes
i. The recipient’s grant amount for the most recently completed program year falls within the top 10% of all ESG grants awarded within the Field Office’s jurisdiction for the same program year.	High	5			
ii. The recipient’s grant amount for the most recently completed program year falls between 50-90% of all ESG- grants awarded within the Field Office’s jurisdiction within the same program year.	Medium	3			
iii. The recipient’s grant amount for the most recently completed program year falls within the lowest 50% of all ESG grants awarded within the Field Office’s jurisdiction within the same program year.	Low	0			
2.C. Program Administration Cap Criteria: Risk is based on the recipient’s ability to not exceed the administrative activities cap.					Yes
i. Recipient has exceeded the administrative activities cap for the ESG program for the most recently completed program year.	High	5			
ii. Recipient has not exceeded the administrative activities cap for the most recent program year; however, the recipient has exceeded the cap one or more times within the last three program years.	Medium	3			
iii. Recipient has not exceeded the administrative activities cap during the three most recently completed program years.	Low	0			

2.D. 24-Month Expenditure Provisions Criteria: Risk is based on the recipient meeting the 24-month expenditure deadline as evidenced by the most recent CAPER, IDIS PR02 or other reports, and the Emergency Shelter Grants program.					Yes
i. The recipient has violated the most recent 24-month expenditure deadline.	High	10			
ii. Within the last three years, the recipient failed to meet the 24-month expenditure deadline at least once.	Medium	5			
iii. Over the last three years, the recipient has not demonstrated any problem with meeting the 24-month expenditure deadline.	Low	0			
2.E. Recipient Audits under 2 CFR § 200.501 Criteria: Assessment is based on the timely submission of audits under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether or not the recipient has received a finding and/or the auditor noted recommendations in a management letter based on the grantee's current accounting practices. Audits deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits).					Yes
i. During the last three program years, the recipient has not been timely in its submission of the audits required under 2 CFR § 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	5			
ii. None of the criteria in subfactor (i) applies.	Low	0			
Subtotal for Financial Management (Max. 35 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which program participants express satisfaction or dissatisfaction with the delivery of program services and the extent to which HUD recipients effectively and efficiently deliver services to intended beneficiaries/program participants.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: client- or citizen-originated correspondence, recipient responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of recipient support, failure to reply or submit reports, Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), automated tracking systems, correspondence, the release of funds requests, local-, HQ-, or recipient-generated automated reports

or spreadsheets, and the Integrated Disbursement and Information System (IDIS). The Evaluator should consider the recipient's overall effectiveness in carrying out program activities and delivery to target populations.

The Evaluator will award point values to subfactors A and B. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
3.A. Recipient Citizen Complaints or Negative Media Exposure Criteria: Risk is based on the receipt of citizen complaints and/or negative media exposure resulting in violations of ESG regulations.					No
i. In the last three years, the recipient has negative local issues, media exposure, or citizen complaints related to the ESG program.	High	8			
ii. In the last three years, the recipient has had no negative local issues or media exposure, but citizen complaints have been received that are concerns and could lead to possible future violations if not addressed by the recipient.	Medium	5			
iii. In the last three years, no negative local issues, media exposure, or valid complaints have been received.	Low	0			
3.B. Recipient Responsiveness Criteria: Risk is based upon the recipient's timely response to citizen complaints received.					No
i. During the last three program years, recipient has failed to respond to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes.	High	5			
ii. During the last three program years: recipient has responded to complaints and/or citizen inquiries within prescribed timeframes; OR has not received any complaints forwarded through HUD.	Low	0			
3.C. Homelessness Prevention Criteria: Risk is based on the classification of Homelessness Prevention activities and the recipient's ability to carry out activities in compliance with program requirements.					Yes
i. Homelessness Prevention activity costs exceeded 50 percent of the annual allocation.	High	6			
ii. Homelessness Prevention activities exceeded 30 percent of the annual allocation but did not exceed 50 percent of the annual allocation.	Medium	4			

iii. Homelessness Prevention activities are classified properly and are limited to no more than 30 percent of the annual allocation.	Low	0			
3.D. Street Outreach and Emergency Shelter Criteria: Risk is based on the classification of Street Outreach and Emergency Shelter activities limited to no more than 60 percent of the annual allocation amount committed to homeless assistance activities and the recipient's ability to carry out activities in compliance with program requirements.					Yes
i. Activity costs exceed 60 percent of the annual allocation.	High	6			
ii. Activity costs were equal to or less than 60 percent of the annual allocation.	Low	0			
Subtotal for Services and Satisfaction (Max. 25 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	35
3. Services & Satisfaction	25
Total	100

Attachment A-6

**Housing Opportunities for Persons with AIDS (HOPWA) Program
 Formula Risk Analysis Worksheet
 Competitive Risk Analysis Worksheet
 Formula CARES Act Risk Analysis Worksheet
 Competitive CARES Act Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the HOPWA grantees using four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. The four factors are: Grant Management, Financial Management, Services & Satisfaction, and Physical Assets. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator’s Rating Box. The Evaluator’s comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit, as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator’s Comments field.

FACTOR 1 - GRANT MANAGEMENT

Factor Definition: Extent to which the grantee has the capacity to carry out the HOPWA/HOPWA-C/HOPWA-CV/HOPWA-C-CV program according to established requirements.

Rating Considerations: The basis for the Evaluator’s rating in this factor is based on information that directly evidences the grantee’s capacity to administer the grant, including the scope of eligible activities and recipients; progress in implementing the project, changes in key staff during the last year, changes in the

agency's missions or direction, regulatory violations, experience with Federal grants or project activities, and frequency and level of technical assistance required by the grantee before and during a project. The following reports and reporting systems can be considered, including, but not limited to: Consolidated Plans, annual performance data reported in Consolidated Annual Performance and Evaluation Reports (CAPERs) and Annual Performance Report (APRs), Technical Assistance Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and other reporting mechanisms and systems.

The Evaluator will award point values to subfactors C and D. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
1.A. Grantee Reporting Criteria: Risk is based on the grantee meeting report deadlines, with the main considerations being timeliness, completeness, and accuracy of the information contained in the Annual Performance Report (APR) or Consolidated Annual Performance and Evaluation Report (CAPER) for the last three program years.					Yes
i. In the past 3 program years, the grantee submitted a report that meets at least two of the below criteria for being untimely, inaccurate, and/or incomplete: <ol style="list-style-type: none"> 1. was submitted more than 1 week (7 days) after the due date (untimely). 2. did not make Tier 1 (inaccurate and/or incomplete). 3. required more than 3 submissions through the data verification process to correct data quality issues. 	High	8			
ii. In the past 3 program years, a grantee submitted a report that did not make Tier 1 OR was submitted more than 1 week (7 days) after the due date OR required more than 3 submissions through the data verification process to correct data quality issues.	Medium	4			
iii. In the past 3 program years, all reports submitted by grantee have been considered timely and complete.	Low	0			
1.B. Program Complexity Criteria: Risk is based on the grantee complexity in program design. Grantee information regarding the number of project sponsors is found in the grantee's Annual Performance Report (APR) or Consolidated Annual Performance and Evaluation Report (CAPER).					Yes

<p>i. A grantee carries out a program with four or more sponsors, and the grantee or sponsor receives funding from two or more additional entities (e.g., HHS, State, City, and Foundation) within the three most recent program years; OR the grantee carries out both formula and competitive HOPWA funds.</p>	High	4			
<p>ii. A grantee carries out a program with two to three sponsors; OR the grantee or sponsor receives funding from two or more additional entities (e.g., HHS, State, City, and Foundation) within the three most recent program years.</p>	Medium	2			
<p>iii. A grantee carries out a program with zero or only one project sponsor and the grantee or sponsor receives funding from fewer than two funding sources within the three most recent program years.</p>	Low	0			
<p>1.C. Grantee Staff Capacity Criteria: Risk is based on the current staff capacity of the grantee regarding its ability to ensure programmatic compliance with the regulations and fulfill all its obligations as a grantee (includes financial staff that may be separate from administrative). (Key staff is defined as staff with assigned management and administrative responsibilities for program compliance with rules and regulations, inclusive of staff assigned with oversight of project sponsors.)</p>					No
<p>i. In the last 3 program years, the grantee has experienced turnover in at least 1 key position w/in its program administration and the program design is more complex than the current staff's programmatic knowledge. Evidence includes: (a) Serious or numerous violations of regulations; or (b) Recurring monitoring findings or failure to resolve open findings timely; or (c) Poor performance that is ongoing, that the grantee has failed to improve within a reasonable time period; or (d) One or more vacancies for key HOPWA staff have existed for more than six months; or (e) The grantee's program activities have changed; or (f) Lack of project sponsor monitoring by the grantee (1 or fewer).</p>	High	4			
<p>ii. In the last 3 program years: the grantee has experienced turnover in at least 1 key position w/in its program administration; OR the grantee's program design is more complex than the current staff's programmatic knowledge (see above description).</p>	Medium	2			

