

## **AP-75 Barriers to affordable housing – 91.220(j)**

This document outlines the actions 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.

### **Strategies to Remove or Ameliorate the Barriers to Affordable Housing:**

**“The Human Relations Commission should improve marketing outreach to community and public housing residents on how to file discrimination grievances pertaining to housing.”**

- The Evansville-Vanderburgh County Human Relations Commission (HRC) has engaged in several activities and events to educate the community on how to file a complaint alleging discrimination in housing to include public housing residents. Moreover, the following is an update on fair housing outreach and education efforts beginning in 2021 and is ongoing. The following is an update on activities since April of 2023.
  - A. On April 16, 2024, the HRC sponsored a Fair Housing Summit during Fair Housing Month to commemorate 56 years since the passage of the Fair Housing Act. More than 100 individuals attended the all-day event. Attendees included renters, homeowners, realtors, public housing authority staff, and community members in general. The summit featured Richard Rothstein, co-author of the book, *Just Action: How to Challenge Segregation enacted under the Color of Law*. There were presentations by HUD officials, fair housing attorneys and practitioners. Presenters and speakers included the following: Mayor Stephanie Terry; Diane Shelley, Great Lakes Regional Administrator, U.S. Department of Housing and Urban Development; Lon D. Meltesen, Region V Director, Office of Fair Housing & Equal Opportunity, U.S. Department of Housing & Urban Development; Kolbi Jackson, Executive Director, Department of Metropolitan Development, City of Evansville; Steve Tomkowiak, Executive Director, Fair Housing Center of Metropolitan Detroit; Kurt Eckert, Attorney with Trimble & Jewel (representing Property Owners & Managers (POMA); Joshua V. Barr, Chief Strategist and President, Raising The Barr, LLC; Adriana Figueroa, Assistant U.S. Attorney, U.S. Attorney’s Office for the Southern District of Indiana (YSAO) Colette Massengale, Esq., Senior Policy Representative, National Association of REALTORS; and Amy Nelson, Executive Director, Fair Housing Center of Central Indiana; The event received support from the Southwest Indiana Association of REALTORS for the second year.
  - B. Executive Director Diane Clements-Boyd recorded a segment on WNIN Newsmakers on April 23, 2024, discussing the Fair Housing Act and how to file a complaint of discrimination.
  - C. Also, during Fair Housing Month in April of 2024, information on how to file a fair housing complaint appeared on the back of Evansville Water & Sewer Utility bills. The information appeared: “April is Fair Housing Month. If you believe that you have been discriminated

*against in housing transactions to include rentals, sales, mortgage lending, homeowner's insurance, appraisals, advertising or zoning and land usage, on the basis of race, color, religion, sex, disability, familial status or national origin, please contact the Evansville-Vanderburgh County Human Relations Commission at (812) 436-4927 or email [hrc@evansville.in.gov](mailto:hrc@evansville.in.gov). FAIR HOUSING IS YOUR RIGHT!"*

**"The City, along with local utility companies, should continue to assist low-income homeowners with weatherization programs."**

- The Community Action Plan of Evansville and Vanderburgh County (CAPE) continues to offer the Weatherization Assistance Program. The Weatherization Assistance Program (Wx) provides energy conservation measures to reduce the utility bills of low-income residents in our community. The program offers residents a solution to reducing their energy bills by making their homes more energy efficient while ensuring health and safety.
- CenterPoint Energy contracts with CleaResult who does free home energy assessments for low-income customers. CleaResult provides cost saving measures (updating shower heads/light bulbs/air duct cleaning/repair & maintenance of ventilation systems and much more) which over time can lower energy costs as well as provide for a healthier home.

