

Hammond Indiana DRAFT Fair Housing Assessment
03. Assessment of Past Goals, Actions and Strategies

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1. Indicate what fair housing goals were selected by program participant(s) in recent Analyses of Impediments, Assessments of Fair Housing, or other relevant planning documents:
 - a. Discuss what progress has been made toward their achievement;
 - b. Discuss how you have been successful in achieving past goals, and/or how you have fallen short of achieving those goals (including potentially harmful unintended consequences); and
 - c. Discuss any additional policies, actions, or steps that you could take to achieve past goals, or mitigate the problems you have experienced.
 - d. Discuss how the experience of program participant(s) with past goals has influenced the selection of current goals.

The City's last fair housing planning document, the Analysis of Impediments to Fair Housing Choice, or AI, was created and adopted in 2012. A copy of the full document can be downloaded from the City's website at:

http://www.gohammond.com/wp-content/uploads/Departments/Community_Development/affh_2016/analysis_of_impediments_to_fair_housing.pdf

In the Analysis of Impediments, the study identified a correlation between protected classes, such as racial minorities and persons with disabilities, and low income. The study concluded that the best way to remove impediments to fair housing choice was making strategic investments in low income neighborhoods:

One aspect of fair housing choice is neighborhood conditions and the provision of good services to areas in which low and moderate income families reside. African Americans, Hispanics, other racial minorities and persons with disabilities who are often concentrated in low income neighborhoods will benefit from better conditions and stable environments. Efforts to reduce vacancy, continuance of code enforcement and other concerted efforts are strongly recommended to maintain neighborhoods, stem the effects of blight, and improve the sense of community.

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In keeping with this theme, the recommendations of the AI were mostly focused around the theme of revitalizing struggling neighborhoods in order provide their residents better access to opportunity. Below is a summary of the five impediments identified in the AI and an evaluation of the City's efforts to address them.

1. Vacant and abandoned property

Hammond's declining population for the past forty years has had a measurable impact on the number of vacant and abandoned property. Vacant land and building impact housing values, insurance rates, and may create safety concerns. Private investment and neighborhood partnerships that focus on clean up and reinvestment activities should be pursued by City agencies and incorporated into short-term strategies. As such, the AI recommends the following actions to address this impediment:

- Develop vacant property strategies that will identify vacant property, identify the owner, develop a treatment for the property on a case by case basis, place on police watch list (as determined by case), make repairs in case of vandalism or board up as necessary.
- Assess the merits of a Vacant Property Registration Ordinance.
- Institute an aesthetic improvement and maintenance installation regiment for all vacant land and building sites as part of the City's Curb Appeal Program. These treatments can include community gardens, rain gardens, use of native plants, and window board up art.
- Expand the Adopt a Lot Program.

Assessment of Performance

In the last two years, the City adopted three ordinances to specifically address the issue of vacant and abandoned property. These include the Vacant Property Registration Ordinance (#9312 passed in September 2015), Cut and Clean Ordinance (#9249 passed in April 2014), and the Blight Elimination Program (#9275 passed in November 2014).

The City has demolished about 500 structures since 2008, primarily with \$500,000 a year from casino revenues. The City also received funds through the Indiana Hardest Hit Fund Blight Elimination Program (BEP). The Blight Elimination Program, which is administered by United Neighborhoods, Inc. on behalf of the City, is subject to more requirements and has identified a total of

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twelve blighted residential properties to date. The program is successful in removing the blighted condition from the neighborhood.

Planning and Community Development staff continuously reach out to local organizations through Mayor's Night Out, the Ministerial Alliance, crime watch meetings, annual events, and the HCC, a Hispanic-based community group. A main topic in these outreach efforts is the re-use of vacant property.

The success of the Adopt-a-Lot Program was limited. The City was able to put seven vacant properties back into use. Two properties were donated to neighborhood churches for use as parking lots. One property was donated to a private homeowner as a side lot. The Curb Appeal Program was considered for Community Development Block Grant (CDBG) funded but was ruled ineligible based on the requirements of the federal program.

Overall, the City has made tremendous strides in removing abandoned properties that have a blighting influence on neighborhoods. However, that success is somewhat tempered by the difficulty experienced in redeveloping these now vacant lots. One impediment to the redevelopment of these small lots is the minimum width of forty feet established for the primary residential zoning district within the City.

2. Foreclosed Property

Foreclosures in Hammond have consistently been above 500 for the last three years. The impact of foreclosures can result in significant costs and hardships for those most directly affected. As such, the AI recommended the following actions to address this impediment:

- Implement a vacant property strategy to maintain neighborhood integrity.
- Collaborate with neighborhood and block club organizations to maintain foreclosed properties.
- Acquire dilapidated foreclosed structures, demolish them, and institute a land bank for these properties for redevelopment or infill opportunities.
- Purchase, rehabilitate, and sell foreclosed homes.
- Provide down payment and rehabilitation assistance to purchase foreclosed homes.

