

South Bend Implementation Group on Homelessness

Final Recommendations

February 2021

Summary of Recommendations from Mayor Mueller's Implementation Group on Homelessness

The following recommendations are presented by the Homelessness Implementation Group, which is composed of service providers, business owners, community members, public safety officers, neighborhood advocates, academic institutions, and City of South Bend and St. Joseph County staff. The City of South Bend supports investments in permanent housing and resources for people experiencing chronic homelessness. It also leverages different funding mechanisms, including general funds and HUD funds, to tackle complex problems, such as coordinated entry.

This implementation group recommends that the City and County:

- Strengthen a governance structure that is overly complex and lacking in accountability.
- Increase the supply of affordable and permanent supportive housing.
- Improve communication and planning to implement coordinated entry and address homeless encampments and street homelessness.
- Increase investment in low-barrier emergency shelters and find other revenue sources to pay for housing and services for formerly homeless people who have stabilized in supportive housing.

In early August 2020, Mayor James Mueller formed the Homelessness Implementation Group with an outstanding group of diverse individuals and entities looking to navigate these uncertain times as we continue to build a City that provides support and opportunity for all who call South Bend home.

Homelessness is undoubtedly a multi-faceted, complex crisis that impacts every urban core. The working group's culmination, subgroups, and recommendations are the steps in the right direction and provide different pieces to the puzzle. Thank you to the presenters and participants of each of the following subcommittees:

A) Health & Sanitation B) Weather Amnesty & Housing C) Permanent Supportive Housing

The City of South Bend will continue its efforts with a concept of shared ownership that asks us to share responsibility for both the successes and failures. This process cannot lie solely in the hands of the City or County government, state government, or the current core local homelessness service providers. A shared approach will build the capacity to focus on system-wide solutions rather than solutions that narrowly suit our administrative-level priorities. We will be using these recommendations as a foundation for a more effective and coherent system response.

Health and Sanitation Subcommittee

The Health and Sanitation Subcommittee recommends a community-based approach to implementing many of our suggested interventions. Relationships based on mutual trust and respect and aiming for

mutual benefit will be crucial to success. Such relationships must exist among government officials, stakeholders, individuals experiencing homelessness, and community members. A sense of community ownership for many of the interventions will be another key to success. Our recommendations will be most successful if all community members—those experiencing homelessness and those who have a home—benefit from the interventions and take responsibility for the interventions.

Summary of Health & Sanitation Subcommittee Recommendations:

- Create, monitor, and maintain a database of all persons experiencing homelessness in SJC.
- Quantify the need for more affordable and permanent supportive housing (using a scattered permanent housing approach rather than a centralized housing approach).
- Study the population of people who prey on homeless individuals and develop and implement best practices to reduce the predators' impact.
- Monitor, assess, and continue as-needed laundry services on Wednesdays in partnership with Burton's laundry.
- Develop a partnership with Transpo to provide free/affordable transportation for persons experiencing homelessness.
- Augment shower/bathing facilities on a permanent, semi-permanent, or temporary basis willing service providers locations.
- Track all homeless individuals' health insurance status and enable/assist those individuals without health insurance to get it. Link all individuals with an accessible primary care provider.
- Continue to make short-term hotel rooms or rental units available and accessible to isolate individuals infected with COVID until the pandemic is over.

Weather Amnesty and Housing Subcommittee

The Weather Amnesty and Housing Subcommittee developed a set of recommendations for addressing our unhoused neighbors. This subcommittee recommends continuing Weather Amnesty operations, building a low barrier/resource center, increasing cold-weather shelter locations, and extending the Motel4Now program, if possible. The City will continue to work with regional partners on several different avenues to reduce homelessness. This set of proposals would increase housing supply and promote smart growth to address our residents' lack of housing affordability. Creating more housing opportunities will help keep folks on the verge of homelessness from ending up on the street.

Summary of Weather Amnesty & Housing Subcommittee Recommendations:

- Continue operations at Weather Amnesty
- Build and staff a low barrier and resource center to assist a very diverse group of individuals satisfy a variety of needs
- Make available cold weather shelter locations and additional emergency beds/spaces
- Expand/extend current Motel4Now Program as available funding allows
- Work to utilize vacant buildings to house individuals (i.e., schools, churches, and other functional structures)
- Request overflow shelters (offer pet-friendly options)
- Explore tiny home villages with wraparound services

- Locate parcels with potential for an affordable housing community or bridge housing units
- Establish a Homelessness Council or Action Committee (City/County, service providers, community members, and regional appointees)
- Create mentoring programs and various workshops (i.e., job readiness curriculum, financial, healthy relationships, and career/housing)
- Partner with security companies to protect our most vulnerable population

