

INDIANA BUILDER NEWS

OFFICIAL PUBLICATION OF THE INDIANA BUILDERS ASSOCIATION, INC.

WWW.BUILDINDIANA.ORG

July/Aug. 2019

Vol. 56, No. 4



Housing Affordability at Forefront of Legislative Agenda

Inside this issue



Around the State with IBA
Mark your calendars for IBA's 2019 Bill Carson Memorial Golf Outing at Topgolf in Fishers.
Page 4



IBA June Board of Directors Meeting
A recap of IBA's summer Board of Directors meeting and photos from the event.
Page 5



Above: IBA Members meet with Sen. Todd Young (IN) about affordable housing legislation.

From 2000 to 2017, the total number of Americans facing extreme housing unaffordability ballooned from 7 million to 10.7 million – an increase of more than 50 percent. In addition, there is a nationwide shortage of 7.4 million affordable rental homes, an increase from the 4.6 million gap in 2000.

In June, President Trump signed an executive order establishing a White House Council on Eliminating Regulatory Barriers to Affordable Housing.

The executive order recognizes the need for federal policies to serve Americans of all income levels, including working-class Americans. “NAHB applauds President Trump for making housing a top national priority. With housing affordability near a 10-year low, the president’s executive order on this critical issue underscores that the White House is ready to take a leading role to help resolve the nation’s affordability crisis,” said Greg Ugalde, chairman of the National Association of Home Builders.

The Council, which consists of members across eight federal agencies, will lead federal efforts to engage with state, local, and tribal leaders across the country to remove obstacles that impede the production of more affordable homes, namely the enormous price tag of burdensome government regulations.

“The President has given us a mission to break down barriers and to clear the path for the millions of Americans to pursue their American Dream. It’s a mission we proudly and enthusiastically accept,” Carson said.

Additionally, legislation introduced by Indiana’s Congresswoman Jackie Walorski and Senator Todd

Young would expand and strengthen the Affordable Housing Tax Credit (also known as the Low Income Housing Tax Credit) to produce more units of affordable housing to close the gap and better serve a number of at-risk and underserved communities.

Continue on page 6...

Adding to Your Educational Toolbox

The home building industry is constantly changing. Continuing education and designations are required for workers to stay current with the latest developments, skills, and new technologies required for the construction industry. Indiana Builders Association is excited to offer courses that are especially tailored for the needs of building professionals. The courses we are offering this year focus on practical training for newcomers and veterans alike, with lots of ideas and strategies to improve businesses and advance careers. Due to a grant given to IBA by

the Indiana Housing and Community Development Authority, these programs will be offered at a fraction of their usual prices.

Certified Aging-in-Place Specialist

(CAPS) Program
This course will benefit builders, remodelers and allied professionals that serve the aging-in-place market, including occupational therapists, real estate professionals and trade contractors as well as academics. It will also help individuals identify common challenges and understand attractive de-

sign concepts that create a safe and comfortable environment for clients who want to age-in-place (AIP) as well as individuals who have a condition that requires home modifications or equipment.

Certified Green Professional

(CGP) Program
Implementing cost-effective green building into your construction practices requires a whole-house approach to building science. In this course, you will learn how to apply green building practices in the construction

of a new home, remodel, site development or multifamily project.

Universal Design/Build Course

This course presents a shift in the approach to residential design and construction. Comfort and convenience regardless of age, stature or ability is the hallmark of inclusive design. Designers, suppliers, builders, remodelers, ... See “Professional Designation Programs” flyer on page 11....

PRSR STD
US POSTAGE
PAID
Milford, IN
PERMIT NO. 2

Indiana Builders Association
101 W. Ohio St., Ste. 710
Indianapolis, IN 46204

Indiana Builders Association Leadership

Senior Officers

Don Thieneman

President

don@thienemangroup.com

Brett Harter

Vice President

brett.harter@outlook.com

Jeff Thomas

Treasurer

jmthomas@mikethomasrealtor.com

Paul Schwinghammer

Secretary

paul@hallmarkhomes.com

Associate Area Vice Presidents

Greg Gerbers

Area 1

greg@dehayes.com

Tom Slater

Area 2

tslater@timberlandlbr.com

Trent Hunt

Area 3

trenthunt@LLHINS.com

Indiana's National Leadership

Greg Furnish

NAHB State Representative

gregfurnish@yahoo.com

State Representative Heath VanNatter

National Director

vannatterv@aol.com

Frank Rhoades

Associate National Director

frank@efrhoades.com

NAHB BUILD-PAC Trustees

Lance Swank

laswank@sterlinggrp.com

State Representative Heath VanNatter

vannatterv@aol.com

Advertising Index

Strategic Value Media.....page 3
 BUILD-PAC.....page 6
 NIPSCO.....page 10
 Small Business Growth Partners....page 12

Please direct all advertising inquiries to Abigail Campbell at 800-377-6334 ext. 203 or abigail@buildindiana.org.

