

CITY OF GARY, INDIANA NOTICE OF SUBSTANTIAL AMENDMENT

The City of Gary Community Development Department would like to amend and make public the following changes to its Consolidated Action Plan for the HOME-ARP Allocation that was submitted to the U.S. Department of Housing and Urban Development (HUD) for program year 2021.

AMENDMENT TO: Describe method(s) for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors.

The City of Gary will administer the HOME-ARP allocation and oversee all projects to completion. The City anticipates partnering with Lake County Community Economic Development and other community partner agencies and organizations. The plan is to collaborate together across multiple agencies and organizations with HOME-ARP and other funding sources to develop a non-congregate shelter.

The City plans to issue an initial Request for Information (RFI) to seek community partners interested in the HOME-ARP development of non-congregate shelter acquisition/development funding. The City will evaluate the RFI responses to determine if there are any possibilities for collaboration or coordination between interested parties, including the capacity to properly run and operate non-congregate shelter. The City may also consider use of non-congregate shelter acquisition/development funding by a City Department. In the event that this process does not identify viable non-congregate shelter project(s), the City may reallocate \$2,244,411 to other HOME-ARP activities identified in this allocation plan.

The City will publicly announce the projects that are awarded HOME-ARP funding on its website and through other social media.

AMENDMENT TO: How the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis.

PRPOSED CHANGES	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 0.00		
Acquisition and Development of Non-Congregate Shelters	\$ 2,244,411		
Tenant-based Rental Assistance (TBRA)	\$ 0.00		
Development of Affordable Rental Housing	\$ 0.00		
Nonprofit Operating	\$ 0.00	0%	5%
Nonprofit Capacity Building	\$ 0.00	0%	5%
Administration & Planning	\$ 249,379	10%	15%
Total HOME-ARP Allocation	\$ 2,493,790		

Response: The City of Gary initially received \$2,490,094 in HOME-ARP funds from the U.S. Department of Housing and Urban Development (HUD). HUD discovered an administrative error in the formula allocation that resulted in our jurisdiction receiving less than it was legally entitled. The City of Gary HOME-ARP allocation was increased from \$2,490,094 to \$2,493,790 and the revisions have been made to the budget allocation. The City of Gary proposes to use \$2,244,411 million, or 90% of its HOME-ARP funds to acquire land, construct, and/or rehabilitate an already existing space (such as a motel/hotel, or other building) for one low-barrier, housing-focused non-congregate shelter to respond to a key need that HOME-ARP could address.

Additionally, the City of Gary needs at least 1 shelter that is low-barrier housing-focused that accepts people regardless of their household status, age, gender, race/ethnicity, sexual preference and without conditions of participation. Throughout the consultation process that Homebase conducted on behalf of the City of Gary, most organizations specifically mentioned the lack of a low-barrier, housing-focused shelter in the community.

The City will encourage proposals that site the non-congregate shelter in a similar location. Such an approach would create potential efficiencies in costs for acquisition and/or renovation/rehabilitation, as well as permitting, licensing, and operations. It would also provide flexibility for the City to convert the non-congregate shelter units to affordable rental housing, as is permissible under HOME-ARP.

Lastly, the City will use HOME-ARP Administration Funds in the amount of \$249,379 to provide day-to-day management and oversight of the program and ensure compliance.

AMENDMENT TO: Characteristics of the shelter and housing inventory and gap analysis rationale for the plan to fund eligible activities.

The gaps analysis reflected that the City of Gary needs more affordable rental housing, a low-barrier housing-focused non-congregate shelter, and more supportive services. HOME-ARP is a one-time opportunity to respond to these gaps. Of the opportunities to use the funding, paired with other community resources, the best use of the funds is to focus on developing a non-congregate shelter to ensure shelters are more accessible and meaningful (i.e., low-barrier, housing focused) in our community.

Therefore, the City of Gary will not be investing HOME-ARP funds towards developing affordable rental housing, supportive services, or capacity building.

AMENDMENT TO: Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation.

The City of Gary will not be using HOME-ARP funds for the development of affordable rental housing units for qualifying populations. The City will be focused on a non-congregate shelter.

AMENDMENT TO: Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ's priority needs.

The City of Gary will not be using HOME-ARP funds for the development of affordable rental housing and therefore have no goals to address.

The changes are consistent with the Citizen Participation Plan for the City of Community Development Department. The changes are considered substantial changes according to the criteria of the Plan. The amendment is consistent with Title 24, Department of

Housing and Urban Development Regulations Part 91, Subpart F, Section 91.505 and Subpart B, Section 91.105. The amendment is available for public review and comment for 15 days starting **May 1, 2026 and ending May 15, 2026** at the Community Development Department, 401 Broadway, Suite 100, Gary, IN 46402. The office hours are 8:30 am to 4:30 pm Monday through Friday. Written comments and/or suggestions regarding the amendment can be emailed to Commdev@gary.gov. For more information, you may call (219)881-5075.