

# Hoosiers and Homes: Housing Policies in Indiana



## Indiana Family Impact Seminars

*A project of the Indiana Consortium of Family Organizations*

Center for Families, Purdue University

Department of Early Childhood, Youth, and Family Studies, Ball State University

Indiana Association for the Education of Young Children

Indiana Association for Marriage and Family Therapy

Indiana Clinical and Translational Sciences Institute (CTSI)

Indiana Extension Homemakers Association®

Indiana Family Services

Indiana University School of Public Health - Bloomington

Indiana Youth Institute

Marion County Commission on Youth (MCCOY)

National Association of Social Workers - Indiana Chapter

Purdue Extension Health and Human Sciences

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## Key Terms

Abbreviation	Definition
BAU	Business as usual, referring to a control group of housing studies
HUD	U.S. Department of Housing and Urban Development
ISHF	Intensive Supportive Housing for Families
JCHS	Joint Center for Housing Studies of Harvard University
LIHTC	Low-Income Housing Tax Credit
PHA	Public Housing Agencies
RCT	Randomized Controlled Trial
SHF	Supportive Housing for Families, Connecticut Program

Term	Definition
Contract-for-deed	Also known as a “land contract”, a contract between a buyer and seller of a property, where the seller provides financing and the buyer repays through installments.
In/adequate housing	Described by the Urban Institute as housing which has plumbing, heating, electricity, and upkeep issues, resulting in health and safety hazards.
Low-income	As determined by the HUD, describes the income level to qualify for government-supported housing, with income at 80 percent of the regional median income. “Very low-income” and “Extremely low-income” qualifications stand at 50 percent and 30 percent, respectively.
Low-rent stock	The availability of low-rent housing units within a region.
Non/family households	According to the US census, a family household “includes a householder and one or more other people living in the same household who are related to the householder by birth, marriage, or adoption.”
Predatory lending	A tactic in which lenders deceive vulnerable populations such as the elderly, low income, or minorities into signing loans with excessive terms (“subprime loans”).
Rent-to-own	A type of loan agreement which presents the opportunity of property ownership

## Family Impact Seminars

Family Impact Seminars have been well received by federal policymakers in Washington, DC, and Indiana is one of several states to sponsor such seminars for state policymakers. Family Impact Seminars provide state-of-the-art research on current family issues for state legislators and their aides, Governor’s Office staff, state agency representatives, educators, and service providers. One of the best ways to help individuals is by strengthening their families. The Family Impact Seminars speakers analyze the consequences an issue, policy or program may have for families. The seminars provide objective, nonpartisan information on current issues and do not lobby for particular policies. Seminar participants discuss policy options and identify common ground where it exists.

*Hoosiers and Homes: Housing Policies in Indiana* is the twenty-second seminar in a continuing series design to bring a family focus to policy making. The seminar focused on the connection between housing, finances, and well-being for Hoosier families. The topic was chosen by a bipartisan committee of legislators, representing the very audience the seminars are intended to inform.

### Seminar Speakers:

<i>Whitney Airgood-Obrycki, PhD</i> Senior Research Analyst, Joint Center for Housing Studies of Harvard University	<i>Anne F. Farrell, PhD</i> Director of Research, Chapin Hall at the University of Chicago
<i>Judith Fox, J.D.</i> Clinical Professor of Law, University of Notre Dame	<i>JoAnna Brown, PhD</i> Sagamore Institute

### Seminar Advisory Committee:

Representative Dale DeVon Representative. Dan Forestal Representative Sheila Klinker Representative Vanessa Summers Representative Jeff Thompson	Senator Jean Breaux Senator Vaneta Becker Senator Dennis Kruse Senator Jean Leising Senator Mark Stoops
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### The Indiana Seminars are a project of the Indiana Consortium of Family Organizations which includes:

- Center for Families, Purdue University
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## Issue Overview

Housing and homeownership are strongly related to family health and wellbeing. Prominent concerns for Hoosier families include homeownership costs and rates, rental prices, housing quality, and housing schemes and scams. Evidence indicates that families with stable, independent housing are more able to provide food, clothing, transportation and healthcare for themselves and their children, reducing the likelihood of school dropout, mental health concerns, and poor overall health outcomes for all family members.<sup>1</sup>

Despite strong economic performance across the U.S., rates of homeownership have been declining. In Indiana, rates of homeownership peaked in 2004 at 75.8%, falling to 69% by 2019.<sup>2</sup> Declines in homeownership have been accompanied by increases in renting (in Indiana, 5.3% since 2010<sup>3</sup>). Currently, Indiana receives \$565 million in Federal Rental Assistance, which supports 89,100 households.<sup>4</sup>

Household demographics are also shifting. Indiana has seen a 3.9% decrease since 2010 in family households consisting of married couples with children.<sup>5</sup> Married couples without children (+2.2%), non-family households (+5.4%), and people living alone (+6.8%) have all increased since 2010.

Since 2010, unemployment in Indiana has dropped from 11% to 3.2%.<sup>6</sup> Though more Hoosiers are employed, median home listing prices have risen 50% while household income has increased by only 11% since 2010.<sup>7</sup> Rental prices are also shifting: as the stock of low-rent units diminishes, median rental prices are 27% higher than what the average renter can afford.<sup>8</sup> Currently, 40% of low-income people in Indiana pay more than half of their income in rent or are homeless.<sup>3</sup> An estimated 19,210 Indiana school children doubled up with other families, lived on the street, or in in shelters, hotels or motels during the 2016-2017 school year.<sup>3</sup>

Indiana has seen an increase in the number of “rent-to-own” and land contract cases in recent years, due in part to the large number of properties abandoned during the housing crisis. These contracts can saddle unaware renters with responsibilities that should have fallen on their landlords, leading to unsafe housing conditions. A recent Indiana Supreme Court case helped to differentiate between rental and land contract units, but confusion still surrounds issues related to recording, foreclosure and eviction.<sup>9</sup>

The 2019 Indiana Family Impact Seminar, offered by the Indiana Consortium of Family Organizations (COFO), focused on the connection between housing, finances, and well-being for Hoosier families. The following pages provide research evidence and resources.

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<sup>1</sup> <https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-020419.html>

<sup>2</sup> <https://fred.stlouisfed.org/series/INHOWN>

<sup>3</sup> [http://www.stats.indiana.edu/dms4/new\\_dpage.asp?profile\\_id=336&output\\_mode=2](http://www.stats.indiana.edu/dms4/new_dpage.asp?profile_id=336&output_mode=2)

<sup>4</sup> <https://www.cbpp.org/research/housing/federal-rental-assistance-fact-sheets#IN>

<sup>5</sup> [http://www.stats.indiana.edu/dms4/new\\_dpage.asp?profile\\_id=335&output\\_mode=2](http://www.stats.indiana.edu/dms4/new_dpage.asp?profile_id=335&output_mode=2)

<sup>6</sup>

<sup>7</sup> <https://beta.bls.gov/dataViewer/view/timeseries/LASST18000000000003;jsessionid=BCF74A96EC4BC2181DE5B8C73D7C3A16>

<sup>7</sup> <https://www.zillow.com/research/data/>

<sup>8</sup> <https://www.jchs.harvard.edu/son2017-rental-units>

<sup>9</sup> <https://www.in.gov/judiciary/opinions/pdf/09271801cjb.pdf>

## Considerations for Legislators

### Low-income Families and Housing

- After a 12-year decline, US homeownership rates incrementally increased in both 2017 and 2018, but the construction of smaller, affordable homes continues to fall short of the demand<sup>1</sup>
- There are 37 affordable and available homes for every 100 extremely low-income renter households<sup>2</sup> (i.e. those with incomes at or below the poverty level or 30% of the area median income, whichever is greater)
- Seventy-one percent (7.8 million) of the country's extremely low-income renter households are severely cost-burdened, (pay more than half their income towards rent)<sup>2</sup>
- There is no state or county in the country where a renter working full-time at minimum wage can afford a two-bedroom apartment<sup>2</sup>
- In Indiana specifically:
  - Median rents are increasing faster than median renter household incomes, leading to an increase in the number of low-income households that struggle to afford housing<sup>3</sup>
  - There is a 134,485-unit shortage of affordable rental homes available to extremely low-income renters<sup>4</sup>
  - There are 384,100 low-income renters who are severely cost-burdened, a population that includes children (31%), working adults (35%), seniors (11%), adults with disabilities (20%) and veterans (3%)<sup>3</sup>
  - Indiana lacks sufficient state-level affordable housing tax incentives aimed at increasing the development of affordable housing<sup>12</sup>
- Low-income renters who cannot afford adequate housing are more likely to be evicted and are at a higher risk of becoming homeless<sup>3</sup>
- Low-income renter households are more susceptible to predatory lending practices that lower their property equity due to high fees, poor underwriting, and high penalties that raise the risk of default or foreclosure.<sup>5</sup>
- Increasing access to affordable housing is one of the most cost-effective strategies for reducing childhood poverty and increasing economic mobility in the U.S.<sup>6</sup>

### Low-Income Renters and Rent-to-Own Agreements

- Contract-for-deed or rent-to-own agreements have been increasing in popularity as an alternate means of financing home sales for buyers who cannot afford traditional mortgages<sup>7</sup>
- Rent-to-own agreements are especially common in low-income communities, as well as in low-income immigrant communities,<sup>7,8</sup> where access to mortgages is limited and houses are commonly in substandard conditions,
- Buyers who commit to rent-to-own agreements face a higher risk of being forced out of their residence, and build no home equity<sup>7</sup>

- In a recent report examining trends in rent-to-own agreements from 2005-2016, researchers found that Indiana was one of six states containing the highest number of rent-to-own contract records<sup>7</sup>