iii. In the last 3 program years: the grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge (see above description).	Low	0			
1.D. Grantee Findings and Sanctions (Monitoring and OIG) Criteria: Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program requirements within the last three program years and includes the following: the grantee's past performance regarding the number of open and unresolved findings or monetary sanctions/repayments/grant reductions that have been imposed.					No
i. Within the last three years: the grantee has received two or more findings that are still open and unresolved and monetary sanctions/repayments/grant reductions have been imposed on the grantee and HUD has conducted an on-site monitoring of the HOPWA program.	High	4			
ii. Within the last three years: the grantee has received one finding that is still open and unresolved; OR monetary sanctions/repayments/grant reductions have been imposed on the grantee; OR HUD has conducted an on-site monitoring of the HOPWA program.	Medium	2			
iii. None of the above conditions exists.	Low	0			
1.E. Grantee Program Compliance Criteria: Risk is based on the length of time since the most recent monitoring of the HOPWA grantee.					Yes
i. Grantee's HOPWA program has not been monitored in the past 5 years, or no record of monitoring in the official system	High	20			
ii. Most recent monitoring of the grantee's HOPWA program was between 3-4 program years.	Medium	10			
iii. Most recent monitoring of the grantee's HOPWA program was within the most recent 2 programs years.	Low	0			
Subtotal for Grant Management (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: the Integrated Disbursement and Information System (IDIS), audit management systems, audits conducted under 2 CFR part 200, subpart F, assessment of grantee’s drawdown history (i.e., IDIS/LOCCS/PAS), submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and grantee performance reports.

The Evaluator will award point values to subfactor A. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto Populated? Yes/No
2.A. Staff Capacity for Financial Compliance Criteria: Assessment of risk for this factor is based upon financial management compliance with the HOPWA monitoring Exhibits, 2 CFR part 200, regulations, and other documents available to the Evaluator.					No
i. During the last three program years, as evidenced through the information available (e.g., audits, IDIS, citizen correspondence, previous HUD monitoring, grantee correspondence with CPD), financial management staff has demonstrated a lack of knowledge or skill sets needed to administer the financial management responsibilities for the HOPWA program and has had <u>one or more violations</u> of HOPWA grant agreements, regulations or 2 CFR part 200 (as documented through fiscal monitoring).	High	4			
ii. During the last three program years, as evidence described in (i), financial management staff demonstrated a lack of knowledge or skill sets needed to administer the financial management responsibilities for the HOPWA program and has <u>not</u> had any violations of 2 CFR part 200 (as documented through fiscal monitoring).	Medium	2			
iii. During the last three program years, financial management staff have not demonstrated a lack of knowledge or skill sets and no	Low	0			

financial management deficiencies have been identified as evidence through violations or findings.					
2.B. Administration Grantee Monitoring Findings (CPD Monitoring Only) Criteria: Risk is based on the monitoring of the grantee's program by HUD to ensure compliance with financial requirements within the last three program years and includes the following: the grantee's past performance regarding the number of open and unresolved financial related findings or monetary sanctions/repayments/grant reductions that have been imposed.					Yes
i. During the last three program years, grantee has 3 or more closed financial findings or concerns and currently has open financial findings within GMP-system.	High	4			
ii. During the last three program years, grantee has either 3 or more closed financial findings or concerns, or at least 1 current open financial finding or concern with GMP-system.	Medium	2			
iii. None of the above conditions exists.	Low	0			
2.C. Grantee Audits required by 2 CFR §200.501 Criteria: Assessment is based on the timely submission of the audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on the recipient's current accounting practices. Audits deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits).					Yes
i. During the last three program years, the grantee has not been timely in its submission of the audits required by 2 CFR § 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	4			
ii. None of the criteria in subfactor (i) applies.	Low	0			
2.D. Program Administration Cap Criteria: Assessment is based upon the statutory percentage cap place on HOPWA grantees. The administrative cost cap is limited to a percent of the grantee awarded amount in (24 CFR					Yes

§ 574.300(b)(10)(i) or Notice CPD-20-05 for CARES Act funding. The grantee's most recent administration expenditures can be viewed in HUD financial systems.					
i. The grantee has exceeded the administration cap within the last three most recent program years.	High	3			
ii. The grantee has not exceeded the administration cap within the three most recent program years	Low	0			
2.E. Open Activities (grant specific) with No Draws within HUD Financial System Criteria: Assessment of risk for this factor is based upon a review of HUD financial systems and grantee's ability to maintain an accurate account of HOPWA finances					Yes
i. Over 10% of grantee funded activities with a balance remaining have not had funds drawn in IDIS within one year.	High	4			
ii. 5% - 10% of grantee funded activities with a balance have not had funds drawn in IDIS within one year.	Medium	2			
iii. Less than 5% of grantee funded activities with a balance remaining have not had funds drawn in IDIS within one year.	Low	0			
2.F. Late Financial Disbursements within HUD financial system Does the grantee regularly fail the timeliness test? This score is auto-populated from IDIS data.					Yes
i. Over 2% of grantee unexpended funds are associated with activities that have had no completed drawdowns within one year.	High	6			
ii. 2% or less of grantee unexpended funds are associated with activities that have had no completed drawdown within one year.	Low	0			
2.G. Delay in Contracting HOPWA-funds Criteria: Assessment of risk for this factor is based upon a review of the amount of time between grant start and commitment in IDIS of HOPWA funds.					Yes
i. 0% of HOPWA funds were committed to IDIS within 120 days of the grant start.	High	4			
ii. 1%-99% of HOPWA funds were committed to IDIS activities within 120 days of grant start.	Medium	2			
iii. 100% of HOPWA funds were committed to IDIS activities within 120 days of grant start.	Low	0			

2.H. Slow Spending Criteria: Assessment of risk for this factor is based upon a review of timely financial drawdowns with the financial system by the grantee.					Yes
i. Grantee has completed drawdowns of HOPWA funds during the grant period that are more than 90 days apart.	High	6			
ii. Grantee has completed drawdowns of HOPWA funds during the grant period that are 90 days apart or less.	Low	0			
Subtotal for Financial Management (Max. 35 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants effectively and efficiently deliver services to intended beneficiaries/clientele and clients or beneficiaries express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The Evaluator should consider the planned program support and how it is appropriately being carried out to address the intended range of housing needs and related supportive services issues, including any specialized efforts for sub-populations of homeless clients or difficulty in serving the proposed number of participants or moving homeless/persons living with HIV/AIDS clients to permanent housing as well as considering information that could be obtained from, but not limited to: Freedom of Information Act (FOIA) requests; Consolidated Plans, Annual Action Plans, Annual Performance Reports (APR), Consolidated Annual Performance and Evaluation Reports (CAPERS), correspondence, local-, HQ-, or grantee-generated automated reports or spreadsheets, correspondence or other communication to HUD, the grantee or other parties with respect to the project and any written or other responses by the grantee, any recent problems, such as citizen complaints, newspaper articles, internet postings, Congressional inquiries, and other forms of correspondence, the grantee/project sponsor's response/failure to submit reports or respond to inquiries, and the loss of community support.

The Evaluator will award point values for subfactor A. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto Populated? Yes/No
3.A. Grantee Citizen Complaints / Negative Media Exposure and Responsiveness to Citizen Complaints Criteria: Risk is based on citizen complaints received or negative media exposure to its program, which leads to a violation of HOPWA regulations and timeliness to the response of citizen complaints.					No
i. Citizen complaints have been received during the last three program years through such sources as citizen letters, phone	High	4			

calls, hotline complaints, newspaper articles, internet postings, emails, etc. and the grantee was found to be in violation of HOPWA regulations and failed to respond or be responsive to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes.					
ii. Citizen complaints have been received during the last three program years through such sources as citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc. that were found to be either: <ol style="list-style-type: none"> 1. Grantee was found to be in violation of HOPWA regulations; OR 2. Grantee failed to respond or be responsive to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes. 	Medium	2			
iii. Citizen complaints have been received during the last three program years through such sources as citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc. and the grantee was found not to be in violation of HOPWA requirements and grantee was timely in response to complaints and/or citizen inquiries; OR no valid citizen complaints have been received during the most recently completed program year as described in (i).	Low	0			
3.B. Low Access to Care Criteria: Risk is based upon grantee compliance with obtaining programmatic goals for eligible HOPWA households.					Yes
i. Access to Care percentage is 50% or <u>below</u> for at least 2 ATC categories in the analysis (no matter if any ATC category is above 80%).	High	8			
ii. Access to Care percentage is <u>between</u> 79% - 51% for at least 2 or more ATC categories in the analysis	Medium	4			
iii. Access to Care percentage is <u>above</u> 80% for any one or more ATC categories in the analysis, and neither (i) nor (ii) is prevalent.	Low	0			
3.C. Exits to Non-Permanent Housing Outcome Criteria: Risk is based upon grantee compliance with obtaining programmatic goals for eligible HOPWA households.					Yes
i. If participants exited to “unstable” housing averages <u>over</u> 15%. Programs include: TBRA, Permanent facility-based housing, STRMU (not counted in risk if “temporarily housed”).	High	5			

ii. If participants exited to “unstable” housing, averages between 11% - 15%. Programs include TBRA, Permanent facility-based housing, STRMU (not counted in risk if “temporarily housed”).	Medium	3			
iii. If participants exited to “unstable” housing average is <u>under</u> 10%. Programs include: TBRA, Permanent facility-based housing, STRMU (not counted in risk if “temporarily housed”).	Low	0			
Subtotal for Services and Satisfaction (Max. 17 pts.)	Subtotal				

FACTOR 4 – PHYSICAL ASSETS

Factor Definition: Extent to which HUD-funded physical assets are developed, maintained, and operated according to established standards.

