Attachment I

Certification for Opportunity Zone Preference Points (HUD – 2996)

NOFO Drug Prohibition Policy

Certification for Opportunity Zones Preference Points

U.S. Department of Housing and Urban Development

OMB Number: 2501-0044
Expiration Date: 02/28/2027

Type or clearly print the following information.
***Warning: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties (18 U.S.C §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. § 3729, 3802; 24 CFR § 28.10(b)(1)(iii)).*

Applicant Organization: City of Indianapolis

Assistance Listing number and Federal Program name to which the Applicant is applying:
Include the funding opportunity number and name exactly as it appears in the applicable funding opportunity announcement (example: 14.896, Family Self-Sufficiency Program).

14.276 -- Youth Homelessness Demonstration Program

Opportunity Zone Census Tract(s), which the proposed activities/projects will benefit:
Include below the full 11-digit census tract number (example: 06067001101). Designated Opportunity Zone Census Tracts can be found at: https://opportunityzones.hud.gov/resources. Select the "CDFI Fund Opportunity Zones Resources" link and then select the "List of designated Qualified Opportunity Zones."

18097354400; 18097355000; 18097390800; 18097342101; 18097340102;18097342400; 18097380200; 18097380300;
18097340108; 18097310306; 18097340400; 18097390700; 18097341600; 18097356400; 18097353600; 18097351200;
18097353500; 18097391000; 18097353500; 18097353300; 18097351700; 18097390900; 18097354200; 18097352800;
18097352700; 18097354400; 18097354500; 18097356200; 18097355700; 18097352600; 18097354900; 18097355000;
18097355600; 18097361200; 18097361300; 18097322000; 18097322600; 18097330805; 18097390600

The application meets which of the following criteria (please select one):

- ☐ The proposed activities/projects will occur solely within the Opportunity Zone Census Tract(s) listed above.
- ☒ The proposed activities/projects will occur within the Opportunity Zone Census Tract(s) listed above and other communities.
- ☐ The proposed activities/projects will occur outside Opportunity Zone Census Tracts, but substantial and direct benefits will accrue within the Opportunity Zone Census Tracts listed above.

Note: Projects which substantially and directly benefit Opportunity Zone Census Tracts, but which do not consist of activities delivered within Opportunity Zone Census Tracts may be considered for competitive preference. If applicable, the respective Federal Agency will clearly define "substantially and directly" in the relevant funding announcement.

Estimated Funding Allocations

Estimate a percentage of the total dollar amount of awarded federal funding that would result in a direct benefit within the Opportunity Zone Census Tracts listed above:

- ☐ 76% - 100%
- ☒ 51% - 75%
- ☐ 26% - 50%
- ☐ 11% - 25%
- ☐ 1% - 10%

Provide a narrative explaining and/or reference the section in the application that explains how the project will support public and private investment in urban and economically distressed areas, specifically qualified Opportunity Zones (300-word limit):

Example: "The Main Street project described in this application will stimulate economic opportunity and mobility, encourage entrepreneurship, expand quality educational opportunities, and promote workforce development for those families residing within the XYZ Opportunity Zone."

The YHDP application and projects included within will stimulate economic opportunity by providing transitional housing and services to youth to prevent homelessness and increase economic self-sufficiency.

Check the following boxes that accurately reflect the nature or purpose of the proposed project:

- ☐ Access to Capital
- ☐ Asset Building
- ☐ Business Assistance
- ☒ Community Capacity Building
- ☐ Economic Development
- ☐ Education
- ☐ Healthy Food Access
- ☐ Health
- ☒ Housing
- ☒ Human Services and Family Support
- ☐ Community Infrastructure
- ☐ Public Safety
- ☐ Workforce Development
- ☐ Low Income Housing Tax Credit (LIHTC) or other rent restricted housing
- ☐ Market rate housing
- ☐ Industrial development
- ☐ Commercial or retail development
- ☐ Other business development
- ☐ "Above ground" infrastructure – streets, sidewalks, lighting
- ☐ "Below ground" infrastructure – water, sewer, gas, electric
- ☐ Schools or other educational facilities
- ☐ Hospitals or other health care facilities

Certification of Authorized Representative for the Applicant:

**Under penalty of perjury, I certify on behalf of the Applicant that

(1) all information provided on this form is true, complete, and accurate, and

(2) the Applicant will notify the Agency immediately upon learning of any change in the information provided on this form, and

(3) I am authorized to speak for the Applicant regarding all information provided on this form.