## The Link between Housing Instability and Child and Family Welfare

- Research has established that low-income households that are severely cost-burdened, compromise on other essential needs such as food, clothing, transportation, and health care, leading to children with poorer health outcomes, lower levels of school engagement, and higher levels of mental health concerns.<sup>9</sup>
- Children experiencing homelessness perform worse in school, are more likely to experience physical and psychological health concerns, and are at greater risk for accidental injury or physical assault. Living in crowded homes results in similar consequences<sup>9</sup>
- Child welfare system involvement is more likely among homeless families than among low-income families that are housed<sup>10</sup>
  - “Inadequate housing” (homelessness, overcrowding, unsafe conditions) has been identified as one of the circumstances of removal for 11% of children in foster care
  - Providing child welfare involved families with housing-related services can significantly reduce the incidence of subsequent maltreatment, and facilitate reunification for families with children in out of home care
  - The cost of providing homeless or precariously housed families with some type of housing assistance is lower in “almost every case” than the cost of placing children in out of home care
- Access to higher-quality, affordable housing helps to provide a stable environment for children and can reduce the likelihood of low-income at-risk families becoming homeless. In one study, families that received housing vouchers over a 4-year period were 74% less likely to stay in a shelter or on the street than families without a housing subsidy<sup>11</sup>

## Promising Policy Strategies

- **Inclusionary Zoning (IZ):** Programs at the state or municipal level that help to create affordable housing units by requiring or encouraging the development of below-market affordable housing alongside market-rate rentals<sup>12, 13</sup>
  - Since the 1970s, more than 800 inclusionary zoning programs have helped to create and expand the availability of below-market rate rentals across 25 states and the District of Columbia<sup>14</sup>
  - IZ programs are most effective in expanding the supply of affordable housing when they are mandatory rather than voluntary<sup>15</sup>
  - The longer IZ programs are in place, the more affordable units they produce<sup>16</sup>
  - Example of a successful IZ program in Montgomery County, MD:
    - Developed in 1974, this program addressed Montgomery County’s housing needs by requiring that up to 15% of new developments of twenty units or more be

moderately priced, and that 40% of new developments be offered through public housing agencies and non-profit housing providers<sup>17</sup>

- Over 30 years, the program produced a total of 13,000 affordable units, generating a total of \$477.4 million in private sector investments in affordable housing programs across the county<sup>17</sup>
- **Affordable Housing Tax Incentives:** These are intended to generate private investment in affordable housing by providing credits on taxes owed for investments in affordable housing<sup>13</sup>
  - Nineteen states and the District of Columbia have state-level tax incentives for new construction or rehabilitation of existing affordable housing for low-income households, 14 of which pair their tax credits to federal Low Income Housing Tax Credits (LIHTCs)<sup>12</sup> to help fill the gaps in development costs
  - Illinois Affordable Housing (Donation) Tax Credit is separate from the federal LIHTC, and encourages private investment in affordable housing by offering individuals or organizations a one-time state income tax credit equal to 50% of their donation to a participating non-profit housing developer<sup>18</sup>
  - Colorado's Affordable Housing Tax Credit pairs its program exclusively with the LIHTC, such that in order to receive the state tax credit, developers must also use the federal 4% LIHTC<sup>19</sup>. Since 2014, the program has helped finance the construction of 6,140 affordable housing units, and in 2018, the program was extended for five years, and it's annual allocation doubled from \$5 million to \$10 million<sup>19</sup>
- **Housing Vouchers Protections:** Administered by HUD and managed at the local level by public housing agencies (PHAs), the Housing Choice Voucher is the largest federal rental assistance program, created to help low-income households obtain affordable housing in the private market.<sup>12,13</sup> However, research has established that there has been a growing number of discriminatory housing practices against voucher holders.<sup>20</sup>
  - Only 1 in 3 voucher households are protected by non-discrimination laws<sup>20</sup>
  - 11 states and the District of Columbia have enacted laws to protect housing voucher holders that prohibit housing providers from refusing to rent based solely on a renter's source of income, when that source is tied to housing vouchers<sup>12, 20</sup>
  - Indiana is one of two states in which cities are preempted from implementing housing voucher protections<sup>12</sup>
  - Voucher non-discrimination laws are associated with notable reductions in the share of landlords that refuse to accept vouchers<sup>21</sup>
  - Example: Washington state was the most recent to enact 'source of income' protections, in which landlords may be penalized up to 4.5 times a unit's monthly rent, as well as be responsible for court costs and attorney's fees, if they discriminate against a current or prospective tenant based on their source of income<sup>22</sup>. In addition, the state established a program to incentivize landlords to rent to voucher holders by covering the cost of repairs from \$500 to \$1000 for a prospective tenant based on their source of income<sup>22</sup>



- **Protection Against Rent-to-Own Contracts:** For contract-for-deed agreements to be a feasible path to homeownership for low-income families, state laws surrounding the contracts would need to offer the same level of protection afforded to traditional mortgage agreements<sup>7</sup>
  - Recording the agreement in a timely manner is essential to assure the protection of the buyer, and the National Consumer Law Center recommends that such a deed be recorded within 90 days<sup>23</sup>
  - Other regulations to be considered at the state level include a required inspection and disclosure document regarding the property's condition, as well as a third-party appraisal to ensure the property is sold as fair market value<sup>24</sup>
  - Example of recent legislation enacting rent-to-own protection regulations in Ohio<sup>7</sup>:
    - Requires the seller to take care of outstanding taxes and property repairs prior to the execution of the contract
    - Requires an inspection be conducted to ensure the property meets the local jurisdiction's building codes
  - Example of Texas state reforms to protect rent-to-own buyers:
    - Requirements include mandatory reporting to better track rent-to-own sales
    - A rigorous study on rent-to-own agreements in Texas found that legislative reforms requiring reporting has curbed the number of sales in the state; however, it remains a common practice in low-income, predominantly Hispanic border communities, where many households were found to have unrecorded contracts<sup>25</sup>
  - Enforcing mandatory reporting can protect low-income communities that are at a higher risk of entering into risky rent-to-own agreements. The National Consumer Law Center recommends that strict penalties be imposed to ensure compliance of any land-contract regulations, especially since most buyers will not have the resources or legal representation to enforce their rights<sup>24</sup>.

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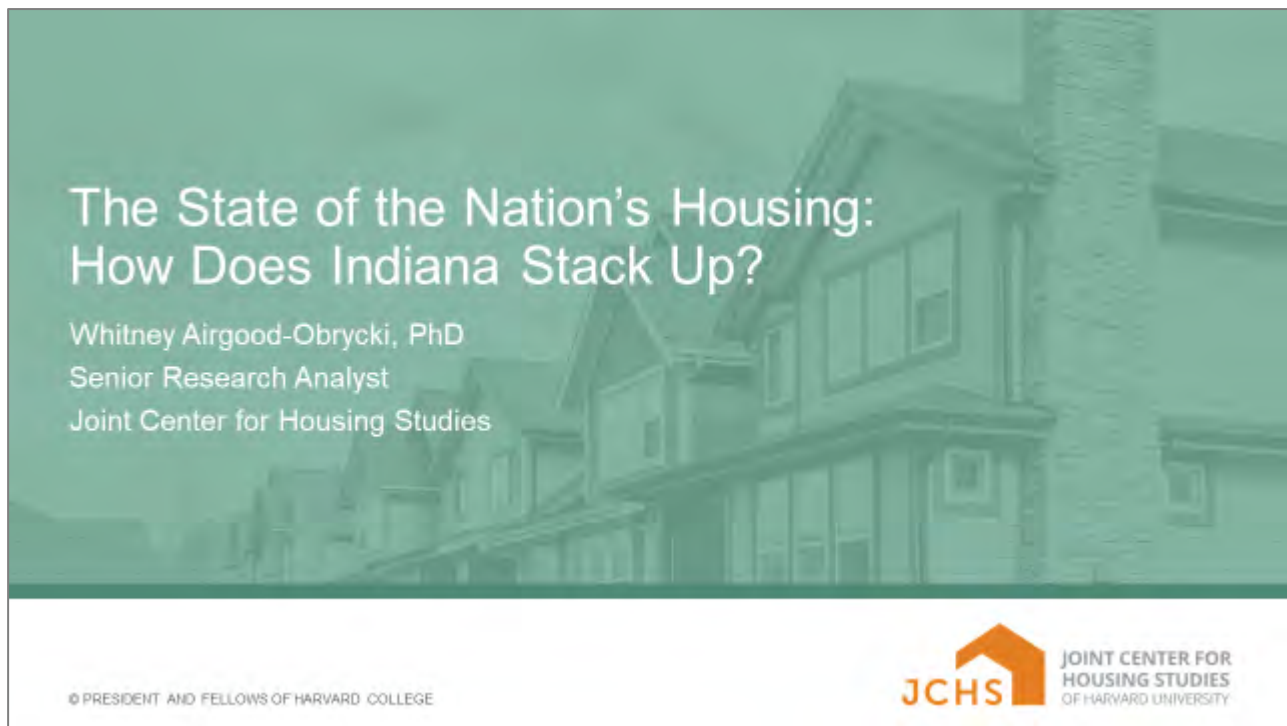
## Appendix: Seminar Presentations

### The State of the Nation's Housing: How Does Indiana Stack Up?

Whitney Airgood-Obyrcki, PhD

Senior Research Analyst, Joint Center for Housing Studies of Harvard University

Dr. Whitney Airgood-Obyrcki is a Senior Research Analyst at the Joint Center for Housing Studies of Harvard University. Her research focuses on affordable and assisted rental housing for low-income households, rental housing markets, and the housing needs of older adults. Dr. Airgood-Obyrcki contributes regularly to the signature JCHS reports, including the State of the Nation's Housing and Housing America's Older Adults, and serves as the lead author of America's Rental Housing. Dr. Airgood-Obyrcki holds a BA in History from Simmons College, an MS in Historic Preservation from Ball State University and a PhD in City & Regional Planning from The Ohio State University.