Permanent Supportive Housing Subcommittee

The Permanent Supportive Housing subcommittee consisted of representatives from the Center for the Homeless, Oaklawn, the St. Joseph County Health Department, South Bend Heritage Foundation, Portage Manor, the University of Notre Dame, Indiana University at South Bend, the Youth Service Bureau, Real Estate Management Corporation, the YWCA, the Veteran's Administration, and the City of South Bend. The subcommittee's recommendations are to improve the supply of permanent supportive housing in South Bend. Permanent supportive housing is housing that is very low-cost with supportive services available to residents. The four highest priorities are displayed below. Committee members were relatively consistent in their choices, and the other strategies not shown here received a total of four votes.

Summary of Permanent Supportive Housing Subcommittee Recommendations:

- **Permanent Supportive Housing Strategies**
 - Accessing ALL possible outside funding sources
 - Consider Federal Home Loan Bank (FHLB)
 - Local philanthropic and grant sources
 - Less expensive rehab projects
 - Integrated supportive housing
 - Attract more developers and emphasize landlord and developer participation
 - Expand the City's PSH developments
- **Housing Trust Fund**
 - Established by Indiana state law
 - Increase opportunities for families and individuals to access affordable homes
 - Develop a Housing Trust Fund concept with SJC
- **Advocacy Campaign**
 - IUSB Marketing class project
 - Support education and advocacy campaign for homelessness
- **Homeless Manager**
 - Create and assign a Countywide Homelessness Coordinator position

Implementation Group Participants

Jordan V. Gathers, Deputy of
Chief of Staff, Office of the
Mayor

Pam Meyer, Director of
Neighborhoods, Department
of Community Investment

Steve Camilleri & Lani
Vivirito, Center for the
Homeless

Kathy Schneider & Mary Fran
Brandenberger, St.
Margaret's House

David Vanderveen & John
Brown, Hope Ministries

Margaret Pfeil, Our Lady of
the Road

Jennifer Kimbrough,
Veteran's Administration

Ronda Hughes, Clara Ross, &
Pastor Carl Hetler, Broadway
Christian Church
John Horsley, Oaklawn

Jim Williams, Habitat for
Humanity

Julia Shapiro, Life Treatment
Centers

Bob Einterz, Casandra White,
& Harry Gilbride, St. Joseph
County Health Department

Robyn Challinor, Portage
Manor

Shay Davis, Director of
Community Outreach, Office
of the Mayor

Canneth Lee, 1st District
Councilman

Sharon McBride, 3rd District
Councilwoman

Isaac Hunt, Goodwill
Industries/SAVE

Milt Lee, DTSB

Rod Ludwig, Bradley
Company

Gail McGuire, IUSB

Chuck Lamphier, University
of Notre Dame

Anne Mannix, Neighborhood
Development Association

Jennifer Pickering, Youth
Service Bureau

Debra Stanley, Imani Unidad

Susan Tybon, YWCA

Robin Vida, HOPE

Keenan Lane, South Bend
Police Department

Willow Wetherall, Saint
Mary's College

Appendix A: Full Health and Sanitation Subcommittee Recommendations

Health—a state of physical, mental, and social wellbeing—is essential for economic and social development. Though health is a fundamental human right, individuals and government must take responsible actions to promote and protect health so that all of us can attain the highest possible level of health.

Essential health care should be accessible to all people. Essential health care includes education concerning prevalent health problems; prevention and control of local health conditions and diseases; adequate food, nutrition, safe water, and sanitation; access to quality medical care including treatment of diseases, health conditions, and injuries; rehabilitative care; relief from suffering; and preservation of human dignity.

This sub-committee recommends a community-based approach to implementing many of our suggested interventions. Relationships based on mutual trust and respect and aiming for mutual benefit will be key to success. Such relationships must exist among government officials, stakeholders, individuals experiencing homelessness, and community members. A sense of community ownership for many of the interventions will be another key to success. Our recommendations will be most successful if all community members—those who are experiencing homelessness and those who have a home—benefit from the interventions and take responsibility for the interventions.

