

STATE OF TENNESSEE
2020-2024 CONSOLIDATED PLAN &
2020-2021 ANNUAL ACTION PLAN

DRAFT

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Note to the reader:

This document is a collaboration between the Tennessee Housing Development Agency (THDA), Tennessee Department of Economic and Community Development (TNECD), and Tennessee Department of Health (DOH). The Consolidated Planning Team invite individuals to review and comment on this report through April 20 using this link: <https://www.surveymonkey.com/r/TNConPlan2020>

While every effort was made to prepare a full and accurate report, updates may be made throughout the public comment period in response to public comments, program feedback, and official allocations, when they become available. Because official allocation announcements have not been made, programs have estimated future funding based on the prior year allocations. Programs have made contingencies if their allocations are significantly higher or lower than expected.

This document is divided into the following sections: Executive Summary, Process, Needs Assessment, Housing Market Analysis, Strategic Plan, and the Year 1 Annual Action Plan. Updates and new initiatives for the five Federal Formula Grant Programs are included in the Strategic Plan Section and referenced throughout this document as applicable.

Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The U.S. Department of Housing and Urban Development (HUD) requires the State of Tennessee, as a recipient of federal formula grant funds, to develop a Consolidated Plan every five years. This Plan describes the state's housing and community development priorities and multi-year goals, based on an assessment of housing and community development needs, examination of housing and economic market conditions, and analysis of available resources. The Consolidated Plan covers the period of July 1, 2020 through June 30, 2025. This document also serves as the first-year Action Plan, outlining the one-year goals and strategies for projects to receive funding in 2020.

Federal resources provided by HUD that are discussed within the Plan include:

- Community Development Block Grant (CDBG): promotes economic and community development in small cities across the state.
- HOME Investment Partnerships Program (HOME): promotes the production, preservation, and rehabilitation of affordable housing for rent or home ownership for low-income households
- Housing Trust Fund (HTF): promotes the production, preservation, rehabilitation, and operation of affordable rental housing for extremely low-income (ELI) households.
- Emergency Solutions Grant Program (ESG): provides services necessary to support persons that are at-risk of homelessness or homeless quickly regain stability in permanent housing.
- Housing Opportunities for Persons with AIDS Program (HOPWA): addresses the housing needs for low-income persons who are living with HIV/AIDS and their families.

The HOME, HTF, and ESG Programs are administered through Tennessee Housing Development Agency (THDA), CDBG is administered by the Tennessee Department of Economic and Community Development (TNECD), and HOPWA is administered by the Tennessee Department of Health. While THDA is the lead agency responsible for coordinating the development of the Consolidated Plan, all of the administering agencies of the five grant programs participated in the development of the Consolidated Plan.

The Annual Action Plan contained within describes the amounts of the five formula grant funds expected to be made available during Program Year 2020-21 and discusses the methods by which funds will be distributed to eligible applicants by the administering agencies. Funds are made available either through a competitive grant process, through a formula basis, or in some cases, both.

Other affordable housing resources made available to the state or having an impact on the state's performance are also discussed in the Consolidated Plan and include HUD's Section 8 Tenant-Based Housing Choice Voucher (HCV) and Project-Based Contract Administration Programs, the THDA Homebuyer Education Programs, Tennessee's Community Investment Tax Credit Program, the Low-Income Housing Credit (LIHC) Program and the Tennessee Housing Trust Fund Competitive Grants Program.

The Consolidated Planning process is an opportunity for strategic planning and citizen participation to take place comprehensively. The Consolidated Plan serves as a guide for decisions regarding the use of these federal resources and sets forth program goals, specific objectives, and benchmarks for measuring progress.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The State of Tennessee identified four priority needs for the five-year period covered by the 2020 – 2024 Consolidated Plan. These priority needs include:

- Limited housing opportunities: Preserve affordable housing stock; increase the amount of affordable housing; and increase access to affordable housing for low and moderate income families
- Aging infrastructure, disinvestment in communities, and disaster recovery: Improve the safety and livability of communities through investment in infrastructure, economic opportunities, and disaster recovery
- Limited non-housing supportive services: Increase availability and awareness of supportive services for persons with HIV/AIDs, homeless persons, and other special populations
- Affirmatively furthering fair housing: ensure access to quality housing for protected classes and provide fair housing outreach, education and counseling.

In addition to these priority needs, HUD set forth three basic goals and objectives against which the plan and the state's performance under the plan will be evaluated. These goals include providing decent housing, providing a suitable living environment, and expanding economic opportunities for low- and moderate-income persons.

Each state's plan must indicate how it will pursue these goals for all community development programs, as well as all housing programs.

3. Evaluation of past performance

The State of Tennessee will continue to build upon the progress made over the past five years to increase the number of affordable and accessible housing units, contribute to economic sustainability, and foster community vibrancy in all areas across the state. Tennessee will continue to support program activities, which have proven to be effective while also looking for areas where the efficiency or impact of these programs can be improved. Specific information on the state's performance can be found within the Consolidated Annual Performance and Evaluation Report (CAPER), which is available on THDA's website: <https://thda.org/research-planning/consolidated-planning>

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	TENNESSEE	Department of Economic and Community Development
HOPWA Administrator	TENNESSEE	Department of Health
HOME Administrator	TENNESSEE	THDA, Community Programs
ESG Administrator	TENNESSEE	THDA, Community Programs
HTF Administrator	TENNESSEE	THDA, Community Programs

Narrative

While Tennessee Housing Development Agency (THDA) has been designated as the lead agency for Tennessee's Consolidated Plan requirements, all of the administering agencies of the four programs participated in the development in the Consolidated Plan. Additionally, developing the plan involved input from citizens, organizations, state, local and federal government officials, developers, public housing authorities and housing professionals.

Consolidated Plan Public Contact Information

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PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.200(l) and 91.315(l)

Introduction

During the development of this Consolidated Plan, the State held numerous consultation activities with local and regional service providers, community organizations, government entities, public and private housing providers, Tennessee Continuum of Care agencies, and residents while identifying priority needs for the plan. Specifically, the State hosted advisory group sessions, stakeholder feedback sessions, and a public hearing with open public comment via email until the release of the Draft Plan. Four public comments were received during the initial public hearing. Each of the five formula programs also conducted workshops and gathered feedback from grantees and other stakeholders about their programs.

Additional outreach was conducted in 2019 during the development of the State’s Analysis of Impediments to Fair Housing Choice through a statewide survey, focus groups, stakeholder meetings, and presentations. Feedback and data from both consultation efforts were considered in the development of this Consolidated Plan.

Provide a concise summary of the state’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

All of the above mentioned outreach efforts included staff and representatives from governmental health, mental health and service agencies. Most specifically, data and feedback from the following departments were instrumental in creating our special population analysis, homeless needs assessment, our HIV/AIDS assessment and our lead-based poison prevention approach: Departments of Health and Mental Health and Substance Abuse Services and the Council on Developmental Disabilities.

Stakeholder Feedback Sessions: A series of meetings and interviews were conducted to discuss issues and opportunities related to housing and community development, as well as fair housing issues, throughout Tennessee. Individuals representing government and policy makers, nonprofit organizations, affordable housing providers, and other interested parties were invited to participate to ensure that the priorities discussed in the Consolidated Plan were inclusive of the needs of all Tennesseans.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

THDA administers Emergency Solutions Grants (ESG) contracts for the Tennessee Balance of State and non-entitlement Continuums of Care. Because service delivery structure and the extent of homelessness differ regionally throughout Tennessee, THDA supports local continuums, while administering the ESG program.