## Key Themes Across the US

- We have not been building enough housing
- Demand for homeownership has returned
- Rental demand is down but markets tight
- Cost burdens down but affordability concerns remain as urgent as ever
- Aging boomers and millennials to support solid demand for the next decade



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New Housing Supply Remains  
Constrained Despite Rising Demand

## Household Growth Is Picking Back Up

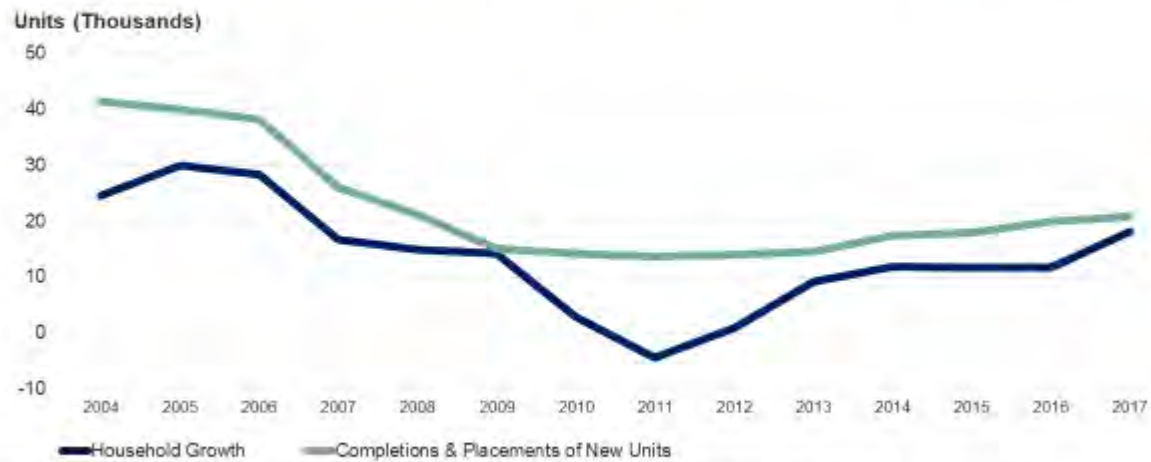


Notes: Household growth data are three-year trailing averages.  
 Source: JCHS tabulations of US Census Bureau, American Housing Survey 1-Year Estimates

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## Supply Isn't Quite Keeping Up With Household Growth



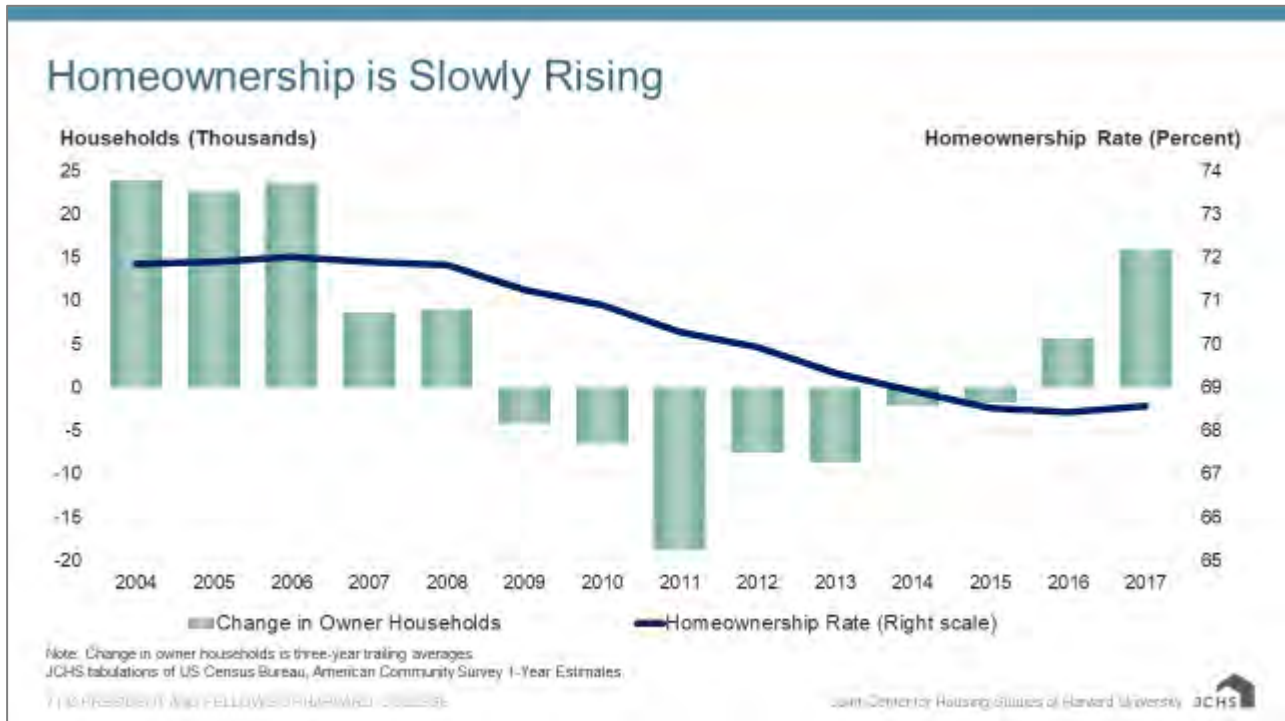
Notes: Household growth data are three-year trailing averages. Placements refers to newly built mobile homes placed for residential use.  
 Source: JCHS tabulations of US Census Bureau Housing Vacancy Survey, New Residential Construction data and US Census Bureau, American Community Survey 1-Year Estimates

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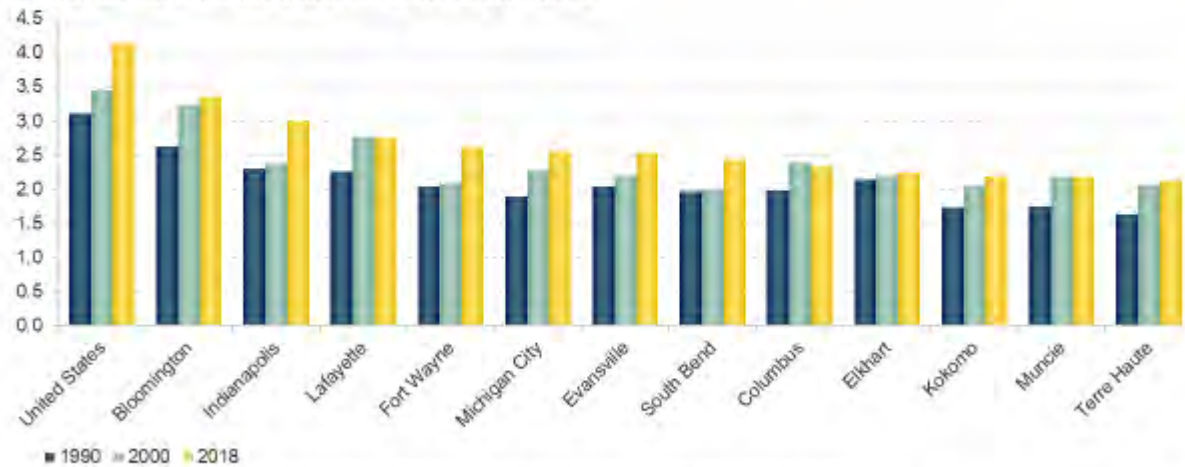


# Homeownership Rebound Continues Despite Declining Affordability



## Home Prices Are Increasing Faster Than Incomes in Most Indiana Metros

Ratio of Median Home Price to Median Household Income



Note: Home prices are the median sale price of existing single-family homes and incomes are the median household income within markets.

Source: JCHS tabulations of National Association of Realtors Metropolitan Median Area Prices and Moody's Analytics Forecasts.

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## Rental Markets Remain on Solid Footing Despite Slowdown in Overall Demand



## Renter Household Growth is Slowing



Note: Change in renter households is three-year trailing averages.  
 JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

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## Rental Vacancy Rates in Indiana Are Falling



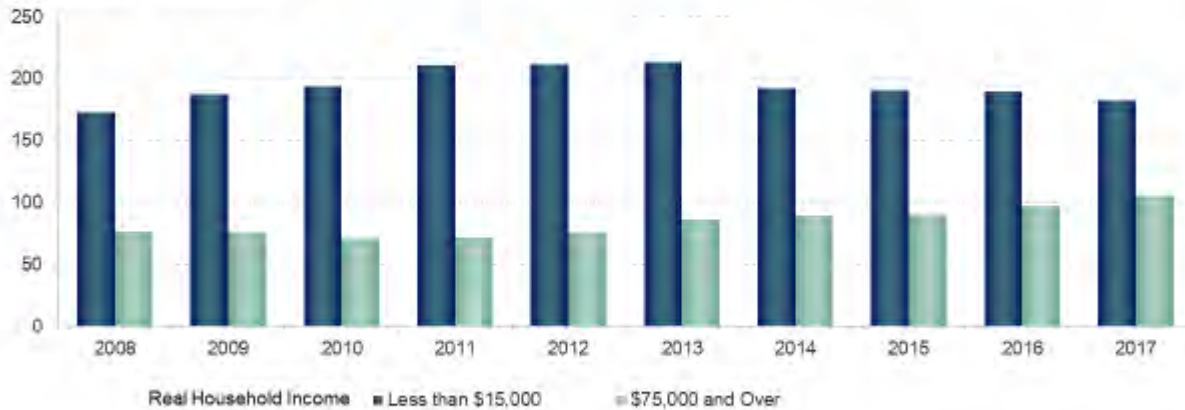
Notes: Vacancy rates are calculated as smoothed 4-quarter trailing average.  
 Source: JCHS tabulations US Census Bureau, Housing Vacancy Surveys.