Our sub-committee recommends the following:

1. Create, monitor, and maintain a database of all persons experiencing homelessness in St. Joseph County. One step in creating this database will be to assign a unique universal identifier to each person experiencing any sort of homelessness. Providers that serve individuals experiencing homelessness seeking medical and social services should use this database and contribute data to it. Such a database would enable greater understanding of homelessness; promote and enable coordination among service providers; facilitate monitoring, evaluation, and reporting of interventions to alleviate homelessness and/or lessen the adverse consequences of homelessness; improve the efficiency and effectiveness of such interventions; attract new and creative solutions to homelessness.
2. Appoint and empower a director of services for persons experiencing homelessness. The director's responsibilities will include:
 - a. Envisioning, developing, and implementing with relevant stakeholders and service providers coordinated solutions to homelessness and to problems faced by persons who experience homelessness; reporting on the progress toward such solutions; and being held accountable for such solutions.
 - b. Seeking extramural funding and responding to funding opportunities.
 - c. Oversight of the Intake Center (see recommendation #3)
 - d. Oversight of a coordinated education and awareness campaign (see recommendation #13).
 - e. Oversight of the database described in #1.

The director should represent the entire county, inclusive of Mishawaka and South Bend. The County and both municipalities should fund the initial salary of the director and provide initial resources—office space, administrative support, and discretionary funds. The position should be structured as a public-private partnership, such that some of the initial capitalization of the position and growth is dependent upon extramural funding.

3. Build and staff a low barrier intake and resource center to assist a very diverse group of individuals satisfy a variety of needs. The intake center would provide wrap-around services and identify the best way to help each individual find the most suitable placement depending on the nature of his/her needs (e.g. addiction issues; mental illness; other medical conditions; other situational needs.) The intake center would meet basic sanitation needs—toilets, showers, and laundry facilities, thus obviating the need to provide temporary or semi-permanent sanitation facilities elsewhere. Consideration should be given to building the intake center on County land adjacent to Portage Manor. The capacity of the intake center would depend upon the availability of permanent supportive housing and affordable housing; therefore, identifying such housing should be a priority. However, even in the best of scenarios, this sub-committee feels the need for an intake center will continue to exist, with the capacity to manage and house a relatively small number of persons experiencing homelessness (likely less than 20 residents). As noted previously, any such center will require good community collaboration and support while ensuring the safety of the community and its residents.
4. Quantify the need for more affordable and permanent supportive housing, and develop that capacity using a scattered permanent housing approach rather than a centralized housing approach. Engage neighborhood associations and faith groups in a coordinated approach to this initiative. This sub-committee recognizes that this matter is the purview of another sub-committee, so we did not discuss the matter of PSH and affordable housing in detail. However, we would like to emphasize that success should not be measured in terms of housing units. Rather, the approach needs to focus on wrap-around services that ensure dignity and opportunity for persons experiencing homelessness.
5. Study the population of people who prey on homeless individuals and develop and implement best practices to reduce the predators' impact. Predators compound and compromise the overall health of homeless through drug trade and psychological and physical abuse. There is need for greater understanding of the problem and for new, creative solutions.
6. Monitor, assess, and maintain as needed the chemical toilet in downtown South Bend in the alley behind DTSB, at least until the library opens. In response to requests by some service providers and the perceived need for a toilet in downtown South Bend based on the results of a survey of individuals experiencing homelessness, a chemical toilet was placed in the alley behind DTSB offices.
7. Monitor, assess, and continue as needed laundry services on Wednesdays in partnership with Burton's laundry. In response to the need for laundry services for persons experiencing homelessness, a weekly laundry service was made available at Burton's laundry for persons experiencing homelessness at no charge to them. Twenty to thirty individuals have used this service weekly. Up to 1500 pounds of laundry are washed every Wednesday.
8. Develop a partnership with Transpo to provide free/affordable transportation for persons experiencing homelessness.
9. Augment shower/bathing facilities on a permanent, semi-permanent, or temporary basis at willing service providers locations. These facilities would be accessible to persons experiencing homelessness who are not already resident at the service provider, at least until an intake center is established.

10. Track health insurance status of all homeless individuals and enable/assist those individuals without health insurance to get it. Link all individuals with an accessible primary care provider.
11. Continue to make short-term hotel rooms and/or rental units available and accessible to isolate individuals infected with COVID until the pandemic is over.
12. Create and implement an ongoing awareness and education program that includes all responders along the continuum of care for homeless and those committed to alleviating homelessness. Such a program could help reconcile conflicting ideas, strategies and intended outcomes. Such a program could ensure greater transparency, cooperation and coordination among service providers and ensure greater understanding and more buy-in from the community.

Committee Participants

The Health and Sanitation sub-Committee met virtually on seven occasions between August 27 and December 3, 2020. Participants in one or more of those meetings included: Robyn Challinor, Shay Davis, Bob Einterz (committee chairman), Harry Gilbride, Isaac Hunt, Canneth Lee, Milt Lee, Sharon McBride, Cassy White

Appendix B: Full Weather Amnesty and Housing Subcommittee Recommendations

All –

Thank you to everyone for your time, the work being done, and initiating and participating in the Mayor's Homelessness Implementation Group concerning our City's challenge with homelessness.