**"The City should encourage housing developers to build/rehab affordable housing for extremely low-income households. A large portion of renters and homeowners have monthly payments that exceed 30 percent of their household income."**

- When and where projects have enough subsidization to cash flow, Memorial Community Development Corporation (MCDC) attempts to include 30% AMI units. The majority of MCDC units developed are 80% and below. MCDC's last tax credit project, put into service in January 2022, included 12 units or 24% of the total project units made available at the 30% or extremely low-income rate. For all projects, MCDC attempts to ensure that tenants are not paying more than 30% of their income towards rent. The majority of rents are below even the allowable amounts on HUD high/low rent and tax credit limit amounts. For example, MCDC's older tax credit units that have 2 BR 30% AMI units are currently being charged \$350-\$375 per month while the allowable amount is \$589. For 1 BR 80% units MCDC charges \$425 per month while the allowable amount is \$1,311. Even with utility allowances added in, MCDC rents are lower than allowed/maximum amounts.
- Habitat for Humanity of Evansville, Inc. is an Equal Opportunity Housing provider. Habitat serves low-income families whose household incomes fall between 35%-80% Area Median Income. Habitat is an affordable homeownership program. Applicants are selected based on their need for housing, ability to pay a 0% interest mortgage and their willingness to partner with Habitat by performing 300+ hours of sweat equity. Habitat has specific mortgage underwriting criteria, policies, and procedures. Applicants can apply online or pick-up an application at the Habitat office. Currently, applications are accepted throughout the year. In addition to building homes, the Habitat program includes an educational component which incorporates a financial

literacy course, home maintenance courses, and other courses to prepare applicants for the joys and responsibilities of homeownership. Since 2016, the demographics of applicants served by Habitat are as follows: 43.15% White/Caucasian; 50.0% Black/African American; 1.37% Asian; 5.48% Mixed Race Households; Hispanic ethnicity 2.05%. Habitat for Humanity seeks to close the gap in homeownership rates that exists between Black/African Americans households and White/Caucasian households. Habitat for Humanity of Evansville ensures mortgage payments are less than 30% of the applicant's gross monthly income and the applicant's debt to income ratio is 40% or less. At the present time, Habitat plans to build 20+ single family homes annually, however increasing its capacity to serve more individuals and families is at the forefront of Habitat's future plans. Habitat builds homes in neighborhoods in need of revitalization and finds that by building in concentration in these neighborhoods, the investment in housing has a positive impact on the surrounding community. Habitat also builds with volunteers which allows the organization to keep the cost of construction comparatively low.

- The Evansville Housing Authority (EHA) established Advantix Development Corporation in 2007, a 501 (C)(3) subsidiary with its own board of directors, to foster the rehabilitation and adaptive reuse of some housing units owned but unused. EHA was able to convert its entire portfolio of 888 units of public housing to the Rental Assistance Demonstration (RAD) program. This transformation allowed EHA to utilize tax credits and project-based vouchers (PBVs) for these units as a more stable funding platform going forward.

Advantix is in the process of completing preservation and rehab work for 60 units of existing scattered-site housing throughout the City of Evansville. In addition, the Evansville Townhomes III project is well underway to preserve and rehabilitate 32 units of existing affordable housing AND create 32 newly constructed single-family units on vacant, abandoned lots throughout the City of Evansville. This will magnify ongoing efforts by EHA and many other organizations throughout the City to revitalize rundown areas of town.

Advantix will continue to look for opportunities to make affordable housing units more available to those in need by submitting tax credit applications to the Indiana Housing and Community Development Authority. Executive Director, Rick Moore, continues to be fully engaged with the community, has nearly 40 years of leadership in low-income housing and management, and is committed to securing additional opportunities to improve and add to the availability of much-needed affordable housing in this area.

- 100% of ECHO's supportive housing developments calculate monthly rent amounts at or below 30% gross income. Single family rental home rates are half (or less) of the 2024 HUD Fair Market Rent.