THDA is a member of numerous consortia that assist low-income households, and those who are experiencing homelessness in Tennessee. THDA coordinates with these groups to help align services regionally. Specific to the Consolidated Plan, THDA communicated with these groups through focus groups and presentations at local events to better understand the needs of the homeless population to include in the Consolidated Plan.

THDA funded the participation of the Tennessee Valley Coalition for the Homeless in the Built for Zero technical assistance initiative through Community Solutions. Through this opportunity, TVCH developed an organizational structure and process to address veteran's homelessness with the CoC.

Describe consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

THDA administers ESG contracts for the Tennessee Balance of State and Continuums of Care (CoCs) except in entitlement jurisdictions that receive their own allocation of ESG funds (Knoxville, Memphis, and Nashville-Davidson County). THDA works closely with the CoCs to administer the ESG program and address service gaps to homeless populations. During the scoring process for ESG resources, THDA seeks CoC feedback regarding the applications submitted.

During the development of this Consolidated Plan, CoC's were invited to attend the ESG application workshops held in January in Nashville, Knoxville, and Jackson. At each of these workshops, a member of the Research and Planning staff gave a presentation on the Consolidated Plan and led a discussion of homelessness and homelessness strategy, special populations and populations served, program policies, and ESG resources. ESG staff were present to hear and respond to questions, concerns, and feedback. Summaries of these conversations are available throughout this report.

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The Needs Assessment uses 2011-2015 Comprehensive Housing Affordability Strategy (CHAS) data developed by the U.S. Census Bureau for HUD. CHAS data are custom tabulations of information, which demonstrates the extent of housing problems and needs that are largely not available through standard Census products. The needs assessment also integrated 2014-2018 American Community Survey (ACS) data, State Department data, and other data as applicable throughout the document to create an inclusive framework for overall needs to base decisions in selecting projects to be funded by entitlement grant funds.

The largest housing problems experienced in Tennessee are housing cost burden and severe housing cost burden. For renters, housing costs include rent paid by the tenant plus utilities. For home owners, housing costs include mortgage payments, taxes, insurance, and utilities. This problem is persistent both in Tennessee and nationally. The 2018 5-year ACS data show that approximately 29 percent of all homeowners with a mortgage and 50 percent of all renters in the U.S. were experiencing a housing cost burden.

The State of Tennessee combined data from Tennessee Housing Development Agency's (THDA) Housing Choice Voucher (HCV) database with public housing and voucher data reported by public housing authorities throughout the state to HUD's Public Housing Information Center (PIC) to determine the number of participants statewide. All together there are 6,185 households in the THDA Housing Choice Voucher Program and approximately 21,742 applicants on THDA's HCV Program waiting list.

The Point-In-Time (PIT) homeless count for Tennessee showed that on a given night in January 2019, a total of 7,467 persons experienced homelessness. 1,133 persons were considered chronically homeless. These numbers are down slightly from the 2018 counts which found 7,883 persons experienced homelessness, of which 1,663 were considered chronically homeless.

Non-homeless populations at-risk include seniors, persons with physical, developmental and mental health disabilities, victims of domestic violence, youth aging out of foster care, ex-offenders reentering society, veterans, and persons living with HIV/AIDS. These populations require a variety of supportive services to remain safe, independent, healthy, and stable.

These priority needs include critical public services such as housing counseling, job training, fair housing education and outreach, and infrastructure improvements in low- and moderate-income communities including water and wastewater, fire protection, public health facilities, and storm water.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

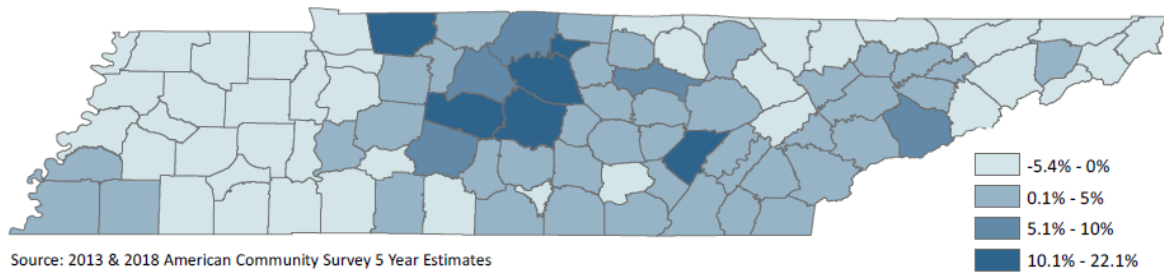
The following needs assessment is pursuant to the HUD Consolidated Plan requirements for the entire state. However, there are 17 larger cities, counties, and partnerships designated as entitlement jurisdictions that receive and administer direct federal funding from HUD for housing and community development. Because of this structure, those entitlement jurisdictions must also prepare a Consolidated Plan. The needs outlined in this document should serve as a framework for those jurisdictions in the allocation of resources among housing and community development programs, but specific needs, strategies, and activities will be decided locally in those specific cities and counties.

The following table displays the population, number of households, and median income for the base year (2000) and the most recent year (2018) and calculates the percentage of change. Between the 2010 and 2018 five year American Community Survey estimates, Tennessee’s resident population grew to 6,651,089 residents, which represents an increase of 416,121 residents. This population increase is also reflected in the increase in Tennessee households, from 2,443,475 to 2,567,061 households (an increase of 123,586 households). The median income for Tennessee households also increased 17.7% to \$50,972 in 2018.

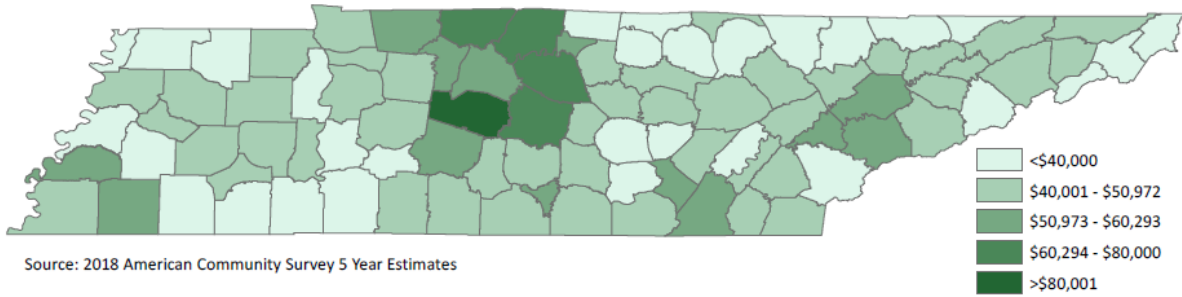
Demographics	Base Year: 2010	Most Recent Year: 2018	% Change
Population	6,234,968	6,651,089	6.7%
Households	2,443,475	2,567,061	5.1%
Median Income	\$43,314	\$50,972	17.7%

Data Source: Base Year: 2006-2010 ACS, 2014-2018 ACS (Most Recent Year)

Percent Change in Population Over 5 Years, by County



Median Household Income, by County



Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households	320,175	311,150	436,880	257,360	1,178,985
Small Family Households	107,555	102,330	160,900	106,020	634,170
Large Family Households	21,755	20,915	32,010	20,930	85,510
Household contains at least one person 62-74 years of age	52,765	69,730	100,975	57,465	265,035
Household contains at least one person age 75 or older	36,450	57,390	62,570	29,000	85,925
Households with one or more children 6 years old or younger	61,650	49,730	69,930	40,550	127,865

