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## **EXECUTIVE SUMMARY**

The City of Gary's Community Development Department serves as the lead department in the oversight and the development of the 2002-2005 Consolidated Strategic and Annual Action Plan. Department staff members collaborated with a number of city departments, support agencies, community development corporations, and other housing service providers for the gathering of data necessary for the development of the Plan. Moreover, the City conducted several public forums for citizen participation and the solicitation of input from the general public and stakeholders. The planning process included consultations with health organizations such as: Edgewater Systems, Gary Health Department, Lake County Association for the Retarded, Gary Housing Authority (GHA), Northwest Indiana Open Housing Center (NWIOHC), Department of Child/Family Services, Open Housing Center, Lake County Economic Opportunity Council, Gary Commission for Women, Gary Urban Enterprise Association, Gary Redevelopment Commission, Continuum of Care Network members, private multi-unit property management agents and other social and public agencies.

The housing and community development activities described in the City's Consolidated Plan include the production of housing through new construction of single and multi-family units. The assistance to residents for the rehabilitation of vacant structures and the improvements to existing substandard housing are needed. Housing activities such as down payment assistance and other housing activities for homeless persons and persons with special needs are also necessary. Other community development activities will include public and social services, infrastructure and code enforcement, public improvements, and community economic development programs and services. Resources available to support these activities include Community Development Block Grants (CDBG); HOME Investment Partnership (HOME); and Emergency Shelter Grant (ESG) as administered by HUD. The City of Gary received an aggregate \$6.1 million under these federal programs for program year 2001. It is anticipated total local resources available for the city in Program Year 2002 including CDBG, HOME and ESG to be an approximate \$ 6.3 million. The projected awards under the Department of Housing and Urban Development (HUD) entitlement programs are: \$4,760,000 (CDBG), \$1,457,000 (HOME), and \$165,000 (ESG).

This document discusses a number of strategies designed to counter the effects of poverty and promote the revitalization of neighborhoods. From a housing perspective, the vision provides for the rehabilitation of those areas that are in jeopardy of further slum and blight. Strategies include concerted efforts for human development. The resources that are made available will be used to implement strategies that improve the quality of life for the citizens of Gary.

General Strategies are to include:

### **General Strategies**

- Empowerment of community development organizations;
- Promote and foster entrepreneurship and business development;
- Beautification of green space and improvement to infrastructure;
- Acquire and develop vacant land and buildings;
- Increase opportunities for suitable and affordable housing through new construction and rehabilitation;
- Create home ownership opportunities;
- Improvements to public facilities;
- Develop work force through training/education opportunities;
- Provide social/supportive services to low - income families and individuals;
- Provide cultural and human development opportunities for youth;
- Comprehensive services to assist the homeless and persons with special needs;
- Assist individuals living in public housing to become self sufficient and potential homeowners.

## **COMMUNITYPROFILE**

Gary, Indiana is located on the southern tip of Lake Michigan, approximately 30 miles southeast of Chicago, Illinois. The city is home to a wealth of transportation modes, including major highways such as Interstates 80, 90, and 94; eight freight train lines; three passenger train lines; and a commuter service that connects Northwest Indiana to the world. International service from three airports Midway and O'Hare Airports in Chicago and the Gary/Chicago Regional Airport can easily transport goods and people to anywhere in the world.

According to the most recent census data (2000), Gary's population was estimated at 102,746, this is representative of a 12 % decline since 1990. Census 2000 data estimates Gary with 38,244 households, with the average household size of 2.66 people. Available 1990 census data shows that 11,738 households had extremely low incomes (0-30 % of Median Family Income); 5,674 had very low incomes (31-50 % of the Median Family Income); 7,260 had low incomes (51-80 % of the Median Family Income and 2,997 had moderate incomes (81-95% of the Median Family Income). Approximately 59% of the 27,669 Gary households with incomes below 95 percent of the Median Family Income were homeowners. Changes in the aforementioned statistics will be made available at such time as additional results from the 2000 census are published. The city is comprised of a racial composition comprised of 84% black, 12% white and 4% other ethnicities.