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Assessment of Performance

The City remained in the midst of the national foreclosure crisis during the development of the last fair housing plan. Foreclosures, while still an issue, do not loom as large of a threat as they did five years ago. The City's main strategy to address foreclosures is the continuation of the NSP program. The City has been able to continue the NSP program beyond its initial allocation by generating nearly \$2.5 million of program income through the resale of rehabilitated properties.

In addition to the NSP Program, the City provides funding for its Homebound program that provides down payment assistance to income eligible homebuyers purchasing a unit in the City. From the inception of the Homebound Program, the City assisted 657 homebuyers in the purchase of a home. These incentives to re-invest in the City have helped counter act the effects of foreclosures within the City.

3. Quality Housing

Census data records the number of homes built before 1980 at over 31,000. The combination of the age of the housing stock, size of older homes and amenities impacts the ability to attract homebuyers that are interested in updated homes. As such, the AI recommended the following actions:

- Expand acquisition of available land for land banking. Solicit investors to purchase land to build infill housing or subdivision development.
- Rehabilitate and modernize existing substandard homes.
- Demolish substandard housing and build infill housing.

Assessment of Performance

The City rehabilitated 38 homes during the 2014 program year. Of those, 12 were fully brought up to code. While the need for rehabilitation remains high, the costs associated with each rehabilitation needs to be weighed against the benefits received when funding new development. For example, if the City can build a new housing unit with a net development subsidy of \$30,000 to \$50,000 (the average price of recent comprehensive rehabilitations), the City should consider pursuing infill development rather than bringing an older unit up to code.

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The City has not yet pursued acquisition strategies due to the lack of funds and to its existing inventory of properties. In 2014, the Code Enforcement Department exhausted its funding for housing demolitions.

The Planning and Development Department is working more closely with the other departments to address vacant properties. Code enforcement officers offer property owners information such as brochures for the City's housing rehabilitation programs and a list of contractors in order to bring their property up to code. For vacant properties, the City will cite properties and take necessary actions to secure the property. Whatever costs are incurred are secured with a lien against the property.

4. Homeownership and Financial Literacy

The review of practices in the real estate, insurance, appraisals, and lending institutions identified a few issues involving mortgage lending in relationship to homeownership opportunity for African Americans. The disparity of approval for conventional home loan purchases extended to high income African-Americans at a higher rate than other racial groups. To address this impediment, the AI recommended the following actions:

- Establish a robust program to provide foreclosure and financial literacy training to at-risk homeowners.
- Institute partnerships with local lenders to convert high cost and subprime loans to conventional mortgages.
- Partner with community colleges, universities, and other institutions to provide financial literacy training by including a curriculum that supports homeownership preparedness.
- Develop an aggressive marketing strategy through a public/private partnership to promote ease of homeownership in the City of Hammond.

Assessment of Performance

For each of the City's programs related to home buying, including NSP, Homebound, and CHDO properties, buyers are required to complete homebuyer and financial literacy courses. The City partners with Hammond Housing Authority, Consumer Credit Counseling, and Northwest Indiana Reinvestment Alliance to provide education regarding home buying, foreclosures, and basic

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financial literacy. The City is also working with several financial institutions, including Chase, Sagamore Mortgage, Centier, to provide homebuyer and foreclosing classes and education.

As mentioned above, the City's Homebound Program has assisted 657 new homebuyers since 2008. Of those 307 were Hispanic and 109 were African American. These successes clearly addressed the impediments faced by African American buyers identified in the last plan. However, in evaluating the geographic distribution of African American participants in the Homebuyer program, there were very few buyers who purchased a home in the North Hammond and Robertsdale neighborhoods.

5. Visitability

While not listed as an impediment, the AI recommended that the City develop a written Visitability Policy to make all or a significant percentage of units visitable. Visitability allows mobility impaired residents to have the option of visiting families, friends, or places of interest without the assistance of others. The term Visitability includes at least one entrance at grade level that is approached by an accessible route such as a sidewalk, and doorways on the first floor that provide at least 32 inches of clearance.

Assessment of Performance

During the course of the term of the AI, the City did not adopt a formal Visitability policy. The State of Indiana has formalized Visitability Standards for One and Two Family Dwellings and Townhouses (Article 27 of Title 675 of the Indiana Administrative Code). However, the standards that are specified are not mandatory unless a person contracts with a designer or builder for construction of a visitability feature. Given the existence of this standard at the State level, the City can choose to incorporate these standards for specific developments without adopting its own standard.

The City has supported visitability and accessibility of single family housing through its Disabled Ramp Program.