Data Source: 2011-2015 CHAS

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	4,330	3,510	2,905	1,325	12,070	2,030	1,630	1,675	985	6,320
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	2,265	1,650	1,235	595	5,745	355	660	845	450	2,310
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	7,405	4,955	6,040	2,335	20,735	1,445	2,260	3,425	2,050	9,180
Housing cost burden greater than 50% of income (and none of the above problems)	114,410	46,840	7,665	1,060	169,975	57,180	41,195	24,935	5,420	128,730
Housing cost burden greater than 30% of income (and none of the above problems)	20,795	64,700	65,435	10,700	161,630	19,595	36,235	67,175	33,345	156,350
Zero/negative Income (and none of the above problems)	24,820	0	0	0	24,820	14,215	0	0	0	14,215

Data Source: 2011-2015 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen)

or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	128,410	56,955	17,845	5,315	208,525	61,015	45,745	30,875	8,905	146,540
Having none of four housing problems	55,745	102,030	160,510	77,710	395,995	35,970	106,420	227,650	165,430	535,470
Household has negative income, but none of the other housing problems	24,820	0	0	0	24,820	14,215	0	0	0	14,215

Data 2011-2015 CHAS
Source:

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	58,605	48,890	28,855	136,350	23,605	25,960	38,915	88,480
Large Related	13,365	8,985	4,450	26,800	4,185	5,865	6,510	16,560
Elderly	21,115	21,885	12,300	55,300	33,480	33,110	29,530	96,120
Other	53,440	38,745	30,290	122,475	17,900	14,510	18,675	51,085
Total need by income	146,525	118,505	75,895	340,925	79,170	79,445	93,630	252,245

Data 2011-2015 CHAS
Source:

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	50,565	18,705	2,250	71,520	19,295	14,345	9,570	43,210
Large Related	11,160	2,590	360	14,110	3,390	2,505	1,380	7,275
Elderly	15,370	10,550	2,730	28,650	21,945	15,670	9,055	46,670

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
Other	46,260	17,435	3,010	66,705	14,380	9,300	5,190	28,870
Total need by income	123,355	49,280	8,350	180,985	59,010	41,820	25,195	126,025

Data 2011-2015 CHAS
Source:

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	8,170	5,485	6,045	1,995	21,695	1,450	2,125	2,860	1,715	8,150
Multiple, unrelated family households	1,290	1,000	1,165	720	4,175	435	840	1,355	815	3,445
Other, non-family households	355	305	270	275	1,205	55	15	70	0	140
Total need by income	9,815	6,790	7,480	2,990	27,075	1,940	2,980	4,285	2,530	11,735

Data 2011-2015 CHAS
Source:

Describe the number and type of single person households in need of housing assistance.

According to 2014–2018 American Community Survey data, 722,285 households in Tennessee were living alone, which is 28 percent of households in the state. Thirty-eight percent (272,659) of those living alone were 65 years or older. The at-risk single person populations in need of housing assistance includes the working poor, seniors, persons with disabilities, homeless, those living with HIV/AIDS, survivors of domestic violence, veterans, and youth aging out of foster care, among others.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

In 2018, the ACS estimates show that just over 18 percent of the civilian noninstitutionalized population over 16 lives with a disability. Just over 75 percent of that population is not in the labor force, as opposed to 30 percent without a disability. The percentage of persons with a disability with a bachelor’s degree or higher is less than half the percent as the population without a disability (13% and 31%, respectively). The median earnings for this category of persons with a disability is \$22,367, more than

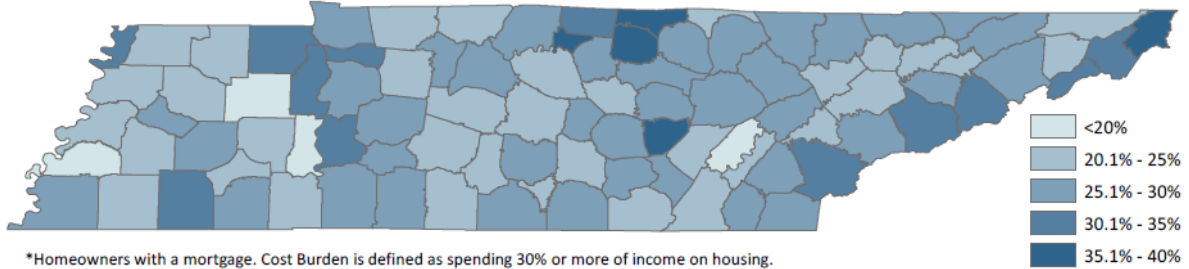
\$8,800 lower than the population without a disability. 37 percent of persons 16 or older with a disability (350,414 persons) live at or below 149 percent of the poverty level (compared to 21 percent of persons without a disability). Of the households receiving Food Stamps/SNAP benefits, slightly more than half were households with one or more persons with a disability (190,437 households). The 2012-2016 CHAS estimates show that between 22,000 and 62,000 households under 80% HAMFI for each disability category experiences 1 or more housing problems (defined as incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%). Since disabilities may be co-occurring, a total number was not available. Households under 30% of HAMFI were the greatest affected by housing problems (37,000-62,000 households). Many of these factors (low income, poverty, cost burden, etc.) contribute to needing housing assistance.

On September 13, 2018, every local domestic violence program (38 in total) in Tennessee participated in the 2018 National Census of Domestic Violence Services. During the 24-hour surveying period, 831 domestic violence victims found refuge in emergency shelters or transitional housing provided by local domestic violence programs. 443 adults and children received non-residential assistance and services, including counseling, legal advocacy, and children's support groups. Additionally, victims made 126 requests that could not be fulfilled due to limited resources, of which 92% were housing related. Nationwide, domestic violence programs served 42,494 adult and child victims of domestic violence in temporary or transitional housing. Of the 9,183 unmet requests for services across US domestic violence programs, 76% were for housing services. Although these numbers represent the housing needs over a 24-hour period, it is clear that services for victims of domestic violence are greatly needed throughout the year.

What are the most common housing problems?

The most common housing problems in Tennessee are housing cost burden and severe housing cost burden. HUD defines cost burden as monthly housing costs of more than 30 percent of household monthly income and severe cost burden as monthly housing costs of more than 50 percent of monthly household income. For renters, housing costs include rent paid by the tenant and utilities. For homeowners, housing costs include mortgage payments, taxes, insurance, and utilities. Cost burden problem is persistent both in Tennessee and in the nation. The maps below show Tennessee homeowners and renters that spend 30 percent or more of their income on housing. Tennessee as a whole has a slightly lower cost burden percentage than the United States. The maps use the same scale to show that renters face greater cost burden than homeowners.

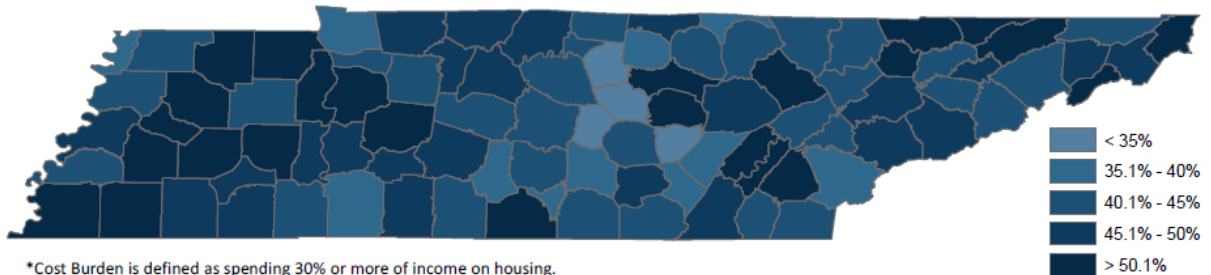
Cost Burdened Homeowners*, by County



*Homeowners with a mortgage. Cost Burden is defined as spending 30% or more of income on housing.
Source: 2018 American Community Survey 5 Year Estimates

Tennessee's Cost Burdened Homeowners, 2018: 25.7%
United States Cost Burdened Homeowners, 2018: 28.7%

Cost Burdened Renters*, by County



*Cost Burden is defined as spending 30% or more of income on housing.
Source: 2018 American Community Survey 5 Year Estimates

Tennessee's Cost Burdened Renters, 2018: 48.1%
United States Cost Burdened Renters, 2018: 50.2%

Are any populations/household types more affected than others by these problems?