In 2017, the City of South Bend released a report by the previous Working Group on Chronic Homelessness. The report recommended a "Housing First" approach to permanently house chronically homeless individuals in the City, soften the blow on emergency response and medical care, and improve the quality of life.

The former administration organized a working group on homelessness, and its report gives background for our administration's policy as we advance.

Mayor Mueller created a Homelessness Implementation Group in August 2020 to develop strategic recommendations for addressing chronic homelessness throughout South Bend. The group composed of service providers, business owners, community members, public safety officers, neighborhood advocates, academics, and City/County staff members has met biweekly between August and December 2020.

As stated in the previous report, the City of South Bend cannot sufficiently address the needs of individuals experiencing chronic homelessness. But, the City of South Bend's mission and vision is to deliver services that empower everyone to thrive. Subcommittee B, also known as Weather Amnesty

and Housing charged with developing a set of recommendations for addressing our unhoused neighbors.

List of Participants:

Jordan V. Gathers, Deputy of Chief of Staff,
Office of the Mayor

Pam Meyer, Department of Community
Investment

Steve Camilleri, Center for the Homeless

Kathy Schneider & Mary Fran
Brandenberger, St. Margaret's House

David Vanderveen & John Brown, Hope
Ministries

Margaret Pfeil, Our Lady of the Road

Jennifer Kimbrough, VA

Ronda Hughes, Clara Ross, & Pastor Carl
Hetler, Broadway Christian Church

John Horsley, Oaklawn

Jim Williams, Habitat for Humanity

Julia Shapiro, Life Treatment Centers

Discussion Topics:

a. Weather Amnesty (both Center for the Homeless & Hope Ministries)

- Hope Ministries capped at 50 people w/o testing requirements
- CFTH serving 30 individuals with testing requirements
- Need COVID-19 rapid testing and vaccine distribution to eliminate barriers
- Increase cold weather shelter locations and additional emergency beds/spaces

b. Motel4Now Program

- Currently has approximately 120 with a hundred on the waiting list
- Expand current motel initiative (post-April challenge)
- Securing multiple new funding opportunities
- Conversion hotel/motel project

c. Daytime Warming Center

- Utilizing vacant buildings to house individuals (i.e., schools, churches, and other functional structures)
- Request overflow shelters (offer pet-friendly options)
- Focus: to provide a warm space for individuals to get out of the cold, access basic needs, and build a sense of community

d. Land Acquisition & Development

- Navigation Center where homeless folks can be assessed and connected with more help (operated by nonprofits both on-site and around the region)
- Tiny home villages with wraparound services
- Salvation Army, Rabbi Shulman, and other buildings
- Locate parcels with potential for an affordable housing community
- Develop bridge housing units that offer hot meals, showers, and laundry services, and the site will also provide case management, mental health services, and substance abuse treatment
- Community Land Trust to promote stability and self-sufficiency
- Increase landlord and developer participation (authorize capital grants and fee rebates according to housing needs assessment)

e. Policy Update & Amendments

- Investigate barriers on subsidized affordable housing units

f. Supportive Environment

- Community engagement [buy-in] campaign (heighten social media awareness with outreach volunteers)
- Designing meaningful, age-appropriate activities
- Transportation (i.e., bus passes)
- Establish a Homelessness Council or Action Committee (City, County, service providers, community, and regional appointees)
- Fundraising & restructuring neighborhoods (i.e., affordable housing)
- Mentoring opportunities – job readiness curriculum
- Financial, healthy relationships, and career/housing workshops

g. Further Recommendations (w/ former endorsements included)

- Contact private sectors for emergency funds to expand existing programs
- Review & reimagine current and future capital (funding for homeless strategy implementation – i.e., Coordinated Entry process)
- Create a Social Impact Bond: positive social networks that support their ability to thrive and provide a social safety net
- Co-share rent programs (i.e., veterans)
- Generate an employment pipeline of formerly homeless individuals to become caseworkers
- Request St. Joseph County Health Department increase the number of emergency response clinicians working with homeless throughout the region by XX, with assignees to the City of South Bend
- Partner with security companies to protect our most vulnerable population (i.e., drug dealers & sex offenders)
- Coordination and Data-Sharing (2017): Analyze the operations of the City contracts and update contractual terms with service providers

In closing, the City will continue to work with regional partners on several different avenues to reduce homelessness. This set of proposals would increase housing supply and promote smart growth to address our residents' lack of housing affordability. Creating more housing opportunities will help keep folks on the verge of homelessness from ending up on the street.

