

## INTRODUCTION

The City of Fort Wayne receives federal grant funding from the United States Department of Housing and Urban Development (HUD) to address its housing and human service issues. In order to apply for such funds the City must prepare a planning document that sets the stage for the overall development of the local community called the Consolidated Plan. The Consolidated Plan is a strategic five-year overview of the community's needs and specific actions for addressing those needs.

Three federal entitlement grants make up the majority of the funding that supports the activities detailed in this report: the Community Development Block Grant (CDBG) Program, the HOME Investments Partnership Act (HOME) Program and the Emergency Shelter Grant (ESG) Program. In sum, the City received over \$4 million in HUD entitlement funding through these various grant programs.

This Consolidated Annual Performance and Evaluation Report (CAPER) will summarize the actions and accomplishments of those activities undertaken by the City, in 2003, to meet the objectives set out in the Consolidated Plan. The 2001-2005 Consolidated Plan priorities can be grouped into eight (8) major focus areas:

- Preserve Housing Opportunities
- Increase Homeownership Opportunities
- Increase Supply of Viable Rental Housing
- Eliminate Unsafe Buildings and Sites
- Support Capital & Enterprise Development
- Aid Supportive Services Activities
- Support Special Needs Housing
- Support Neighborhood Empowerment

### **Leveraging Resources**

In the 2003 Program Year, the City of Fort Wayne partnered with many community organizations to fund affordable housing, homeless prevention, and supportive service projects. The City, as an investor in community-based, community-driven strategies that address community needs, works to fill gaps in applicants' projects, rather than fund the majority of a project or program. This policy has allowed for the City to maximize the amount of housing and services provided, using the grant dollars that are received from the U.S. Department of Housing and Urban Development. In addition to matching HOME and ESG funds with other funds, each year, the City of Fort Wayne matches Community Development Block Grant (CDBG) dollars with several other community partners. These partners, which include, but are not limited to, the United Way of Allen County, Fort Wayne Common Council CEDIT funds, Indiana Department of Workforce Development, Community Action of Northeast Indiana, Fort Wayne Housing Authority, local foundations, Fort Wayne Urban League, Goodwill of Northeast Indiana, Division of Public Works and Utilities and Fort Wayne Parks and Recreation Department

## **Informing the Public**

The CAPER is free of charge and available to the public. A copy of this report can be obtained at any Allen County Public Library branch location and on the web at [www.cityoffortwayne.org/commdev](http://www.cityoffortwayne.org/commdev). For those not desiring to read the entire CAPER a supplemental Summary Table has been provided and is available at the end of this report

Key elements of the 2003 CAPER were presented to citizens during a public meeting held on March 8, 2004. The CAPER was subsequently published on March 14, 2004. No citizen comments were received. Please refer to Exhibit E for evidence of public notice for CAPER Review.

## **HOUSING**

In the 2001-2005 Consolidated Plan, owner and rental housing for very low income individuals, families, and elderly residents was identified as a priority need along with housing opportunities for all low income residents regardless of family size and age. In addition to these priorities, the City of Fort Wayne has identified the need to retain and attract higher income households into the central part of the city. Objectives are to rehabilitate and/or newly construct housing units throughout Fort Wayne. Thereby, improving the overall quality of housing stock and availability of affordable housing throughout Fort Wayne.

A “model blocks” approach to affordable housing development is one of the many strategies the City worked to develop in 2003. By requiring nonprofit housing developers to be more strategic about development projects, the nonprofit housing developer, City and neighborhoods benefited. Many of these changes are described in the City’s new Housing Strategy. For further information on how this new strategy is positively affecting the way in which the City now approaches community development and neighborhood revitalization, please refer to the heading *Adjustments to Strategies: Housing* under **Gaps in Institutional Structure**.

### **Eliminate Barriers to Affordable Housing**

The Fort Wayne Metropolitan Relations Commission (Metro) runs a Fair Housing program whose aim is to eliminate bigotry and discrimination through education, training of local residents, and complaint processing.

During 2003, Metro conducted Fair Housing seminars for Fort Wayne’ Area Association of Realtors, Guardian Management (and apartment manager’s and landlords association) and the Fort Wayne Chamber of Commerce. Metro has also translated its informative brochures into Spanish and was able to deliver the Fair Housing message in Spanish, Burmese, Polish, and Vietnamese through an outreach commission in partnership with the Northwest Indiana Open Housing Center of Gary.

For the 2003 Program Year, the Metro Housing Database contains 15 charges. Of these charges, five were carried over from 2002 and ten were opened in 2003. A total of twelve were closed. Six were closed for no reasonable cause, one for failure to locate, one for failure to cooperate and three reached settlement. Therefore, a total of three open cases in the database at the end of the year were left open.

### *Affirmative Marketing*

Methods for informing the public, owners, and potential tenants about Fair Housing laws and the participating jurisdictions affirmative marketing policies consist of several activities. The placement of the Equal Housing opportunity logotype or slogan in press releases and solicitations, use of commercial media, use of community contracts, and display of fair housing posters in public areas of offices are just a few opportunities used to promote fair housing. In addition, affirmative marketing requires that the applications be solicited from persons in the housing market area who are not likely to apply for housing outreach. The use of community organizations, places of worship, employment centers, fair housing groups, or housing agencies are recommended ways to reach these groups.

The City of Fort Wayne also monitors all Project Sponsors annually. One aspect of these monitoring visits is to determine whether the Project Sponsor is in compliance with the affirmative marketing requirements. The City requests copies of housing advertisements or marketing materials from Project Sponsors that include the equal housing opportunity logo or slogan. In addition, the city verifies that the fair housing posters are displayed within a public space in the Sponsor's office. The Project Sponsor is also required to provide a description of what is being done to affirmatively market HOME-assisted housing if the number of units exceeds five (5). In 2003, the City provided extensive technical assistance to one nonprofit housing development organization in this regard following a monitoring visit.

### **Impediments to Fair Housing and Actions to overcome them**

In the 2002 CAPER, the City reported that no public policies were found to be impediments to fair housing. In 2003, the City organized several government agencies into a local version of the Interagency Council on Homelessness. This council will mirror the federal model and is called by the same name. The need for such an organization was somewhat based on a conversation with the Allen County Community Corrections department regarding housing choice barriers for many of its returning offender population. An extensive study of impediments to fair housing choice is currently underway.

Lack of affordable housing, along with the difficulty low- and moderate-income residents face to maintain their houses, can represent an impediment that should be remedied through strategic planning for the resources represented in this document. A housing needs analysis is currently being undertaken by the City's Planning Department, with assistance from the Community Development Projects office. Another barrier to

affordable housing is caused by poor/no credit and down payment assistance and/or closing cost assistance.