Rating Consideration: The basis for the Evaluator’s rating is derived from HUD’s inspection of records and reports, observation of the grantee’s proper use of established forms and procedures, information received through public comments, A-133 or other audits, and Consolidated Plans, Annual Action Plans, Annual Performance Reports (APR), Consolidated Annual Performance and Evaluation Reports (CAPERS), and other sources of information. The Evaluator should consider any existing or previously identified problems with the physical assets and the extent to which problems have been or are likely to be corrected; whether HUD funds are used for acquisition, construction, or rehabilitation activities; the number of sites at which HUD-funded physical assets are located and the activities supported by the physical asset and the extent of any previous on-site monitoring.

Factor 4, in its entirety, is auto-populated with scores and comments.

FACTOR 4 – PHYSICAL ASSETS	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto Populated? Yes/No
4.A. Operating Facility-based Program with HOPWA funds Criteria: Risk for this factor is based upon the design, development, maintenance, and operation of HOPWA-funded physical assets.					Yes
i. The grantee operates a facility-based program(s) with HOPWA funds and the grantee has facility-based open and/or closed findings in the past three program years.	High	5			
ii. The grantee operates a facility-based program(s) with HOPWA funds but does not meet the criteria in (i).	Medium	3			
iii. The grantee does not meet the criteria set in (i) or (ii).	Low	0			

4.B. Acquisition, Constructions, and Rehabilitation of Physical Assets Criteria: Assessment of this factor is based upon the grantee's use of program funds for acquisition, construction, and rehabilitation within the past three program years.					Yes
i. The grantee has used HOPWA funds for the acquisition or construction or \$20k or more in rehabilitation funds or used HOPWA funds to repair a current property for housing or residential program any instance within the three most recent program years.	High	3			
ii. The grantee has used under \$20k in HOPWA funds for the minor rehabilitation or repair of a physical asset; OR used HOPWA funds to repair a current property for housing or residential program any instance within the three most recent program years. Grantee did not use any HOPWA funds on acquisition or construction.	Medium	2			
iii. No HOPWA funds have been utilized for the acquisition, construction, or any rehabilitation of a physical asset, excluding minor maintenance or repairs within the three most recent program years.	Low	0			
Subtotal for Physical Assets (Max. 8 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	35
3. Services & Satisfaction	17
4. Physical Assets	8
Total	100

Attachment A-7

**Community Development Block Grant Program Coronavirus Response Grants (CDBG-CV)
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. You are to choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and

unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following reports and reporting systems should be considered, including but not limited to: Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), Performance and Evaluation Reports (PERs), Technical Assistance Plans, the Integrated Disbursement and Information System (IDIS), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactors A, B, and F. Choose only one risk score for these three subfactors from the point values listed below and enter the associated comment(s). The scores and comments for the remaining subfactors are auto-populated from IDIS data.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
1.A. Grantee Reporting How would you rate the grantee's overall reporting quality and responsiveness? Risk is based on the grantee meeting report deadlines with primary consideration given to completeness and accuracy of the information contained in the Consolidated Plan, Annual Action Plan, Consolidated Annual Performance and Evaluation Report (CAPER) or Performance and Evaluation Report (PER), and Financial Reporting, including the PR26 (Entitlement) or PR28 (State). This score is manually selected.					No
i. Within the last three years: the grantee has not been timely in submitting at least two reports; OR at least two reports have not been complete and/or accurate.	High	8			
ii. Within the last three years, the grantee has submitted at most one report that has not been complete, timely, and/or accurate.	Medium	4			
iii. Within the last three years, the grantee has been timely with submitting its reports, and they have been complete and accurate.	Low	0			
1.B. Staff Capacity Do staffing issues negatively impact the grantee's ability to carry out programs? Risk is based on current grantee staff capacity and its ability to ensure programmatic compliance with the CDBG regulations and CDBG-CV requirements, including CDBG-CV specific waivers and alternative requirements, fulfill all grantee obligations, and design a program appropriate to the level of its capacity. This score is manually selected.					No
i. During the last three program years, the grantee has experienced turnover in at least one key position within its program administration and the grantee has designed a program	High	10			

more complex than the current capacity and programmatic knowledge of its staff.					
ii. During the last three program years: the grantee has experienced turnover in at least one key position within its program administration; OR the grantee has designed a program that is more complex than the current capacity and programmatic knowledge of its staff.	Medium	5			
iii. During the last three program years: the grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0			
1.C. Management of Subrecipients Does the grantee fund one or more large activities that are managed by subrecipients or contractors? Subrecipients include units of general local government for States. This score is auto-populated from IDIS data.					Yes
i. The grantee has funded at least one activity for \$1,000,000 or more that is carried out by a subrecipient or contractor.	High	10			
ii. The grantee has funded at least one activity for more than \$500,000 but less than \$1,000,000 that is carried out by a subrecipient or contractor.	Medium	5			
iii. None of the above conditions exists.	Low	0			
1.D. At-Risk Flags in IDIS Are a high percentage of open CDBG-CV activities flagged in IDIS as at-risk? The flags include: 1) an activity has infrequent draws (for most activities, if there are no draws for a year or more, the activity will be flagged. For planning and administration activities, two years are allowed without a draw, or three years for State CDBG-CV); 2) an activity has been open for three or more years, and no accomplishments have been reported' and 3) the activity is 80% drawn down, but no accomplishments have been reported. Note: Certain public facilities and economic development activities are not flagged. This score is auto-populated from IDIS data.					Yes
i. Percent of "Open" activities flagged as at-risk is more than 50%, or the amount of funds committed to the at-risk activities is more than 50% of funds that are committed to all "Open" activities; OR the amount of funds committed to at-risk activities is more than two times the current year's allocation.	High	8			

ii. Percent of "Open" activities flagged as at-risk is less than 50%, or the amount of funds committed to the at-risk activities is less than 50% of funds that are committed to all "Open" activities; OR the amount of funds committed to at-risk activities is less than two times the current year allocation.	Medium	4			
iii. The grantee has no at-risk flags, or a low percentage of activities is flagged.	Low	0			
1.E. Economic Development Activities Risk is based on the grantee's expending a significant amount of CDBG-CV funding for economic development activities. This score is auto-populated from IDIS data.					Yes
i. Expenditures for economic development activities are 30 percent or more of its CDBG-CV grant.	High	8			
ii. The above condition doesn't exist.	Low	0			
1.F. Prior Monitoring and Audit Findings Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program requirements within the last three years; the grantee's past performance regarding the number of open, overdue, and unresolved findings; OR sanctions have been imposed; OR grantee has not been monitored within the last three years. This score is manually selected.					No
i. Within the last three years: the grantee has received two or more findings that are still open, overdue, and unresolved; OR sanctions have been imposed on the grantee; OR grantee has not been monitored.	High	8			
ii. Within the last three years: the grantee has received one finding that is still open, overdue, and unresolved; OR has had imposed sanctions removed from the grantee.	Medium	4			
iii. None of the above conditions exists.	Low	0			
Subtotal for Grant Management (Max. 52 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, Single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Section 108 Loan Guarantees, grantee's financial records, timeliness

standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

Factor 2, in its entirety, is auto-populated with scores and comments.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>2.A. Grantee Audits required by 2 CFR § 200.501 Assessment is based on the timely submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on the grantee’s current accounting practices. Audits deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is auto-populated.</p>					Yes
i. During the last three program years: the grantee has not been timely in its submission of audits required under 2 CFR § 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	8			
ii. None of the criteria in subfactor (i) applies.	Low	0			
<p>2.B. Administration and Planning Cap Is the grantee within the 20% cap on administration, management, and planning costs? If a State grantee, is it within the 5% caps on State administration costs and the 2% cap on Technical Assistance costs? This score is auto-populated from IDIS data.</p>					Yes
i. The grantee has exceeded the cap for administration, management, and planning costs (All grantees) or for administration or technical assistance costs (State grantees only).	High	8			
ii. The grantee has not exceeded the applicable caps.	Low	0			
<p>2.C. Voucher Revisions Risk is based on the grantee’s having numerous or large voucher revisions in IDIS. “Numerous” refers to having 20 revisions or</p>					Yes