Prefix: | First Name: Beth | Middle Name:

Last Name: Neville | Suffix:

Title: Administrator

Organization: City of Indianapolis

Signature: Beth Neville

Date: 07/30/2026

Indianapolis Continuum of Care (CoC)

Policy on Prohibition of Illicit Drug Enablement and Advancement of Recovery

I. Purpose

The purpose of this policy is to establish clear standards for all projects funded through or submitted by the Indianapolis Continuum of Care (CoC) to ensure compliance with federal requirements, promote safe and lawful housing environments, and support pathways to recovery for individuals experiencing homelessness.

II. Definition of the Continuum of Care

The Indianapolis Continuum of Care (CoC) is a community-wide planning body responsible for coordinating housing and services funding for individuals and families experiencing homelessness across Indianapolis. The CoC promotes a comprehensive and strategic approach to ending homelessness through system coordination, resource alignment, data-driven decision-making, and adherence to federal regulations established by the U.S. Department of Housing and Urban Development (HUD).

The CoC includes nonprofit organizations, local governments, housing providers, healthcare partners, and other stakeholders who collaborate to design, fund, and implement programs that address homelessness, improve health outcomes, and support long-term housing stability.

III. Policy Statement

The Indianapolis CoC affirms its commitment to operating all CoC-funded housing programs in compliance with federal law, including but not limited to 2 CFR 200.300(a), 21 U.S.C. §§ 856 and 863, and 24 CFR 578.

All project applicants must certify that:

- They will not engage in illegal racial discrimination.
- They will not operate drug injection sites or “safe consumption sites” in violation of federal law (21 U.S.C. 856(a)(1)).

- They will not knowingly permit the use or distribution of illicit drugs on property under their control in violation of 21 U.S.C. 856(a)(2).
- They will not knowingly distribute drug paraphernalia in violation of 21 U.S.C. 863.

The CoC further affirms that these prohibitions **do not require**:

- Program participants to be sober to receive assistance;
- Participation in substance use treatment as a condition of assistance; or
- Eviction or program exit for a first-time violation of a drug-related policy or lease provision.

This approach is consistent regulations under 24 CFR 578.

IV. Prohibition on Illicit Drug Enablement

In accordance with federal law and CoC policy, all CoC-funded housing projects are strictly prohibited from engaging in activities that enable the unlawful use of controlled substances.

A. Prohibited Activities

CoC-funded housing projects shall not:

1. Operate drug injection sites or "safe consumption sites";
2. Knowingly permit the use or distribution of illicit drugs on property under their ownership, lease, or control;
3. Conduct, permit, encourage, or allow any such activities under the pretext of "harm reduction"; or
4. Knowingly distribute drug paraphernalia, either on-site or off-site, in violation of federal law.

B. Definition of Drug Paraphernalia

For purposes of this policy, **"drug paraphernalia"** is defined in accordance with 21 U.S.C. § 863 as:

Any equipment, product, or material of any kind that is primarily intended or designed for use in manufacturing, compounding, converting, concealing, producing, processing, preparing, injecting, ingesting, inhaling, or otherwise introducing a controlled substance into the human body in violation of federal law.

This includes, but is not limited to, items such as pipes, water pipes, bongs, carburetion devices, smoking masks, roach clips, miniature spoons, and similar items primarily intended for drug use.

Determinations of whether an item constitutes drug paraphernalia shall be based on its intended or designed use, including relevant contextual factors such as how the item is marketed, distributed, or used in practice.

C. Clarifying Statement

Nothing in this section is intended to:

- Require program participants to maintain sobriety as a condition of assistance;
- Require participation in substance use treatment as a condition of assistance; or
- Require eviction or termination of assistance for a first-time violation of a drug-related program rule or lease provision.

Projects may establish their own program requirements, including recovery-based models, in accordance with 24 CFR 578.