In regards to down payment and closing costs assistance the City of Fort Wayne launched a Homeownership Program in 2003 that provided up to \$2,000 in downpayment and/or closing costs assistance to families/individuals meeting income and residency guidelines under the Program.

The Fort Wayne Housing Authority's Comprehensive Housing Counseling Program provided direct counseling to residents as a means of keeping them from losing their homes. Last year, they served 121 low/mod income residents in one or more of the following: obtaining FHA Mortgages, V.A. Mortgages, Pre-Purchasing Counseling, Consumer education, and Rental Delinquency.

### **Foster and Maintain Affordable Housing**

The City of Fort Wayne provided CDBG and HOME funds to several nonprofit agencies providing affordable housing and home repair services. The CAPER Summary Table provides information showing that the City provides funding for new construction and rehabilitation of houses and rental properties.

A few agencies that required added attention to their efforts on fostering and maintaining affordable housing, such as East Wayne Street Center (EWSC) and Housing and Neighborhood Development Services (HANDS) partnered in 2003 to provide a pilot program that attempted to provide a "no-wrong-door" approach to the City's Emergency Repair Program. Under this program, qualified applicants who contacted either EWSC or Allen County Council on Aging (ACCA) for home repair assistance that required a licensed contractor were assisted. HANDS staff have significant expertise in application processing and document preparation, as well as construction management. Therefore, EWSC and ACCA provided intake and prescreening services and HANDS provided loan processing and construction management services. The program was funded at \$200,000, an amount that allowed for 10 additional residents to receive emergency home repairs. Partners, EWSC and ACCA, received more than 150 requests for assistance under this program alone.

#### *East Wayne Street Center*

East Wayne Street Center, received \$75,000 in 2003 for its Community Home Repair program. This citywide program provided non-licensed labor for minor home repairs and maintenance that focuses on the elderly and disabled population. With its allocation EWSC provided services to 129 low/moderate income households. This program was initially created in response to a community need identified by East Wayne Street Center: to fill the gap where prospective HANDS clients were turned down for lack of payback ability. Thus, this program provides services to meet worst-case needs in the community. Recognizing the importance of payback ability NOT precluding a low/mod income person from receiving assistance, the aforementioned Pilot program required only a 10 percent payback. In addition, no customer was turned away for lack of payback ability.

### *Housing and Neighborhood Development Services (HANDS)*

In 2003 HANDS received a total of \$1,098, 248 CDBG and HOME funds to run three programs: the Emergency Repair Program, the Rental Rehabilitation Program and the Moderate Repair Program. With its allocation HANDS initiated 122 projects in 2003 and provided technical assistance, such as work site inspections, bid packages, final inspections, loan services, and many other services, to numerous community private, not-for-profit agencies. The details of these programs are as follows:

HANDS provides loan services including loan origination, processing, underwriting, closing and collections for Emergency Repair, Moderate Repair and Rental Rehabilitation programs. Construction management services provided for these programs include inspections, cost estimates, bid specifications, bidding, bid review and analysis, contract preparation, pre-construction conferences and inspections for payment. Assisted organizations include the Central City Housing Trust Fund, Youth Life Skills program, Fannie Mae Home style Program, City of Fort Wayne Emergency Shelter Grant sub-recipient agencies, HUD Supportive Housing Program sub-recipients and other agencies.

### *Youth Life Skills (YLS)*

In 2003 received \$75,000 for its housing/job training program. As a result, YLS provided job training, mainly in the construction trades, to more than 219 community residents, two housing units received quality rehabilitation, and smoke detectors were installed in two senior citizen homes. This program, like East Wayne Street Center mentioned above, provides housing rehabilitation services to meet the community's worst-case needs.

### *Central City Housing Trust Fund*

The Central City Housing Trust Fund worked with central city churches and other non-profits to rehabilitate homes located in Fort Wayne that are owned by low and moderate-income persons. In 2003, two homes received assistance through the HOME program. This program serves a mostly elderly clientele and provides grant funding; thereby, serving some of Fort Wayne's most needy.

## **Improve Overall Quality Stock**

During 2003, the City provided funding to Neighborhood Code Enforcement (NCE). Under the Eliminate Unsafe Buildings and Sites objective, the funds allocated to NCE are used to board up unsafe deteriorating buildings while they await rehabilitation and, in cases not suitable for rehabilitation, demolition. The cases are first addressed through code enforcement which seeks voluntary compliance, and as a last resort, demolition. The enforcement is obtained through formal hearing within the Fort Wayne Superior Court.

### *Community Development Corporations*

Local community development corporations (CDCs) carried out most of the activities designed to improve housing for low and moderate-income residents. In 2003, Fort Wayne's community housing development organizations provided the following benefits to the Fort Wayne community:

#### Community Housing Development Organizations (CHDOs)

These agencies are certified by the City of Fort Wayne to receive funding because they have 1) among their purposes the mission to provide affordable housing 2) maintain that at least 1/3 of the governing board represents Fort Wayne's low to moderate income population by either having an income that is no more than 80 percent of Median income or resides in a low/mod income census block. The federal requirement is that entitlement communities like Fort Wayne must set aside at least 15 percent of its Home Investment Partnerships Act (HOME) allocation for CHDO-eligible activities where the agency either owns, sponsors or develops housing for low/mod income persons. Activities include acquisition and rehabilitation, new construction of housing for homeownership or to rent to income-qualifying persons, down payment assistance for homeownership, etc. They do not include homeowner rehabilitation. Housing and Neighborhood Development Services (HANDS) provides this type of programming. Please refer to the CAPER Summary Table for supplemental information.

#### Fort Wayne Neighborhood Housing Partnership

Approximately \$172,500 in HOME and Community Development Block Grant (CDBG) funds were provided to the Partnership in 2003 for eligible housing-related activities. This agency received approximately 50 percent of the funding that was imparted to CHDOs. The Partnership counsels and assists prospective homeowners with credit clean up, training, pre- and post-purchase counseling. The agency also constructs and rehabilitates homes under the HOME program. The most significant activity focus for the Partnership, however, is in making loans to individuals who do not qualify for mortgage loans with local banks. In 2003, FWNHP made 70 mortgage loans to low-mod income households. Out of those 70 loans, 58 had an escrow for rehabilitation. Meaning, the mortgage included costs for rehabilitating the new home. Please see the Caper Summary Table for additional information.

In 2003, the Partnership partnered with the City, Fort Wayne Housing Authority and Bank One to rehabilitate 11 housing units in its existing housing stock, mostly in the southeast quadrant. The project focus was to provide rental housing for Fort Wayne Housing Authority Section 8 Family Self-Sufficiency program clients.