more. "Large" refers to total revisions of \$500,000 or more. This score is auto-populated from IDIS data.					
i. The grantee has voucher revisions totaling over \$500,000 in the last five years; OR has 20 or more voucher revisions in the last five years.	High	8			
ii. The grantee has voucher revisions in the past five years of lesser amount and number than (i) above.	Medium	4			
iii. The grantee did not revise a voucher in the past five years.	Low	0			
2.D. Expenditure Rate and Requirements Risk is based on the grantee's compliance with and/or pace to meet the expenditure requirements: 1) 80 percent of its grant award(s) by the end of the third year of the period of performance (PoP); and 2) 100 percent of its grant award(s) within the six-year PoP. The 100 percent expenditure rate criterion is first measured in the 4th year of the PoP. This score is auto-populated from IDIS data.					Yes
i. The grantee is not on pace to meet an expenditure requirement; OR the grantee has failed to meet an expenditure requirement.	High	12			
ii. The grantee has met or is on pace to meet its expenditure requirements.	Low	0			
Subtotal for Financial Management (Max. 36 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Consolidated Plan, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs) or Performance and Evaluation Report (PERs), other financial reporting, and auto-populated tracking systems.

The Evaluator will award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
3.A. Grantee Citizen Complaints / Negative Media Exposure Do local issues, media exposure, or citizen complaints negatively impact the grantee's ability to meet program objectives? Does the grantee respond timely to citizen complaints and inquiries? Risk is based on negative media or other issues involving CDBG-CV funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's ability to respond to these issues timely and effectively. This score is manually selected.					No
i. Within the last three years, the grantee has had citizen complaints, issues, or negative media exposure related to its CDBG-CV program and the grantee has failed to respond to the complaints, issues and/or inquiries within the prescribed timeframes.	High	12			
ii. Within the last three years, the grantee has had citizen complaints, issues, or negative media exposure related to its CDBG-CV program, but the grantee has responded to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6			
iii. Within the last three years, the grantee has not had any complaints, issues or negative media exposure related to its CDBG-CV program.	Low	0			
Subtotal for Services and Satisfaction (Max. 12 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	52
2. Financial Management	36
3. Services & Satisfaction	12
Total	100

Attachment A-8

**Emergency Solutions Grants - Coronavirus (ESG-CV)
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a recipient has failed to comply with program requirements; or
- The recipient has performed unacceptably

Recipient Risk is assessed to:

- Determine recipients that pose the highest risk to the Department
- Identify recipients to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the recipient, using the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The four factors include: Grant Management, Financial Management, Services & Satisfaction, and Physical. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting system, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the recipient has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is based on information that directly evidences the recipient's capacity to administer the grant, including the scope of eligible activities and subrecipients; progress in implementing the project, changes in staff during the last year, lack of experience with Federal grants or project activities, and frequency and level of technical assistance required by the recipient/subrecipient to carry out activities. The following submissions, reports, and reporting systems can be considered, including but not limited to: Consolidated Plans, Consolidated Annual

ESG-CV (Attachment A-8)

Performance and Evaluation Reports (CAPERs), Quarterly Performance Reports (QPRs), Integrated Disbursement and Information System (IDIS), Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), Office of Inspector General (OIG) audits, and other reporting mechanisms and systems. Environmental Compliance, Relocation, and Acquisition Policies Compliance, and Flood Insurance Protection Compliance may be considered. ESG funds may be used for various activities as provided in the ESG-CV Notice, including shelter renovation and shelter operation activities. Each building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years as specified in 24 CFR § 576.102(c)(1), unless the only ESG funds used for the renovation were ESG-CV funds (and/or FY2020 or earlier fiscal year ESG funds used in accordance with section IV of the [ESG-CV Notice \(Notice CPD-21-08\)](#)), the shelter meets the “temporary emergency shelter” definition in the ESG-CV Notice, and the building is used and disposed of as provided by 2 CFR § 200.311.

The Evaluator will award point values to subfactors B and D. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
I.A. Recipient Reporting Criteria: Risk is based on the recipient meeting deadlines while ensuring completeness and accuracy of information contained therein and considering the last three years for ESG.					Yes
i. Two or more of recipient’s required QPR submissions were untimely (received after prescribed timeframe).	High	8			
ii. At least one of the recipient’s QPR submissions was untimely (received after the prescribed timeframe).	Medium	4			
iii. All recipient’s required QPR submissions are complete and have been received by the Field Office within prescribed timeframes.	Low	0			
I.B. Recipient Staff Capacity Criteria: Risk is based on the current staff’s ability to ensure compliance with the regulations and fulfill all of the recipient’s obligations under the program (includes financial staff that may be separate from administrative) and the number of Subrecipients. (Key staff is defined as staff with assigned management and administrative responsibilities for program compliance with ESG-CV requirements.					No
i. During the last three program years: key staff has demonstrated an inability to administer ESG or ESG-CV program as evidenced through serious or numerous violations of regulations, recurring monitoring finding(s), or failure to resolve open findings, timely, or poor performance that is ongoing that the recipient has failed to improve within a reasonable time period; OR one or more vacancies for key ESG staff have existed for more than six months.	High	8			

ii. Although the key staff have not demonstrated an inability to administer the ESG-CV program as specified in (i) above, one or more vacancies for key staff have existed for the past three to six months; OR key program staff have been hired in the past two program years but lack the necessary experience and have not received program training.	Medium	6			
iii. No program deficiencies have been identified as evidenced through violations or findings or poor performance and any key staff vacancies have existed for fewer than three months and any key staff hired in the past program year have received or do not need program training.	Low	0			
I.C. Program Complexity Criteria: Risk based on recipient's ability to administer complex program activities, as measured by overseeing multiple subrecipients.					Yes
i. Recipient funds and oversees more than 20 subrecipients	High	8			
ii. Recipient funds and oversees 10 – 20 subrecipients.	Medium	6			
iii. Recipient funds and oversees fewer than 10 subrecipients.	Low	0			
I.D. Recipient Findings and Sanctions (Monitoring and OIG) Criteria: Risk is based on OIG audits and the monitoring of the recipient's program by HUD to ensure compliance with program requirements.					No
i. The recipient has received two or more findings that are still open, overdue, and unresolved; OR sanctions have been imposed on the recipient; OR the recipient has not been monitored within the last three years.	High	9			
ii. The recipient has one finding that is still open, overdue, and unresolved; OR has had sanctions imposed that have subsequently been removed.	Medium	6			
iii. Within the last three years, the recipient has been monitored or there has been an OIG audit, and there have been no findings identified.	Low	0			
I.E. Physical Condition of Emergency Shelters Criteria: Risk is based on the recipient's use of ESG funds for renovation or shelter operations and the related emergency shelter's physical condition.					Yes
i. HUD has not conducted a review of the physical conditions of any ESG-funded emergency shelter within the past three program years; OR previous monitoring findings (on-site or remote)	High	7			

concerning the physical condition of ESG-funded emergency shelters remain unresolved.					
ii. HUD conducted a review of the physical conditions of an ESG-funded emergency shelter within the past three program years, but not during the last two program years.	Medium	4			
iii. HUD has conducted an on-site review of the physical conditions of ESG-funded emergency shelters during the last two program years and there were no findings relating to shelter standards; OR recipient did not use ESG funds for renovation or shelter operations.	Low	0			
Subtotal for Grant Management (Max. 40 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the recipient accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to, financial management and information systems such as: Integrated Disbursement and Information System (IDIS), audit management systems, audits required by 2 CFR § 200.501, assessment of recipient’s drawdown history, submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems and recipient performance reports.