V. Remedies for Non-Compliance

The CoC will take appropriate and proportionate action if a funded project is found to be in violation of this policy. Potential remedies include:

- **Corrective Action Plans (CAPs):** Required remediation steps with defined timelines;
- **Increased Monitoring:** Enhanced program oversight, including site visits and documentation review;
- **Technical Assistance:** Targeted support to achieve compliance;
- **Conditional Funding Status:** Restrictions placed on current or future funding eligibility;
- **Reallocation or Non-Renewal:** Removal or redistribution of CoC funds for continued or serious violations;

All enforcement actions will follow established CoC governance and monitoring procedures and ensure due process.

VI. Encouragement of Treatment and Recovery Supports

The Indianapolis CoC strongly encourages all funded projects to:

- Connect participants to **evidence-based substance use disorder (SUD) treatment**, including medication-assisted treatment (MAT);
- Partner with providers offering **behavioral health, recovery support services, and peer support**;
- Facilitate access to **recovery housing options** both within and outside of the CoC network;
- Integrate trauma-informed, culturally responsive approaches that support long-term recovery and stability.

The CoC recognizes that recovery is individualized and supports a range of pathways aligned with participant choice and clinical need.

VII. Project Design Flexibility

Nothing in this policy restricts or prohibits CoC-funded housing projects from:

- Requiring program participants to maintain sobriety; or
- Requiring participation in substance use treatment as a condition of assistance,

provided such requirements are implemented in accordance with 24 CFR 578 and other applicable laws.

This policy preserves a diverse range of program models, including Housing First and recovery-focused housing, while maintaining compliance with federal law.

VIII. Implementation and Certification

All project applicants must affirm compliance with this policy through required certification language in the CoC application process. The CoC will review submissions to ensure alignment with this policy prior to ranking and submission to HUD.

Advancing Recovery by Prohibiting Illicit Drug Enablement – Indianapolis CoC Narrative

The Indianapolis Continuum of Care (CoC) maintains a formal policy applicable to all CoC-funded and CoC-submitted housing projects that ensures compliance with federal law while promoting pathways to recovery and housing stability.

Policy Prohibition (Requirement 1):
All CoC-funded housing projects are explicitly prohibited from operating drug injection sites or "safe consumption sites," knowingly distributing drug paraphernalia on or off property under their control, or knowingly permitting the use or distribution of illicit drugs on property they own, lease, or manage. The policy further prohibits any project from conducting, permitting, encouraging, or allowing these activities under the pretext of "harm reduction." This prohibition aligns with 21 U.S.C. §§ 856 and 863 and is reinforced through required applicant certifications pursuant to 2 CFR 200.300(a).

Remedies and Enforcement (Requirement 2):
The CoC has established a graduated enforcement framework to ensure compliance. Projects found in violation of this policy may be subject to corrective action plans with defined timelines, increased monitoring and oversight (including site visits and documentation review), and targeted technical assistance. Continued or serious non-compliance may result in conditional funding status, non-renewal of project funding, reallocation to other providers, or referral to HUD, consistent with CoC governance and monitoring procedures. These remedies ensure accountability while providing a pathway to regain compliance.

Encouragement of Treatment and Recovery (Requirement 3):
While prohibiting illicit drug enablement, the Indianapolis CoC strongly encourages all projects to actively connect participants to evidence-based substance use disorder treatment, including medication-assisted treatment (MAT), behavioral health services, peer recovery supports, and recovery housing options within and outside the CoC. The CoC promotes trauma-informed, culturally responsive approaches and recognizes multiple pathways to recovery, emphasizing voluntary engagement and participant-centered care.

Project Design Flexibility (Requirement 4):
This policy does not impose sobriety or treatment participation requirements as a condition of assistance. Projects may operate under Housing First or recovery-oriented models, and programs that require sobriety or treatment participation are permitted in accordance with 24 CFR 578. Additionally, this policy does not require eviction or program exit for a first-time violation of a drug-related lease or program policy, allowing providers to respond proportionately and maintain housing stability whenever possible.

Certification Alignment:
All project applicants are required to formally certify adherence to these standards as part of the CoC application process, including affirmations that they will not engage in illegal racial discrimination and will comply with all applicable federal statutes related to illicit drug activity. Applications are reviewed for consistency with this policy prior to ranking and submission to HUD.

Through this clear, enforceable policy framework, the Indianapolis CoC ensures legal compliance, strengthens program accountability, and advances recovery-oriented, housing-focused solutions to homelessness.