Who Says Your Insurance Can't Be on Your Side?



President's Message

By Don Thieneman

Thieneman Group

President
Indiana Builders Association

The Indiana Builders Association is more than just a place to network with other industry professionals. It gives you opportunities to have access to members' benefits that help you save money, strengthen your business and support your association.

Hopefully by now you have heard that we have officially launched our IBA Business Insurance Program. Since we endorsed his new product at our February meeting I have been extremely encouraged by the early progress of this program.

Speaking from my own experience with my company's participation in this program, I can only encourage

you to act sooner than later to see what this is all about. The best part of this program is that not only will your company have the opportunity to be put in a better position from a price and coverage standpoint, but when you participate in this program you are supporting both your local and state association through dollars you are already allocating to protect your business - a true win/win scenario!

This team knows the industry inside and out. So whether you are currently working directly with a carrier, or with a general insurance broker (who doesn't specialize in your industry), this program is right for you.

I want to encourage you to also consider the value this adds to your membership. This program has been successfully implemented in the Louisville, Southern Indiana and Evansville markets, with the primary draw being the exclusive member benefit we can now offer to both current and prospective members.

If you are anything like me, you realize that business insurance is not something you enjoy dealing with. However, I can assure you that the team at Logan Lavelle Hunt and Shepherd Insurance knows what they are doing and will not waste your time. I truly believe that if you'll give them the time to sit down and review with you, it will be beneficial to your business. Our association exists to serve you by trying to keep housing safe and affordable and this is one more way we can help you in that journey.

For more information on the program please contact Rick Wajda at rick@buildindiana.org.

The President's Snapshots



Above: Building and Development Association of Southern Indiana CEO Charlie Smith (far right) and IBA President Don Thieneman (second from right) were able to enjoy the day by spending a few hours with Indiana Sen. Mark Messmer (R-Jasper) (far left) and US Sen. Mike Braun (Indiana) at a sporting clay event to discuss issues impacting the housing industry.



Thieneman and State Sen. Chris Garten (R-Charlestown) (right) pose for a photo at a legislative event.

Indiana Builders Association Staff

101 W. Ohio St., Ste. 710, Indianapolis, IN 46204
 Phone: (800) 377-6334 • (317) 917-1100 • Fax: (844) 272-4932
www.BuildIndiana.org

*Chief Executive Officer
Chief Lobbyist*

Rick Wajda
ext. 204 • rick@BuildIndiana.org

Governmental Affairs Director

Carlie Hopper
ext. 206 • carlie@BuildIndiana.org

Communication Director

Abigail Campbell
ext. 203 • Abigail@BuildIndiana.org

Member Services Coordinator

Chris Fisher
ext. 205 • chris@BuildIndiana.org



Indiana Builders Association, Inc.



@IBAHomes

Indiana Builder News

Official publication of the
Indiana Builders Association, Inc.

Indiana Builder News is published in hard copy and online bi-monthly. Please direct all editorial or advertising inquiries to Abigail Campbell at 800-377-6334 ext. 203 or abigail@buildindiana.org.

Indiana Builder News is distributed to all members of the Indiana Builders Association, government officials and other parties affiliated with the Indiana housing industry.

This publication will not knowingly accept any advertisement that is in violation of the law. Inclusion of an advertisement and/or article does NOT indicate approval or endorsement of the product, service, or opinion by Indiana Builders Association.

For more information, call 800-377-6334 ext. 203 or visit buildindiana.org/advertise.

Public Hearing for New Residential Code Imminent

At its April meeting, staff to the Indiana Fire Prevention and Building Safety Commission presented the proposed draft rule to update the Indiana Residential Code and advised the Commission that the request for an exception to the regulatory moratorium was filed with the Office of Management and Budget (OMB). OMB granted the request, and the notice of intent to adopt a rule was published on July 3 paving the way for the public hearing this summer. The proposed rule will be in effect by January 1, 2020.

Highlights from action taken on proposed code changes are provided below as well as links to the proposed draft rule, which can also be accessed from the commission's webpage at <http://www.in.gov/dhs/4201.htm>.

IBA's code review team will convene again to review the proposed rule in preparation for the public hearing. Please review the draft proposed rule, and let us know



Advocacy Angle
By Carlie Hopper
Governmental Affairs Director
Indiana Builders Association

of your concerns by August 31.