**“The City should review CHDO leases for provisions allowing pet exceptions for service animals. The City may also establish criteria to guarantee the animal is a trained service animal and needed to accommodate a disability.”**

The City of Evansville encourages developers receiving federal funding for rental housing development to have a pet exception for service animals in their leases. In March of 2024, DMD requested confirmation that Evansville CHDO's have procedures in place for clients with service animals; these were the provided responses:

- Memorial Community Development Corporation's legal provider has provided a framework to determine when and where pet accommodations are necessary. If a service animal is an actual service/trained guide animal, it is accommodated and allowed. If it is an emotional support animal, there are guidelines that must be followed, and if all criteria are met, then the animal is allowed. Memorial included feedback to the City of Evansville regarding service animals:

“It would be beneficial to receive specific language from the city to make it more clear in applications and leases without complicating the documents for potential tenants.”

The City has addressed this feedback by providing reference to HUD's Assistance Animals Notice FHEO-2020-01 under a Service Animal Definitions subsection within housing contracts.

- ECHO authorizes service animals 100% of the time. To date, we have approved reasonable accommodation requests for Emotional Support Animals (ESA)s 100% of the time. Every tenant receives fair housing documentation that discusses the reasonable accommodation process during move-in and at annual recertification which includes pet exceptions.
- CAPE allows eligible households to have registered service pets to accommodate disabilities.

**“The City should continue to convene roundtable discussions with residents and leaders from the Black/African American community, as well as lenders and real estate professionals to identify solutions to low homeownership among Black/African Americans.”**

- Memorial CDC is a predominantly African American developer with local, state, and national ties to various professionals, agencies, and organizations that work to provide empowerment solutions to the African American community. Additionally, MCDC has created a community plan in which Housing is a pillar of importance to ensure that affordable housing and home ownership is attainable for Black people. While MCDC doesn't strictly allow only Black people to purchase, lease, or rent from MCDC, we do have specific marketing and discussions with Black people and other people of color in an attempt to close the wealth gap.
- Old National Bank's Community Development & Outreach division prioritizes community listening sessions and needs assessment discussions as a standard business and community engagement practice. Information gained from these activities is documented and strategies are then developed to determine how to best utilize internal and external resources to make a meaningful impact. In keeping with these practices, Old National Bank team members will continue to participate in roundtable discussions convened by the City to identify solutions to low homeownership among Black/African Americans and will offer input, support, solution recommendations and resources accordingly.

**“Community Development Corporations (CDCs) and Community Housing Development Organizations (CHDOs) should continue to partner with financial institutions to offer financial literacy programs in low-income census tract neighborhoods with low homeownership rates.”**

- All of Memorial CDC’s homeowners receiving down payment assistance must go through a financial literacy program of some sort. The majority go through another CHDO (HOPE of Evansville); others have gone through CAPE and other local financial institutions such as Old National and German American Banks. Additionally, MCDC offers financial literacy courses to youth through our various youth programs as well as to adults through our Empowerment Wednesday opportunities that MCDC hosts.
- ECHO has and continues to partner with financial institutions including, but not limited to, Fifth Third and their mobile outreach, Old National Bank, & Edward Jones. We also partner with the Regional Workforce Board to provide financial literacy as it relates to gaining and maintaining employment.
- CAPE offers financial literacy through our certified housing counselors, and we also partner with local financial institutions to provide financial literacy and education to the community. We are going to specifically offer financial literacy workshops in low-income census tracts.

**“The City should engage CenterPoint Energy to ensure the emergency utility assistance program funds are reaching who most need the funds.”**

- The Mayor & the City of Evansville hosted the “Access to Service Fair” at the CK Newsome Center monthly from November 2022 – March 2023. CenterPoint’s Customer Service team met with customers in person to assist with various programs such as pay arrangements/budget bill and energy savings tips. We also referred customers to Evansville Water & Sewer Utility, the Township Trustee offices and CAPE for other assistance. Additionally, representatives from CenterPoint Energy have been in discussion with the new Administration in hopes of continuing this event through 2024-25. CenterPoint Energy also provides in person assistance to customers at the annual Homeless Connect of SW Indiana, which was held in March 2024.