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## Higher-Income Households Have Boosted Rental Demand in Indiana

Households (Thousands)



Notes: Income categories inflated using CPI-U for All items.  
 Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.  
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Despite Top Line Improvements,  
 Affordability Worsens for Modest-Income  
 Renters and Remains Key Challenge for  
 Low-Income Renters

## Renter Burdens in Indiana Remain Close to the National Rate



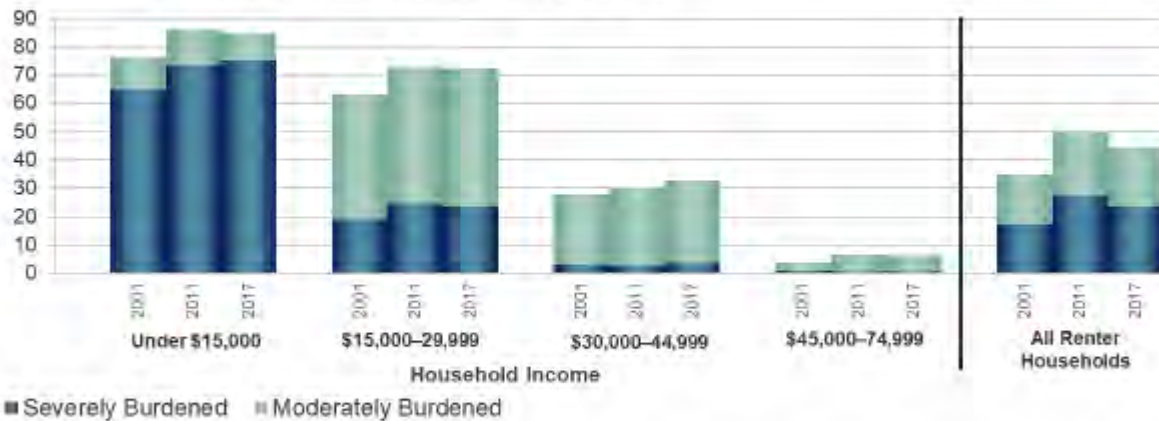
Notes: Cost-burdened (severely cost-burdened) households pay more than 30% (more than 50%) of their income on housing. Households with zero or negative income are assumed to have burdens, while households paying no cash rent are assumed to be without burdens.  
Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

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## Cost Burdens Are Rising Slightly for Middle-Income Hoosiers

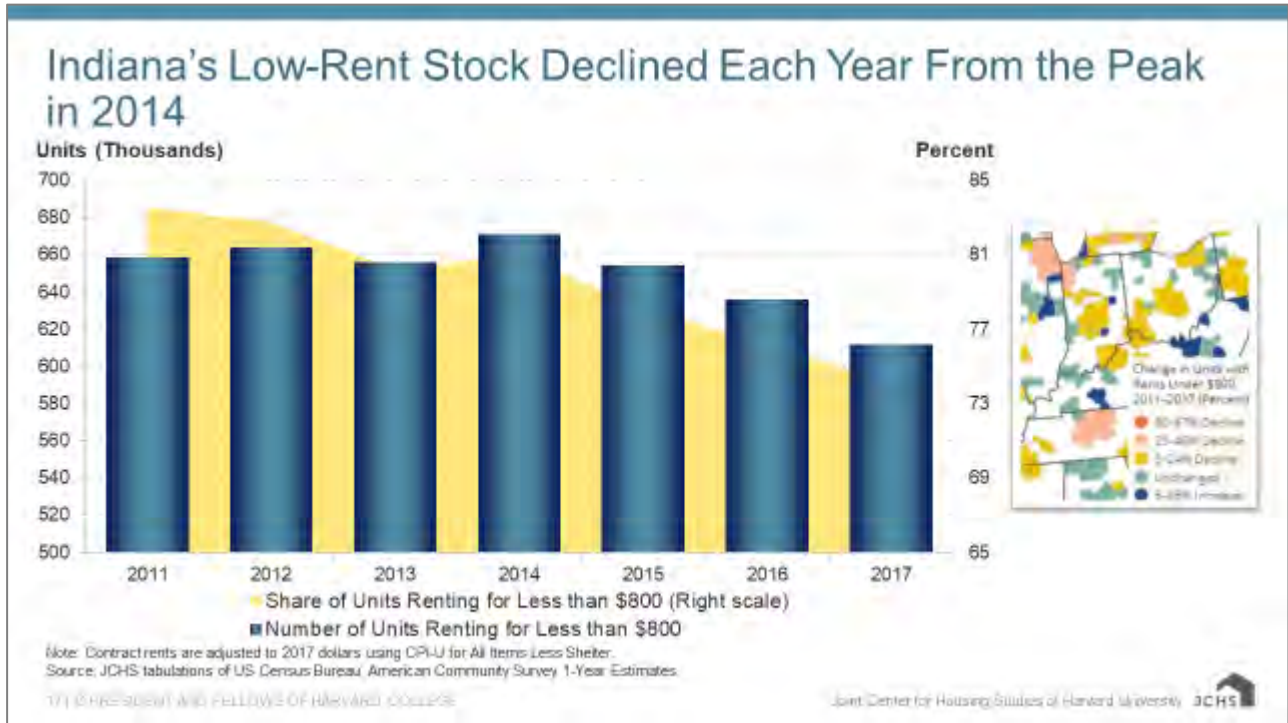
Share of Renter Households with Cost Burdens (Percent)



Notes: Household incomes are adjusted to 2017 dollars using the CPI-U for All Items. Moderately (severely) cost-burdened households pay more than 30% (more than 50%) of income for housing. Households with zero or negative income are assumed to have severe burdens, while households paying no cash rent are assumed to be without burdens.  
Source: JCHS tabulations of US Census Bureau, American Community Survey 1-Year Estimates.

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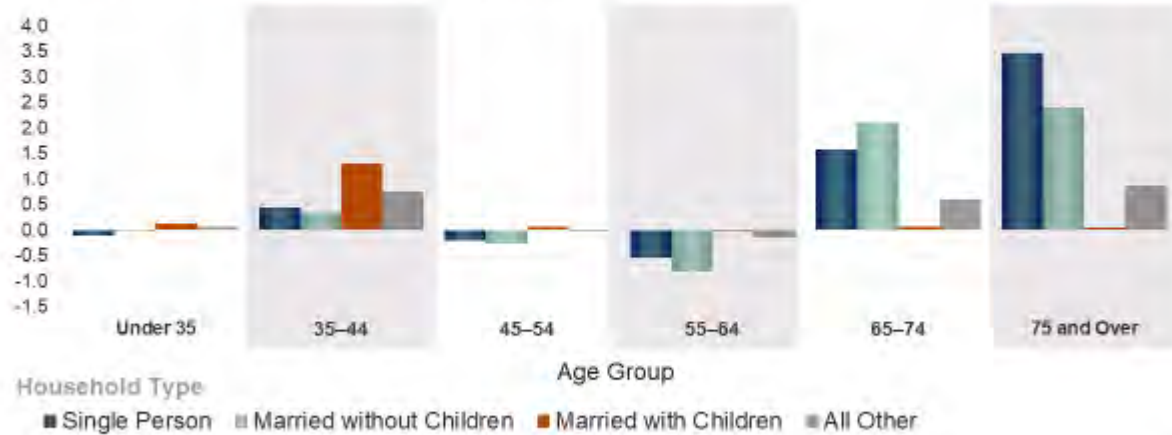
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Demographic Outlook is For Solid Household Growth Driven by Aging Boomers and Millennials

## The Fastest-Growing Household Types Will Be Older Single Persons and Empty-Nesters

Projected Change in Households, 2018–2028 (Millions)



Source: JCHS 2018 Household Projections

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# Thank You

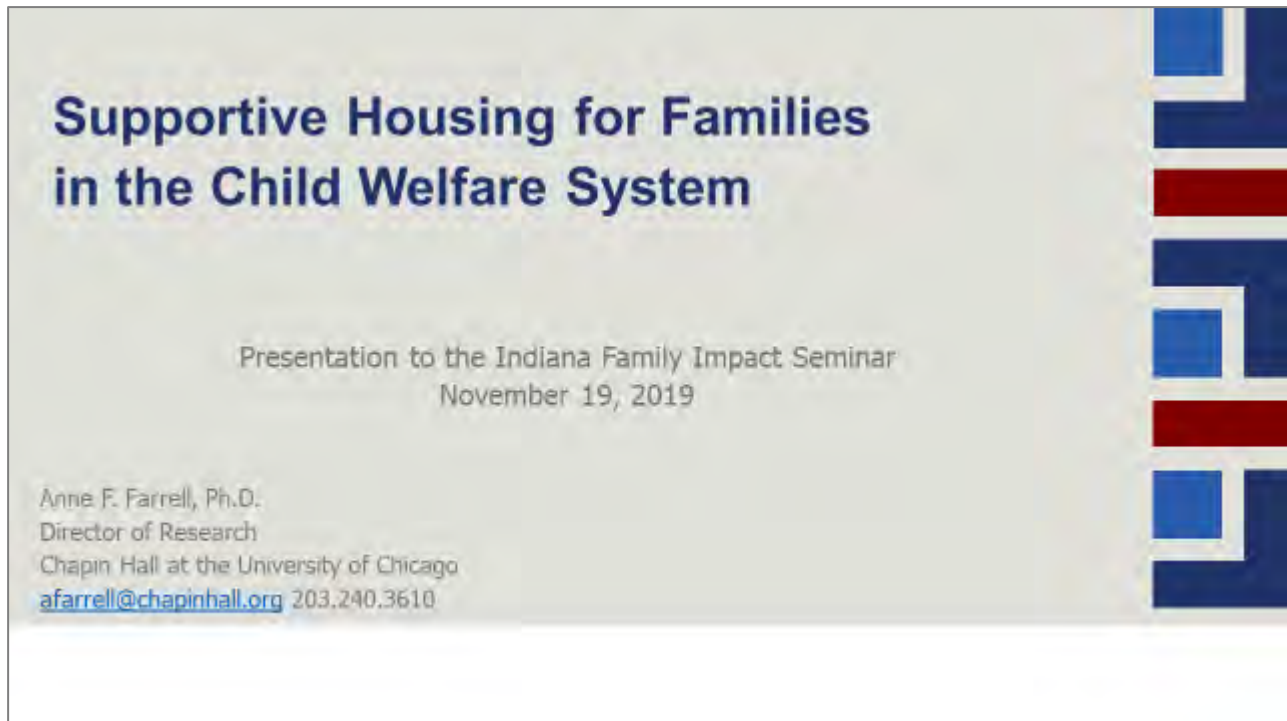
Reports, interactives, and data available at:  
[jchs.harvard.edu](http://jchs.harvard.edu)

## Supportive Housing for Families in the Child Welfare System

Anne F. Farrell, PhD

Director of Research, Chapin Hall at the University of Chicago

Dr. Anne Farrell is Director of Research at Chapin Hall at the University of Chicago. In addition to leading Chapin Hall's policy research agenda, Dr. Farrell conducts research and policy analysis on housing and child welfare, cross-systems collaborations, family-centered services, and family and community resilience. Dr. Farrell served as PI on a federally funded demonstration project on housing and child welfare, developed a screening tool on housing instability, and publishes and speaks frequently on the topic of housing and homelessness. Dr. Farrell previously directed the Center for Applied Research in Human Development at the University of Connecticut. As a translational researcher, her leadership in CT included evaluations such as: Head Start and Head Start, out-of-school time, school attendance, family/youth empowerment, school nutrition, and community development efforts under Promise Neighborhood funding. Dr. Farrell has her PhD in clinical and school psychology from Hofstra University. She is the Chair of the Family Policy Section of the National Council on Family Relations and the incoming coeditor of the *Journal of Child and Family Studies*.