Highlights from action taken on proposed code changes:

- Deleted the requirement to install a **fire sprinkler system** (statutorily prohibited by SEA 393, therefore, the code cannot require it), but left language referencing the installation standard should someone choose to install a fire sprinkler system;
- Deleted requirement to **protect floor/ceiling assemblies** with $\frac{1}{2}$ " gypsum board;
- Maintained requirement for an **egress window in every basement**;

- Amended **stair geometry** to $7\frac{3}{4}$ " for riser height and 10" for tread depth 3 years after the code goes into effect (Indiana's current stair geometry is $8\frac{1}{4}$ " for riser height and 9" for tread depth);
- Amended **seismic design category to "C"** for those areas of the state that would be "D" and result in more stringent, costly construction requirements;
- Defeated requirement for all roof installations to include **ice and water shield** (Indiana's current code limits installation of the product to certain counties);
- Eliminated requirement for **self-closing door** between garage and living area;
- Defeated proposals to **strengthen and seal all concrete**;
- Maintained **cost-effective improvements to energy efficiency** requirements
- Maintained requirement to install **arc-fault circuit-interrupter protection**;
- Amended requirement to **allow attic access from the garage**;
- Expanded requirement for **protection from accidental impact** for appliances located in the garage;
- Defeated requirement to install **tamper-resistant receptacles**.

11:47 AM

A BRAND NEW ONLINE
BUYERS GUIDE
INDIANA BUILDERS ASSOCIATION

inbuildersbuyersguide.com

STRATEGIC VALUE MEDIA

Find the Best Building Industry Professionals in Your Area.

Enter a City or Zip Code Go

IBA Welcomes 63 New Members

During the months of February, March and April local home builder associations brought in 63 new members to the federation. They are listed below. To find a local homebuilder association near you, please visit www.buildindiana.org/local-associations/.

Ryan Andrews, Indianapolis
 Rami Anabtawi, Fort Wayne
 Chase Austin, Glenview, IL
 Todd Bauer, Fort Wayne
 Jessica Beck, Lafayette
 Brent Bennett, Indianapolis
 James Bosley, Jeffersonville
 Jason Boyle, Evansville
 Lindsay Bradtmueller, Fort Wayne
 Mark Buehler, Avon
 Matthew Cain, South Bend
 George Charles, South Bend
 Betty Cobb, Elkhart
 Alan Eisenhour, Plymouth
 David Finnerty, Evansville
 Nancy Frigo, Crown Point
 Jeremy Gingerich, Bristol
 Timothy Glassburn, Russiaville
 Lisa Gonzales, Terre Haute
 Wilmer Gruber, New Haven
 Eric Gyasi, New York, NY
 Brian Hamil, Fort Wayne
 Dean Hannold, Bowling Green, KY
 Drew Herendeen, South Bend
 Rachelle Higginson, Fort Branch
 Ed Holtshouser, Lousiville, KY
 Jama Jacobs, Muncie
 Eric Jefferson, Indianapolis
 Mike Jones, Corydon
 Jacob Julius, Carmel
 Chad King, Land O Lakes, FL
 Chris King, Pekin
 Andrew Knapp, New Haven
 Ron Knoche, Valparaiso
 Elmer Lengacher, Grabill
 Beth Lewis, Farmersburg
 JoAnne Lewis, Schererville
 Devin Lloyd, Fishers
 Joshua Loewen, Indianapolis
 Sylvia Magallenez, Merrillville
 Mark Mefferd, Convoy, OH
 Thomas Merritt, Lebanon
 Jeff Myers, Huntington
 Jeff Oman, South Bend
 Alicia Perrey, Wormleysburg, PA
 Denise Peters, Lafayette
 Timothy Poyner, Winona Lake
 Lucas Rhee, Kokomo
 Ron Richards, Altamonte Springs, FL
 Stephanie Riwit, Carmel
 Stephen Robinson, New Castle
 Cooper Rollins, Rossville
 Mark Roy, Angola
 Brian Rutherford, Mishawaka
 Meggen Smedal, New Albany

Brad Stanfield, Fort Wayne
 Connie Stout, Fort Wayne
 Monica Tunks, Jasper
 Nicole VanEe, Zeeland, MI
 Andrew Wallace, Fort Wayne
 Pete Welsh, Indianapolis
 Todd Wilson, Fort Wayne
 Clint Wuethrich, New Palestine

IBA TOP NEW MEMBER RECRUITERS FOR 2019:

as of June 2019



Robert Sandberg, Danville: 9
 Greg Gerbers, Fort Wayne: 6
 Tyler Kees, Fort Wayne: 4
 Meghan Redding, Elkhart: 4
 Hank Kidwell, Terre Haute: 3
 Tim Eckert, Zionsville: 3



