

# Habitat for Humanity of Indiana's Revolving Loan Fund

October 22, 2019

# HISTORY...FEEDBACK...CHANGE

- Historically, IHEDA had a steady flow of Habitat affiliates applying for HOME-homebuyer funding annually.
- 2013 HOME Final Rule added complexity to the process, which discouraged a lot of our rural HFH affiliates to not apply
- Discussions with the State Director sought ways to make the process simpler for affiliates. This was accomplished by;
  - Replacing HOME funds with a more flexible funding source – Indiana Affordable Housing and Community Development Fund (“Development Fund”)
  - Using the State HFH office as the pass-through, guiding the process alongside the local staff.

# HOW THE MONEY FLOWS

- Three-year investment of \$1,050,000 from the Development Fund with each annual award being 50% grant and 50% loan
- Year one award of \$450,000
- Years two award of \$300,000
- Year three award of \$300,000
- Habitat for Humanity of Indiana created the Habitat Indiana Home Investment Fund
- All applications for funding from the affiliates are reviewed and approved by Habitat, not by IHCDA

# HOW THE MONEY FLOWS



# ABOVE THE STANDARD

## Program requirements in place to encourage Visitability

- Every home constructed through the revolving loan fund must meet the following three design requirements with the goal of creating housing that is more accessible for residents and visitors with mobility impairments:
  - Each unit must contain at least one (1) zero-step entrance on an accessible route; this can be any entrance to the unit;
  - All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least 31  $\frac{3}{4}$  inches of clear opening width; and
  - Each unit must contain at least one (1) half or full bathroom on the main level that is accessible per ICC A117.1. Section 1004.11.

# ON LOCATION.....

The Habitat Investment Home Fund has impacted several communities Indiana:

- Mishawaka
- City of Evansville
- City of Lafayette
- City of Muncie
- Clarksville
- Hammond
- Indianapolis
- New Albany

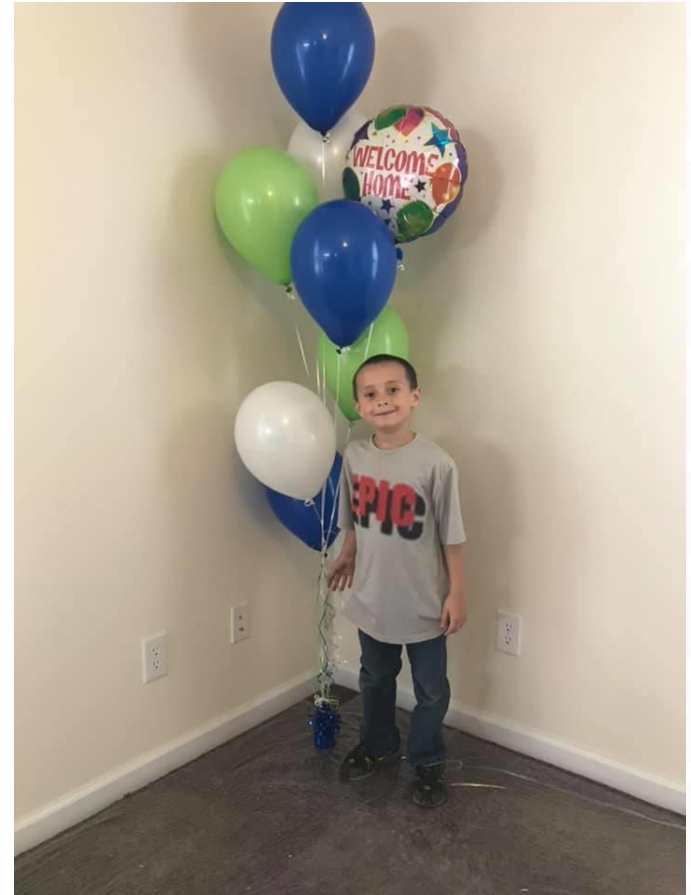




# CLARKSVILLE, INDIANA



# MUNCIE, INDIANA





# 2018 JIMMY AND ROSALYNN CARTER WORK PROJECT

- During the project week, 23 new homes were built in a brand new neighborhood in Mishawaka.
- Close to 2,000 volunteers from all around the world, including President and Mrs. Carter, Garth Brooks and Trisha Yearwood, and David Letterman.



# CARTER BUILD-SOUTH BEND, INDIANA





# 2018 JIMMY AND ROSALYNN CARTER WORK PROJECT

- Volunteers worked alongside future homeowners to construct their new homes. Habitat homeowners help build their own homes, and pay an affordable mortgage when they purchase their house.
- A lot of work in just one week, and built a lasting community together. Today, all 23 homes are occupied by happy Habitat homeowners.



# 2018 JIMMY AND ROSALYNN CARTER WORK PROJECT

For our local project, we completed:

**23** New homes in Mishawaka, IN

**5** New homes in South Bend, IN

**11** Major home repairs and **2** rehabilitated homes in South Bend, IN



# Evansville, Indiana



# ACCOMPLISHMENTS TO DATE

- Total units completed 60
- Number of people housed in completed units 197
  
- Units under construction 12
- Number of Homeowners 42
  
- Demographics of completed houses:
  - 51% African American
  - 6% Disabled
  - 5% Hispanic
  - 5% Asian
  - 33% White
  
- Cost of the average 3-bedroom Habitat house in Indiana is approximately \$85,000



# LAFAYETTE, INDIANA



# HAMMOND, INDIANA





# INDIANAPOLIS, INDIANA



# OUTCOMES

- Habitat for Humanity of Indiana is now promoting visitability standards for all Habitat construction in Indiana, including homes built outside of the fund.
- IHCDCA has implemented this requirement across multiple programs, requiring all single-family homes built for homeownership or rental through both HOME and LIHTC to implement the visitability standards.
- The process is an innovative way of creating housing opportunities through the creation of affordable homeownership units; this supports the agency's mission.
- The process effectively leverages agency funds and is sustainable. IHCDCA's investment of \$1,050,000 over three years results in a total fund amount of \$1,579,716. After IHCDCA's investment ends the fund will continue to revolve.

# NEW ALBANY, INDIANA





**Thank you for your time and attention!**

**QUESTIONS?**