## Intro: Housing and Well-Being



- Safe, stable housing: determinant of child and family well-being.
- Family instability → consequence of economic insecurity
- Poverty → little control over housing options, quality, stability
- Housing instability & homelessness linked to disparate outcomes
- Housing/homelessness: linked with child welfare involvement
  - Caseworker judgments of risk and well-being; placement and delayed reunification
- Unequal access to housing, education, health – drivers of inequity
- Chapin Hall's Voices of Youth Count: Intergenerational evidence
  - Majority of young people → first homelessness experiences in childhood
  - Risk factors for youth homelessness / disproportionality:
    - No HS diploma; Black & Latinx background; LGBTQ; pregnant and parenting; low income
    - Rural homelessness is as prevalent as urban homelessness

## Supportive Housing for Families (SHF)

### Connecticut's Statewide Model (began C. 1998): SHF

- Family reunification: Prepare to return from care, reduce length/cost of foster care
- Family preservation: Prevent foster care placement, avert family separation
- Target families with housing risks (homeless; inadequate or unstable housing); most parents have mental health and/or substance abuse challenges, trauma; children have array of risks/needs.

### The 15+ Year Partnership

- The Department of Children and Families (DCF) funds the program, refers clients, coordinates with the service provider (hub).
- The Connection, Inc. (TCI): service hub; clinical assessment, housing searches, temporary subsidies; and intensive case management. Scattered site housing model.
- Permanent housing vouchers are dedicated from the CT Department of Housing.
- Evaluators (Chapin Hall, UConn) study program (implementation/process, outcomes, and cost).

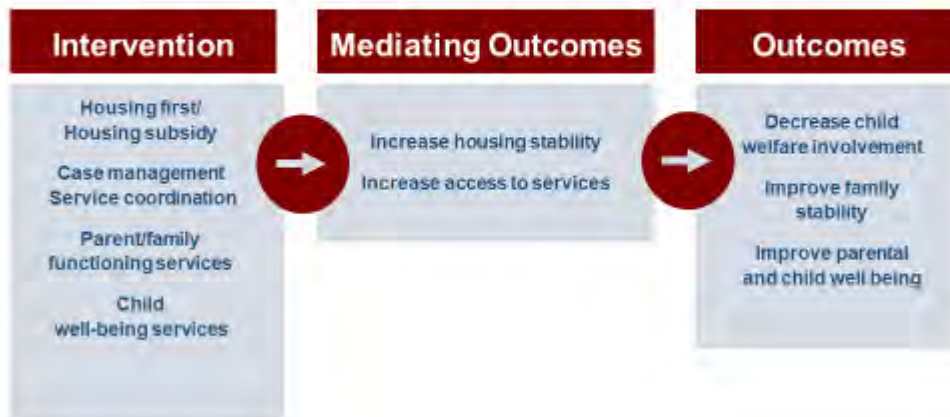


## SHF – Logic & Questions

- **Logic:** Hierarchy of needs: address basics before higher order needs.
- **Housing as a platform** for other interventions: case management; trauma, substance abuse tx; parenting; ed/vocational support.
- **Promise:** By 2013, CT had a 10+ year history of supportive housing for families in the child welfare system, with research showing promise.
- **Questions:**
  1. Can we fully (experimentally) demonstrate effectiveness? Will success be maintained?
  2. What are the essential components of effectiveness?
  3. Can cost savings accrue within and across systems?



## Partnerships to Demonstrate the Effectiveness of Supportive Housing Demonstration





## 5 Demonstration Sites

- CA** **San Francisco, CA**  
San Francisco Human Services Agency  
**Families Moving Forward**
- IA** **Cedar Rapids, IA**  
Four Oaks Family and Children's Services  
**Partners United for Supportive Housing**
- TN** **Memphis, TN**  
Community Alliance for the Homeless  
**Memphis Strong Families Initiative**
- CT** **State of Connecticut**  
Department of Children and Families  
**Intensive Supportive Housing for Families**
- CT** **Broward County, FL**  
Kids in Distress, Inc.  
**HEART Alliance**



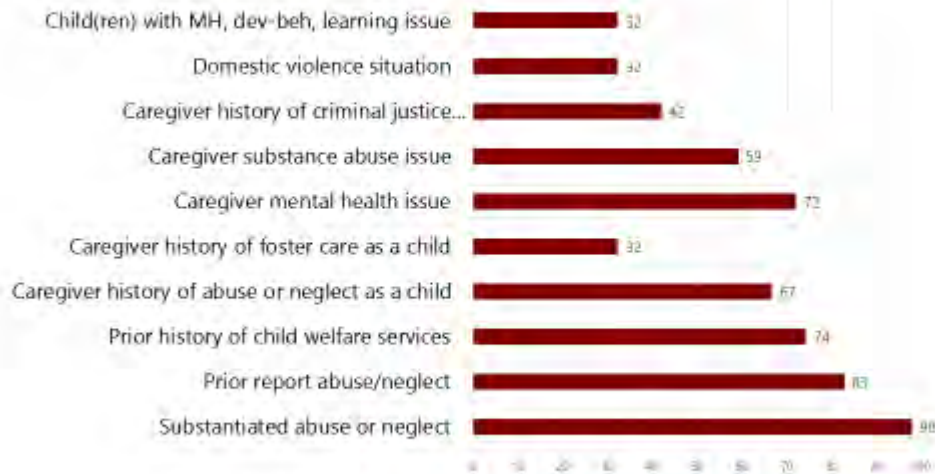
### Demonstration Study: Intensive Supportive Housing Evaluation Comparison Groups

DCF Business as Usual (BAU)	Project SHF	Intensive SHF
<ul style="list-style-type: none"> <li>• Community Services</li> <li>• Intensive Family Preservation Services</li> <li>• Foster Care</li> </ul>	<ul style="list-style-type: none"> <li>• Housing assistance</li> <li>• Case Management</li> </ul>	<ul style="list-style-type: none"> <li>• Housing assistance</li> <li>• Intensive case management</li> <li>• Vocational Specialist</li> <li>• Family Teaming</li> </ul>

Randomized controlled trial with 3 arms ( $n_{Tot}=205$ ,  $n_{children}=418$ )

- Business as usual (BAU),  $n = 104$
- Supportive Housing for Families (SHF),  $n = 50$
- Intensive Supportive Housing for Families (ISHF),  $n = 50$

## CT Sample (% of families)



## CT Findings

### Findings

- Process/implementation study: 4/5 elements of contrast effective.
- Significant differences between treatment and control groups, from 12 months forward (12, 18, 24 months).
- Costs differ, with clear differences in outcome.

### Observations

- High rates of prior maltreatment, placement, etc.
- Targeting was effective – successfully screened for housing at entry to CW
- We can achieve much better outcomes at lower costs!
- Context and history matter.
- Significant implications for prevention/preservation, esp. in light of new federal legislation (*Family First Prevention Services Act*)

## CT Findings

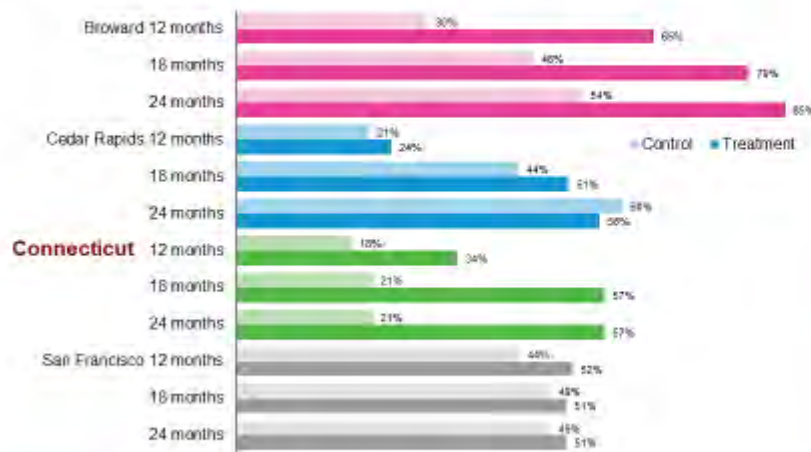


SHF and ISHF reported in final foster care payments and upon reunification. Use the Business as Usual condition.

Figure: Percent of child removals and family reunifications by intervention group, with median costs, for 24 months.

Farrell, A. F., Britner, R. A., Kull, M. A., Struzinski, D. L., Samardo-Rodriguez, S. K., Parr, K., Westberg, L., Cronin, B., & Humphrey, C. (2018, December). *Final Report: Connecticut's Intensive Supportive Housing for Families Program*. Chicago, IL: Chapin Hall at the University of Chicago.