2019 IBA Bill Carson Memorial GOLF OUTING

Tuesday • September 24, 2019
Topgolf in Fishers

Player Costs

Bay (up to 6 people): \$750

Individual Players: \$150
(solo players will be assigned to a group)

Schedule

10 a.m.-12 p.m.	IBA Executive Committee Meeting
12 -1 p.m.	Lunch and Registration
1-3 p.m.	Golf
3-4 p.m.	Awards and Reception





Sponsorship Options

Table Top: \$250 Beverage: \$1,000 Lunch: \$1,500







Register on the "Events" tab at www.buildindiana.org
or contact Abigail Campbell at 317-917-1100 ext. 203

Proceeds to support:


IBA June Board of Directors Meeting

In late June, IBA held its summer Board of Directors meeting at the Embassy Suites Hotel in Noblesville to discuss housing issues. IBA welcomed Secretary of Career Connections and Talent Blair Milo. Secretary Milo shared how Indiana is working to fill 1 million job openings over the next 10 years and discussed her role on Governor Holcomb's Workforce Cabinet, a body dedicated to shaping education and workforce training for a 21st Century workforce.



Above: IBA President Don Theineman poses for a photo with Milo after her presentation.



Above: IBA members team up in groups to discuss best recruiting practices, resources available to them through NAHB for recruiting new members to their local associations, and how to focus on trends that will likely have the greatest impact on our association's future.



Left: Members listen to Sec. Milo speak about the challenges of workforce training in the 21st century and how to shape the building industry's future.

Right: IBA members learn how to work together to overcome the most commonly cited objections for joining an association and gain a renewed sense of confidence and knowledge about the benefits of membership in your HBA. Participants left with a plan of action to host a successful Fall membership drive.



Housing Affordability, cont...



Above: IBA members meet with Congresswoman Walorski (IN) about her support on policies our members support.

Across the United States, the expanded Affordable Housing Tax Credit would produce roughly 1.9 million new affordable housing units over the next decade, an increase of over 550,000 more units than would be built without the legislation. The bill increases the total number of affordable housing units built by:

- Increasing the amount of credits allocated to each state by 50% over

current levels, resulting in the production of more than 384,000 more affordable homes in the next 10 years than would otherwise be created.

- Stabilizing the value of the 4% Affordable Housing Tax Credit

— which is used for new construction that uses additional subsidies or the acquisition cost of existing buildings. This will create more certainty for ongoing and new projects and increase affordable housing production by more than 66,000 units.

- Expanding and reforming “recycling” of multifamily housing bonds, allowing states to

maximize the available resources of private activity bonds by recycling multifamily bonds for affordable housing, resulting in 100,000 additional affordable housing units.

“The Low Income Housing Tax Credit has proven to be a critical tool for spurring investment in affordable rental housing and providing stability for low-income Americans, including veterans, seniors, and those with spe-

cial needs,” Walorski said. “By expanding and streamlining the affordable housing credit, this bipartisan bill will make an already successful program even more effective for communities across the country. I’m grateful to work across the aisle to modernize this important program so workers and families have a better opportunity to achieve the American Dream.”

“As I travel around Indiana, one thing is clear: We need affordable housing now more than ever. If we strengthen the Low-Income Housing Tax Credit, we can improve life outcomes for Hoosiers from Gary to Jeffersonville and everyone in between, and that’s exactly what the Affordable Housing Credit Improvement Act does,” Young said. “Our bipartisan legislation would leverage the private sector to increase the stock of affordable housing for families in urban and rural communities and tackle the housing affordability crisis head on.”

Since its creation 30 years ago, the Affordable Housing Tax Credit has built or rehabilitated more than 3.2 million affordable housing units, leveraging more than \$190 billion in private investment to do so. During

that time, the credit has been responsible for nearly 90 percent of all federally-funded affordable housing. Between 1986-2013, more than 13.3 million people lived in homes financed by the Affordable Housing Tax Credit.



Above: IBA members outside the capitol. Members visited Washington, D.C. in June to advocate for fair legislative policies for the housing industry.



BUILD-PAC, NAHB's bipartisan political arm, helps elect pro-housing, pro-business candidates to federal office and is critical to NAHB's success on Capitol Hill.

RAISED
\$3.1 million

from NAHB members across the federation

DISBURSED OVER
\$2.9 million

Played In **110** Competitive Congressional Races

2017-2018 Election Cycle Successes

Supported **370** Congressional Candidates

 **85%** 

won their races

Madison County Builders Association wins NAHB Grand Award

Every year, seven local associations win the NAHB Grand Award for achieving the most outstanding membership efforts of the year. Madison County Builders Association took home that prize for local group size 7.