Appendix C: Full Permanent Supportive Housing Subcommittee Recommendations

Homeless Committee Recommendations for Future Actions Group C

Committee Recommendations: This committee consisted of representatives from the Center for the Homeless, Oaklawn, the St. Joseph County Health Department, South Bend Heritage Foundation, Portage Manor, the University of Notre Dame, Indiana University at South Bend, the Youth Service Bureau, Real Estate Management Corporation, the YWCA, the Veteran’s Administration, and the City of South Bend. The committee is charged with coming up with recommendations to improve the supply of permanent supportive housing in South Bend. Permanent supportive housing is defined as housing that is very -low cost with supportive services available to residents.

While there is no “magic bullet”, several strategies are recommended to increase the supply of permanent supportive housing. Committee members voted on the highest priority recommendations to be included in this report. All votes are shown in a table in the Appendix. The four highest priorities are shown below. Committee members were relatively consistent in their choices and the other strategies not shown here received a total of four votes. The highest priority recommendations by the committee members were:

	Name	Advocacy	PSH Strategies	Homeless Manager	Housing Trust Fund
1	Robyn Challinor		3		
2	John Horsley	2	1		
	Jennifer Kimbrough				
3	Chuck Lamphier		3	1	2
4	Rod Ludwig		1	3	2
5	Gail McGuire		1	2	3
6	Anne Mannix		3	1	2
7	Pam Meyer	3	1		2
8	Jennifer Pickering		2	1	3
9	Deb Stanley	2	1		
10	Susan Tybon	2	3	1	
11	Lani Viverito		1	3	2
12	Robyn Vida	1		2	
	Total Votes	5	11	8	7

	Weighted Votes	10	24	18	12
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The numbers in each column represent the priority the individual placed on each priority. The absolute numbers of votes are shown as “Total Votes.” The weighted votes take the priorities into account with the first priority getting three points, the second priority getting two points and the third priority getting one point.

Details of how the recommendations could be implemented are discussed below.

1) Permanent Supportive Housing Strategies:

Supportive housing combines permanent, affordable housing with services that help people live more stable, productive lives. Supportive housing is developed by combining housing that is affordable to persons with very-low or extremely low incomes with flexible supportive services that are designed to meet the special needs of an individual or family. When targeted effectively, supportive housing can be cost-effective for communities. Creating supportive housing involves partnerships and collaboration. Supportive Housing is developed for people who but for housing could not access services and but for services could not maintain housing.

The City of South Bend currently has one permanent supportive housing development, the Oliver School Apartments with 32 units and another development, the Hope Avenue Homes with 22 apartments, that will start construction in the Spring of 2022. Both projects were developed through the Indiana Supportive Housing Institute, a Corporation of Supportive Housing Program that partners with the Indiana Housing & Community Development Authority (IHCDA) to support development of permanent supportive housing. The Oliver School project received \$700,000 in local HOME funds and the Hope Avenue Homes have been allocated \$1,710,827 in local HOME funds.

The county also has rental assistance vouchers that are used for permanent supportive housing.

Supportive services for residents of the permanent supportive housing has come from Oaklawn who provides services through their current funding sources. The Center for the Homeless also provide supportive services for their residents who live in supportive housing with rental assistance vouchers. South Bend Heritage Foundation provides peer counseling for Oliver School residents. Funding for the Center for the Homeless and the South Bend Heritage services is provided through City CDBG funds.

Strategies that could help to increase the supply of permanent supportive housing include:

- a) Accessing All Possible Outside Funding Sources:* Project developers should aggressively seek out additional funding sources for permanent supportive housing developments.

A team from the City of South Bend has participated in two ***Institutes sponsored by the Corporation for Supportive Housing***. Teams compete to be a part of the Institute and the winning team received an opportunity to attend training and has priority for state funding for supportive housing. South Bend has applied to be a part of the Institute this year. If the South Bend Institute proposal is accepted, the team should apply for funding for as many units as it is feasible to develop.