#### Project Renew

Approximately \$90,000 in combination of CDBG and HOME funds were allocated to Project Renew in 2003 for eligible housing-related activities. This was nearly 22 percent of the funds imparted to CHDOs. Project Renew works with prospective homeowners to educate them on all aspects of owning a home. They also, like the Partnership, arrange financing for prospective homeowners who do not qualify for traditional bank financing. Project Renew rehabilitates homes and constructs housing with CDBG and HOME funds.

In 2003, the City partnered with Project Renew and the Federal Home Loan Bank's Neighborhood Improvement Program (NIP). Under this program the City provided \$25,000 in CDBG funds for rehabilitation costs over and above the funds provided through the NIP Program's 3-to-1 match program. Homeowners in the Hanna-Creighton and LaRez neighborhoods were targeted under this program and it is expected to be completed by mid-year of 2004

### **Facilitation of PHA Participation**

As listed above under **Impediments to Fair Housing and Actions to Overcome Them** it is outlined how the City partners with the FWHA in offering extensive housing counseling services for a variety of programs to area residents.

Over the past year the City and FWHA have begun working to strategically align with one another on projects. This has already begun with a joint planning project to discern the need for affordable housing units. In addition to this, FWHA has been certified by the City as one of many new CHDOs certified by the City in 2003.

FWHA has been project-basing some of their Section 8 portfolio in an attempt to rejuvenate McMillen Park Apartments in partnership with the City. Finally, the City provided \$30,000 in 2003 toward the FWHA's HUD-approved homeownership counseling program that is funded through a HUD Housing Counseling Grant and CDBG Public Services dollars.

### **Actions Taken to Meet the Needs of the Underserved**

The 2001-2005 Consolidated Plan identifies the following populations as under-served: elderly, physically disabled, mentally ill, developmentally disabled, and those with alcohol and/or drug addictions.

The City focused a large portion of its Public Services funds on activities to meet the needs of under-served populations. Many homeowners live on fixed-incomes that do not allow them to properly maintain their homes. In addition to providing seniors with housing repairs through the Community Home Repair Program administered by the East Wayne Street Center, the City allocated 23 percent of its Public Services funds on housing-related services, such as one-on-one homeownership counseling, supportive housing services for transitional housing providers. This resulted in approximately 500 low and moderate-income persons receiving housing related services.

## HOMELESSNESS

In the 2001-2005 Consolidated Plan the City of Fort Wayne identified increasing the number of emergency shelter beds, the number of permanent supportive housings beds, and the number of transitional housing beds that are available to individuals and families with children. The City also identified the need to assist in establishing a single point entry into the CoC process, increasing job and life skills training, and to expand mental care, health care, and case management.

In 2003, the City was awarded \$105,000 in emergency shelter grant funds. Housing opportunities created for those with special needs include outreach, information and referral services for homeless persons; emergency shelter grant for families with children; crisis shelter in a medical setting for homeless mentally ill persons and legal services to prevent homelessness due to evictions. In previous year the HANDS department was responsible for completing the annual Continuum of Care application. This disconnection from the City's entitlement funds represented years of disjointed planning projects that separated the "system" that the Continuum of Care advocates from the housing funds that could very well complement it.

The Continuum of Care is a coordinated approach to address the physical, economic and social needs of the homeless population through the provision of emergency shelter, transitional and permanent housing, and supportive services, as well as technical assistance to providers of supportive housing and services. The development of this plan warrants a thorough examination of the needs presented in this community and the services available to meet those needs.

HANDS and the Community Development Projects Office partnered in 2003 in an effort to further integrate Continuum of Care and other planning processes and resources by connecting the Consolidated Plan with the Continuum of Care. The City hired a consultant, Nina Liou, from Philadelphia to assist in this effort. The City successfully won more than \$720,000 for projects meeting identified priority needs in the community.

The agency First Call for Help serves as a single point entry in the CoC system making referrals to clients to local agencies. During 2003, First Call took a total of 16,466 calls (duplicated) and placed 4,102 outreach calls. The four top referrals the agency made were to the Salvation Army, Associated Churches, East Wayne Street Center, and Lutheran Social Services. See [CAPER Summary Table](#) for additional information. 16,466 calls were received throughout 2003. 4,102 follow up calls and advocacy call backs were placed. Additionally, First Call for Help became the first full county 2-1-1 center to implement the 2-1-1 dialing code.

In 2002, Park Center, Inc. was awarded a \$951,900 capital advance and a \$210,500 five-year rental subsidy through the section 811 program, which provides funding to nonprofit organizations to develop rental housing with the availability of supportive services for very low-income (less than 50% of area median income) adults with disabilities, and provides rent subsidies for the projects to make them affordable. An allocation of funding

has been approved for a 14 unit apartment for persons who are chronically mentally ill. Each unit will have a bedroom, living/dining room, kitchen and bathroom. The community room will feature a computer area, kitchen and storage area, plus a screened porch. The community room will be used for both social and supportive services.

In 2002, Christ Temple Development Corporation was awarded a capital advance allocation of \$2,505,200 and a \$511,000 five-year rental subsidy of Section 202 funding for a 35 unit independent living apartment building for the elderly. Additionally the City invested \$10,000 in CDBG funding in this project in 2003. An allocation of funding has been approved for a 35 unit independent living apartment building for the elderly. It will be a 3-story building consisting of 34 1BR units and one 2BR unit for the resident manager. The project will feature a community room with a kitchen, arts/crafts area, library, and computer room area. Units will be fully equipped with a kitchen, private bathroom, and living/dining & emergency situations.

### **LEAD- BASED PAINT HAZARD CONTROL**

In 2000, the Department of Housing and Urban Development (HUD) made significant changes to its lead-based paint regulations. The goal of these changes was to improve the health and welfare of children living in federally assisted housing. As the primary conduit between the federal government and the community organizations that carry out low-income housing projects, the City began to gather information and to formulate a plan to ensure that the effect of these new regulations would have a limited financial impact on these organizations and their projects.

As a result, the Housing and Neighborhood Development Services (HANDS) department began providing technical assistance by providing lead-based paint assessments free of charge to non-profits in Fort Wayne on a request basis. In 2003, the focus of this agency was to provide not only free lead-based paint assessment services, but HANDS also partnered with Community Development Projects in the management and monitoring of the construction/rehabilitation process for nonprofit housing developers and sub-recipients. HANDS construction staff provided work site inspections, bid packages and final inspections for all federally funded projects.

In 2003, the City of Fort Wayne sponsored a free lead-based paint certification for area CDCs and H.A.N.D.S. subcontractors and contractors. Persons attended received a six month certification for Lead-Based Paint Safe Work practices.