They set and met challenging membership recruitment and reten-

tion goals, were judged by the NAHB Membership Committee on the effective membership plans and showed unparalleled percentage increase in both growth and retention during 2018.

In recognition of this achievement, they will be awarded a personalized trophy shipped to their HBA.

The top HBA from each group size is determined based on the highest combined percentage increase in recruitment and retention at the close of the previous year. These HBAs are invited to submit their annual membership plan for evaluation by the NAHB Membership Committee, which then announces the Cup Winner based on the plan and the results achieved.

Talking Tech

The new wave is coming. At the beginning of July, participants had the opportunity to take part in an industry specific event on smart technology and home automation for the everyday home. The discussion, moderated by custom home builder Chris Wright of Wrightworks, took a deep dive on the ins and outs of home automation through a presentation and panel discussion from experts in water technology, home security and integration.



The event was put on by the National Association of the Remodeling Industry, National Kitchen and Bath Association, and Indiana Builders Association.

SAVE THE DATE

Construction Career Workforce Symposium

October 10, 2019

9:30 AM - 1:30 PM

Boone County 4-H Fairgrounds

1300 100 S, Lebanon, IN 46052

Indiana Builders PAC Donor Clubs

Gold

Silver

Bronze

Mary Ellis

Legacy

NB NUGENT BUILDERS

Providing youth the opportunity to

Build Dreams

for future generations

Indiana Builders Association Bill Carson Scholarship
Apply By September 27
<https://buildindiana.org/education/2019-scholarship/>

Single-Family Starts Expand in June

From NAHB Eye On Housing

According to estimates from the U.S. Housing and Urban Development and Commerce Department, single-family starts improved in June, consistent with the recent stabilization of the NAHB/Wells Fargo Housing Market Index (HMI). Single-family starts increased 3.5% to a 847,000 seasonally adjusted annual pace in June. However, total housing starts were down approximately 1% (1.253 million annual rate) due to a decline in apartment construction. Multifamily starts declined 9.2% to a still strong 406,000 annualized rate after an elevated reading in May.

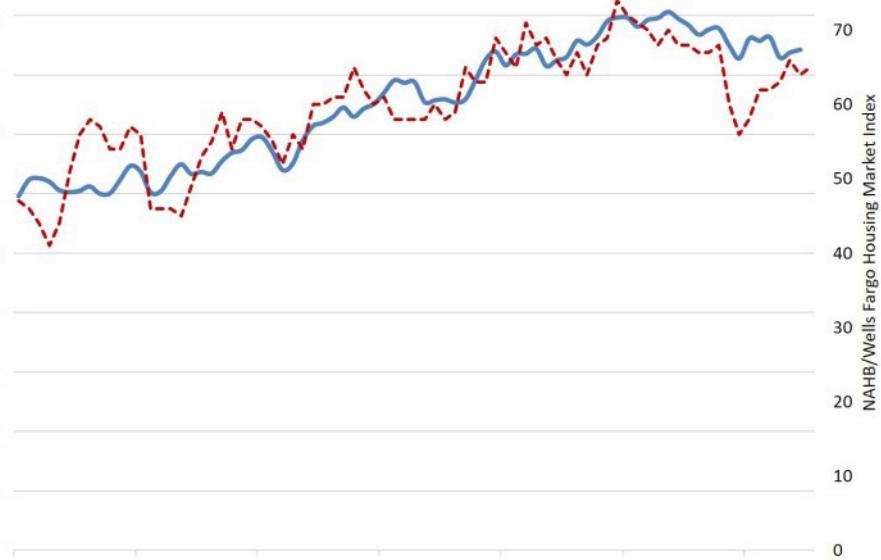
On a year-to-date basis, single-family starts are 4.9% lower than the first

a potential signal of additional permit growth ahead. Single-family units authorized but not under construction reached a recent high of 103,000 in December.

We expect additional single-family growth, as areas beyond the exurbs respond to for-sale housing demand and ongoing healthy labor markets. The next quarterly edition of the HBG will report on such conditions.

On a regional and year-to-date basis, single-family starts are down 13.6% in the Northeast, 13.4% in the West, 8.3% in the weather-challenged Midwest (but improving) and up 1% in the South – the only region with net gains.