The Evaluator will award point values to subfactor A. Choose only one risk score for the subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. Staff Capacity for Financial Compliance Criteria: Risk is based on the key financial management staff’s ability to administer the financial management responsibilities for ESG and ESG-CV program. (Key financial management staff is defined as staff with direct oversight of financial records and/or distribution of program funds.)					No
i. During the last three program years: one or more violations, findings, or concerns have been identified with respect to the recipient’s compliance with 2 CFR part 200; OR one or more vacancies for key financial management staff of ESG programs have existed for more than six months.	High	10			

ii. Although no violations, findings, or concerns have been identified with the recipient's compliance with 2 CFR part 200 have been identified as specified in (i) above, one or more vacancies for key financial management staff have existed for the past three to six months; OR key financial management staff have been hired in the past program year and have not received ESG financial management training.	Medium	5			
iii. No financial management deficiencies have been identified as evidenced through violations, findings, or concerns, and any key financial management staff vacancies have existed for fewer than three months and any key staff hired in the past program year has received ESG financial management training.	Low	0			
2.B. Grant Amount Criteria: Risk is based upon the recipient's grant amount for the most recently completed program year.					Yes
i. The recipient's ESG-CV grant amount falls within the top 10% of all ESG-CV grants awarded within the Field Office's jurisdiction.	High	5			
ii. The recipient's ESG-CV grant amount falls between 50-90% of all ESG-CV grants awarded within the Field Office's jurisdiction.	Medium	3			
iii. The recipient's ESG-CV grant amount falls within the lowest 50% of all ESG-CV grants awarded within the Field Office's jurisdiction.	Low	0			
2.C. Program Administration Cap Criteria: Risk is based on the recipient's ability to not exceed the administrative activities cap.					Yes
i. The recipient's expenditures under its ESG-CV grant for administrative activities exceed the cap of 10% for ESG-CV grant.	High	5			
ii. The recipient has not exceeded the administrative activities cap for its ESG-CV grant as indicated above; however, the recipient has exceeded the administrative activities cap (7.5% of each grant for annual ESG grants) one or more times within the last three program years.	Medium	3			
iii. The recipient has not exceeded the 10% administrative activities cap for its ESG-CV grant and has not exceeded the administrative activities cap of 7.5% for its annual ESG grants during the three most recently completed program years.	Low	0			

2.D. Expenditure Provisions Criteria: Risk is based on the recipient's meeting the ESG and ESG-CV expenditure deadlines within the last three years.					Yes
i. The recipient did not meet the 9/30/2021 deadline for expending 20% of its ESG-CV grant.	High	10			
ii. The recipient met the 9/30/21 deadline for expending 20% of its ESG-CV grant but failed to meet the 24-month expenditure deadline for its annual ESG grants at least once within the last three years.	Medium	5			
iii. Over the last three years, the recipient has not demonstrated any problem with meeting any expenditure deadlines for either its ESG-CV grant or its annual ESG grants.	Low	0			
2.E. Recipient Audits required by 2 CFR § 200.501 Criteria: Assessment is based on the timely submission of audits required under 2 CFR § 200.501 for recipients of federal funds that are in excess of \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether or not the recipient has received a finding and/or the auditor noted recommendations in a management letter based on its current accounting practices. Audits deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits).					Yes
i. During the last three program years, the recipient has not been timely in its submission of the audits required under 2 CFR § 200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.	High	5			
ii. None of the criteria in subfactor (i) applies.	Low	0			
Subtotal for Financial Management (Max. 35 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which program participants express satisfaction or dissatisfaction with the delivery of program services and the extent to which HUD recipients effectively and efficiently deliver services to intended beneficiaries/program participants.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: client or citizen-originated correspondence, recipient responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press

information, loss of recipient support, failure to reply or submit reports, Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPERs), automated tracking systems, correspondence, the release of funds requests, local, HQ-, or recipient-generated automated reports or spreadsheets, and the Integrated Disbursement and Information System (IDIS). The Evaluator should consider the recipient's overall effectiveness in carrying out program activities and delivery to target populations.

The Evaluator will award point values to subfactors A and B. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
3.A. Recipient Citizen Complaints or Negative Media Exposure Criteria: Risk is based on the receipt of citizen complaints and/or negative media exposure resulting in violations of ESG regulations.					No
i. In the last three years, the recipient has had negative local issues, media exposure, or citizen complaints.	High	8			
ii. In the last three years, the recipient has had no negative local issues or media exposure, but citizen complaints have been received that are concerns and could lead to possible future violations if not addressed by the recipient.	Medium	5			
iii. In the last three years, no negative local issues, media exposure, or valid complaints have been received.	Low	0			
3.B. Recipient Responsiveness Criteria: Risk is based upon the recipient's timely response to citizen complaints received.					No
i. During the last three program years: the recipient has failed to respond to complaints and/or citizen inquiries forwarded through HUD within prescribed timeframes.	High	5			
ii. During the last three program years: the recipient has responded to complaints and/or citizen inquiries; OR has not received any complaints forwarded through HUD within prescribed timeframes.	Low	0			
3.C. Homelessness Prevention Criteria: Risk is based on the classification of Homelessness Prevention activities and the recipient's ability to carry out activities in compliance with program requirements.					Yes
i. Homelessness Prevention activity costs exceeded 50% of the allocation.	High	6			

ii. Homelessness Prevention activities exceeded 30% of the allocation but did not exceed 50% of the allocation.	Medium	4			
iii. Homelessness Prevention activities are classified properly and are limited to no more than 30% of the allocation.	Low	0			
3.D. Street Outreach and Emergency Shelter Criteria: Risk is based on the recipient's ability to carry out Street Outreach and/or Emergency Shelter activities in compliance with program requirements.					Yes
i. Activity costs exceed 60% of allocation.	High	6			
ii. Activity costs are equal to or less than 60% of allocation.	Low	0			
Subtotal for Services and Satisfaction (Max. 25 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	40
2. Financial Management	35
3. Services & Satisfaction	25
Total	100

Attachment A-9

**Recovery Housing Program (RHP)
Formula Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- Instances of unacceptable participant performance

Grantee Risk is assessed to:

- Determine grantees that pose the highest risk to the Department
- Identify grantees to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase grantee effectiveness

In completing this worksheet, the Evaluator will provide an assessment of the grantee, using three of the four standard factors selected by the Department to determine the level of risk a grantee may pose to a HUD program. These factors include Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the information available on this grantee. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD programs according to established requirements.

Rating Considerations: The basis for the Evaluator's rating in this factor is derived from information that could be obtained from, but not limited to: consideration of the knowledge, skills, and ability of program staff, and the grantee's administrative capacity to manage the grant, including: the grantee's ability to provide timely reports that are complete and accurate; the complexity of the grantee's program; the grantee's management of its subrecipients; open and unresolved findings; or problems such as open or stalled activities, staff turnover, lack of experience with Federal grants or project activities, and program workload. The following reports and reporting systems should be considered, including but not limited to: Action Plans, Performance Reports (PRs), Technical

RHP (Attachment A-9)

Assistance (TA) Plans, Disaster Recovery Grant Reporting (DRGR), Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.5, and related reporting mechanisms and systems.

The Evaluator will award point values to subfactors B and H. Choose only one risk score for these subfactors from the point values listed below and enter the associated comment(s). The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator's Rating	Evaluator's Comments	Auto-populated? Yes/No
1.A. Grantee Reporting How would you rate the grantee's overall reporting quality and responsiveness? Risk is based on the grantee meeting report deadlines with primary consideration given to quality, completeness, and accuracy of the information contained in the Action Plan and Annual Performance Report (PR). This score is auto-populated from DRGR data.					Yes
i. The grantee has not been timely in submitting at least two reports within the last three years; OR at least two reports have not been complete and/or accurate.	High	6			
ii. The grantee has submitted at most one report within the last three years that has not been complete, timely, and/or accurate.	Medium	4			
iii. Within the last three years, the grantee has been timely with submitting its reports, and they have been complete and accurate.	Low	0			
1.B. Staff Capacity Do staffing issues negatively impact the grantee's ability to carry out programs? Risk is based on current grantee staff capacity and its ability to ensure compliance with RHP requirements, including applicable CDBG regulations, grantee obligations, and to design a program appropriate to the level of its capacity. This score is manually selected.					No
i. During the last three program years, the grantee has experienced turnover in at least one key position within its program administration and the grantee has designed a program more complex than the current capacity and programmatic knowledge of its staff.	High	6			
ii. During the last three program years: the grantee has experienced turnover in at least one key position within its program administration; OR the grantee has designed a program	Medium	4			

that is more complex than the current capacity and programmatic knowledge of its staff.					
iii. During the last three program years, the grantee has not experienced turnover in at least one key position of its program administration and has designed a program that is commensurate to the current staff's capacity and programmatic knowledge.	Low	0			
1.C. Grantee Program Complexity Risk is based on the complexity of the grantee's program design, primarily the number and variety of activities the grantee is undertaking, and whether these are new to its program and may pose a challenge to the grantee's staff in compliance and reporting. The grantee's application intake and complexity should also be considered. This score is auto-populated from DRGR data.					Yes
i. The grantee has designed a program that implements five or more different types of activities.	High	8			
ii. The above condition does not exist.	Low	0			
1.D. Management of Subrecipients Risk is based on the small-dollar activities that are managed by subrecipients or State recipients, including units of general local government. This score is auto-populated from DRGR data.					Yes
i. The grantee has 4 or more different subrecipients.	High	6			
ii. The above condition doesn't exist.	Low	0			
1.E. New Construction Activities Risk is based on the grantee's expending a significant amount of RHP funding for new construction activities. This score is auto-populated from DRGR data.					Yes
i. Expenditures for new construction activities are 50 percent or more of one or more of its RHP grants.	High	8			
ii. The above condition doesn't exist.	Low	0			
1.F. At-Risk Flagged Activities in DRGR Are a high percentage of open activities flagged in DRGR as at-risk? Risk is based on the number of activities flagged as at-risk in DRGR. The flags include, but are not limited to: 1) an activity is underway with no drawdowns reported in two or more years; 2) an activity is fully drawn with no accomplishments; 3) the grantee has exceeded the administration or technical assistance cap; and 4) the grantee has missed its 30% expenditure deadline within the first year (see published DRGR Flags Guidance for more information). This score is auto-populated from DRGR data.					Yes

