

**2014 Entry Form**  
(Complete one for each entry.)

Fill out the entry name *exactly* as you want it listed in the program.

**Entry Name** \_\_\_\_\_

**HFA** \_\_\_\_\_

**Submission Contact** \_\_\_\_\_

**Phone** \_\_\_\_\_ **Email** \_\_\_\_\_

Qualified Entries must be received by **Tuesday, July 1, 2014**.

For more information about Qualified Entries, [click here to access the 2014 Entry Rules](#).

Use this header on the upper right corner of each page.

HFA \_\_\_\_\_

Entry Name \_\_\_\_\_

Communications	Homeownership	Rental Housing	Special Needs Housing
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs
Legislative Advocacy	Management Innovation	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> State Advocacy <input type="checkbox"/> Federal Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology	<input type="checkbox"/> Special Achievement	<input type="checkbox"/> YES <input type="checkbox"/> NO

## Background

In 2011, the State of Indiana created the Stellar Communities pilot program, an inter-agency collaboration between the Indiana Housing and Community Development Authority (IHCDA), the Indiana Office of Community and Rural Affairs (OCRA), and the Indiana Department of Transportation (INDOT). Stellar is a revitalization program, designed to fund comprehensive community development projects in Indiana's smaller communities.

Through the Stellar Communities program, the inter-agency team annually accepts letters of interest from Indiana communities and selects six of those communities as finalists based upon their ability to demonstrate (1) financial capacity and leveraging, (2) leadership and organizational capacity and (3) the community and regional impact of the proposed development activities. These six finalists are awarded planning grants from IHCDA's Affordable Housing and Community Development Fund which are used to create a "strategic investment plan." This plan identifies the finalist community's unique development needs and serves as the final application for a Stellar Community designation. Of the six finalists, two communities receive the designation annually.

Upon receipt of the designation, the community has access to reserved sources of funding from each the three agencies, but must still submit project-specific applications to the appropriate agency to request funding for each individual project. Stellar is not in itself a guarantee of funding; the proposed project must still meet the eligibility and threshold requirements of the agency and requested funding source. Because the three agencies involved have diverse programming, a Stellar Community has access to funding for a range of projects from development of multi-family affordable housing, the rehabilitation of owner-occupied housing, community infrastructure or street and trail projects. The goal of Stellar is to make a large impact in a community in a short amount of time (a three-year designation), thus contributing to IHCDA's agency priority of "comprehensive community development." Stellar designees are tasked with building off of their community's unique strengths, resources and heritage to implement a community development plan that truly fits the specific needs of the local environment.

## The Stellar Set-aside

In 2014, the Stellar Communities program was transitioned from a pilot program to an established/recurring program. In preparation for this commitment, IHCDA's Real Estate Department incorporated a new "Stellar Community Designation" set-aside into the 2014-2015 Qualified Allocation Plan (QAP). Per pages 7-8 of the 2014-2015 QAP the Stellar Set-aside is described as follows:

10% of available annual credits will be set aside for developments that, through their formation, are part of a designated Indiana Stellar Community... In order to compete under this set-aside, the following conditions must be met:

- The community must have a Stellar Community Designation. Communities that were named finalists but not chosen are not eligible under this set-aside.

- The communities must provide evidence that the proposed development was part of their three-year Stellar Community investment plan which will identify capital and quality of life projects to be completed during that period.

Through this new set-aside, IHCD is committed to using a portion of its annual Low-Income Housing Tax Credits (LIHTC) to ensure that designated Stellar Communities can move forward with the affordable housing aspects of their investment plans and ensures these tax credit developments will be located in communities that are dedicated to revitalization and quality of life for residents.

## NCSHA Judging Criteria

IHCD believes that the Stellar Communities set-aside meets the qualifications for achievement under the category of “Rental Housing: Encouraging New Production.” Specifically, IHCD believes this initiative meets NCSHA’s entry requirements in the following ways:

### Innovative

Using a portion of the State’s allocation of LIHTC to contribute to the revitalization of communities as part of a larger revitalization and investment plan is an innovative and progressive use of the tax credit. Both the tax credit development and its tenants will benefit from being located in a community that is committed to revitalization, strong partnerships and development initiatives.

### Demonstrate effective use of resources

The Stellar Community program requires designated communities to invest resources and attract leveraging so that a higher quality and quantity of development initiatives can occur within the community. By setting aside 10% of the annual credit allocation for this purpose, IHCD is ensuring that a portion of its credits are used in conjunction with broader revitalization of plans in communities throughout Indiana.

### Effectively employ partnerships

This initiative is note-worthy because of the levels of partnership required to make the Stellar Community program function. At the state level, IHCD works hand-in-hand with OCRA and INDOT to set Stellar policy and select finalists and designees. Collaboration between state agencies is not always the easiest to organizer or sustain, however with Stellar, IHCD has been able to foster those relationships to take a unique pilot program and turn it into an ongoing initiative for Indiana.

An HFA working with the State Department of Transportation, for example, to think about and implement comprehensive revitalization efforts is not commonplace. In addition, Stellar requires the local communities to employ and foster partnerships with local businesses, community officials from multiple agencies, local housing providers, etc. Creative partnerships are the key to the Stellar Community program.

## Achieve strategic objectives

As mentioned briefly above, one of IHCD's agency-wide priorities is "comprehensive community development." IHCD defines that priority as follows:

A thriving community is a community with job opportunities, strong schools, safe neighborhoods, diverse housing and a vibrant culture. Comprehensive development recognizes that a community's potential lies in the identification and creation of a shared vision planned by local leadership and carried out by an array of partners. When successful, comprehensive community development marshals resources and deploys strategies in a concentrated footprint to serve as a catalyst for community vitality and sustainability. The demolition of blighted structures, the rehabilitation of housing units and the creation of new opportunities such as recreational amenities, retail service or employment centers can be the tipping point for future development by market forces.

In a nutshell, IHCD strives to take a holistic approach to ensure that its funding is not used in a vacuum, but rather as an impactful catalyst for additional development and opportunities. The Stellar Communities program and specifically the use of the Stellar Communities set-aside within the QAP is a means of meeting this agency priority by using the tax credit for development that is part of a comprehensive community-driven approach to development and revitalization.