The City of Fort Wayne has recently begun an effort with the Allen County Department of Health to eliminate lead poisoning in Fort Wayne. The Allen County Health Department has taken a leadership role in working with a number of organizations in Fort Wayne to increase their awareness of the problem and understand ways to address the issue.

## COMMUNITY AND ECONOMIC DEVELOPMENT

In order to promote community and economic development in Fort Wayne the Consolidated Plan recognized the need to provide micro enterprise and technical assistance to local businesses. Supplementing these objectives with improving area flood drainage, neighborhood cleanups, improving sewer and water developments, and sidewalk and street improvements. The following sections, along with the CAPER Summary Table describe the actions taken by the City in 2003.

The City’s Community Development Corporation (CDC) provides low interest rate loans to small businesses that are not bankable with other local lending institutions. Community Development Block Grant funds revolve annually and are recycled to new applicants in targeted areas. In 2003, the CDC closed seven loans with a blend of CDBG and other bank funds that totaled more than \$420,000. With those 2 loans 25 new jobs were created and retained. The chart below demonstrates the title and number of jobs created and/or retained for low/moderate income individuals.

<b>Job Title</b>	<b>Number of Jobs Created For Low/Mod</b>
Service Technician	1
Fitter/Welder	1
General Labor	1
Tube Bender	6
Robot Weld System Operator	3
Customer Service	2
Assembly and Testing	6
General Machine Operator	5

Please refer to Exhibit I for additional information on program income, expenses and loans forgiven.

### **Minority Outreach**

The City encourages a level of effort be made to utilize minority- and women-owned businesses. This minority outreach program ensures the inclusion, to the maximum extent possible, of minorities and women in all contracts entered into by the City in order to facilitate affordable housing activities. The following chart depicts the contract and subcontract amounts awarded to minority business enterprises (MBE) and women business enterprises (WBE) in 2003.

<b>Type of Contract</b>	<b>Total Dollar Amount</b>	<b>Amount to MBE</b>	<b>Amount to WBE</b>	<b>Percent of Total to MBE/WBE</b>
Contract	2,085,287.06	134,123.00	3525.00	6.6%

The Home Program’s goal of improving the utilization of minority and women-owned businesses for purchases, consulting services, construction and economic development

projects has been successful. However, the objective to make Fort Wayne a city where all people have an equal opportunity to participate in business activities continues to be a focus. The Home Program promotes minority and women-owned business participation through the following activities:

- All HOME project agreements stipulate that project sponsors shall use its best efforts to use minority businesses.
- HOME project sponsors are referred to the Contract Compliance Department for lists of MBE/WBE firms for contact and recruitment.
- The City's Office of Metropolitan Human Relations Commission conducts outreach activities to ensure the minority and women-owned businesses are aware of the availability of funds.

The City is continuing to improve its efforts in regards to outreach to minority and women-owned businesses. In 2003, the City began to more closely monitor for contractor/subcontractor engagement opportunities as it relates to federally funded projects with HOME and CDBG funds through its enhanced quarterly reports.

### **Neighborhood Revitalization**

#### *Building Strong Neighborhoods*

The primary goals associated with Building Strong Neighborhoods include preserving and increasing homeownership, increasing the supply of rental housing for low income residents, eliminating unsafe buildings and areas, and supporting development and neighborhood empowerment. The City used CDBG and HOME funds to acquire and rehabilitate rental housing, and to make owner-occupied repairs to existing homes. The City met its goals by funding over 223 owner-occupied repairs and provided over 200 homeownership opportunities through acquisition and rehabilitation and homebuyer assistance. In 2003, more than \$200,000 was invested in increasing the supply of rental housing for low-income residents. Nineteen new low-income rental units were produced in 2003. The 2003 goal of improving, demolishing and securing unsafe buildings was exceeded. Over 1,000 properties were brought up to code after receiving tickets for violations, 54 houses and 13 garages were demolished. Work began on key sites throughout the city designed to support inner-city housing and economic development. In 2003, twenty-one neighborhood blocks saw infrastructure improvements with CDBG dollars

#### *City of Fort Wayne Sub-Area Neighborhood and Commercial Capital Improvements*

Infrastructure continues to be a priority for Fort Wayne. Under this program \$373,222 in CDBG funds were used to leverage resources from various funding sources, such as community economic development income tax (CEDIT), Public Works Division of the City of Fort Wayne, etc., to provide infrastructure improvements in qualified areas of the city. The following chart represents leverage resources in this program.

Site Name	Total Project Costs	CDBG Funds	Percent of CDBG Funds Invested in the Project
West Central Neighborhood	71,456.21	25,000	34.99%
Fairfield Neighborhood	220,301.19	40,000	18.6%
Bloomingtondale	84,518.13	41,375.00	48.95%
Fairfield/Belmont	259,218.80	97,946.87	37.79%
Mount Vernon Park	186,899.70	186,899.70	100%
<b>Total</b>	<b>804,394.07</b>	<b>373,221.66</b>	<b>46.40%</b>

#### West Central Neighborhood

Ornamental street lights were installed in the 800 through 1300 blocks of Jefferson Blvd. This cooperative effort included four funding sources (Council District 5, CDBG, West Central Neighborhood and Council-at-Large).

#### Fairfield Neighborhood

A total curb replacement treatment that included spot sidewalk, surface drainage and driveway reconstruction was completed in the 2900 through 3800 blocks of Harrison Street. The majority of funding was in the form of a CREDIT bond as only one third of the area is in a block eligible area.

#### Bloomingtondale Neighborhood

This neighborhood received curb and sidewalk project that included drainage upgrades in the 1400 through 1500 blocks of Balthold Street. Funding sources included were CDBG, City Utilities, City CREDIT and Council District 4.

#### Fairfield/Belmont

A reconstruction of the 5400 through 5600 blocks of Hoagland Ave was completed. This included all new drainage, sidewalks, curbs and roadway. Total cost was shared between CDBG, Water Utilities and 5<sup>th</sup> District Council.

#### Mount Vernon Park

Several blocks of street were completely reconstructed in this neighborhood. The 800 through 100 blocks of Philly Ave and 4900 block of Weisser Park Ave received roadway, drainage, sidewalks and curbs. This project complimented a major park renovation to a

neighborhood park that included equipment upgrades and solution of major drainage problems.

## **SELF-EVALUATION**

### **Indicators of Impact in Identified Needs**

The City uses quarterly performance reports from sub-recipients as indicators of impact. These reports identify the number of persons served along with information on race and income level. The report also includes a narrative, which provides information on accomplishments. The City began its revamp of its performance and outcomes measurement system and by mid-year 2003 had new quarterly reporting forms, which allowed for better capturing of key data to assess outcomes. Please see the revised quarterly report form in the attached Exhibit F.