Households living in the 50-80 percent of AMI group are significantly impacted by the problem of cost burden (housing costs greater than 30 percent of income), but this issue also takes a significant toll on those households that fall within the 30-50 of AMI group. More renters are cost burdened than homeowners, and small related households are more acutely affected by cost housing burden. Elderly homeowner households also face great cost burden challenges.

Extremely low-income households, the 0-30 percent of AMI group, are disproportionately affected by the problem of severe cost burden (housing costs greater than 50 percent of income); however, all other income groups also have a considerable number of households living with severe cost burden. More renters are severely cost burdened compared to homeowners and the elderly and small related households are acutely affected by severe cost burden.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

Low-income individuals and families with children, who are at-risk of homelessness often experience both housing cost burden and co-occurring issues that make it difficult to maintain housing stability. These households often lack a stable source of income. In 2018, almost 6 percent of Tennesseans that were 16 years and over were unemployed. Females have a slightly higher unemployment rate than males (5.7% and 5.3%, respectively), but females with children have an even greater unemployment rate (6.1%). Overall, persons living below the poverty line experience an unemployment rate of 23.2%.

Low-income households at risk of homelessness also tend to lack high education levels. In 2018 it was estimated that 10.7 percent of Tennessee residents, 25 to 64 years old, that earned less than a high school diploma were unemployed as opposed to a 6.3 percent unemployment rate for persons with a high school diploma or equivalent. In 2018, 13 percent of the population aged 25 and over did not have a high school diploma or equivalent.

Other barriers noted in focus groups include limited transportation to and from work (especially in rural areas) and a lack of sufficient child care. In some circumstances, those at-risk of homelessness have mental illnesses or other disabilities that make it difficult to find both employment and safe, accessible, and affordable housing. According to 2018 ACS estimates, 12.1 percent of persons with disabilities in Tennessee were unemployed.

Families nearing the end of rapid re-housing assistance need sufficient income in order to afford rent after the rental subsidies end. It is not always possible to find the income necessary to pay housing costs, due to long waits for Social Security Income approvals, struggles with finding better-paying jobs, or Families First/Temporary Assistance to Needy Families (TANF) serving as a primary income source. In addition, homeless providers have expressed that the loss of case management services experienced at the same time as the loss of rental subsidy can cause some families to struggle with financial management and day-to-day activities. Providers continue to focus on finding jobs for families during the program so that they can maintain housing stability after assistance ends. Several programs in Tennessee are starting to offer extended case management services, but many mentioned the lack of funding to provide this and general case management at the level it is needed.

To prevent low-income individuals and families from becoming homeless, Tennessee allocates a portion of the Emergency Solutions Grant (ESG) to homelessness prevention activities. Housing relocation and stabilization services and short-and/or medium-term rental assistance is meant to prevent an individual or family from moving to an emergency shelter. Residents qualify for these funds if they earn 30 percent of AMI.

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The State of Tennessee does not provide estimates of populations at-risk of homelessness.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Throughout this section, risk factors such as cost burden/housing costs, housing quality, overcrowding, unemployment, barriers to stable employment (including transportation and child care), and income were discussed. These factors often lead to eviction which can negatively impact one's credit rating. If a household has experienced an eviction, does not have a stable source of income, or has poor credit, they may have a difficult time finding a landlord willing to rent to them. This can create a cycle of housing instability where the household, even once co-occurring issues are stabilized, still cannot find housing.

Additionally, representatives from community agencies mentioned that smaller communities in particular may experience barriers to housing due to the spread of personal information (such as if a person had prior housing challenges, drug or alcohol addictions, or rumors of other types of disagreeable behaviors). In smaller communities where just a handful of landlords own the majority of rental stock, it can be an additional challenge to find a landlord willing to overlook previous housing challenges and personal characteristics.

Discussion

The data and analysis in this section shows that although there are persistent housing needs impacting all income levels and household types, severity of need is greatest for low-, very low-, and extremely low-income households. The State of Tennessee seeks to address the housing problems residents experience through programs focused on the needs represented in the tables in this section. Even with funding limitations and cutbacks, the State of Tennessee will continue to focus its federal funds to support activities across the housing needs spectrum, seeking to increase and improve affordable housing stock, preserve existing affordable rental housing, rehabilitate existing single and multi-family housing, and to affirmatively further fair housing.

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

HUD defines a disproportionate housing need as when the percentage of any racial or ethnic group has a disproportionately greater need in comparison to the needs of that category of need as a whole.

Specifically, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in a category as a whole. Housing needs are identified in the columns stating “Has one or more of 4 housing problems”. The four housing problems are defined as: lacks complete kitchen facilities; lacks complete plumbing facilities; household is overcrowded; and cost burden where more than 30 percent of gross income is spent on housing cost.

- The income levels are defined as follows:
- Extremely Low-Income: 0-30% AMI
- Very Low-Income: 30-50% AMI
- Low-Income: 50-80% AMI
- Moderate-Income: 80-100% AMI

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	229,692	51,266	39,084
White	142,679	37,065	24,642
Black / African American	67,448	11,819	11,106
Asian	2,111	195	602
American Indian, Alaska Native	754	151	90
Pacific Islander	193	10	30
Hispanic	11,961	1,040	1,675

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	203,385	107,389	0
White	132,726	87,302	0
Black / African American	50,721	14,950	0
Asian	2,144	849	0
American Indian, Alaska Native	411	505	0
Pacific Islander	38	0	0
Hispanic	14,269	2,164	0

Data Source: 2011-2015 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	181,115	255,315	0
White	127,001	202,673	0
Black / African American	39,878	37,992	0
Asian	2,311	2,167	0
American Indian, Alaska Native	449	451	0
Pacific Islander	113	145	0
Hispanic	8,466	8,657	0

Data Source: 2011-2015 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	58,230	198,997	0
White	44,075	159,755	0
Black / African American	9,791	28,428	0
Asian	1,010	1,861	0
American Indian, Alaska Native	191	409	0
Pacific Islander	34	40	0
Hispanic	2,461	6,342	0

Data Source: 2011-2015 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

Discussion

The table below shows the category of racial and ethnic groups, by income, experiencing a disproportionately greater need when considering housing problems (in bold and underline). The data show that households at higher incomes generally experience lower housing problems, though more minority households experience housing problems than non-minority households. Of all the households that experienced housing problems, white households made up 66.4 percent of that total, followed by African Americans (25%), Hispanics (5.5%), Asians (1.1%), American Indian/Alaska Natives (0.3%), and Pacific Islanders (0.1%).