## Differences in Reunification by Site



URBAN

(Memphis did not serve reunification families)

## Impacts

### Broward

12 months: 35.0%\*\*\*  
18 months: 33.3%\*\*\*  
24 months: 31.5%\*\*\*

### Cedar Rapids

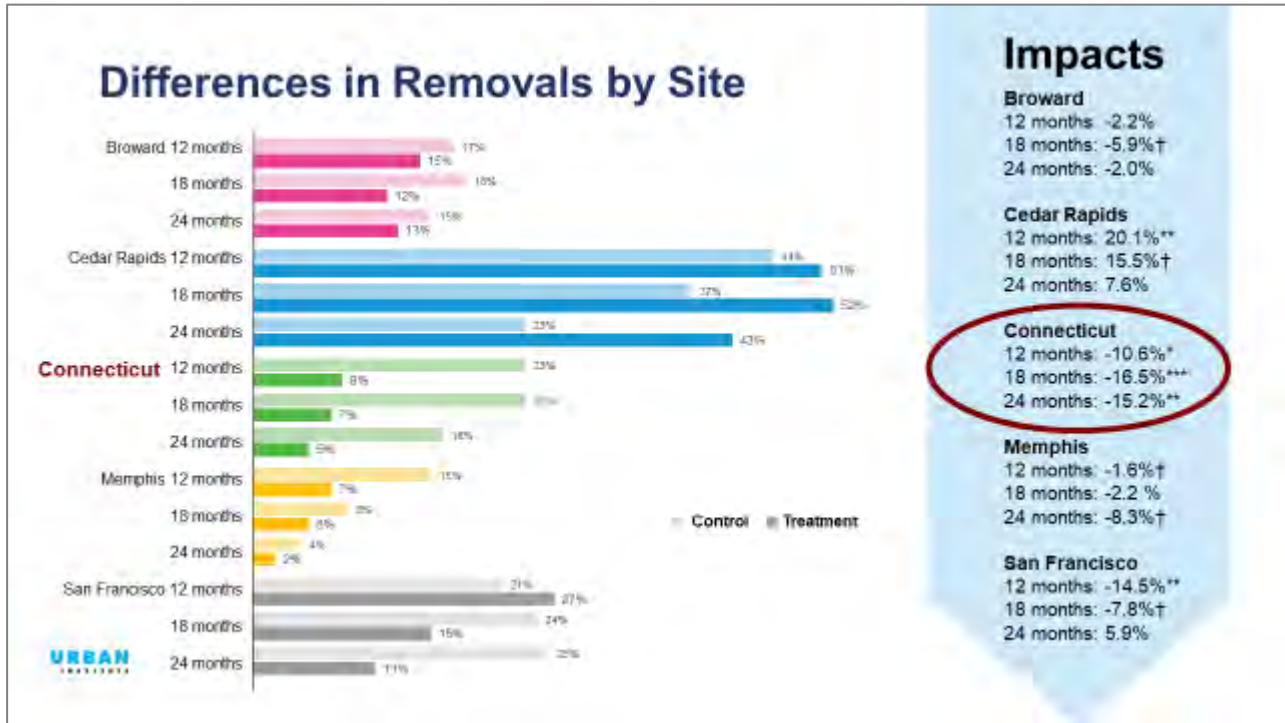
12 months: 3.4%  
18 months: 7.7%  
24 months: -3.4%

### Connecticut

12 months: 16.3%†  
18 months: 36.1%\*\*\*  
24 months: 36.1%\*\*\*

### San Francisco

12 months: 8.4%  
18 months: 2.7%  
24 months: 2.7%



## Conclusions and next steps

- National model from CT, from observational study to RCT
- Clear evidence of effectiveness; superior outcomes, less cost than BAU
- Higher “dosage” of case management produces marginal benefit
- Housing screening tool identifies housing concerns early in child welfare involvement → target resources promptly
- Incorporate lessons into practice: screening, SH model
- Instructive on:
  - Prompt identification (screening) and intervention; practice elements (family empowerment)
  - Importance of housing as platform in families at the “deep end” of services
  - Use of program and administrative data to examine program effectiveness
  - Effective services can *prevent* foster care placement
- Submit to *Families First Clearinghouse?*

## Thank you | Questions and Discussion

- Thank you for the opportunity to share this work.
- Questions and Discussion
  
- Thanks to colleagues, state and community partners, Urban Institute.
  - Preston Britner, UConn; Kate Parr, UConn; Melissa Kull, Chapin Hall
- Contact information  
[afarrell@chapinhall.org](mailto:afarrell@chapinhall.org)  
203.240.3610



## Indiana Property Issues: The Mess the Foreclosure Crisis Left Behind

Judith Fox, J.D.

Clinical Professor of Law, University of Notre Dame

Judith Fox is a Clinical Professor of Law at the Notre Dame Law School, where she teaches and practices consumer law. She joined the faculty in 1997 and teaches courses in consumer law and negotiation. Ms. Fox directs the Economic Justice Project, a low income clinic specializing in foreclosure and debt collection defense. Ms. Fox graduated from Notre Dame Law School, magna cum laude in 1993, where she was the articles editor of the Notre Dame Law Review.

Ms. Fox's advocacy and research focus on housing issues and debt collection. She has served on a number of boards and committees, including the Consumer Advisory Board of the Consumer Financial Protection Bureau, the National Association of Consumer Advocates, the United Way and the Indiana Mortgage Foreclosure Task Force. She was recently appointed by the Indiana Supreme Court to the Coalition for Access to Justice, where she serves as chair of the data committee.

Ms. Fox has received numerous awards for her advocacy, including the Rodney F. Ganey, Ph.D. Faculty Community Based Research Award for her research on foreclosure issues in Indiana and the Grenville Clark Award for voluntary activities that advance the cause of peace and human rights. Ms. Fox provides trainings and seminars across the country on issues related to mortgage foreclosure and debt collection.

Ms. Fox has authored a number of publications on issues of foreclosure and debt collection. Her book, *Foreclosure Echo: How the Hardest Hit Have Been Left Out of the Economic Recovery*, was recently released by the Cambridge University Press. It focuses on the housing issues which remain in the wake of the recent foreclosure crisis.



**INDIANA HOUSING ISSUES:  
THE MESS THE FORECLOSURE CRISIS LEFT BEHIND**  
JUDITH FOX, NOTRE DAME LAW SCHOOL



## VACANT AND ABANDONED HOUSING

Increased nearly 50% in Indiana from 2000-2010

Decreasing, but still above 2005 levels

Table 3: MSAs with the Most Abandoned Foreclosures, January 2008 through March 2010

MSA	Vacant Properties		Total housing stock
	Charged off after foreclosure initiation (abandoned foreclosures)	Charged off without foreclosure initiation	
Detroit-Warren-Livonia, MI	1,500	1,607	1,581,991
Chicago-Naperville-Joliet, IL-IN-WI	499	361	2,787,890
Cleveland-Lynda-Mentor, OH	427	382	769,283
Indianapolis-Carmel, IN	326	303	606,834
Memphis, TN-AR-MS	232	267	438,545
Atlanta-Sandy Springs-Marietta, GA	206	137	1,859,852
Akron, OH	184	158	257,580
Columbus, OH	182	118	627,580
Miami-Fort Lauderdale-Pompano Beach, FL	180	84	1,427,458
St. Louis, MO-IL	175	317	1,822,960
Tampa-St. Petersburg-Clearwater, FL	164	84	896,181
Kansas City, MO-KS	165	167	726,366
Dayton, OH	139	106	323,997
Fort Wayne, IN	135	125	445,102
Jacksonville, FL	134	84	431,125
Youngstown-Warren-Boardman, OH-PA	133	79	235,366
Cape Coral-Fort Myers, FL	128	67	244,349
Cincinnati-Middletown, OH-KY-IN	121	96	722,182
Toledo, OH	117	72	241,293
Pittsburgh, PA	114	122	625,347

## BANK WALKAWAYS, ABANDONED FORECLOSURES

Indiana had a high number of bank walkaways: situations where the bank:

Started and abandoned the foreclosure

Never started the foreclosure

Foreclosed and "unforeclosed"

- ▶ 2010: HUD Pilot Program to sell non-performing loans
- ▶ 2012: HUD announced DASP (Distressed Asset Stabilization Program)
- ▶ 2014: Freddie Mac
- ▶ 2015: All three

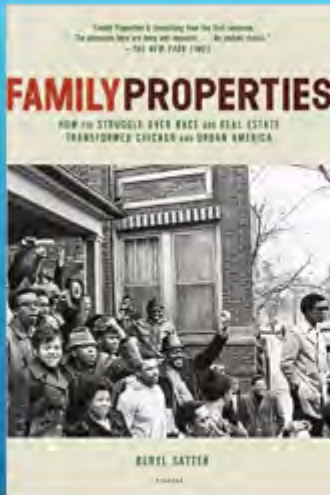
## DISTRESSED ASSET SALES



## SOME OF THE BIG PLAYERS

- ▶ Harbour Portfolio
- ▶ Venture Capital
- ▶ Kaja
- ▶ Equity Point
- ▶ Rainbow Realty





## WHAT'S OLD IS NEW AGAIN: THE RESURGENCE OF CONTRACT BUYING

## HISTORIC PATTERNS FOR LAND INSTALLMENT CONTRACTS

26% black or Hispanic  
10% elderly





## WHAT'S A LAND CONTRACT?

### ENTER THE INVESTORS

"REAL ESTATE INVESTORS STARTED TAKING VERY LARGE "DOWN PAYMENTS" FROM RENTERS. INVESTORS WENT TO "BOOT CAMPS" AND SEMINARS, AND WERE TAUGHT THAT LARGE "DOWN PAYMENTS," COUPLED WITH REGULAR TURNOVER OF TENANTS, EQUATED TO A SOURCE OF STEADY INCOME OF "OPTION MONEY," MUCH LIKE MONTHLY RENT PAYMENTS THEMSELVES."

- ▶ "EVICTION RATES DID NOT FALL. TO THE CONTRARY, **LANDLORDS WERE ENCOURAGED TO EVICT TENANTS AFTER COLLECTING THOSE LARGE OPTION FEES.** AND SO, TENANTS WHO WERE NOT QUALIFIED TO BE BUYERS PAID BIG BUCKS AND SIGNED "RENT TO OWN" CONTRACTS, ON THE PROMISE OF HOME OWNERSHIP IN THE FUTURE. LATER, THOSE TENANTS WERE EVICTED, AND NEW TENANTS TOOK THEIR PLACES, SIGNED NEW LEASE-OPTIONS, AND PAID MORE OPTIONS FEES. AND, LANDLORDS LAUGHED ALL THE WAY TO THE BANK."

