



Homeless advocates pitch local sales-tax hike

Kathleen McLaughlin November 15, 2011

A coalition of groups that serve the homeless population is looking to Marion County taxpayers to provide a permanent, dedicated source of funding through an increase in the local sales tax.

A local sales tax increase of one-eighth to one-quarter percent would generate \$9.6 million to \$19.3 million a year, the Coalition for Homelessness Intervention and Prevention, or CHIP, says in a new draft of the "Blueprint to End Homelessness," released Nov. 11.

CHIP leaders plan to lobby the Indiana Legislature starting in 2013 to allow a referendum in the 2014 general election, according to the Blueprint. Indianapolis already adds 2 percent on sales of prepared food and beverages to the state's 7-percent sales tax to support sports venues downtown.

CHIP has dubbed the proposal the "Common Cents" initiative and says it will become a strong advocate for public funding to address the city's roughly 1,500 homeless. That estimated population has been cut in half since the first Blueprint was released in 2002.

"Our community's frustration is that we have an adequate number of apartments and houses but lack the funds to place people into decent, affordable housing and pay for the crucial services they need to sustain it," the draft reads.

Thought CHIP won't start lobbying right away, the fact that other groups plan to seek dedicated taxes will influence the Legislature's willingness to consider any new tax hikes, said John Ketzenberger, president of the not-for-profit Indiana Fiscal Policy Institute. The Central Indiana Regional Transportation Authority wants a referendum on local-option income taxes for mass transit in Marion and some surrounding counties.

Ketzenberger predicted that the General Assembly will take its time in setting priorities. "I strongly suspect there won't be many approved in the 2012 session, if any," he said. "It's unclear how the Legislature will sort this out, or even if it will try. I expect there will be a fair amount of tension between granting local control and ensuring that tax rates remain in line county-to-county."

CHIP Program Director Michael Hurst said that the sales tax money would likely be overseen by an advisory board that would make grants to not-for-profits, which often struggle to cover ongoing expenses, such as drug and alcohol rehabilitation for chronically homeless people.

Indianapolis Mayor Greg Ballard is helping different homelessness agencies work together and find one-time sources of funding, spokesman Marc Lotter said.

But "when it comes to raising a general tax, that's not something that is one of the mayor's priorities," Lotter said.

Hurst said CHIP might end up pursuing something other than a sales tax, after taking public comment on

the draft Blueprint.

“That’s out there for a conversation,” he said. “We’ll see what the conversation brings.”

CHIP also is eyeing the millions of property-tax dollars that some township trustees hold in reserve.

The Blueprint calls on trustees, who are local government’s designated source of poor relief, to set aside revenue to address homelessness.

Center Township, for example, had an \$8.5 million surplus at the end of 2010, according to state financial reports. Trustee Eugene Aker could not be reached for comment.

“Short of [the trustees’] voluntary attention to this issue, the community should demand that township funds be dedicated to homeless services,” the draft says.

Pike Township Trustee Lula Patton said she objected to the report’s tone. “The way this is written is really unfair to trustees,” she said.

The Blueprint points out that some trustees deny poor relief to homeless people because they can’t prove they live in the township. Patton said proof of residency is required by state law.

“I can’t just hand out money without following the guidelines,” she said.

Patton, who said Pike Township does not have any surplus revenue, said she would like to do more for homelessness, as she hears about families doubling up with friends and relatives.

The township currently pays bills that Pike residents generate at the Julian Center for domestic violence victims, Patton said. In Lawrence and Warren townships, trustees are paying utility bills at apartments that private owners have set aside as safe havens for domestic violence victims.

In addition to dedicated funding, CHIP names a number of priorities, which it hopes not-for-profits, religious groups and the business sector will adopt:

- Dedicate housing to homeless people who have alcohol or other addictions, but are not willing to go into rehab.
- Dedicate housing for homeless people ages 18 to 24.
- Establish an [“engagement center”](#) where police officers can take chronically homeless, intoxicated people, rather than jail or the emergency room. Health and Hospital Corporation of Marion County is currently seeking a location for this facility.
- Set aside units in privately owned apartment complexes as safe havens for domestic violence victims or families in need of short-term housing.
- Allow community development corporations to rent out rehabbed houses.
- Find a place for homeless populations such as HIV-positive, gays and lesbians, single-father families and single women, who are not allowed in existing shelters.