Racial and Ethnic Groups Experiencing Disproportionately Greater Housing Problems, by Income

	0%-30% of AMI	30%-50% of AMI	50%-80% of AMI	80%-100% AMI
Jurisdiction as a whole	81.8%	65.4%	41.5%	22.6%
White	79.4%	60.3%	38.5%	21.6%

Black / African American	85.1%	<u>77.2%</u>	51.2%	25.6%
Asian	91.5%	71.6%	<u>51.6%</u>	<u>35.2%</u>
American Indian, Alaska Native	83.3%	44.9%	49.9%	31.8%
Pacific Islander	<u>95.1%</u>	<u>100.0%</u>	43.8%	<u>45.9%</u>
Hispanic	<u>92.0%</u>	<u>86.8%</u>	49.4%	28.0%

Below is a summary of racial or ethnic groups within the State of Tennessee with disproportionately greater housing problems:

Among Extremely Low-Income Households (0-30% AMI)

- There are 229,692 households in the extremely low-income group with one or more housing problems. Of these households with one or more housing problems, Pacific Islander, Hispanic, and Asian households cross the disproportionate threshold of 91.8%. Approximately 82 percent of extremely low-income households have one or more housing problems, an increase over the analysis in 2015.

Among Very Low-Income Households (30-50% AMI)

- There are 203,385 households in the very low-income group with one or more housing problems. This income category presented the largest number of minority groups experiencing housing problems at a disproportionate level (Black/African American, Pacific Islander, Hispanic).

Among Low-Income Households (50-80% AMI)

- There are 181,115 households in the low-income group with one or more housing problems. Only Asian households were found to have a disproportionate share of housing problems in this income range. 41.5 percent of all households at this income experienced housing problems.

Among Moderate-Income Households (80-100% AMI)

- There are 58,230 households in the moderate-income group with one or more housing problems. Of these households with one or more housing problems, Asian and Pacific Islander households exceeded the disproportionate threshold of housing problems.

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

HUD defines disproportionate severe housing need as when the percentage of any racial or ethnic group has a disproportionately greater need in comparison to the needs of that category of need as a whole. Specifically, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in a category as a whole. Housing needs are identified in the columns stating “Has one or more of 4 housing problems”. The four housing problems are defined as: lacks complete kitchen facilities; lacks complete plumbing facilities; household is severely overcrowded (more than 1.5 persons per room); and cost burden where more than 50 percent of gross income is spent on housing cost.

- The income levels are defined as follows:
- Extremely Low-Income: 0-30% AMI
- Very Low-Income: 30-50% AMI
- Low-Income: 50-80% AMI
- Moderate-Income: 80-100% AMI

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	189,364	91,623	39,084
White	115,013	64,756	24,642
Black / African American	57,502	21,746	11,106
Asian	1,793	507	602
American Indian, Alaska Native	639	265	90
Pacific Islander	193	10	30
Hispanic	10,441	2,588	1,675

Data Source: 2011-2015 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	102,526	208,386	0
White	66,453	153,737	0
Black / African American	25,796	39,848	0
Asian	1,295	1,694	0
American Indian, Alaska Native	227	687	0
Pacific Islander	10	28	0
Hispanic	7,203	9,198	0

Data Source: 2011-2015 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	48,723	387,853	0
White	35,003	294,811	0
Black / African American	9,128	68,751	0
Asian	848	3,646	0
American Indian, Alaska Native	162	733	0
Pacific Islander	24	234	0
Hispanic	2,661	14,478	0

Data Source: 2011-2015 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	14,224	242,982	0
White	10,290	193,545	0
Black / African American	2,128	36,134	0
Asian	362	2,499	0
American Indian, Alaska Native	49	551	0
Pacific Islander	0	74	0
Hispanic	1,225	7,600	0

Data Source: 2011-2015 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

Discussion

The table below shows the category of racial and ethnic groups, by income, experiencing a disproportionately greater need when considering severe housing problems (in bold and underline). The data show that households at higher incomes generally experience lower housing problems, though more minority households experience housing problems than non-minority households. Of all the households that experienced housing problems, white households made up 63.9 percent of that total, followed by African Americans (26.6%), Hispanics (6.1%), Asians (1.2%), American Indian/Alaska Natives (0.3%), and Pacific Islanders (0.1%).

Racial and Ethnic Groups Experiencing Disproportionately Greater Severe Housing Problems, by Income

	0%-30% of AMI	30%-50% of AMI	50%-80% of AMI	80%-100% AMI
Jurisdiction as a whole	67.4%	33.0%	11.2%	5.5%

White	64.0%	30.2%	10.6%	5.0%
Black / African American	72.6%	39.3%	11.7%	5.6%
Asian	<u>78.0%</u>	<u>43.3%</u>	18.9%	12.7%
American Indian, Alaska Native	70.7%	24.8%	18.1%	8.2%
Pacific Islander	<u>95.1%</u>	26.3%	9.3%	0.0%
Hispanic	<u>80.1%</u>	<u>43.9%</u>	15.5%	13.9%

Below is a summary of racial or ethnic groups within the State of Tennessee with disproportionately greater severe housing problems:

Among Extremely Low-Income Households (0-30% AMI)

- There are 189,364 households in the extremely low-income group with one or more severe housing problems. Three racial and ethnic groups (Asian, Pacific Islander, and Hispanic) in this income category experienced severe housing problems at a disproportionate share, the most of any income group. As a whole, 67.4 percent of households at this income level experienced severe housing problems.

Among Very Low-Income Households (30-50% AMI)

- There are 102,526 households in the very low-income group with one or more severe housing problems. Asian and Hispanic households just barely surpassed the disproportionate share threshold of 43 percent.

Among Low-Income Households (50-80% AMI)

- There are 48,723 households in the low-income group with one or more severe housing problems. No racial or ethnic groups passed the disproportionate share threshold in this income category. 11.2 percent of all households at this income category experienced severe housing problems.

Among Moderate-Income Households (80-100% AMI)

- There are 14,224 households in the moderate-income group with one or more severe housing problems. No racial or ethnic groups passed the disproportionate share threshold in this income category. 5.5 percent of all households at this income category experienced severe housing problems.

DRAFT

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

HUD defines a disproportionate greater number of housing cost burdens as when a racial or ethnic group at an income level experiences housing cost burdens at a rate greater than 10 percent or more than for the income level as a whole.

The following table displays cost burden information for the State of Tennessee and each racial and ethnic group, including no cost burden (less than 30 percent), cost burden (30-50 percent), and severe cost burden (more than 50 percent), and no/negative income.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	1,754,537	386,731	320,701	40,803
White	1,450,348	272,896	208,705	25,636
Black / African American	213,639	82,830	87,260	11,486
Asian	22,320	4,915	3,533	661
American Indian, Alaska Native	3,806	902	836	160
Pacific Islander	648	161	203	30
Hispanic	44,275	19,518	14,412	1,854

Data Source: 2011-2015 CHAS

Discussion

The 2011-2015 CHAS data reflects that the share of total households in Tennessee that are cost burdened (30-50 percent of income spent on housing) is 15.5 percent. The share of total households that are severely cost burdened (more than 50 percent of income spent on housing) is 12.8 percent. Of these households, no race or ethnic group experienced a disproportionate housing cost burden or severe cost burden.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

See Above.

If they have needs not identified above, what are those needs?

Households that experience a disproportionately greater need may have a heightened need for affordable rentals and homeownership options that are safe and accessible to community resources.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

All of the racial or ethnic groups with disproportionately greater housing need were minority groups. As indicated in the discussion below, there are 85 racially/ethnically concentrated areas of poverty (R/ECAPs) within the state. Based on the income levels that these racial or ethnic groups represent, they may be located in these R/ECAPS.

A R/ECAP is census tract where the members of racial and ethnic minorities comprise more than half of the population, and the rate of poverty exceeds 40%. A tract is a R/ECAP only if both conditions are met. The disproportionate concentration of members of racial and ethnic minorities in places of extreme poverty limits individual upward mobility and increases the chance of persistent housing problems.