i. The grantee has three or more activities flagged as at-risk in DRGR.	High	8			
ii. The grantee has fewer than three activities flagged as at-risk in DRGR.	Low	0			
1.G. Activity Accomplishments Risk is based on the number of activities open for two or more years, but no accomplishments are reported. This score is auto-populated from DRGR data.					Yes
i. The grantee has not reported any activity accomplishments in two or more years for any of its grants.	High	8			
ii. The grantee has reported at least one activity accomplishment within the last two years.	Low	0			
1.H. Prior Monitoring and Audit Findings In considering all monitoring reviews and audits (i.e., OIG, etc. but not single audits) performed on the grantee during the period being assessed, how would you rate the overall severity of findings and issues? Risk is based on OIG audits and the monitoring of the grantee's program by HUD to ensure compliance with program requirements; the grantee's past performance regarding the number of open, overdue, and unresolved findings; sanctions that have been imposed; and whether the grantee has been monitored recently. This score is manually selected.					No
i. Within the last three years, the grantee has: 1) received two or more findings that are still open, overdue, and unresolved; OR 2) received a repeated finding on the same violation; OR 3) received a monitoring finding regarding cross-cutting programmatic requirements (Relocation, Environmental, Davis-Bacon, Fair Housing and Civil Rights, etc.); OR 4) sanctions that have been imposed; OR 5) not been monitored.	High	6			
ii. Within the last three years, the grantee: has received one finding (not including an open finding regarding cross-cutting requirements) that is still open, overdue, and unresolved; OR has had imposed sanctions removed.	Medium	4			
iii. None of the above conditions exists.	Low	0			
Subtotal for Grant Management (Max. 56 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT:

Factor Definition: The extent to which the grantee accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from sources including, but not limited to, financial management and information systems such as: DRGR, audit management systems, Single audits, findings that require repayment or grant reduction, program income, the operation of Revolving Loan Funds (RLFs), Section 108 Loan Guarantees, grantee’s financial records, timeliness standards, and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, and grantee performance reports.

Factor 2, in its entirety, is auto-populated with scores and comments.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>2.A. Grantee Audits required by 2 CFR § 200.501 How would you rate the grantee’s audit submissions? Criteria: Assessment is based on the timely submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity’s fiscal year in Federal award, but special emphasis is placed on the review of the management letter that should accompany the audit, taking into consideration whether the grantee has received a finding and/or the auditor noted recommendations in a management letter based on the grantee’s current accounting practices. Audits deadlines are specified in 2 CFR §200.507(c)(1) (for program-specific audits) and 2 CFR §200.512(a)(1) (for single audits). This score is auto-populated.</p>					Yes
<p>i. During the last three program years, the grantee has not been timely in its submission of audits required under 2 CFR §200.501; OR has received a finding and/or has received recommendations in a management letter based on its current accounting practices.</p>	High	8			
<p>ii. None of the criteria in subfactor (i) applies.</p>	Low	0			
<p>2.B. Administration and Technical Assistance Cap Risk is based on the violation of the Administration or Technical Assistance cap, which are automatically flagged in DRGR. This score is auto-populated from DRGR data.</p>					Yes

i. The grantee has exceeded the program administration cap of 5 percent or the technical assistance cap of 3 percent in one or more of the last five reported years.	High	8			
ii. The grantee has not exceeded the program administration cap of 5 percent or the technical assistance cap of 3 percent in the last five reported years.	Low	0			
2.C. Grant Expenditures Risk is based on the grantee reaching its 30 percent grant expenditure requirement within the first year. Risk is also based on the grantee's rate of expenditures (i.e., whether the grantee is on pace to expend 100% of its grant award(s) within the seven-year period of performance (PoP) for each grant); this criterion is first measured in the 4th year of the PoP. This score is auto-populated from DRGR data.					Yes
i. The grantee did not meet its 30 percent grant expenditure requirement within the first year; OR by the 4 th year of the PoP, the grantee is not on pace to expend the entire grant before the end of the PoP.	High	8			
ii. The grantee met its 30 percent grant expenditure requirement within the first year OR if the grantee did not meet its 30 percent grant expenditure requirement within the first year, by the 4 th year of the PoP, the grantee is on pace to expend the entire grant before the end of the PoP.	Low	0			
2.D. Voucher Revisions Risk is based on the grantee's having numerous or large voucher revisions in DRGR. "Numerous" means having 10 revisions or more. "Large" means total revisions of \$200,000 or more. This score is auto-populated from DRGR data.					Yes
i. The grantee has voucher revisions totaling more than \$200,000 in the last five years; OR has 10 or more draw revisions for any year in the last five years.	High	8			
iii. The above condition doesn't exist.	Low	0			
Subtotal for Financial Management (Max. 32 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which HUD program participants deliver a program that is compliant and clients express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The basis for the Evaluator’s rating in this factor is derived from information that could be obtained from, but not limited to client- or citizen-originated correspondence, grantee responses, Freedom of Information Act (FOIA) requests, Congressional inquiries, citizen complaints, press information, loss of community support, failure to reply or submit reports, Action Plans, Performance Reports (PRs), and auto-populated tracking systems. The

Evaluator will award a point value to subfactor A. Choose only one risk score for this subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3.A. Grantee Citizen Complaints / Negative Media Exposure Do local issues, media exposure, or citizen complaints negatively impact the grantee's ability to meet program objectives? Does the grantee respond timely to citizen complaints and inquiries? Risk is based on negative media or other issues involving RHP funding, significant negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders AND the grantee's ability to respond to these issues timely and effectively. This score is manually selected.					No
i. Within the last three years, the grantee has had citizen complaints, issues, or negative media exposure related to its RHP funding and the grantee has failed to respond to the complaints, issues and/or inquiries within the prescribed timeframes.	High	12			
ii. Within the last three years, the grantee has had citizen complaints, issues, or negative media exposure related to its RHP funding, but the grantee has responded to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6			
iii. Within the last three years, the grantee has not had any complaints, issues or negative media exposure related to its RHP funding.	Low	0			
Subtotal for Services and Satisfaction (Max. 12 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	MAXIMUM SCORE
1. Grant Management	56
2. Financial Management	32
3. Services & Satisfaction	12
Total	100

Attachment A-10

**Continuum of Care (CoC) Program
Section 8 Moderate Rehabilitation Single Room Occupancy (SRO)
Competitive Grants Risk Analysis Worksheet**

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department
- The likelihood that a program participant has failed to comply with program requirements; or
- The participant has performed unacceptably

Recipient/Recipient Risk is assessed to:

- Determine Recipient/recipients that pose the highest risk to the Department
- Identify Recipient/recipients to be selected for monitoring
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness

If a recipient has been awarded funds under more than one HUD competitive program (Continuum of Care (CoC) Program or Section 8 Single Room Occupancy Moderate Rehabilitation (SRO)), a separate worksheet should be completed for each competitive program carried out by the recipient. In this scenario, separate worksheets must be completed, one for each of the HUD programs. If a recipient has multiple grants under one HUD program, use one worksheet per HUD program only. This worksheet has been designed for evaluating CPD's competitive programs. Although factors and subfactors are consistent for all competitive programs, rating criteria may differ in some cases for recipients.

In completing this worksheet, the Evaluator should consider the total number of all active grants funded under each program. The Evaluator will provide an assessment of the recipient, using three of the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The factors include: Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the factual information available on this recipient. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed when any subfactor is rated as high risk with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator's Comments field.

CoC and SRO (Attachment A-10)

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD competitive programs according to established requirements.

Rating Considerations: The basis for the Evaluator’s rating under this factor is derived from sources including, but not limited to, consideration of the knowledge, skills, and ability of program staff, and the recipient’s administrative capacity to manage the grant, including: the eligibility of activities and recipients; or problems such as the lack of progress in implementing a project; rapid staff and/or board turnover; major changes in the agency’s mission or direction; lack of experience with Federal grants or project activities; and the frequency and level of technical assistance required by the recipient before and during a project. Additionally, Office of Inspector General (OIG) audits, Analysis of Impediments to Fair Housing Choice, (or an Assessment of Fair Housing), HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and related reporting systems such as IDIS, e-SNAPS, and LOCCS may be considered. The Evaluator should consider any existing or previously identified problems with the physical assets and the extent to which problems have been or are likely to be corrected; whether HUD funds are used for acquisition, construction, or rehabilitation activities; the number of sites at which HUD-funded physical assets are located and the activities supported by the physical asset and the extent of any previous monitoring.