Additionally, recognizing the need to select higher-level indicators, such as vacancy rates, homeownership and rental percentages, to assess overall program impact in the expenditure of its entitlement funds as a part of its upcoming consolidated planning process, the City has begun to align by implementing area planning efforts. Community Development Projects has taken area data indicators and begun using them for programs planning and as an outcomes measurement tool.

### **Barriers to Fulfilling Strategies and Overall Vision**

In 2002, the City began work on the third year of its 2001-2005 Consolidated Plan. In November of 2002, the City received a letter from HUD offices regarding its comments on the City's 2001 CAPER. In it the letter described several areas, which were lacking in content and substance.

Specifically, the 2001 CAPER did not provide information that addressed how program income was being handled, the narrative descriptions "were vague and generic in scope and content", no information was provided in narrative form that described the type of rehabilitation programs undertaken in relationship to projects or units during the program year, results of on-site inspections were not specified, and "it appeared that there was little involvement and participation by the general public" and the City was "encouraged to assess its local process" to determine whether there were ways to improve participation. As a result, the City is currently revising its citizen participation plan to include broad-based citizen participation.

The previous monitoring strategy also lacked in that it was not specific and programmatic. It entailed visits to sub-recipients, but did not include a comprehensive analysis of the overall health of the program. The City has now dedicated a full-time staff person to this task and a monitoring strategy is underway. Quarterly reports were not assessed for overall performance. In 2004, as recommended by HUD, the City will be very specific in its contract language and performance measurements will be tightly

connected with funding. Further, all housing activities will be specific and measurable, using individual contract-based measurement systems.

### **Assessment of Progress towards 1-Year Goals**

The City's new Housing Strategy will provide a basis for allocating the 2003 CDBG/HOME Housing Contingency fund, as well as the upcoming draft of the City's Consolidated Plan. As is written in the cover letter to HUD for this document, data collection and storage of what data was collected is scarce and ambiguous. However, measures put in place for the 2003 funding year include:

- Pre-monitoring assessments that are currently being conducted on entities identified as being at-risk for providing poor data
- Standardized reporting and claims forms
- Training sessions for new and existing sub-recipients
- Creation of a policies and procedures manual
- Revising the City's Citizen Participation Plan

The activities undertaken by the City with federal dollars will now be grouped according to two overarching goals: Building Strong Neighborhoods and Family Self-Sufficiency.

#### *Family Self-Sufficiency*

The primary strategies aimed at achieving Family Self-Sufficiency included assisting organizations in providing supportive services for youths and seniors and providing employment training and other related services with CDBG funds. It provides operating assistance for homeless shelters to prevent homelessness with ESG funds. In 2002, 7,551 seniors, youth and individuals seeking employment were assisted with CDBG funds. The City supported special needs housing and services by providing over 25 services to individuals with special needs and the homeless through ESG.

### **Assessment of Progress towards 5-Year Goals**

The City of Fort Wayne Consolidated Plan is broken down into four basic areas: Housing, Continuum of Care, Lead-Based Paint and Community & Comprehensive Economic Development. In the Plan each area is described in the form of a strategy with primary goals detailed within each strategy. This structure has become somewhat counter productive in that historically although each strategy includes and affects the others, they have been funded in a separated fashion; thereby, creating a silo-like funding structure. These "silos" have resulted in the City's critical role of leadership, where grants administration is concerned, lacking somewhat in effectiveness.

This led City leadership to seek better and more effective ways of building the community by, among other things, better leveraging the highly valued resource it has in the entitlement grants provided by the Department of Housing and Urban Development

(HUD). Therefore, in 2002, the City of Fort Wayne convened several community members, including representatives from the banking community, funding community, developers, realtors, the local public housing authority, Fannie Mae Foundation and many others, to collaborate on a housing strategy for Fort Wayne. Through a competitive bid process a consultant team was selected to measure, study, and analyze Fort Wayne to provide a comprehensive plan using clearly set goals to improve community coordination and transparency among City departments, renew the city's commitment to neighborhood planning and better the overall property maintenance and appearance of Fort Wayne's housing stock. The firm selected was Wallace, Roberts and Todd (WRT), a firm based in Philadelphia.

In December 2002, WRT provided preliminary recommendations that resulted from its analysis of Fort Wayne. Although it is called a housing strategy, the contents of the recommendations really address the entire consolidated planning process and greatly centers around more effectively leveraging community resources to fully build the community. For additional information on the housing strategy please refer to *Adjustments to Strategies: Housing*

### **Overcome Gaps in Institutional Structure**

In 2002, several gaps were identified during the above-referenced analysis performed by a consultant team hired by the City to not only assess the city's housing environment, but to assist the City with being more strategic and outcomes based in creating a well-balanced housing environment within a community-building context. One of the key outcomes was the new Housing Strategy for Fort Wayne, which will be completed in mid-April.

A key recommendation where the City's federal funding process was concerned was that the City's processes should be transparent. This recommendation resulted in several changes to the City's process for planning, allocating and monitoring federally funded programs is the creation of a set of policies and procedures. It also caused the City to revise its Citizen Participation Plan, so as to allow more citizen input and greater understanding of CDBG, HOME and ESG programs. While the revisions are not yet complete, Fort Wayne looks forward to publishing these changes very soon.

Many of the changes that were fleshed out in 2002 are currently being implemented in 2003 contracts. One of such is a performance-based contract. In 2002, data collected and stored in the federal electronic data storage and retrieval system, IDIS, was ambiguous because those entering the information were not directly involved in the allocation and monitoring processes. Therefore, in 2003 the Community Development Projects Administrator will be responsible for collecting and entering the quantitative and qualitative data into IDIS. In addition to this, new data collection forms, which are project type-specific, are now available on the City's website. Finally, a listserv has been created so that the Administrator and other City staff may communicate with 2003 sub-recipients.

A key component of the 2003 federal grants management process is monitoring. In previous years the monitoring process was lacking in several regards. In addition to this, many of the city's community housing development organizations (CHDOs) did not receive the technical assistance from the City that was needed. Therefore, in 2003 a pre-monitoring visit has allowed staff to perform an assessment on each non-Public Services-funded sub-recipient to provide valuable technical assistance in data collection and storage methods, project selection and general files management. Further, City staff will begin providing financial systems advice and services to community development organizations as needed in 2003.