Over the last three decades, R/ECAPS have increased to the current 85 in Tennessee. In 1990 there were 43 tracts in six counties which met the two threshold criteria. The six counties included Knox, Hamilton, Davidson, and Shelby, which contain the “Big Four” most populous cities of Knoxville, Chattanooga, Nashville, and Memphis. Two additional counties Madison, where the city of Jackson is located, as well as Montgomery, the site of Clarksville, also contained RECAPs. During the 1990s the number of RECAPs in Tennessee declined. There were only 37 at the time of the 2000 census. All were located in the same six counties.

Over the next decade the number of R/ECAP-designated tracts increased significantly. At the time of the 2010 census there were 72. Some of the increase was attributable to the creation of new census tracts due to inter-decennial population growth. Others resulted from the increased incidence of poverty following the financial crisis. The increase of RECAPs in Tennessee during the 2000s was widespread. A tract in Ripley, Tennessee, in Lauderdale County, became a R/ECAP as its already high poverty rate increased. Another tract just to the south in Tipton County also became a RECAP. Additional tracts in the more populous six counties with areas of concentrated poverty also became RECAPs, especially in Shelby County.

Five year estimates from the 2013 ACS dataset indicate that the number of RECAPs in Tennessee has increased since the last decennial census. There are now 85 census tracts in Tennessee meeting the two threshold criteria. The six counties of Knox, Hamilton, Davidson, Montgomery, Madison, and Shelby contain almost all of the state's RECAPs. The tract in Ripley, in Lauderdale County, also remains a RECAP. There are 27 census tracts in Tennessee which were RECAPs in all three of the last decennial censuses. In other words, 67% of the Tennessee communities that were characterized by in 1990, remain so currently.

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NA-35 Public Housing

Introduction

The state’s role with public housing programs is limited to two functions. The first is THDA’s administration of the Housing Choice Voucher (HCV) program in 72 counties. The second is the review and approval of Public Housing Authority (PHA) Annual and Five Year Plans and PHA continuation of funds requests as consistent with the state’s Consolidated Plan. The state approves consistency with the consolidated plans for PHAs located in non-entitlement jurisdictions only. PHAs located in entitlement jurisdictions (cities of Bristol, Chattanooga, Clarksville, Cleveland, Franklin, Jackson, Johnson City, Kingsport, Knoxville, Memphis, Morristown, Murfreesboro, Oak Ridge, metro Nashville-Davidson County, Knox and Shelby Counties) are responsible for the development of their own consolidated plans and approval process.

Public Housing by Program Type - Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher		
				Total	Project-based	Tenant-based	Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	6,185	0	6,185	90	0	51

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Public Housing Residents by Program Type

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers			Special Purpose Voucher	
				Total	Project - based	Tenant - based	Veterans Affairs Supportive Housing	Family Unification Program
# Homeless at admission	0	0	0	N/a	0	N/a	N/a	0
# of Elderly Program Participants (>62)	0	0	0	1,172	0	1,172	N/a	0
# of Disabled Families	0	0	0	3,238	0	3,238	N/a	0
# of Families requesting accessibility features	0	0	0	N/a	0	N/a	N/a	0
# of HIV/AIDS program participants	0	0	0	N/a	0	N/a	N/a	0
# of DV victims	0	0	0	N/a	0	N/a	N/a	0

Data Source: PIC (PIH Information Center)



Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

Section 504 provides that no qualified individual with a disability should, only by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. This information is not available to the state for any public housing authority; however, THDA continues to incorporate accessibility standards into its construction for those in THDA housing and on its waiting lists.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

The state has information only on the number of families waiting for assistance for THDA’s HCV Program. However, the counties served by THDA’s HCV Program represent a large number of non-entitlement jurisdictions. The total number of those on the THDA’s HCV Program waiting list is 21,724. The list below details how many per county are on the waitlist. Demographic and applicant characteristic information is not available at this time.

The large number of waiting families for just the state’s HCV program suggests an immediate need for additional affordable rental units or rental assistance in non-entitlement jurisdictions across the state. The demographic information of current public housing program recipients shows that more than 19 percent are elderly and 52 percent are disabled or have a household member who is disabled. This reflects the need for continued and additional affordable rental housing options among those populations.

THDA - Active on Waiting List
(as of March 05, 2020)

Anderson County 122
Bedford County 349
Blount County 394
Campbell County 621
Cannon County 357
Cheatham County 303
Chester County 289
Claiborne County 485
Clay County 22
Coffee County 310
Crockett County 290
Cumberland County 64
DeKalb County 589
Dyer County 375

Fayette County 447
Fentress County 101
Gibson County 316
Giles County 576
Hardeman County 229
Haywood County 420
Henderson County 235
Houston County 315
Humphreys County 1
Jackson County 218
Jefferson County 412
Knox County 965
Lake County 265
Lawrence County 375
Lincoln County 535
Loudon County 397
Macon County 247

Madison County 1,268
Marshall County 500
Maury County 581
McNairy County 301
Montgomery County 2,117
Overton County 36
Putnam County 437
Robertson County 1,779
Stewart County 301
Sumner County 1,662
Tipton County 217
Trousdale County 276
Union County 439
Van Buren County 10
Wilson County 1,176

How do these needs compare to the housing needs of the population at large

While the needs of PHA residents are more extensive, the need for decent and affordable housing reflects the needs of the population at large. Statewide, there are at-risk populations in need of greater assistance including homeless individuals and families, low-income seniors, and people with disabilities. The residents of public housing and the population at large have additional unmet needs in supportive services. Job training, medical, mental health, youth, and child care services are needed by community residents and those assisted through public housing.

Discussion:

In Tennessee, the demand for public housing greatly overwhelms existing public housing stock, meaning there is a greater need for public housing than the state is able to supply, evidenced by the long statewide PHA waiting lists. The State of Tennessee is considering a number of means to better support the individuals and families on these waiting lists.

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

The following section provides an assessment of the State of Tennessee’s homeless population and its needs. This data is derived from the 2019 Continuum of Care Homeless Assistance Programs – Homeless Populations and Subpopulations Report and related AHAR data. This report is based on Point-In-Time Count (PITC) data submitted to HUD by Continuums of Care (CoCs) as part of their CoC Program application. The PITC provides an unduplicated count of homeless persons on a given night throughout Tennessee. To calculate rural homeless population, THDA utilized AHAR data for the six CoC regions in Tennessee, which HUD designates as “Largely Rural CoC.” Although total homelessness in Tennessee has decreased each year since the 2007 PITC, the needs for housing, resources, and services are still immense, especially among many subpopulations of Tennesseans experiencing homelessness.

Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	391	167	0	0	0	0
Persons in Households with Only Children	16	34	0	0	0	0
Persons in Households with Only Adults	3,444	1,912	0	0	0	0
Chronically Homeless Individuals	500	519	0	0	0	0
Chronically Homeless Families	68	45	0	0	0	0
Veterans	539	140	0	0	0	0
Unaccompanied Youth	185	181	0	0	0	0
Persons with HIV	202	10	0	0	0	0

Data Source Comments:

HUD 2019 Continuum of Care Homeless Assistance Programs: Homeless populations and subpopulations

Indicate if the homeless population is:

- All Rural Homeless
- Partially Rural Homeless
- Has No Rural Homeless

Rural Homeless Needs Assessment

Population	Estimate the # of persons experiencing homelessness on a given night		Estimate the # experiencing homelessness each year	Estimate the # becoming homeless each year	Estimate the # exiting homelessness each year	Estimate the # of days persons experience homelessness
	Sheltered	Unsheltered				
Persons in Households with Adult(s) and Child(ren)	133	163	0	0	0	0
Persons in Households with Only Children	4	30	0	0	0	0
Persons in Households with Only Adults	849	1038	0	0	0	0
Chronically Homeless Individuals	137	161	0	0	0	0
Chronically Homeless Families	33	45	0	0	0	0
Veterans	122	39	0	0	0	0
Unaccompanied Youth	68	113	0	0	0	0
Persons with HIV	5	7	0	0	0	0

Data Source Comments: HUD 2007-2019 Point-in-Time Estimates by CoC.xlsx: 2019 PITC data for 6 TN CoCs defined as “Largely Rural CoCs”

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction:

Although homelessness is most prevalent in urban environments, rural Tennesseans also experience homelessness. The lack of accessibility to supportive services for the rural homeless increases the difficulty to provide detailed characteristics of this population in Tennessee. Fully assessing the homeless population in rural areas is difficult because rural homelessness can be less visible, as rural homeless people do not usually sleep in visible spaces. (It is common for rural homeless individuals to live in their cars/campers or sleep in barns and garages). The distance to travel to emergency shelters can be farther in rural places, which impedes access to resources for those experiencing homelessness. The lack of accessible transportation to cover longer distances also impedes access to services and resources. Rural homeless families and individuals typically move between overcrowded, cost-burdened, and substandard housing situations.

HUD differentiates between three primary categories of CoC jurisdictions: Major City, Largely Rural CoC, and Largely Suburban CoC. An analysis of the six CoCs categorized as Largely Rural CoCs in Tennessee provides the basis for the Rural Homeless Needs Assessment. In absolute terms, similar to the state as a whole, adult-only households represent the greatest need in more rural areas. There are approximately 296 families with children experiencing rural homelessness on a given night; 78 families and 298 individuals experience chronic homelessness in rural areas. Of those 298 families, 45 unsheltered families represent all of the state's unsheltered families experiencing chronic homelessness as of the 2019 PITC. An estimated 151 veterans and 12 persons with HIV/AIDS experience homelessness in rural areas of Tennessee on a given night.

The ESG Program Description defines in accordance with HUD requirements. A person in such a sleeping arrangement where there is no roof, indoor plumbing, or electricity, for example, is considered homeless under HUD Category 1(i) in the Program Description. HUD regulation and policy govern who is included in the PITC.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

Chronically Homeless: HUD has defined chronic homelessness as an individual or member(s) of a family with one or more disabling conditions who has been continuously homeless for a year or more or has had at least four episodes of homelessness in the past three years. This population is vulnerable, with high rates of mental illness and substance abuse disorders. In 2019, there were approximately 1,019 individuals and 113 families experiencing chronic homelessness on a given night in Tennessee.

Families with Children: According to the National Alliance to End Homelessness, the majority of families with children who experience homelessness are in shelter for a brief period of time and do not become homeless again. Episodes of family homelessness are typically caused by some unforeseen housing or

financial crisis and these families utilize the shelter system until the problem is resolved and able to be rehoused into permanent housing. In contrast, a small portion of families experiencing chronic homelessness require more intensive services and longer-term assistance. Tennessee has seen a slight increase in homelessness among families with children. In 2019, there were approximately 1,830 households with at least one adult and one child experiencing homelessness on a given night; 1,744 families with children experienced homelessness on a given night in 2018.

Veterans: The U.S. Department of Veterans Affairs (VA) estimates that 9 percent of the adult homeless in the U.S. are veterans. The majority are single and live in urban areas. In addition to the complex set of factors influencing all homelessness, a large number of displaced and at-risk veterans live with substance abuse issues and the lingering effects of post-traumatic stress disorder (PTSD), which are compounded by a lack of family and social support networks. Additionally, many find it difficult to transfer military occupations and trainings to the civilian workforce, which places some veterans at a disadvantage when competing for employment. In 2019, there were approximately 679 veterans experiencing homelessness on a given night in Tennessee.

Unaccompanied Youth: HUD defines unaccompanied youth as anyone under the age of 18 who are not accompanied by a parent or guardian. HUD recognizes that some communities also use a broader age range to define “youth”—e.g., persons who are 24 years old or younger. For the purposes of HUD reporting, CoCs must be able to report separately on unaccompanied homeless children who are under age 18. The subpopulation of unaccompanied youth is difficult to track. This population often doubles up, couch surfs, or live on the streets. In 2019, there were approximately 49 unaccompanied youth under aged 18 experiencing homelessness on a given night in Tennessee, while 317 youth aged 18 to 24 were experiencing homelessness.

Nature and Extent of Homelessness:

Race:	Sheltered:	Unsheltered (optional)
White	2,433	1,835
Black or African American	2,252	634
Asian	20	2
American Indian or Alaska Native	35	21
Pacific Islander	15	1
Ethnicity:	Sheltered:	Unsheltered (optional)
Hispanic	170	32
Not Hispanic	4,699	2,566

Data Source Comments: HUD 2019 Continuum of Care Homeless Assistance Programs: Homeless populations and subpopulations

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

The 2019 PITC data for Tennessee indicates that 558 families with children (391 sheltered and 167 unsheltered) were experiencing homelessness on a given night, and 679 veterans (539 sheltered and 140 unsheltered) experienced homelessness on a given night.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

The 2019 PITC data for Tennessee indicates that 4,268 white households (2,433 sheltered and 1,835 unsheltered), 2,886 black households (2,252 sheltered and 634 unsheltered), 22 Asian households, 56 American Indian/Alaska Native households, 16 Pacific Islander households, and 219 households of multiple races experienced homelessness on a given night in Tennessee. White households represent the majority of total households at 57 percent, while black households represent 39 percent. Black and white households are about equally represented as the majority for the sheltered count at 46 percent and 50 percent, respectively. However, white households represent 71 percent of the unsheltered population.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

Persons in households with adults only make up the largest portion of unsheltered homeless households, followed by veterans, then closely followed by chronically homeless individuals. For sheltered populations, again households with adults only make up the largest portion, chronically homeless individuals follow, then unaccompanied youth experiencing homelessness. There are fewer persons experiencing homelessness overall and fewer persons experiencing unsheltered homelessness

in Tennessee when compared to 2018. There were also fewer households and persons who utilized emergency shelters in 2019 compared to 2018. However, in 2019 more households and persons utilized transitional housing compared to 2018.

Discussion:

Tennessee uses the ESG, HOME, CDBG and HOPWA funds to provide housing and services to homeless individuals and families, or those threatened with homelessness. Presenting an accurate portrayal of Tennessee’s homeless population is difficult due to the nature of homelessness and the limited scope of the PITC. Homeless data shows that homeless populations in greatest need are persons in households with adults only, followed by veterans, and then by chronically homeless individuals. Fewer persons experienced homelessness overall in 2019 than in 2018. Of the four CoCs that are participating, Chattanooga/Southeast Tennessee (TN-500) and Tennessee Valley (TN-512) have both reached Community Solution’s designation of “functional zero” for homeless veterans. Additionally, the Jackson and West Tennessee Continuum of Care (TN-507) and the Chattanooga/Southeast Tennessee (TN-500) successfully declared an end to veteran homelessness through the United States Interagency Council on Homelessness.

DRAFT

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

This section describes the housing needs of persons who are not homeless but require supportive housing services. The non-homeless populations with special needs include the elderly, persons with disabilities (including mental, physical, and developmental disabilities as well as persons who chronically abuse drug and alcohol), victims of domestic violence, dating violence, or sexual assault and persons living with HIV/AIDS.

HOPWA reports data on persons with HIV and AIDS in Tennessee. In 2018, 619 persons were newly diagnosed with HIV and 352 were newly diagnosed with AIDS.