## **CITIZEN PARTICIPATION**

The Department of Community Development placed special emphasis on citizen participation. This is an essential component for ranking priorities and determining goals and objectives. A series of public meetings were held from May 14 -18, 2001.

Based on the feedback received from the community, citizen concerns fell into several major categories:

- Housing Assistance
- Code Enforcement
- Economic Development
- Public Safety / Social services
- Public Improvements
- Land Revitalization
- Operational and service delivery issues.

# **HOUSING AND COMMUNITY DEVELOPMENT NEEDS**

## **Housing Market Condition**

Recent data indicates that almost 60 percent of the 40,968 occupied housing units are owner occupied. The vacancy rate is 13% for rental units and almost 3% of ownership units. About 49% of rental units and 28% of ownership units are considered substandard.

However the consideration must be given to the fact that the average income in Gary is approximately \$17,500 as an average in comparison to \$36,000 average of those in the metropolitan area.

## **Housing Needs**

HUD defines housing problems as inadequate physical conditions, overcrowding or payment of 30 percent or more of income for housing expenses. Rental households with housing problems include:

- 71 percent of extremely low-income households;
- 63 percent of very low-income households;
- 24 percent of low-income households;
- 7 percent of moderate-income households.

Rental - large family households (five or more related personal) consistently have the most housing problems. Homeowners with housing problems include:

- 79 percent of extremely low-income households;
- 56 percent of very low-income households;
- 26 percent of low-income households;
- 11 percent of moderate-income households.

In the City of Gary there is a lack of habitable housing units that are affordable to those who fall below 30% of MFI. Approximately 66% of renters with incomes below 30% of the median and more than 60% of those with income between 31 to 50% experience housing problems. Statistics for very low-income homeowners show an even higher incidence of the financial burden.

## **Public Housing**

The Gary Housing Authority has an inventory of 2,256 housing units with 157 vacancies and a waiting list of over 993 households. They also provide Section 8 Vouchers and Certificates to 1,054 income households, with a waiting list of nearly 3,903 additional families in need of housing. The vacancy rate for the units is primarily due to the fact that, the public housing is aged and in need of substantial rehabilitation. At present the Gary Housing Authority is in the process of modernizing several properties to correct deficiencies. Moreover, the Housing Authority is demolishing and replacing with new construction affordable housing units.

In addition to the aforementioned public housing, the City of Gary houses a number of other federally subsidized housing units, but they to have express that they must turn down potential applicants due to no vacancies.

### **Homeless Needs**

There is a critical need to expand homeless prevention activity and to provide support to the homeless population. As well as a critical need for supportive service that will increase the transitional success ratio for individuals and/or households striving for self-sufficiency and independent living.

Our recent count shows 1,400 persons are homeless and/or need of support services. About 62 percent are members of homeless families, 25 percent are victims of domestic violence, 5 percent are mentally ill and 22 percent are drug or alcohol abusers. The majority of homeless people in this count were found in emergency shelters, transitional housing, or receiving out services.

### **Fair Housing**

For several decades the withholding of home loans and insurance from certain Gary neighborhoods has been a serious problem. As a result of this, the Northwest Indiana Community Reinvestment Alliance and the Gary Human Relations Commission were formed. Their combined efforts and Open Housing Center have persistently monitored the practices of lenders and landlords countywide. The focus of this dual organization is to make certain that persons of all racial and ethnic backgrounds have equal access to all segments of the housing market, regardless of their low to moderate-income status. Another rudimentary purpose embraced is the provision of awareness for citizens in need of information and direction while dealing with issues such as, the right to seek and apply for financial assistance for the purchase of residential property and home improvement needs.