- ▶ **Land contract is a sale: an equitable mortgage**
- ▶ **Breach requires a foreclosure**
- ▶ **Forfeiture and eviction only if:**
  - ▶ **Buyers has made minimal payments**
  - ▶ **Buyer abandons**

**SKENDZEL V. MARSHALL**  
**301 N.E. 2d (IND. 1973)**

- ▶ **Failure to disclose conditions (no heat, mold, lead paint)**
- ▶ **Lack of adequate plumbing**
- ▶ **Claimed exemptions from statutes requiring habitability in tenancies**
- ▶ **Required buyer/tenants to make all the repair**

**SAFE AND HABITABLE**

**“‘RENT-TO-BUY’ AGREEMENT IS NOT A  
LAND-SALE CONTRACT BUT A RENTAL  
AGREEMENT SUBJECT TO INDIANA’S  
RESIDENTIAL LANDLORD-TENANT STATUTES”**

**Rainbow Realty Group, Inc. v. Carter, 131  
N.E.3d 168 (Ind. 2019)**

- ▶ Failure to record the land contract
- ▶ Summary eviction even after substantial payments
- ▶ Burdens of ownership without the benefits
- ▶ Most do not result in ownership
- ▶ Prevents access to emergency disaster programs
- ▶ Denial of homestead exemptions

**OTHER CONCERNS**

- ▶ Many states, especially in the Midwest, have updated or added protections for contract buyers
  - ▶ Ohio: requires recording, right to cure
  - ▶ Illinois: requires recording; certificate of habitability
  - ▶ Michigan (introduced, pending)
- ▶ Texas: strongest protections for contract buyers: automatically treated as mortgages

## AN OVERVIEW OF OTHER STATE RESPONSES

- ▶ Truth in Lending
- ▶ Home Owner Equity Protection Act
- ▶ Equal Credit Opportunity Act
- ▶ Fair Housing Act
- ▶ S.A.F.E. Act

## FEDERAL LAW TREATS LAND CONTRACTS LIKE MORTGAGES

## FAIR HOUSING ISSUES



Map of Corporate Contracts for Deed in Metropolitan Atlanta and Percent of the Population That is African-American



2013 Corporate-Owned Contract for Deed Properties

- Owned by known corporate seller of CFD
- Recently purchased from known corporate seller of CFD
- Interstate highways

Percent population that is African-American by census block group

0-10% African-American	50-75%
10-25%	more than 75%
25-50%	

## RECENT FEDERAL CASES SOUTHERN DISTRICT OF INDIANA

### FHCI v. Rainbow Realty Group

1:17-cv-01782

- ▶ Violation of several state and federal law, including Fair Housing
- ▶ Rent to own (lease for 2 years that converts to land contract)
- ▶ Pending

### FHCI v. Marshall Welton et. al.

1:18-cv-01098

- ▶ Direct marketing to Hispanics
- ▶ Rent with rent to own/land contracts/rent with option
- ▶ Intentional discrimination
- ▶ Case settled with a consent decree Nov 8: agreement to comply with federal law going forward and paying \$395,000 in damages

- ▶ Land Contracts present numerous challenges
  - ▶ Lack of habitability
  - ▶ Chain of title (lack of recording)
  - ▶ Inflated interest rates
  - ▶ Inflated prices
  - ▶ Common violation of Federal Statutes
  - ▶ Loss of Equity

## SUMMARY



## EVICITION IN INDIANA

EVICITION LAB.ORG DATA

# APPENDIX

SOME ADDITIONAL INFORMATION THAT MAY BE USEFUL REGARDING COSTS OF HOUSING IN INDIANA

Household Survival Budget, Indiana Average, 2016

Household Survival Budget, Indiana Average, 2016		
	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER
Monthly Costs		
Housing	\$487	\$714
Child Care	\$-	\$832
Food	\$156	\$525
Transportation	\$246	\$695
Health Care	\$214	\$800
Technology*	\$55	\$75
Miscellaneous	\$149	\$400
Taxes	\$208	\$360
Monthly Total	\$1,635	\$4,403
ANNUAL TOTAL	\$19,620	\$52,836
Hourly Wage**	\$9.67	\$26.42

## ALICE SURVIVAL BUDGET



## THE REALITY OF THE NUMBERS



### A Family of 4 with 2 parents making minimum wage:

Yearly income: 29,000

Monthly gross: \$2,400

Net assuming only taxes: \$1989

Median Rent: \$745

Rent Burden: 37%

Add in other expenses:

Food: \$611

Health care: \$ 587

Transportation: \$702

Misc: \$375

Left of the month: **-\$481.00**

## State of the State: Housing Perspectives from the Field

JoAnna Brown, PhD  
Sagamore Institute



## State of the State: Housing Perspectives from the field

This report is prepared by Sagamore Institute

For additional information, please contact Dr. JoAnna M Brown, Senior Research Fellow Super Cities - Sagamore Institute at [joannab@sagamoreinstitute.org](mailto:joannab@sagamoreinstitute.org).

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Report available at [www.sagamoreinstitute.org/supercities](http://www.sagamoreinstitute.org/supercities)

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# What is the state of Indiana post-Great Recession?

Research  
Methodology



DEMOGRAPHIC DRIVERS –  
SOCIOECONOMIC



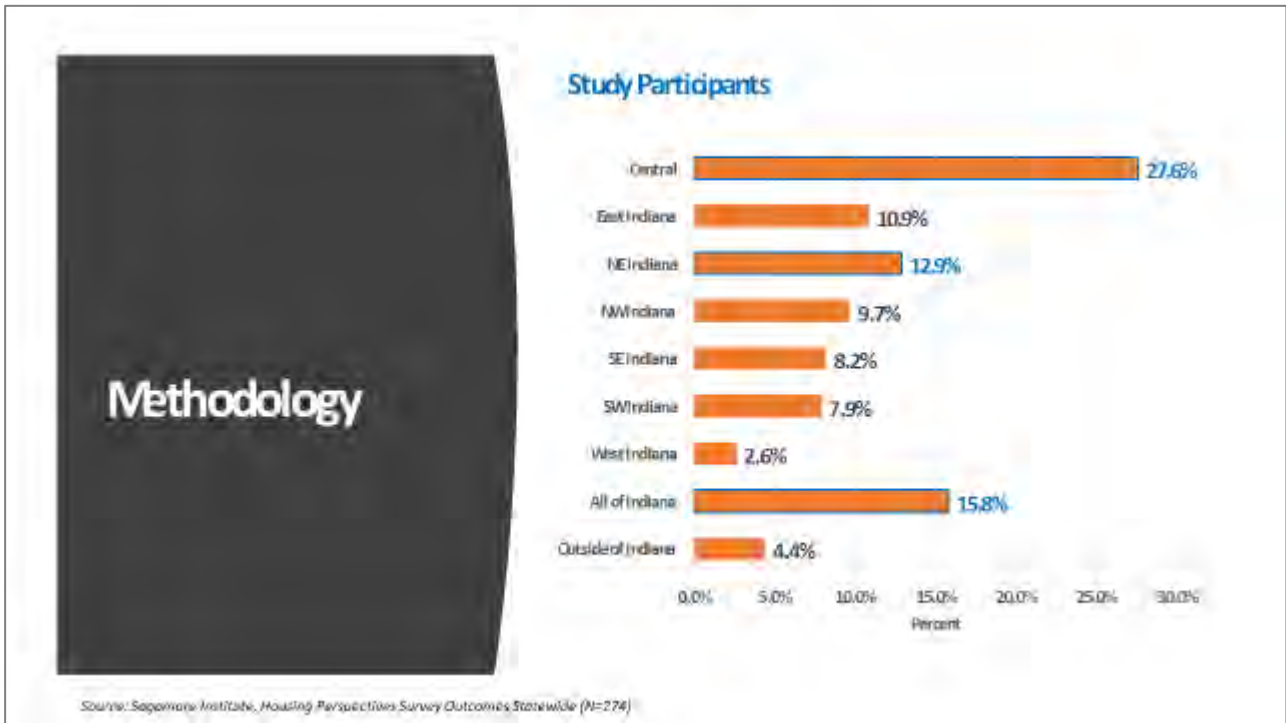
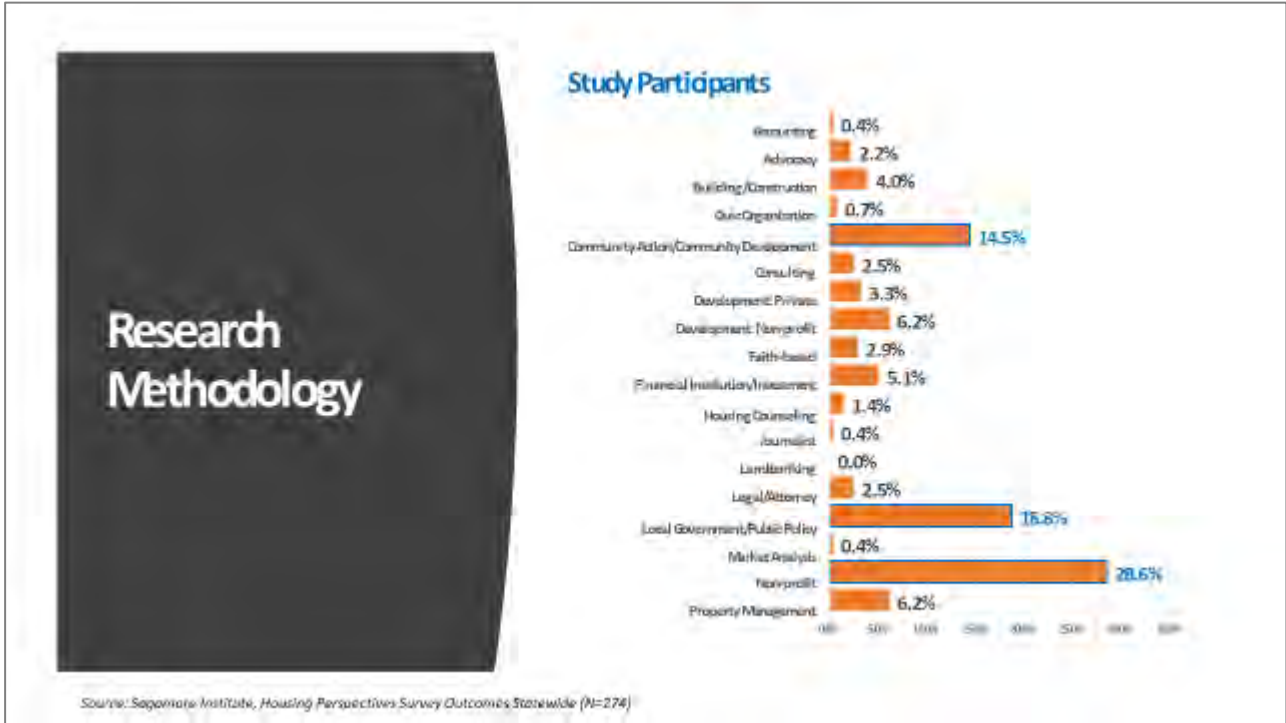
HOMEOWNERSHIP



RENTAL HOUSING



HOUSING STABILITY AND  
SUPPORTS





**CURRENT PERSPECTIVES**

Homebuyers and renters face a lack of affordable inventory and an extremely competitive market.