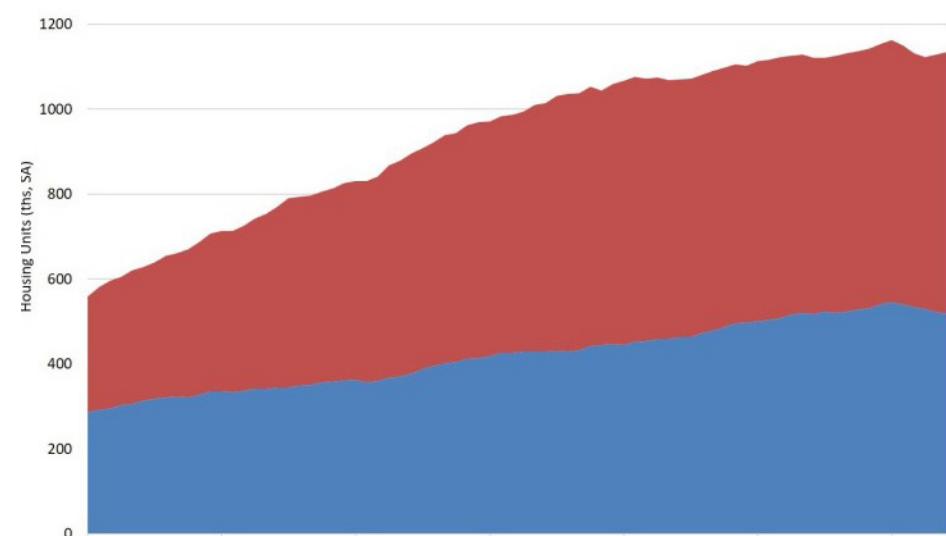
As of June 2019, there were 519,000 single-family homes under construction. This is roughly flat from a year ago. However, there are currently 616,000 apartments under construction, the highest count since April 2017. The cumulative impact of recent declines in current



construction activity are seen in the graph below. This impact is responsible for a slight decline in housing's share of GDP.

Go to NAHBNow.com/2019/07 for this article as well as others from July.

six months of 2018. NAHB's forecast, and the forward-looking HMI suggest that future data will show stabilization followed by slight gains due to recent declines in mortgage interest rates. However, single-family permits continued to be soft, with just a slight increase to a 813,000 annualized rate. Single-family permits are down 6.1% on a year-to-date basis. However, the number of single-family units authorized but not under construction declined in June to 85,000 units, down from 90,000 a year ago and



Top Lifestyle Drivers for Boomer Buyers

From 55+ Housing

Baby boomers say they will continue to work, retire later and want to stay in their homes. Enticing boomers who may be looking local for retirement to move from their existing home can be a hard sell. A community better suited to their 'aspirational' lifestyle, however, can be a compelling reason.

"Prospective buyers want a new community that supports or energizes their aspirations," said Deborah Blake, principal at The Ipsum Group. Homes, amenities and a lifestyle that foster more time to do what they want, with low-maintenance homes, social connections and wellness activities that make them healthier and happier, highlight what their current home and neighborhood don't provide.

Even if you may not build 55+ communities, it's helpful to know what attracts buyers in this age demographic, as similar amenities within or around the local community may draw them to your projects.

Here are some of the top draws:

Food. "Food is the new golf," Blake stated. "Experiences around food are meaningful and memorable." Communities are now including fully outfitted bars that residents can activate, for impromptu happy hours, wine tasting, or even guest chefs and cooking classes. Food related events are the catalyst for social connections and community building.

Wellness. Recent research indicates that active adults feel happier and younger living in 55+ active lifestyle communities, with walking being the chief activity of choice. (NAHB's "What Home Buyers Really Want" report notes 67% of baby boomers want walkable communities with walking or jogging trails.) Subscription-based,

on-demand, video fitness training is also on the rise, Blake observed, to give residents the flexibility both in type and intensity of workouts and group classes without the overhead expense of having a dedicated trainer on staff.

Flexible hours. Because more boomers are continuing to work past the age of 65, they are looking for activities in the evenings and weekends. On-demand options, such as the bar and fitness options noted above, help address the need for more activity around the clock. Allowing early morning and late evening key or proximity card access to the fitness amenities is mandatory in modern 55+ active lifestyle communities.

One longtime staple of active-adult communities, however, has been losing some steam: golf courses. According to Blake, less than 25% of residents are interested in this amenity. With the highest price sensitivity to home owners association (HOA) fees, 55+ buyers only want to pay for what they use, so flexible, multipurpose amenities are more appealing. And for those who want to golf, nearby public courses fit the bill and provide more variety of play.

"Maintenance [for gold courses] can cost around \$1 million a year," she noted. With an eye toward fixed monthly incomes in retirement, "it's not something people want to pay for anymore."

Learn more about what baby boomers want — and don't want — from NAHB's "What Home Buyers Really Want" report.

Go to NAHBNow.com/2019/07 for this article as well as others from July.



Around the State with IBA



Above: Bill Pedke, SIBA executive officer, catches up with State Rep. Holli Sullivan (R-Evansville) to talk housing.



Above: IBA member Brett Harter (left), State Sen. Linda Rogers (R-Granger) and State Rep. Doug Miller (R-Elkhart) get together for a local event.