The Evaluator will award point values to subfactors C and D. Choose only one risk score for each subfactor from the point values listed below. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1.A. Recipient Reporting (CoC Program) Criteria: Risk is based on the recipient’s meeting report deadline for recipient’s annual performance reports considering the last three grant years.					Yes
i. Recipient submitted a report that is untimely (submitted after the due date) and was inaccurate or incomplete (due to errors).	High	8			
ii. Recipient submitted a report that was untimely (submitted after the due date) or was inaccurate or incomplete (due to errors).	Medium	5			
iii. Recipient submitted a report that was timely (submitted by the due date) and was accurate and complete.	Low	0			
1.B. Program Complexity (CoC Program) Criteria: Risk is based on recipient’s ability to administer complex program activities, as measured by overseeing multiple subrecipients (considering the last three grant years).					Yes
i. Recipient funds and oversees four or more subrecipients.	High	12			
ii. Recipient funds and oversees one to three subrecipients.	Medium	8			
iii. Recipient funds and oversees no subrecipients.	Low	0			

1.C. Recipient Staff Capacity (CoC Program and SRO) Criteria: Risk is based on current staff capacity of the recipient, in regard to, its ability to ensure programmatic compliance with the regulations and fulfill all of its obligations as a recipient (considering the last three grant years).					No
i. Recipient has the following: (a) is designated as a Unified Funding Agency, (CoC Program only); OR (b) the recipient has experienced turnover in at least one key position of its program administration and the program design is more complex than the current staff's programmatic knowledge.	High	10 - CoC 25- SRO			
ii. Key recipient staff responsible for program administration has been newly hired.	Medium	7 – CoC 10- SRO			
iii. Recipient has not experienced turnover in at least one key position of its program administration and has designed a program that is comparable to the current staff's capacity and programmatic knowledge.	Low	0 – CoC 0- SRO			
1.D. Recipient Findings and Sanctions (CoC Program and SRO) Criteria: Risk is based on the monitoring of the recipient's program by HUD or OIG to ensure the recipient is meeting program objectives and is compliant with program requirements considering the last three program years.					No
i. Recipient has two or more open HUD or OIG findings; OR sanctions have been imposed; OR HUD has not conducted a monitoring of the competitive program within the last three years.	High	12 - CoC 25- SRO			
ii. Recipient has one open HUD or OIG finding from monitoring conducted within the last three years.	Medium	8 – CoC 10- SRO			
iii. Recipient has been monitored by either HUD or OIG within the last three years and there have been no findings identified.	Low	0 – CoC 0- SRO			
1.E. Physical Assets (CoC Programs) Criteria: Risk is based on the recipient's award for the use of leasing and/or rental assistance.					Yes
i. Recipient's total program funds for leasing and/or rental assistance is either equal to or exceeds \$400,000.	High	6			

ii. Recipient’s total program funds for leasing and/or rental assistance is less than \$400,000	Low	0			
Subtotal for Grant Management (Max. CoC 48 pts./SRO 50 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the recipient accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department. The recipient upholds generally accepted conflict of interest policies.

Rating Considerations: The basis for the Evaluator’s rating under this factor is derived from information that could be obtained from, but not limited to, financial management under applications submitted in response to NOFAs, approved or amended grant/recipient agreements, audit management systems, assessment of recipient’s drawdown history (i.e., IDIS/LOCCS/PAS), the submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, recipient performance reports and any on-site or remote monitoring information as available.

Factor 2, in its entirety, is auto-populated with scores and comments.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
2.A. Slow Spender/Timely Expenditures (CoC Programs) Criteria: Risk is based upon the terms and conditions for timely expenditures for the competitive program(s) being assessed can be referenced by the program’s grant/recipient agreement and/or operating instructions for that program. Timely expenditure of funds means funds are spent in proportion to the timeliness standards found in the NOFA for the year the grant was funded, the grant agreement, or in the program regulations.					Yes
i. Recipient’s draws from eLOCCS were after the required quarterly deadline and/or were 90 days after grant expiration.	High	10			
ii. Recipient’s draws from eLOCCS were by the required quarterly deadline and by 90 days after grant expiration.	Low	0			
2.B. Recipient Financial Staff Capacity (CoC Programs) Criteria: Risk is based on the current financial staff capacity of the recipient to ensure financial practices are					Yes

compliant with the program regulations as confirmed through financial monitoring (considering the last three grant years).					
i. Recipient received financial monitoring findings in last three grant years; OR HUD has not conducted a financial monitoring in the last three years.	High	12			
ii. Recipient received no financial monitoring findings in the last three years.	Low	0			
2.C. Grant Amount (CoC Programs) Criteria: Risk is based upon the total amount of the recipient's grant awards, considering the total sum of projects awarded is in the top 10% of program funding for the most recent competition year.					Yes
i. Recipient's grant awards are either equal to or exceed \$2,170,000.	High	10			
ii. Recipient's grant awards are less than \$2,170,000.	Low	0			
2.D. Recipient Audits required by 2 CFR § 200.501 (CoC Programs) Criteria: Risk is based on the timely submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards, but special emphasis is placed on whether or not the recipient has received a finding or has received recommendations in a management letter based on the grantee's current accounting practices. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits).					Yes
i. During the last three program years, the competitive recipient has not been timely in its submission of the audits required under 2 CFR § 200.501; OR has received a finding and/or has received a recommendation in a management letter based on its current accounting practices.	High	8			
ii. None of the criteria in subfactor (i) applies.	Low	0			
Subtotal for Financial Management (Max. CoC 40 pts./SRO 0 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which recipients effectively and efficiently deliver services to intended beneficiaries/clientele and clients or beneficiaries express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The Evaluator should consider the planned program support and how it is appropriately being carried out to address the intended range of housing needs and related supportive services issues, including any specialized efforts for sub-populations of homeless program participants in serving the proposed number of participants or moving homeless program participants to permanent housing as well as considering information that could be obtained from, but not limited to: Freedom of Information Act (FOIA) requests, applicable NOFAs, approved grant amendment requests, annual performance plans, correspondence, release of funds requests, local-, HQ-, or recipient-generated automated reports or spreadsheets, correspondence or other communication to HUD, the recipient’s or other parties with respect to the project and any written or other responses by the recipient, any recent problems, such as citizen complaints, newspaper articles, internet postings, Congressional inquiries, and other forms of correspondence, the recipient/project sponsor’s/subrecipient’s response/failure to submit reports or respond to inquiries, and the loss of community support. The Evaluator should also include other functional issues related to carrying out and impacting on overall program activities, which include environmental and wage requirements, flood insurance protection compliance as well as compliance with relocation and acquisition policies.

The Evaluator will award point values for Subfactors A and B. Choose only one risk score for each subfactor from the point values listed below.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
3.A. Recipient Citizen Complaints or Negative Media Exposure (CoC Program and SRO) Criteria: Risk is based on negative local issues, media exposure, and citizen complaints received through such sources as program participants, citizen letters, phone calls, hotline complaints, newspaper articles, internet postings, emails, etc., and the recipient.					No
i. In the last three years, the recipient has had negative local issues, media exposure, or citizen complaints related to the program.	High	6 – CoC 25- SRO			
ii. In the last three years, the recipient has had no negative local issues or media exposure, but citizen complaints have been received that are concerns and could lead to possible future violations if not addressed by the recipient.	Medium	4 – CoC 10- SRO			
iii. In the last three years, no negative local issues, media exposure, or valid complaints have been received.	Low	0 – CoC 0- SRO			
3.B. Recipient Responsiveness (CoC Program and SRO) Criteria: Risk is based upon recipient’s timely response to citizen complaints received (considering the last 3 grant years).					No

i. In the last three years, the recipient has failed to respond to complaints and/or citizen inquiries forwarded through HUD.	High	6 – CoC 25- SRO			
ii. In the last three years, the recipient has not received any complaints forwarded through HUD.	Low	0 – CoC 0- SRO			
Subtotal for Services and Satisfaction (Max. CoC 12 pts./SRO 50 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	CoC MAXIMUM SCORE	SRO MAXIMUM SCORE
1. Grant Management	48	50
2. Financial Management	40	0
3. Services & Satisfaction	12	50
Total	100	100

Citizen Participation and Consultation Process

The City of South Bend (in its role with the St. Joseph County Housing Consortium) follows its adopted Citizens Participation Plan to develop Five Year Consolidated Plans (ConPlan), Annual Action Plans, and Comprehensive Annual Performance Reports (CAPER).