One additional funding source that should be considered is the *Federal Home Loan Bank* (FHLB) system. Each regional Federal Home Loan Bank is mandated to provide grants for affordable housing equal to 10% of their profits. Banks, savings and loans and credit unions are members of one of the regional banks. Developers apply for a grant through FHLB members. The Federal Home Loan Bank of Indianapolis awards grants of up to \$500,000. In 2020, the FHLBI awarded over \$5.2 million to twelve developments with housing for homeless persons (7 developments for 100% homeless persons and 5 developments with a mixed population of homeless and non-homeless persons). The Federal Home Loan Bank of Pittsburgh offers grants of \$750,000 to developments. In 2019, they awarded total grants of \$11,136,773 to 16 developments that provide housing to persons who are homeless. South Bend developments can access the Pittsburgh bank resource through PNC Bank which is a member of the Pittsburgh bank. Federal Home Loan Bank grants are relatively user friendly and consultants are readily available to write these grants. These grants should be a part of every funding package for housing for homeless persons. Funds from these grants can be used to lessen investments of HOME funds which can be used for other projects.

Another possible funding source is *local philanthropic and grant sources*. An anonymous funding source gave \$500,000 to the Catholic Workers for their Motels for Now program. In 2003, the YWCA raised over \$2.7 million in individual contributions for their current building. Lafayette Transitional Housing raised private donations to cover the costs of their homeless shelter and office space. Funds are available, it takes a dedicated staff and volunteers to have a capital campaign, but it can be done. One possibility is to have a combined capital campaign for a larger PSH project with several sites.

Another possibility is to *repurpose existing City funding* to convert it to funding for housing for persons who are homeless. Community Development Block Grant funds, HOME funds and other grant funds can be used for permanent supportive housing in greater amounts. This would involve less funding for existing programs, but many would consider permanent supportive housing to be one of the highest priorities for the City.

b) Consider Less Expensive Rehab Projects:

Existing apartment buildings can sometimes be acquired and rehabilitated for a lower cost than new construction projects. The newly rehabilitated Milliken Building at 629 S. Carroll Street is reportedly available for \$2,000,000 with 22 large efficiency apartments. If an additional \$500,000 was added for rehabilitation, that would put the per unit cost at \$113,636 which is 36% less than the cost of the Hope Avenue Apartments. In addition, purchasing an existing

building is quicker and involves considerably less work. If overall per unit costs are lower, City funds can be stretched to cover more developments.

c) Integrated Supportive Housing:

The Cedar Glen Apartments, at 425 S. 25th Street, were recently rehabilitated by a private developer. Five units in this 179-unit development were designated for housing for persons that are homeless. If the City is providing any funding (Tax Increment Financing, Tax Abatement, CDBG, HOME or Urban Enterprise Zone funds), to any type of development, the City could require that 5% of the total units in the complex be designated for housing for persons who were formerly homeless persons. If the family has a Section 8 certificate, the rents would be set at the Fair Market Rent. If a Section 8 certificate is not available, rents could be set at a level that is affordable to a person or family with incomes at 30% of Area Median Income.

If the developer chooses not to provide the housing for homeless persons or if the project is not a housing development, the developer could contribute a designated amount (3% of the value of the subsidy) to a Housing Trust Fund. For example, the developers of the new Barnes & Thornburg building received subsidies worth \$2.3 million. This would mean that they donate a total of \$69,000 to the Housing Trust Fund. If a developer objects to this requirement, the City staff can explain that in addition to helping persons who are homeless, these funds are needed to avoid homeless encampments in the City which will lower real estate values and livability for all city residents. This concept needs further investigation and examples are needed from cities like South Bend.

d) Attract More Developers:

South Bend has a limited number of affordable housing developers. The City of Fort Wayne has two active private developers who have been successful affordable housing developers and Evansville has one private developer and a Housing Authority that redevelops public housing projects around the state. One way to attract additional developers would be to conduct a Request for Proposals. The City could designate a site and set an amount of subsidy for development of housing for homeless persons on the site. Developers could submit their qualifications and their experience with homeless housing, their experience with funding sources and financial statements. The best qualified developer would be selected, and they could either apply to the Institute with a team or develop the housing with the city subsidy and other funding sources. Even if only one developer is selected, this would provide the city with relationship with other developers that might be useful for other projects.

Recommendation: The Mayor can ask City staff to review these recommendations and to come up with their own recommendations. The staff can prepare a report to be presented no later than March 1st on how funding

procedures and development practices can be changes to produce more supportive housing for the community.

2) Housing Trust Fund:

The funding sources for developing permanent supportive housing are limited. Each new supportive housing development involves a process of at least a year is needed to apply for grants from various funding sources. If a quality building became available for purchase, funds are not readily available to purchase a building in a commercially reasonable time frame. If CDBG and HOME funds are used for homeless projects, this leaves other projects and neighborhood priorities neglected. A permanent dedicated funding source for housing for homeless persons is essential to having a stable, adequate system of housing resources for homeless persons.