Right: IBA CEO Rick Wajda (left) and IBA Director of Legislative Affairs Carlie Hopper thank State Sen. Blake Doriot (R-Elkhart) for all of his efforts to support the Indiana housing industry during the 2019 legislative session.



Above: IBA members met with State Senate President Pro Tem Rodric Bray (R-Martinsville) and State Sen. Chris Garten (R-Charlestown) to discuss housing issues.

WE'RE YOUR CONSTRUCTION SUPPORT SPECIALISTS

NIPSCO. Proudly serving Indiana for over 100 years.

As your New Business Development Managers, we are here to partner with you on your utility needs. We will work with you on planning the electric and gas service to the subdivision or home that you are building. To provide a more personalized service, we are located regionally across northern Indiana.

NAN ZAREMBA

219-380-2080
NZaremba@NiSource.com

THOMAS COFFEY

574-341-9385
ThomasCoffey@NiSource.com

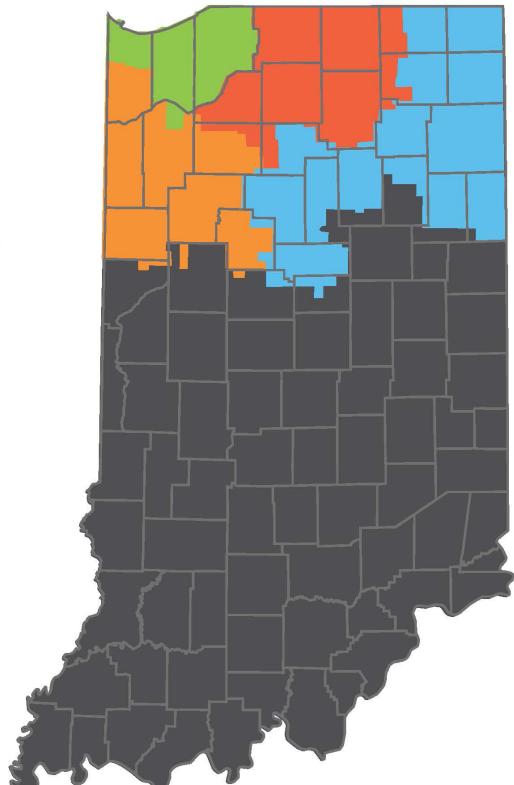
RYAN TEDESCHI

219-240-6757
RTedeschi@NiSource.com

JERRY BROWN

260-443-6353
JerryBrown@NiSource.com

Please contact the representative located in your projects region to discuss your energy needs.



844-809-8921 | NIPSCO.COM

NIPSCO
A NiSource Company

Housing TIF Bill Approved by State Legislature

Tax Increment Financing, commonly referred to as "TIF", is not new in Indiana. However, until this year, it was almost exclusively used for urban and commercial development. When Senate Act 566 became law on July 1, residential developers can now partner with local governments to dedicate the increased tax revenues created by the development to pay for certain development expenses.

New housing developments increase property taxes. The difference between the "old" property taxes and the "new" increased property taxes after development



By Thomas
Bedsole
*Frost Brown Todd,
LLC*

is complete is the "tax increment".

TIF promotes development by paying for public infrastructure within the "TIF district." After the local government establishes a TIF district, the redevelopment commission sets a "Base Allocation Value" for the area. The tax increment, the additional taxes generated by the new development, can be used to pay for specified "public" development items including, but not limited to, streets, roads, trails or sidewalks, acquisition of real property for rehabilitation.

TIF bonds are sold, typically to the developer, who uses the proceeds from the sale to install the public development items that would

otherwise be paid directly by the developer. These bonds are secured by the revenue generated by the tax increment, reimbursing the developer over time for the construction of the public development items.

TIF funds may be used for a wide range of improvements as long as they meet the requirements of benefitting the public health and welfare, and achieving the program's purpose of providing housing or increasing the tax base.

TIF districts for housing, or HOTIFs, are subject to limitations and won't work everywhere. The purpose of HOTIFs is to promote housing availability in areas lacking the necessary private investment. Thus, "[t]he average of new, single family residential houses constructed in the municipality (or unincorporated area) during the preceding three years" must be "[l]ess than 1% of the total number of single family residential houses within the ...area on January

1 of the year in which the resolution is adopted." This limitation will likely preclude use in growth areas where significant development is ongoing. Additionally, a residential TIF district may not be established without a resolution approving the district being passed by the district's school board. These limitations will likely restrict the use of HOTIFs to targeted areas in need of both additional population and additional housing.