- High price of construction=lack of affordability/availability
- Shortage of low-rent stock
- Mismatch between affordable housing and desirable housing

Views from housing professionals and advocates working in the field.

Housing Perspectives: Housing Stability and Support-Survey Outcomes-Statewide

Top key issues identified as critical/important by housing professionals and advocates:

1. Addressing the gap between how much affordable housing units are needed vs. existing housing units. (89.4%)
2. Aligning supportive services with housing. (79.9%)
3. Increasing housing options for the lowest income households. (79.9%)



### New Construction of Single-Family Homes (Year Built = Year Closed): Statewide Trends

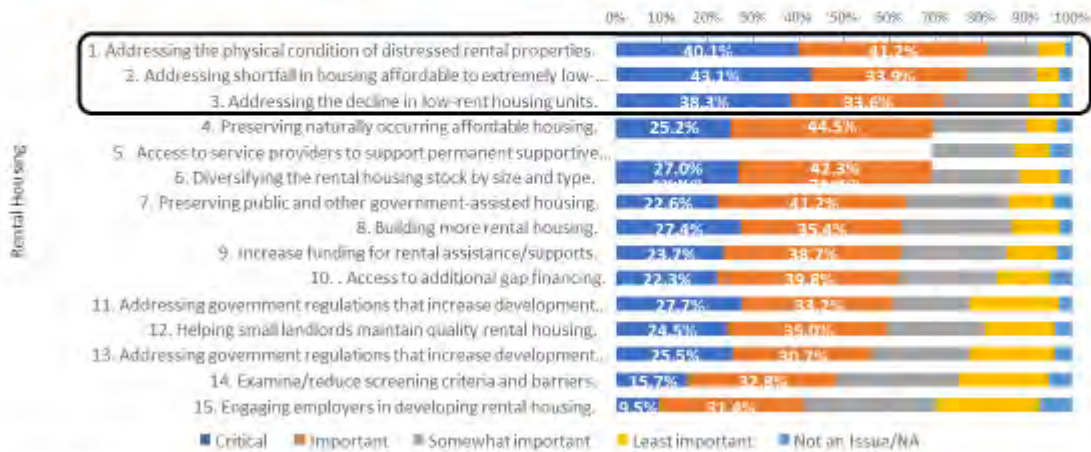


Source: Indiana Business Research Center - Indiana University Purdue University - Indianapolis, StatIndiana, 2019.

### Housing Perspectives: Rental Housing - Survey Outcomes Statewide

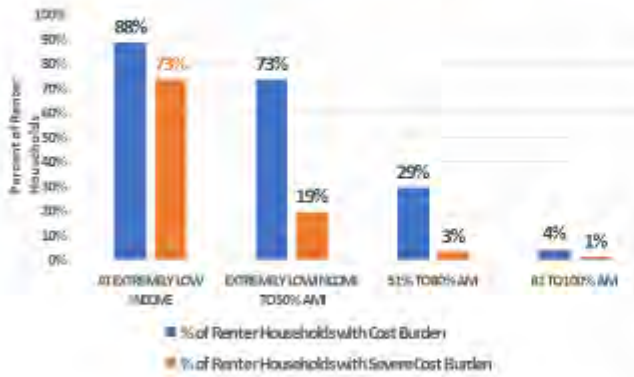
Top key issues identified as critical/important by housing professionals and advocates:

1. Addressing the physical condition of distressed rental properties. (81.3%)
2. Addressing shortfall in housing affordable to extremely low-income renter households. (77.0%)
3. Addressing the decline in low-rent housing units. (71.9%)



Source: Sagamore Institute, Housing Perspectives Survey Outcomes Statewide (N=274)

### Cost-burdened Renter Households by Incomes



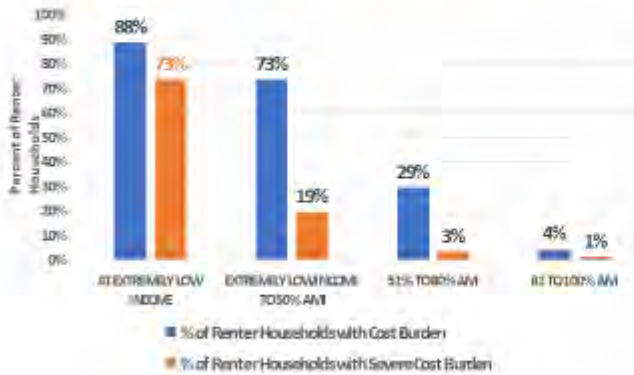
Source: National Low-income Housing Coalition, 2019.

### Work Hours/Week at Minimum Wage



Source: National Low-income Housing Coalition, 2019.

### Cost-burdened Renter Households by Incomes



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**Housing Perspectives: Rental Housing - Survey Outcomes Statewide**

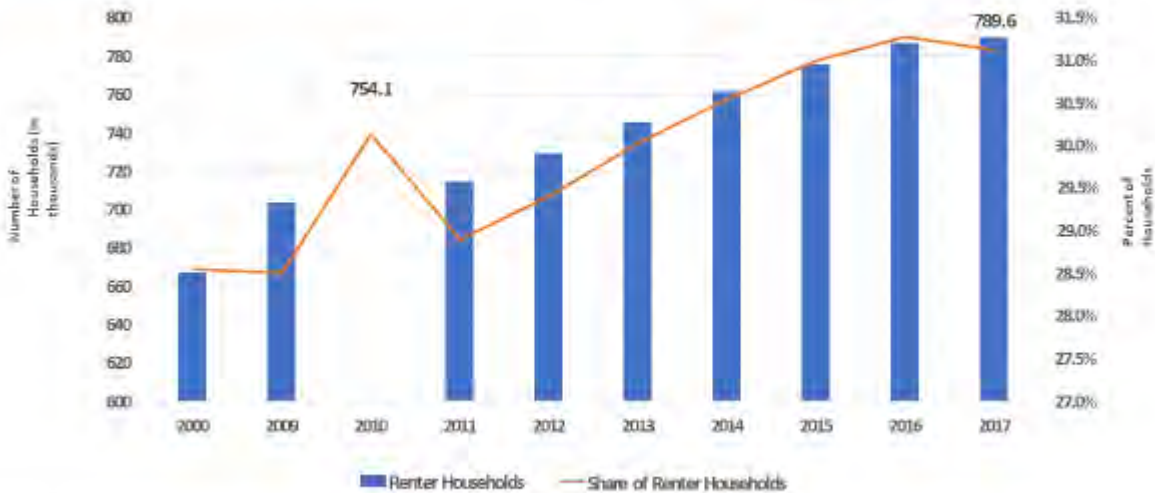
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Source: Sagamore Institute, Housing Perspectives Survey Outcomes Statewide (N=274)

**Number and Share of Renter Households**



Source: U.S. Census Bureau of ACS 3-year estimates and Indiana Business Research Center - Indiana University Purdue University - Indianapolis, StatsIndiana, 2019.



### Low-Rent Housing Stock – Statewide Trends, 2005 to 2017

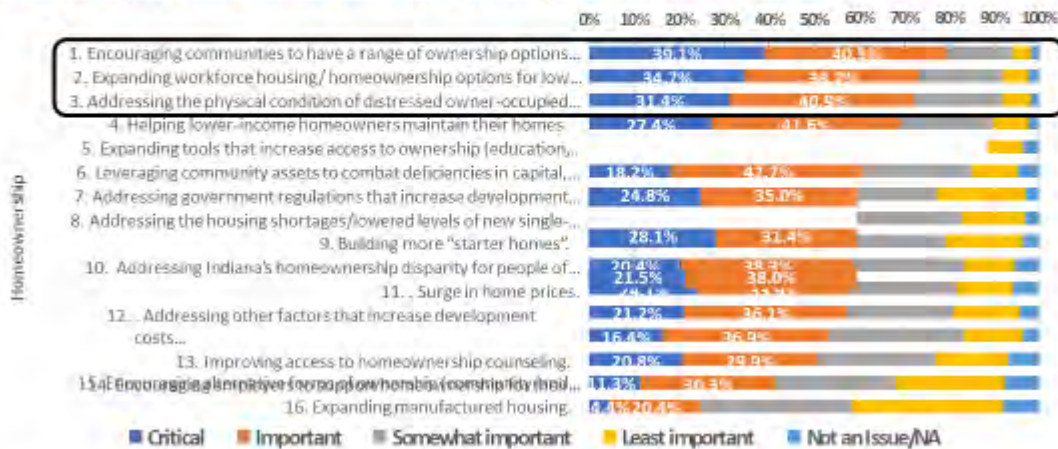


Source: U.S. Census ACS, 2005 to 2017.

### Housing Perspectives: Homeownership – Survey Outcomes Statewide

Top key issues identified as critical/important, by housing professionals and advocates:

1. Encouraging communities to have a range of ownership options (affordability and building type). (79.6%)
2. Expanding workforce housing/ homeownership options for low to middle-income families/households. (73.4%)
3. Addressing the physical condition of distressed owner-occupied properties. (72.3%)



Source: Sagamore Institute, Housing Perspectives Survey Outcomes Statewide (N=274)

# State of the State: Housing Perspectives from the field

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For additional information, please contact Dr. Joanna M. Brown, Senior Research Fellow Super Cities - Sagamore Institute at [joannab@sagamoreinstitute.org](mailto:joannab@sagamoreinstitute.org).

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