Finally, the implementation of a formalized application process in 2003 that requires information to allow staff to properly assess organizational capacity among other information has been key in managing requests for funding. Also, by assembling a team of Community Development staff, including the planning, grants management, neighborhoods, housing and geographic information systems functions, which is called the federal grants management team, the City is working toward a more citizen-driven, citizen-oriented process, as each of the aforementioned functions come into direct contact with the Fort Wayne community on a regular basis. Information is collected at community meetings, citizen input sessions, etc. to be used to select projects for funding. Further, a matrix that provides criteria that is weighted by citizens is the tool used by the Team to make well-informed decisions about funding.

#### *Adjustments to Strategies: Housing*

##### **1. Re-organize the Division of Community Development**

- Specific recommendations to be developed by City staff.

##### **2. Reintroduce planning as a central basis for activity at all scales within the City and County**

- Create neighborhood plans for 3-5 key areas. These plans should be models for planning efforts for other neighborhoods across the City. Work from outside in, i.e. focus on key corridors and change perceptions by quick, highly visible interventions, façade improvements on strategic streets, etc. Identify areas within the neighborhoods where homeownership is clustered and support and stabilize these clusters by building out from them and engage homeowners in strategy.
- Develop a plan to provide better services to the growing immigrant population in Fort Wayne and minimize/eliminate their exploitation by unscrupulous individuals/organizations.
- Develop a plan to accommodate a growing aging population as well as a disabled population – types of housing, location of housing, transportation needs, accessibility and visitability requirements, funds for housing modification – to promote their full inclusion into the community.
- Ensure that economic development entities and employers are included in all planning processes -- housing is an economic development issue.

- Continue to break down the “silos” within City government and increase coordination/communication between departments so that everyone is working on the same page.
- Continue to support the efforts of the school system to improve the quality of the schools as well as be involved with policy discussions to figure out how they can help to strengthen neighborhoods (community vs. magnet schools).
- Ensure that housing work is coordinated with, supports, and is supported by other plans going on in the City including the Comprehensive Plan, Invent Tomorrow, and Downtown Plan.
- Create partnerships with local universities (Ivy Tech, IPFW, IIT and St. Francis) to accomplish two items:
  1. Create student housing downtown
  2. Create off-site learning facilities in neighborhoods that universities can share to provide education and training

### **3. Improve the image and marketability of all of the City’s neighborhoods**

- Create a marketing strategy for all City neighborhoods and create an online presence for these activities. Support existing strong neighborhoods; maintain and add amenities in these neighborhoods. Links to police protection, good school choices, parks, etc.
- Strengthen current public relations activity. Get the Mayor out front in talking about and raising awareness of the housing activities occurring in the City.
- Conduct tours of different parts of the City. Get people into neighborhoods they haven’t visited in several years or ever – critical for realtors and others that sell/develop/rehab homes.
- Publicize the “facts” of what is actually going on in these neighborhoods to debunk myth, misperception, etc.
- Work with banks and realtors to promote neighborhoods

### **4. Create a transparent and coordinated process for City program and service delivery**

- Link objectives to CDBG funding – funds should be used for project financing and operations. Develop a pipeline approach; line up projects that are important to the city and do what it takes to get them done: fill gaps, provide TA; use private or public developers.
- Streamline development permitting in the City
  1. Publish the permitting process and roles of staff on-line.
  2. Create on-line permitting, i.e. government initiatives
- Provide better reporting, monitoring, and accountability systems for organizations receiving federal funding throughout the City – be very clear at year-end what has been accomplished and how, using what sources, and total investment.
- Address HUD findings as relates to CDBG and HOME program administration.
- Publish detailed information on how to apply for city programs, along with eligibility criteria and information about the “critical path” steps leading to review and approval of applications for city financing or other assistance.

## **5. Enhance the lending and finance environment**

- Engage employers in employee-assisted housing programs.
- Create a purchase / rehab lending product for older neighborhoods-work with Fannie Mae-market to realtors too – need to market these programs aggressively and ensure that they span across various income ranges.
- Work with banks to crack down on “churning” lending.
- Set up homeownership lending task force to study and deal with ACORN issues, predatory lending, CDC monopoly on low income lending, etc.
- Educate local lending community about different programs – e.g. Section 8 HO, tax credits - and work with them to make the programs less “scary and cumbersome” to obtain greater local participation versus developers/borrowers going to banks outside of Fort Wayne to do deals.
- Partner with banks to increase their lending/services to immigrant populations.
- Conduct a review of land contract practices in the City and their effects/outcomes.
- Create a list of federal resources for grants and loans; dedicate a city staff person to assist CDCs and other organizations in meeting deadlines and criteria. Hire someone who understands development/lending to motivate developers, work on getting projects funded and moved along.
- Actively explore and pursue funding resources that are appropriate to address the housing need in the City. Includes federal and state resources, as well as how to bring private funders such as foundations back into the mix.
- Create a trust fund for gap funding for affordable housing. Engage foundations in Program Related Investments in housing. Loans could be granted at low-interest to provide gap funding for a range of projects. Targeting populations between 80-100% of median income is one option, as they are not served by CDBG funds. This would be a revolving fund and provide long-term gap financing needed for many housing projects.

## **6. Foster a proactive development environment**

- Expand the Allen county land bank as a staffed resource for transferring properties to CDCs and developers. Develop procedures and flow chart; provide TA and funds for quieting title. Make the process understandable and not overwhelming. Work with the County on preventing tax arrearages from building up.
- Review the tax abatement process; fine tune so that it is an incentive and educate developers about it.
- Integrate the city and county GIS databases. Ensure that the information will be available for CDCs and other organizations undergoing planning and development activities in the city. Inventory, map and categorize all vacant property as a first step in the planning process.
- Create rehabilitation incentives in older neighborhoods for all income levels
- Seek to create and encourage housing within mixed-use corridors such as Calhoun, Wells, and Broadway integrated with stores and offices
- Create incentives, financing, tax abatement, other lures to reuse older buildings downtown and in other areas for new lofts – expand housing choice

- Explore alternative housing models for highly visible and attractive development locations like OmniSource or the Nebraska Neighborhood
- Aggregate and package several parcels of city-owned land and RFP for homeownership development. Include resources, zoning, design guidance and marketing help.
- Explore the creation of a Tax Increment Financing (TIF) district for residential properties in the city.
- Determine how the City can facilitate, educate, and/or train non-profits to enhance their development capacity.
- Encourage a better usage of historical tax credits in appropriate locations in the City.
- Be proactive against “Nimby-ism.” Help developers in community process.