### **Community Development Needs**

Residential housing development is just one objective to pursue in order to revitalize Gary's neighborhoods. Other objectives are: public facility improvements, infrastructure improvements, provision of social support programs, utilization of vacant land and properties, education and job training and economic development initiatives through the development of small businesses as well as other activities to reduce crime and in affect contribute to building safer communities. Funding through the provision of available funds under the Consolidated Plan programs will assist in the development of a viable Gary community with decent housing, and creating suitable living environments for low-moderate persons.

The City will address the following objectives by using funding available over the next five (5) years:

- 1) The elimination of slums and blights and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income.
- 2) The elimination of conditions which are detrimental to health safety and public welfare, through code enforcement, demolition, interim rehabilitation assistance, and related activities.
- 3) The conservation and expansion of the nation's housing stock in order to provide a decent home and suitable living environment for all persons, but principally those of low and moderate income.
- 4) The expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential for sound community development and for the development of viable urban communities.
- 5) A more rational utilization of land and other natural resources and the better arrangement of residential, commercial, industrial, recreational, and the other need activity center.
- 6) The reduction of the isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income and revitalization of income.
- 7) Provide economic development planning in order to stimulate business development especially in the private sector, to strengthen the tax base, provide jobs and reverse the out migration of residents and businesses.

Equitable investment in all elements that constitute a community's economic base, including jobs, education, training, housing, and commercial investment, will produce quality living conditions: In an effort to effectively utilize available resources with service/agencies will be pursued. The human resource development aspect will be a major key to defining the social climate. These will be pursued through public/private collaborations:

- EMPOWERMENT ZONE
- WORKFORCE DEVELOPMENT
- ENTERPRISE ZONE
- TANF/WELFARE TO WORK
- SERVICE PROVIDERS
- BUSINESSES
- INSTITUTIONS



# **HOUSING AND COMMUNITY DEVELOPMENT STRATEGY**

Major elements of the City's plan include a keen focus on strategies for developing safe, affordable and decent housing by promoting neighborhood development activity, commercial development, public safety and services. A key objective of the community development strategy is to reduce problem properties for the preservation and enhancement of the commercial areas, and Brownfield developments.

The city's community development plan has a primary focus on modernization of public housing, rehabilitation, new developments, preservation of existing structures, rental assistance, tax credits, property abatement, and related housing support services. Within this development plan the five highest priority groups are:

- Non-elderly low-income and extremely low-income renters.
- Non-elderly moderate-income renters
- Elderly renters
- Non-elderly existing home owners
- Moderate-income home buyers

## **Non-housing Community Development Priorities**

Neighborhood housing development activities are for the most part carried out by community based not-for-profit organizations through the rehabilitation of vacant properties or new construction.

Neighborhood development activities ranging from planting trees to large-scale beautification activities such as park rehabilitation and reconstruction of major thoroughfares.

## **Anti-Poverty Strategy**

The goal is to coordinate activities in a manner that will reduce long-term poverty.

This initiative is designed to assist existing business expansion, or new business development. We support and aim to assist the Empowerment Zone in their effort to concentrate resources for economic development, job creation, job training, and social services.

The strategies will focus on the following areas:

- Community Investments
- Quality Education
- Family Unification
- Better-quality physical and mental health programs
- Human resource development

## 2002 ACTION PLAN

### Description of Activities

The one-year Action Plan details the proposed use of approximately six million dollars for the 2002 allocation and program income under CDBG, HOME, and ESG programs. Almost 36% of this total will be targeted for housing related activities. These include:

- Homeowner rehabilitation loans
- Development assistance for rental housing
- Support for homeless and special needs populations
- Assistance to home buyers
- Development assistance for home ownership

Other project categories will include:

- Neighborhood commercial development and storefront renovation
- Land acquisition and re-utilization activities
- Development and implementation of neighborhood revitalization plans
- Infrastructure development and parks/recreation enhancements

Locations - The following neighborhoods are targeted for community development and revitalization.

- Aetna
- Black Oak
- Brunswick
- Emerson
- Glen Park
- Horace Mann/Ambridge
- Midtown
- Small Farms
- Enterprise Zone
- Empowerment Zone