One solution to this lack of capital resources is a Housing Trust Fund. Housing trust funds are distinct funds established by city, county or state governments that receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing and increase opportunities for families and individuals to access decent affordable homes. Housing trust funds systemically shift affordable housing funding from annual budget allocations to the commitment of dedicated public revenue. While housing trust funds can also be a repository for private donations, they are not public/private partnerships, nor are they endowed funds operating from interest and other earnings.

Housing trust funds are flexible. However, elements of the Trust Fund are established by Indiana state law. Applicable parts of the state law are attached in the Appendix to this report. Applicable provisions include:

Revenue Source: Indiana Code Title 36 § 36-2-7-10 (8), establishes that the County Recorder can charge a fee of \$10 for each recorded document for an affordable housing fund. Forty percent of these funds need to be sent to the State Housing Trust Fund.

Eligible Entity to Establish a Housing Trust Fund: Indiana Code Title 5 § 20-5-3 defines an eligible entity as either a city, town, or county.

Administration of the Fund: Indiana Code Title 5 §5-20-15.5 states that the eligible entity establishes an affordable housing fund to be administered by a department, a division or an agency designated by the governing body.

Revenue in the Fund: The Code further states that the fund consists of:

- (1) Payments in Lieu of Taxes deposited in the fund under IC 36-1-8-14.2. This relates to property taxes on low-income housing tax credit developments. If these are made as PILOT payments and are equal to the taxes that would be charged otherwise, these can be invested in the housing trust fund.

- (2) Gifts and grants to the fund.
- (3) Investment income earned on the fund's assets.
- (4) Money deposited in the fund under IC 36-2-7-10 (recording fees). The Registrar of Deeds would charge an additional fee of \$10 for each document that is recorded, and these fees can be deposited into the housing trust fund.
- (5) Other funds from sources approved by the commission.

Uses of the Fund: Additional provisions state that eligible uses of the fund include:

- (1) Providing financial assistance to persons whose income is below 80% of the Area Median Income.
- (2) Making grants, loans and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is below 80% of the Area Median Income
- (3) Paying expenses of administering the fund.

Advisory Committee: Indiana Code Title 5 § 5-20-5-18 Version b: The eligible entity shall establish an advisory committee consisting of

- (1) Member appointed by the executive of the eligible entity to support the interests of eligible families.
- (2) Member appointed by the executive of the eligible entity to represent the interests of the owners of subsidized multifamily communities.
- (3) Member appointed by the executive of the eligible entity to represent the interests of banks and other financial institutions.
- (4) Member appointed by the executive of the eligible entity to represent the interests of the eligible entity.
- (5) Member appointed by the executive of the eligible entity to represent the interests of real estate brokers. The member appointed under this subdivision must be nominated to the executive by the local realtor's association.
- (6) Member appointed by the executive of the local entity to represent the construction trades. The member appointed under this subdivision must be nominated to the executive by the local building trades council.
- (7) Five members appointed by the legislative body of the eligible entity to represent the community at large. Members appointed under this subdivision must be nominated to the legislative body after a general call for nominations from township trustees, community development corporations, neighborhood associations, community-based organizations, and other social service agencies.

Advisory Committee Terms and Vacancies: Members of the advisory committee are appointed for four-year terms and can be reappointed. If a vacancy exists, the appointing authority that appointed the former member whose position has become vacant shall appoint an individual to fill the vacancy. A committee member may be removed at any time by the appointing authority that appointed the committee member.

Duties of the Advisory Committee: The advisory committee shall make recommendations to the eligible entity regarding:

- (1) the development of policies and procedures for use of the fund
- (2) Long term sources of capital for the affordable housing fund including revenue from development ordinances, fees, taxes, financial market-based income, revenue derived from private sources, and revenue granted from grants, gifts, donations, or income in any other form from a government fund, foundation, or corporation.

The above is a summary of the provisions of the Indiana state law related to housing trust funds. The suggestions below are committee comments. The provisions the state law need to be reviewed by an attorney with experience in this area.

Local Priorities: The state law established boundaries for a housing trust fund. Beyond that the funds can be shaped by the local entity administering the fund. The Affordable Housing Fund could be prioritized for housing for persons that are homeless.

Additional Revenue Suggestions: Additional revenue sources should be investigated. Possible additional revenue sources include user fees from community development incentive programs as discussed above, and a portion of the gaming revenue which is received on an annual basis.