#### **7. Adopt value-added property management approaches**

- Build on Goldstar landlord program. Use good will and expertise of the “good” landlords to exert peer pressure on bad landlords. Expand certification process and link to incentives for landlords to repair and maintain property. Identify key landlords and use penalties, pressure, persuasion and incentives to enlist them in a coalition to improve the appearance of the neighborhoods.
- Pursue “nuisance law” to gain access to vacant and tax delinquent properties in a more timely fashion.
- Look at the policies and procedures of Neighborhood Code Enforcement with respect to vacant and building management, demolition, and housing code enforcement to decide whether their practices are the most effective and support the housing goals of the City.
- Focus and coordinate code enforcement, street and park improvements on designated areas. Focus initially on the not-too-expensive but highly visible interventions such as trash clean up, tree care, paint jobs. Target actions and areas that will help private investors feel more comfortable with the neighborhood. Expand “Clean and Lien” type programs.
- Explore partnership possibilities with Parks, private individuals, and CDCs as to how to more effectively manage vacant/abandoned land and buildings.
- Create a gardening program for maintenance and at times long term use for community gardening – should be operated by the parks department with proper resources
- Develop an abuttor lot program “Yard Sale” for existing homeowners to acquire and maintain adjacent city-owned lots.
- Establish a position on lead-based paint and other health hazards in older structures, and if, and to what extent, the City will participate in addressing this issue. Includes programs to abate LBP, and enforcement of citations for LBP.
- Create or expand programs to help low-income homeowners maintain and upgrade their properties – grants, loans, volunteer programs, education, etc.
- Explore how to institute consistent standards for property maintenance of both rental and homeownership properties – NCE, education, resources, HO associations.

- Review tax assessment practices particularly in neighborhoods where there is high tax foreclosure and how to prevent properties from entering into the tax title foreclosure process.
- 8. Support and expand CDC capacity**
- Review the activities of the various CDCs in Fort Wayne and determine if their current set-up/target areas are appropriate to maximize usage of resources. Work of CDCs should be driven by place-based mandates versus easiest opportunity.
  - Bring the Local Initiatives Support Corporation (LISC) program back to the city, in order to take advantage of leveraged resources and technical assistance/capacity building support available through LISC; and
  - Eventually fund all CDCs on a “performance” basis, so that CDC overhead associated with a particular development venture is paid from a developer fee budget line item, rather than through a city contract for CDC administration, through which public funding is made available to a CDC whether or not development is occurring on time and within budget.
- 9. Facilitate more housing choice for low-income families**
- Develop a centralized list of landlords and units that accept Section 8, including a sub-list of units that are accessible for physically impaired tenants.
  - Continue efforts to conduct outreach to landlords in non-impacted areas and recruit good landlords willing to participate in the Section 8 program.
  - Market the Section 8 program to educate public about program and debunk misperceptions and false assumptions.
3. Review the Section 8 program run by FWHA to ensure a service-oriented approach, as well as continued efforts to apply for additional vouchers, both general and mainstream/targeted vouchers, with support from the City

A complete copy of WRT’s Housing Strategy Recommendations for Fort Wayne can be accessed via the City’s website at [www.cityoffortwayne.org](http://www.cityoffortwayne.org) on the Planning and Zoning web page.

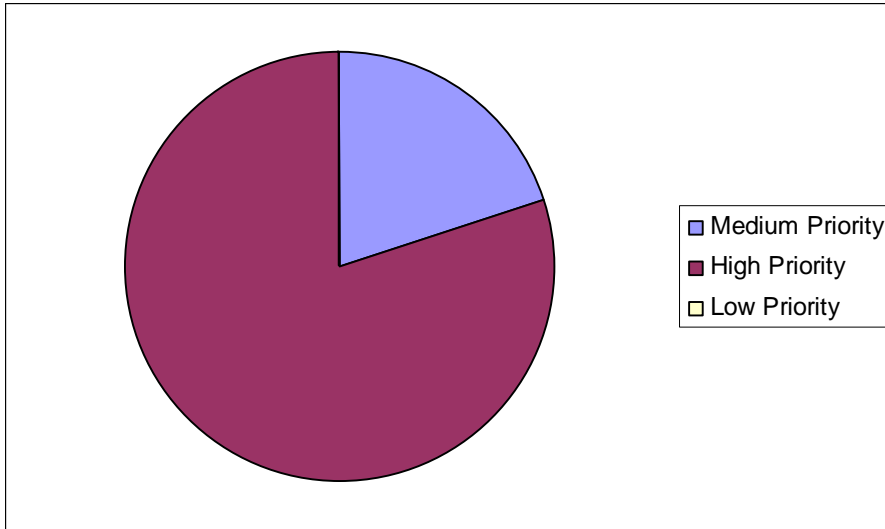
## **CDBG REQUIRED REORTS**

### **Limited Clientele**

The CAPER Summary Table provides information on all organizations that provided assistance to a limited clientele that being at least 51% or more of all clients being very low-moderate income.

### **Relationship of Expenditures to Priority Needs**

Over 75% of all CDBG funds were expended on identified high priority needs. The following chart depicts CDBG expenditures based on priority needs.



**Low/Mod income Benefit**

Refer to CAPER Summary Table and Exhibit D

**Certification of Consistency for Local Applicants for HUD Expenditures**

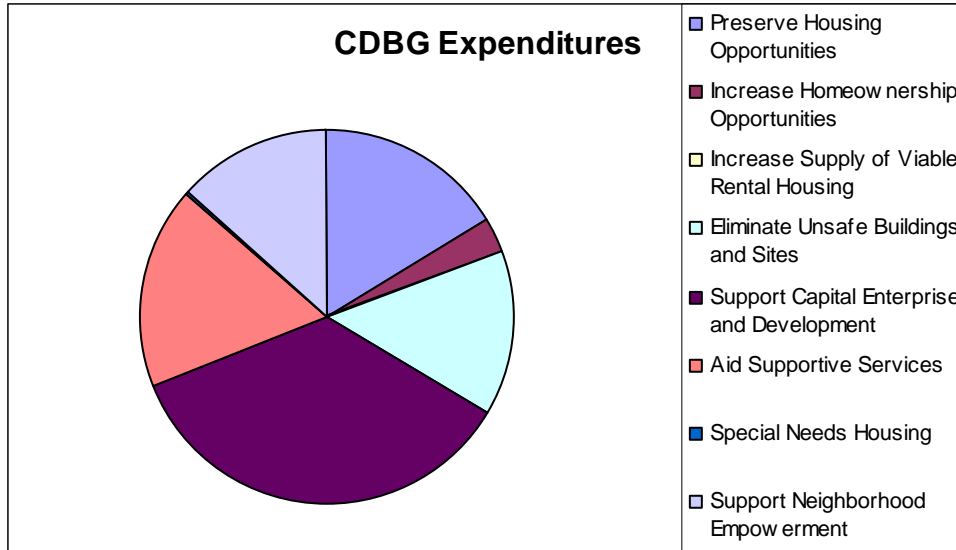
Any agency that requests a Certification of Consistency with Consolidated Plan must contact the Community Development Projects department. A project description must be submitted with a Certification form (refer to Exhibit H), which is available on the City’s website. Community Development Projects reviews the request and forwards to the Mayor for his signature. A file of all Certifications is maintained in the Community Development Projects department.