Given the restrictions and political challenges that will come with HOTIF Districts, don't expect them to pop up everywhere. High growth areas will be statutorily ineligible for the benefits. Other areas will face too much political resistance. However, communities experiencing both a shortage of housing, moderate demand and a shortage of infrastructure to make development feasible now have a valuable tool to encourage private investment and allow for residential development where it is badly needed.

Educational Toolbox, cont.

...and social and health service providers will benefit from creative design concepts and practices presented to develop market-driven projects that have broad aesthetic appeal as well as the necessary functional attributes.

Right: A full list of the courses IBA is offering for the remainder of 2019.

Schuler to Serve on Environmental Rules Board



This month IBA member Michael Schuler of Sellersburg was appointed to serve on the Indiana

Environmental Rules Board by Governor Eric Holcomb.

The Environmental Rules Board adopts rules that regulate air pollution, solid and hazardous waste, and water pollution. The board consists of 16 members, a legal counsel, and a technical secretary. The legal counsel and technical secretary are nonvoting members, and the law states they may not be state employees. The commissioner of IDEM serves as a nonvoting member of the board. There are four ex officio representatives on the board who represent other state agencies. The remaining 11 members represent various constituencies and are appointed by the governor. Appointed members serve terms of four years.

Schuler will serve on the board until June 30, 2023.

Professional Designation Programs 2019 Course Offerings



Certified Aging-in-Place Specialist (CAPS) Program | Sept. 17-19

Millions of Americans are living longer and more active lives. Because they are embracing newly found and changing lifestyles, they need to revitalize their home environment. Identifying this burgeoning opportunity and then developing the skills to interact with this market can help you grow your business dramatically. Completion of the following 3 courses is required to earn the CAPS designation:

- Sept. 17 CAPS I: Marketing and Communicating with the Aging in Place Client
- Sept. 18 CAPS II: Design Concepts for Livable Homes and Aging in Place
- Sept. 19 CAPS III: Details and Solutions for Livable Homes and Aging in Place

Cost: Member \$25.00/course, Non-Member \$50.00/course | Registration Deadline: Sept. 3

Certified Green Professional (CGP) Program | Oct. 15-17

The Certified Green Professional (CGP)™ designation was created to teach building industry professionals strategies for incorporating green building principles into homes using cost-effective and affordable options. Completion of the following 2 courses is required to earn the CGP designation:

- Oct. 15-16 High Performance Building for Building Professionals
Cost: Member \$50.00, Non-Member \$100.00 | Registration Deadline: Oct. 1
- Oct. 17 Basics of Building or hold an NAHB designation
Cost: Member \$25.00, Non-Member \$50.00 | Registration Deadline: Oct. 1

Universal Design/Build Course | Nov. 12-13

This course presents a shift in the approach to residential design and construction. Designers suppliers, builders, remodelers, social and health service providers will benefit from the creative design concepts and practices presented to develop market-driven projects that have broad aesthetic appeal as well as the necessary functional attributes. This course provides 12 hours of continuing education credits for NAHB designations.

- Nov. 12-13 Universal Design/Build
Cost: Member \$50.00, Non-Member \$100.00 | Registration Deadline: Oct. 29

TIME: 8:30 a.m. – 4:30 p.m. EST

LOCATION: Indiana Builders Association (IBA), 101 W Ohio Street, Ste. 710, Indianapolis, IN 46204

All course materials, parking, refreshments, and lunch are provided.

How to Register:

Online: <http://business.buildindiana.org/events>
Email: Abigail@BuildIndiana.org
Fax: 844-272-4932
Call: 800-377-6334, ext. 203

This training is underwritten by IHCDA



REGISTRATION FORM

Name: _____
Company: _____
Phone: _____
Email: _____
Amount Paid: _____
Payment Method: Check <input type="checkbox"/> Credit Card <input type="checkbox"/>
Credit Card #: _____
Exp. Date: _____ Security Code: _____
Billing ZIP Code: _____
Signature: _____

ARE YOU AWARE OF THIS IBA MEMBER BENEFIT?



Redeem Your BPA in 3 easy steps!

100% of the cost for your BPA is covered by your Association Membership

BPA stands for Business Diagnostic & Plan of Actions and is an exclusive and private business planning tool from Small Business Growth Partners, developed through focusing on the issues of builders, remodelers, HBA Associate members and how to solve them.

- 01 **GO TO [SMALLBUSINESSGROWTHPARTNERS.COM](http://smallbusinessgrowthpartners.com)**
- 02 **CLICK "REDEEM YOUR BPA"**
- 03 **CHOOSE "HBA MEMBERS"**

*The deliverable is an extremely accurate and personalized 30+ page, step-by-step and time-based 12-month plan for you and your business.



SMALL BUSINESS
GROWTH PARTNERS™