Another idea for revenue is to revise the city homeowner subsidy programs so that the City makes a mortgage for 100% of the first mortgage instead of grant of \$100,000 or more. The mortgage repayments could be repaid into the housing trust fund. The net costs to the homeowner would be no more than the existing programs, the difference is that the City would receive all the funds back over time. The loan payments could be administered by a local bank. Or a variation of this idea is that all homeowner grants would have liens that are forgiven proportionately over a fifteen-year term. If the homeowner moves before Year 15, the subsidy funds are repaid. The returned subsidy funds could go to the Housing Trust Fund.

A final suggestion involves the National Housing Trust Fund which is administered by the Indiana Housing & Community Development Authority (IHCDA). Eligible applicants for the state housing trust fund must be participants in the Supportive Housing Institute. If IHCDA provides a loan to an entity in St. Joseph County, the local housing trust fund could request that IHCDA would return that the repayment of the loan funds to the local housing trust fund. This has been the practice for the Indianapolis Housing Trust Fund.

Recommendation: The Mayor will discuss the housing trust fund concept with St. Joseph County Commissioners. If both entities are willing to work on the planning, the Mayor and the County Commissioners can appoint a preliminary advisory board which would investigate the concept further and bring back a report to the Mayor and the County Commissioners no later than April 1, 2021.

If the county commissioners are not interested, the Mayor can appoint an advisory board for a city-based housing trust fund. The committee should have administrative staff support for the Department of Community Investment.

3) Advocacy Campaign

Neighborhood residents and lack of public support impede the development of permanent supportive housing. Proposals to locate a site that provides housing for homeless persons often provoke a wave of protest from neighbors. Other neighbors have also shown support for supportive housing. The protests are often based on non-factual beliefs and fear. Persons who are homeless can provoke concerns about class differences and divisions over race. Concern about the housing becomes compounded by residents feeling of lack of support from the City about unrelated concerns. One resident said, "The City won't even give me a streetlight and now they are sending this to our neighborhood." Many people give generously to support homeless causes and those who provide services. Others volunteer to help in some way. Despite the rancor, there are those who have compassion for persons with low incomes and for those who are homeless. The question is how to tap into this web of concerned people when supportive housing is coming to a neighborhood. Even if the zoning is appropriate for the proposed housing, building support for a new development would be a good thing.

The Committee recommends an Education Program. A team can go to neighborhood groups, churches, civic and fraternal groups, and unions to make educational presentations about homelessness, causes of homelessness, the nature of permanent supportive housing and services that can be provided. Myths about persons who are homeless can be debunked. It may be useful to have persons who are homeless share their story. This presentation would be made in a factual manner in a non-confrontational situation that invites discussion. The goal of the advocacy campaign would be to educate people about homelessness, to build support and to raise funds for homeless housing and supportive services.

Through Gail McGuire, a committee member, an Indiana University at South Bend Marketing Class with Professor Kim McInerney has volunteered to provide materials for this education effort. The Marketing Class will develop an entire publicity campaign for the homeless education project. This could include a PowerPoint presentation, written advertising materials, possible radio ads and possibly a billboard design in case Burkhardt Advertising is willing to donate a billboard to the campaign.

Recommendation: The Mayor can appoint a public education committee who will work with the Indiana University at South Bend class and conduct a publicity campaign around issues of homelessness in South Bend. The committee can report back to a group composed of Executive Directors of agencies that work with homeless persons, including the Center for the Homeless, Hope Rescue

Mission, the YWCA of St. Joseph County, St. Margaret's House, the Catholic Worker House, and Broadway Christian Parish.

4) Homeless Manager

All the above programs require considerable work that is beyond the scope of volunteer efforts. It is difficult to sustain continued effort without dedicated paid staff. All the current committee members have other jobs and responsibilities. Other community programs have paid advocates with full time staff. Homelessness is a difficult, sometimes unpopular issue and a paid coordinator is needed to move the above agenda forward. The committee is proposing that a position be created that is 30-40 hours per week to work solely on homeless issues. The staff person would be responsible for promoting additional supportive housing, developing the Housing Trust Fund, coordinating the education campaign, and advancing initiatives proposed by other committees. The staff person would report to the Mayor. The position would be for one year and could be renewed for two additional years. Funding would be provided by a combination of city funds, county funds and outside funding sources including possibly the Community Foundation of St. Joseph County and the United Way. The person would need to have knowledge regarding homeless issues, funding for homeless projects, and would need to understand policy options and program costs. The ability to work with all involved would be a key criteria for the position. The person would need to be trusted by the City, homeless providers, and non-profit organizations. A job description is contained in the Appendix to this report.

Recommendation: The Mayor will appoint a committee of no more than five persons to do fundraising for the Homeless Manager position and to select an individual for the position, subject to his discretion. The hiring decision would be made no later than April 1st, 2021.