**Support Consolidated Plan Goals**

The 2001-2005 Consolidated Plan priorities can be grouped into eight (8) major focus areas:

- Preserve Housing Opportunities
- Increase Homeownership Opportunities
- Increase Supply of Viable Rental Housing
- Eliminate Unsafe Buildings and Sites
- Support Capital & Enterprise Development
- Aid Supportive Services Activities
- Support Special Needs Housing
- Support Neighborhood Empowerment

The chart below depicts 2003 CDBG Expenditures by the Consolidated Plan Priorities.



**Reconciliation of Cash Balances**

**CDBG Program Income**

CDBG reported and income of \$146,995.09. Please refer to Exhibit B for additional information on reconciliation of cash balances, program income, adjustments and receivables.

**Displacement and Compliance with URA**

No activities funded in 2003 required displacement and no activities required relocation.

**CDBG Leveraging Resources**

During 2003, the City of Fort Wayne leveraged \$4.00 of public monies for every \$1 of CDBG expended for public services. See Exhibit G for additional information.

**HOME REQUIRED REPORTS**

**Home Match Report**

See Exhibit A.

**Distribution of HOME Funds**

All HOME funds were distributed to high priority needs. Please refer to CAPER Summary Table for additional information.

## **Summary of On-Site Inspections of HOME Rental Units**

During 2002, it was determined that annual re-certifications were not properly documented. Therefore, the City audited each of the previous years' activities funded with HOME funds that were documented as rental properties. The respective project sponsors were mailed a spreadsheet that detailed each address and were asked to ensure that each file had annual income re-certifications information. At that time project sponsors were asked to contact the City to schedule inspections.

A database has been created for new and existing HOME projects. The database consists of project name, address, number of rental units, program compliance fields, completed monitoring visits and future monitoring date. The database is used to assist the City in managing the long-term affordability requirements and compliance with the federal, state and local property standards.

All file monitoring for rental units were completed in September of 2003. The City conducted the rental monitoring in a three-step process. Each completed project submitted rental re-certification paperwork. This paperwork is evaluated and information collected to report overall project success. The second step was to physically monitor project sponsor files to determine compliance with all HUD and review supporting documentation. The third step, Property Inspections, occurs on every one, two, or three years based on the total number of units in the development. Property Inspections are underway. See below for the Summary of Property Inspections.

### *Summary of File Monitoring*

#### Project Renew

Rental Compliance Forms and Income Recertification's are being followed. Most rental properties have tenants that are primarily within the 0-60% income range. When rental properties with Households greater than 60% of Area Median Income (AMI) become vacant, they will be occupied with persons 0-60% of AMI. A couple of properties had rents that were higher than HUD Fair Market Rents. The City is currently providing technical assistance to Project Renew in resolving this matter.

#### Advance Community Development

All tenants have current Income Certifications and are at or below 60% of AMI and all rental properties have rents within the High/Low Market range. Currently, City Monitoring Staff is providing technical assistance to ACD in regards to unit processing and tenant selection policies and procedures.

#### Fort Wayne Neighborhood Housing Partnership

FWNHP rental units are at or below HUD Fair Market rents and all tenants have up to date income certifications.

## *Summary of Property Inspections*

### Advance Community Development:

Four HOME assisted rental units were inspected. Three of the units had peeling paint issues and two of those have lead based paint issues. One unit needs storm windows and screens replaced, another unit had missing siding and the final unit needed a new down spot. A monitoring findings letter was sent and at the time of this report, we have not received notification that these issues were addressed. Follow up with ACD will be made.

### Project Renew:

Property Inspections are scheduled to begin March of 2004

### Fort Wayne Neighborhood Partnership:

Property Inspections are scheduled to begin March 2004.

## **Assessment of Effectiveness of Affirmative Marketing Plans**

There were no contracts in 2002 that fell within the affirmative marketing threshold that were distributed. All community development housing organizations for Fort Wayne are required to submit affirmative marketing plans in order to become certified. Taken this along with the statements presented in the *Affirmative Marketing* under the **Barriers to Affordable Housing Section** it would seem that attracting eligible persons in the housing market regardless of race, origin, sex, etc... would be on the rise. This doesn't seem to be the case.

A study conducted by the Association of Community Organizations for Reform Now (ACORN) that was published October 2, 2002, uncovered some startling data about housing choice as it relates to mortgage financing in Fort Wayne. The study details Fort Wayne as having one of the largest increases in African-American rejection ratios for convention home purchase mortgages from 2000 to 2001. The new Housing Strategy addresses this with WRT's recommendation to set up a homeownership lending task force to study and deal with ACORN issues, predatory lending, CDC monopoly on low income lending, etc.

In response to the study, the City contends to, in 2003, give all project sponsors a copy of the Grant Management Policies and Procedures. The policies provide ways to meet goals of affirmative marketing, as well as meeting the federal regulations required by HOME. When applicable, measures for monitoring for Affirmative Marketing will be taken as is written in the Grants Management Policies and Procedures. Finally, documentation detailing actions taken to meet the requirements would then be turned in at project completion. Refer to *Adjustments to Strategies* under **Gaps in Institutional Structure** for additional information on the Housing Strategy

## **HOME Program Income**

HOME reported an income of \$248,081.92. Those monies were entered in IDIS as Program Income and were receipted into the HOME Investment Trust Fund. When appropriated, the HOME Program Income was used to reimburse subrecipients and CHDOs or reallocated to housing projects.

## **Emergency Shelter Grant**

### **Relationship to Consolidated Plan**

The relationship of the use of ESG funds to the goals and priorities identified in the Consolidated Plan is summarized in the CAPER Summary Table.

### **ESG Match Requirements**

Exhibit C

### **ESG Self-Assessment**

A major item of issue with the City is that the ESG program has historically been disconnected from the consolidated planning process and entitlement funds allocation process. Additionally, claims and reporting procedures and monitoring procedures were not aligned with the CDBG and HOME procedures, as ESG was administered by the City's Housing and Neighborhood Development Services department and CDBG and HOME are administered by the Community Development Projects department. In 2004, the City will realign and reintegrate ESG into the Community Development Projects department; thereby, allowing for a fully integrated funds planning, allocation and monitoring process.