

**HUD Grant Opportunity: Pathways to Removing Obstacles to Housing Grant  
Funding Request: \$10,000,000  
Applicant: Hamilton County, Indiana**

***Application Narratives:***

**Section a. – NEED**

***Section a. i. – Describe your efforts so far to identify, address, mitigate, or remove barriers to affordable housing production and preservation.***

As an entitlement community, Hamilton County, Indiana, has conducted regular assessments to identify obstacles or impediments to affordable housing in the community. The assessments serve to confirm the overall need for additional affordable housing. In 2018, the Hamilton County Housing Collaborative was created to assess, in detail, and develop actionable plans to address the obstacles. This working group, through the most recent Housing Needs Assessment, recognized the need to reduce the cost of development of Affordable Housing, remove the cultural stigma associated with Affordable Housing, stabilize and support at-risk households in need of Affordable Housing, and increase funding for new Affordable Housing development. Hamilton County, along with the Housing Collaborative, are ready for the next steps in order to analyze and propose updated land use and development strategies (Policy), increase capacity for the bricks and mortar development of new affordable housing (People), increase construction of affordable housing units (Production), and engage and inform the community on the real value of affordable housing (Promotion.)

***Section a. ii. – Do you have acute demand for affordable housing? What are your remaining affordable housing needs and how do you know?***

Hamilton County has an acute demand for affordable housing. While it is considered a “Priority Geography” in the “Housing Affordability Factor,” as determined by HUD, there simply are not enough affordable housing options for those seeking it. For example, a new Housing Choice Voucher holder still struggles because they cannot find available units which accept housing vouchers. Hamilton County has multiple service agencies working with households at risk of homelessness, providing them with supportive services, but simply can’t place them in housing, as it is not available. Additionally, the existing affordable housing rental communities are all at maximum capacity with a waitlist exceeding a two-year wait.

While Hamilton County qualifies as a priority geography due to an insufficient inventory of affordable housing, it is also battling the other two geography factors. In regard to cost burden, more than 28% of households at or below 80%AMI (\$65,300/year) pay more than 30% of their income to housing costs. Additionally, the pace of population growth continues to far-exceed the rate of growth in housing units of all prices, let alone production of affordable units specifically. To add to this limited production, the loss of existing affordable units which age-out of affordable restrictions transferring to all market-rate units, Hamilton County is rapidly losing ground on affordable housing options.

**Section a. iii. – What key barriers still exist and need to be addressed to produce and preserve more affordable accessible housing?**

Through various assessments and analyses, it is clear there is a need to address policies, capacity, production, and community engagement. It is one thing to identify barriers, but it is a whole different challenge to remove those barriers. Stakeholders throughout the county all agree multiple barriers exist. The real challenge is implementing actions to truly and effectively eliminate those barriers. With the momentum created by the Housing Collaborative, Hamilton County and its leaders are anxious and excited to begin implementing sensible solutions to address this ongoing crisis. Efforts to remove the obstacles will be conducted in four areas. County staff will begin by conducting a detailed assessment of municipal (1) land-use policies and procedures, propose policy change, and take the necessary steps to implement those changes. The team will identify areas in need of increased capacity and hire appropriate (2) people to fill those needs, such as a Director for the Community Land Trust, a construction manager, and compliance officer. Additionally, staff will pursue (3) production of new affordable housing, working with the CLT to acquire land. Finally, through the work of the Housing Collaborative, the team will help to implement a (4) promotional campaign which will educate communities on the true benefits of affordable housing and ensuring all communities have a diverse housing market.

**Section b. – SOUNDNESS OF APPROACH**

**Section b. i. – What is your vision?**

Through the four pillars established, Hamilton County will work with each municipality to establish systems and policies which seamlessly and efficiently produce Affordable housing units alongside market rate units. Hamilton County will also offer support to local organizations working to create additional affordable housing, or those working to provide voucher assistance to eligible households at risk of homelessness. A Community Land Trust will be established as a tool allowing for the acquisition of land which can be made available for Affordable Housing development, both rental and homeownership. Marketing and education campaigns will increase awareness of the value and impact of providing quality affordable housing for the entire county.

**Section b. ii. – What is your geographic scope?**

The geographic scope of this proposal includes all of Hamilton County. Special attention will be given to the four cities of Carmel, Fishers, Noblesville, and Westfield, as CDBG Entitlement participants experiencing continued rapid growth. The unincorporated areas of the county will

**Section b. iii. – Who are your key stakeholders? How are you engaging them?**

Key stakeholders include staff and policymakers for each of the municipalities, local nonprofits serving low-income households, and private housing developers. Representatives for each of these stakeholder groups are active members of the Housing Collaborative which has been committed to addressing affordable housing issues since 2018. The Collaborative will continue to meet regularly, establishing concrete actions to take as part of this grant proposal.

**Section b. iv. – How does your proposal align with requirements to affirmatively further fair housing?**

Many communities across the United States have begun to recognize some common policies regarding planning and zoning violate fair housing laws. An example of this would be the restriction of projects in a Planned Unit Development (PUD) which utilize subsidized funding. This type of “exclusionary” zoning allows restrictions, such as minimum lot size or square footage of the dwelling, to be placed on the type of housing that can be built in a designated area. Hamilton county leaders recognize the value of a diverse housing stock and will continue to move their communities towards inclusionary zoning encouraging the development of affordable housing alongside market rate housing.

**Section b. v. – What are your budget and timeline proposals?**

There is certainly no quick fix to the identified affordable housing obstacles. Time and patience will be key to achieving the goals set forth in this proposal. It is anticipated to take 24 months to update local land use policies, approximately 8 months to establish an operational Community Land Trust, an estimated 24 to 36 months to complete the construction of an affordable housing project, and up to 8 months to initiate community engagement through strategic messaging.

**Section c. – CAPACITY**

**Section c. i. – What capacity do you and your Partner(s) have? What is your staffing plan?**

A strong working relationship has been established between County staff, Noblesville Housing Authority staff and HAND, Inc. staff, who serve as the Team for this proposal. This core team is experienced in affordable housing development, can navigate through municipal procedures to update policy, and will utilize its connections to partner with consultants and organizations to achieve its goals.

**Section d. – LEVERAGE**

**Section d. i. – Are you leveraging other funding or non-financial contributions?**

Several sources of local and federal funds will be leveraged as part of this effort. CDBG Entitlement funds and ARPA funds will be utilized for land acquisition and affordable housing construction. Local Foundation funds will help with community engagement and the establishment of the Community Land Trust.

**Section e. – LONG-TERM EFFECT**

**Section e. i. – What permanent, long-term effects will your proposal have? What outcomes do you expect?**

With updated land use policies and procedures at the municipal level, we will see affordable housing seamlessly created alongside market rate developments. Nonprofit developers will experience reduced red-tape and fees as they propose affordable housing developments to local leaders. The Community

Land Trust will maintain strong partnerships with municipalities and private developers to not only create more affordable housing, but also retain the Affordable status through restrictive covenants on Trust-owned properties.