ConPlans, Action Plans, CAPERs, and Substantial Amendments to ConPlans have numerous components that require and encourage citizen participation:

- Interviews and roundtable discussions with various stakeholders;
- Public needs meetings, as deemed necessary; and
- Two public hearings, one in South Bend and one in Mishawaka, to gather comments on draft plans on public display.

Draft plans and substantial amendments are made available for public comment for a period of not less than thirty (30) days. Notice of the availability of a plan or amendment is published as a display ad in the South Bend Tribune, the local newspaper with highest circulation. Notice is also posted on the website of the local Spanish-language news source, El Puente.

The public may access plans and amendments on the City of South Bend's website at southbendin.gov. In addition, hardcopy draft plans or amendments are available for public review during the public comment period at the following physical locations:

- City of South Bend, Department of Community Investment
- City of South Bend, Office of the Clerk
- City of Mishawaka, Planning Department
- All branches of the St. Joseph County Public Library
- All branches of the Mishawaka-Penn-Harris Library
- Walkerton Public Library
- New Carlisle/Olive Township Public Library

All comments received during the public comment period are incorporated into final versions of the respective plans or amendments.

Emergency Citizen Participation and Consultation Process

When a Declaration of an Emergency has been ordered by the President of the United States, or the Governor of Indiana, the City of South Bend will implement the following process concerning public hearings and public display of plans or substantial amendments:

- The public comment period will be abbreviated to five (5) days.
- If the City is unable to hold open public hearings in person, the City will instead hold virtual public hearings through conference calls or an online video conference call platform. Access information for virtual meetings will be provided in the public hearing notice. The City will make

a good faith effort to ensure that attendees of virtual public hearings will be able to comment and have questions answered in real-time. If real-time questions and responses are not feasible, citizens may submit questions via email and City staff will provide a response within two (2) business days.

- If the City is unable to hold virtual meetings, a public hearing will not be held, however the public will have the opportunity to submit questions and comments via email during the public comment period.
- If the City is not able to physically place the plan or amendment on public display at the locations referenced in the Citizen Participation Plan, the City will direct the public to the plan or substantial amendment on the City's website (southbendin.gov) through a display ad in the South Bend Tribune.
- The City will email a copy of the plan or substantial amendment to any person that makes an email request.

A substantial amendment prompting application of the City's citizen participation process, including public notice and comment periods, will apply when any of the following changes are made to this Plan:

1. Modifications to the budgets of existing planned activities that exceed 28 percent of the total grant budget - this includes reallocations of anticipated funding among existing planned activities and initial allocations of unanticipated receipts (e.g. program income, returned funds, or supplemental federal allocations) to existing planned activities;
2. Addition of an activity not previously part of this Plan; or
3. Change of the planned end-use of a site assisted under this Plan.

Citizen Participation Plan

Revised – November 2024

The City of South Bend (in its role with the St. Joseph County Housing Consortium) follows its adopted Citizens Participation Plan to develop Five-Year Consolidated Plans (ConPlan), Annual Action Plans, and Comprehensive Annual Performance Reports (CAPER).

ConPlans, Action Plans, CAPERs, and Substantial Amendments to these have numerous components that require and encourage citizen participation:

- Interviews and roundtable discussions with various stakeholders;
- Public needs meetings, as deemed necessary;
- Two public hearings, one in South Bend and one in Mishawaka, to gather comments on draft plans on public display; and
- Two public hearings, one in South Bend and one in Mishawaka, to gather comments from the public about how to draft the plans and/or discuss the Request for Proposals with the public.

Notification

Notices are published no less than fourteen (14) days and no more than twenty (20) days prior to hearings, and on or before the first day of the public comment period. Public comment periods will last at least fifteen (15) days, but no more than 35 days (unless time revisions are dictated by HUD). Draft plans and substantial amendments are made available for public comment for a period of not less than thirty (30) days. CAPERs are made available for public comment for a period of not less than fifteen (15) days.

Notice of the availability of a plan or amendment is published in the South Bend Tribune, the local newspaper with highest circulation. Notice is also posted on the website of the local Spanish-language news source, El Puente, in Spanish, to promote Limited English Proficiency (LEP) participation.

Prior to final approval, draft plans will provide the following information for public review:

- The amount of assistance the City expects to receive (including grant funds and program income);
- The range of activities that may be undertaken;
- The estimated amount of funding that will benefit persons of low- and moderate-income;
- The City's plans to minimize displacement of persons and to assist any persons displaced, specifying the types and levels of assistance the City will make available to persons displaced, even if the City expects no displacement to occur; and
- HUD-provided data and any other supplemental information the City plans to incorporate into the AFH

HUD approved final plans are published on the City of South Bend's website.

The public may access plans and amendments on the City of South Bend's website at southbendin.gov. In addition, hardcopy draft plans or amendments are available for public review during the public comment period at the following physical locations:

- City of South Bend, Department of Community Investment
- City of South Bend, Office of the Clerk
- City of Mishawaka, Planning Department
- All branches of the St. Joseph County Public Library
- All branches of the Mishawaka-Penn-Harris Library
- Walkerton Public Library
- New Carlisle/Olive Township Public Library

The City will provide a reasonable number of free copies of the plans to citizens and groups that request it.

This plan will be made available in Consolidated Plan and on the City of South Bend's website. The plan will also be made available upon request.

Comments

Comments may be made by the general public, local and regional institutions, the Continuum of Care, and other organizations. Comments are encouraged by citizens, including low- and moderate-income persons, residents of public and assisted housing, those living in slum and blighted areas, in areas where CDBG funds are proposed to be used, and by residents of predominantly low- and moderate income neighborhoods, though all comments received during the public comment period are incorporated into final versions of the respective plans or amendments.

Comments and complaints can be submitted in writing by mail or orally in-person to the City of South Bend's Department of Community Investment – Neighborhoods Division, Attention: Federal Grants Team, or via email to federalgrants@southbendin.gov. All comments are answered in writing within 15 working days, where practicable.

Accessibility

Public hearings are held in accessible locations and at different times throughout the day to encourage participation. Assistance is provided to the extent possible to anyone interested in additional information, accommodation, or in need of translation. Hearing impaired citizens may communicate via TDD. Accessible formats are available upon request (e.g. Braille, electronic,

large print, or translation to another language). Accessibility features, including translation ability to any language, are available on the City's website.

Emergency Citizen Participation and Consultation Process

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- The public comment period will be abbreviated to five (5) days.
- If the City is unable to hold open public hearings in person, the City will instead hold virtual public hearings through conference calls or an online video conference call platform. Access information for virtual meetings will be provided in the public hearing notice. The City will make a good faith effort to ensure that attendees of virtual public hearings will be able to comment and have questions answered in real-time. If real-time questions and responses are not feasible, citizens may submit questions via email and City staff will provide a response within fifteen (15) days, where practicable.
- If the City is unable to hold virtual meetings, a public hearing will not be held, however the public will have the opportunity to submit questions and comments via email during the public comment period.
- If the City is not able to physically place the plan or amendment on public display at the locations referenced in the Citizen Participation Plan, the City will direct the public to the plan or substantial amendment on the City's website (southbend.in.gov) through an ad in the South Bend Tribune and El Puente.
- The City will email a copy of the plan or substantial amendment to any person that makes an email request.

Substantial Amendment Criteria

A substantial amendment prompting application of the City's citizen participation process, including public notice and comment periods, as well as a public hearing, will apply when any of the following changes are made to a Plan:

1. To make a change in the allocation priorities or a change in the method of distribution of funds to existing planned activities that exceed forty-nine (49) percent of the total annual allocation for the grant;
2. To carry out an activity, using funds from any program covered by the ConPlan, not previously described in the action plan; or

3. A change in the following for an activity:
 - a. Purpose/scope
 - i. Definition: the need that is addressed in the community and the program funding the project
 1. Example: a change from building housing to economic development, a change in federal funding source from CDBG to HOME or vice versa
 - b. Location
 - i. Definition: the census tract of the project
 1. Example: a change from Census Tract 6 to Census Tract 12
 - c. Beneficiaries
 - i. Definition: low- to moderate income person(s), limited clientele, area benefit, slum and blight area
 1. Example: a project that changes from serving low- to moderate income person(s) to a project that is serving a slum and blight area

Contingency Language

To avoid unnecessary substantial amendments, all draft plans will contain contingency language contained in the yearly HUD CPD Notice regarding the submission Consolidated Plans, Action Plans, and CAPERs.

Changes to the Citizen Participation Plan

Amendments to this plan will be made public and will follow the Citizen Participation Plan, and the City will notify HUD in writing that an amendment has been made. The City will submit a copy of the amendment, along with a letter from an official representative of the jurisdiction authorized to take such action.

Technical Assistance

Limited technical assistance will be provided to those that request assistance in developing proposals for funding under any of the programs covered by the ConPlan.