People newly diagnosed and living with HIV by stage, Tennessee, 2016-2018

	2016		2017		2018	
	No.	Rate per 100,000 persons	No.	Rate per 100,000 persons	No.	Rate per 100,000 persons
Newly diagnosed with Stage 3 HIV (AIDS)	309	4.6	319	4.7	354	5.3
Living, ever been diagnosed with Stage 3 HIV (AIDS)	8,770	131.9	8,746	130.2	8,873	132.1
Newly diagnosed with Stages 0-2 HIV (not AIDS)	596	9.0	605	9.0	619	9.2
Living with Stages 0-2 HIV (not AIDS)	8,693	130.7	8,772	130.6	9,196	136.9

Source: Tennessee enhanced HIV/AIDS Reporting System (eHARS), accessed August 1, 2019.

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	58
Short-term Rent, Mortgage, and Utility	58
Facility Based Housing (Permanent, short-term or transitional)	30

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

Describe the characteristics of special needs populations in your community:

Elderly: According to the 2014-2018 American Community Survey (ACS), there is an estimated 1,289,180 residents that are over 62 years of age in Tennessee, which comprises 19 percent of the population. Elderly households tend to be low-income and have high incidences of cost burden. Senior citizens often have difficulty maintaining residence in their homes because of physical barriers due to changes in physical health, increasing transportation and medical costs, and the need for home repairs.

Persons with Disabilities: In 2018, the ACS estimates show that just over 18 percent of the civilian noninstitutionalized population over 16 lives with a disability. Just over 75 percent of that population is not in the labor force, as opposed to 30 percent without a disability. The percentage of persons with a disability with a bachelor's degree or higher is less than half the percent as the population without a disability (13% and 31%, respectively). The median earnings for this category of persons with a disability is \$22,367, more than \$8,800 lower than the population without a disability. 37 percent of persons 16 or older with a disability (350,414 persons) live at or below 149 percent of the poverty level (compared to 21 percent of persons without a disability). Of the households receiving Food Stamps/SNAP benefits, slightly more than half were households with one or more persons with a disability (190,437 households). The 2012-2016 CHAS estimates show that between 22,000 and 62,000 households under 80% HAMFI for each disability category experiences 1 or more housing problems (defined as incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%). Since disabilities may be co-occurring, a total number was not available. Households under 30% of HAMFI were the greatest affected by housing problems (37,000-62,000 households). Many of these factors (low income, poverty, cost burden, etc.) contribute to needing housing assistance. Persons with disabilities tend to have less access to resources as they are more likely to be unemployed or underemployed. Persons living with physical and/or developmental disabilities include those who have hearing, vision, cognitive/developmental, ambulatory, self-care, or independent living difficulties. The Tennessee Council on Developmental Disabilities is in the process of updating their 5 year State Plan which includes an in depth assessment of needs, partnerships, services, and policy. A needs assessment survey from their 2017-2021 State Plan identified two top areas of service delivery by both Council members and members of the public: Employment and inclusive/affordable housing.

Persons with alcohol or other drug addictions: The Treatment Episode Data Set (TEDS) reveals that in 2019 there were 14,936 admissions to substance abuse treatment programs in Tennessee. 11.6 percent of those admissions were for alcohol treatment only, 16.1% for Heroin, 19.9% for other opiates, and 19.6 for amphetamines. TEDS provides information on the demographic and substance abuse characteristics of admissions to treatment for abuse of alcohol and drugs in facilities that report to individual state administrative data systems. TEDS is an admission-based system, and TEDS admissions do not represent individuals. Thus, an individual admitted to treatment twice within a calendar year would be counted as two admissions. It includes admissions to facilities that are licensed or certified by the state substance abuse agency to provide substance abuse treatment.

Victims of domestic violence, dating violence, sexual assaults, and stalking: Domestic violence affects people of all ages and backgrounds. Domestic violence can be defined as a pattern of behavior in any relationship that is used to gain or maintain power and control over an intimate partner. Abuse can be physical, sexual, emotional, economic or psychological actions or threats of actions that influence another person. This includes any behaviors that frighten, intimidate, terrorize, manipulate, hurt, humiliate, blame, injure or wound someone. According to the Tennessee Bureau of Investigation, in 2018, 73,568 cases were flagged as domestic violence, with females outnumbering male victims (71% v. 29%). 98 cases were homicide cases, up from 87 in 2017. Victims experiencing domestic violence may require special housing assistance, such as anonymity and supportive services, to escape abusers.

Youth aging out of foster care: The Tennessee Department of Children’s Services has a program to extend foster care to 21 years of age while adding services to improve education, employment opportunities, and life skills. The Annie. E. Casey Foundation Kids County Data Center reports that 4,688 youth left foster care in 2017. 343 youth exited foster care through emancipation, also known as “aging out”. This number was the lowest rate of emancipation in the last 10 years. Youth aging out of foster care may lack family and financial supports to access housing and other services, so are being targeted by multiple housing and supportive service programs throughout Tennessee.

Persons being released from prison/Ex-offenders reentering society: The TN Department of Corrections reported that in 2019, statewide recidivism rates were 46.4% for offenders released in 2015, a slight decrease among those released between 2008-2015. In February 2019, the Tennessee Department of Correction (TDOC) opened two new incarcerated veterans housing units, and also partners with the Department of Veterans Services and Veteran’s Affairs to provide re-entry and other services. According to the Bureau of Justice Statistics, 13,307 sentenced prisoners were released from state or federal correctional facilities in Tennessee in 2017. Ex-offenders typically have trouble accessing housing upon release due to their correctional record.

Veterans: Approximately 8.5% of Tennessee’s civilian population are veterans (435,040 persons; ACS 2018 5-year estimates). Nearly half (47.3%) of the veteran population are age 65 or older and a third (31.8%) have a disability, above the civilian population rate of persons with a disability of 18.7%. As of September 2019, two TN communities have eliminated Veterans Homelessness, with additional jurisdictions working toward that goal.

Persons living with HIV/AIDS and their families: The Tennessee Department of Health reported that the number of HIV and AIDS cases diagnosed in 2018 (973 cases) increased from 2017 (924 cases) and 2016 (905 cases). According to AIDSvu at Emory University, males are disproportionately affected by HIV in Tennessee and account for 83 percent of new HIV infection diagnoses. Persons who are black are also disproportionately affected with 58% of new cases. Outside of a spike in 2012, new cases overall have decreased steadily since 2008. Tennessee has a lower rate of persons with a new HIV diagnoses than both the Southeast region and the United States.

What are the housing and supportive service needs of these populations and how are these needs determined?

See Above. The needs of these populations are determined by data collection, surveys, focus groups, and other means as determined by the agencies receiving and disbursing funding.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

According to the Tennessee Department of Health, HIV/STD Section, and Epidemiology and Surveillance Section, there were 713 newly diagnosed HIV infections and 17,522 people living with HIV in Tennessee

at the end 2017. At the end of 2017, Black/African American and Hispanic individuals were 62 percent of new HIV infections and 61 percent of people living with HIV in Tennessee. Male to male sexual contact was the mode of transmission for 57 percent of new HIV infections and 50 percent of people living with HIV in Tennessee. In total, 60 percent of the people living with HIV/AIDS live in Shelby County (Memphis, 37%) or Davidson County (Nashville, 23%).

HOPWA Project Sponsors for the Tennessee Department of Health represent seven agencies serving individuals across the state. According to the 2018-2019 CAPER, HOPWA served 744 individuals. 47.8% were Black or African American and 4.4% identified as Hispanic. The majority of persons were served through short-term rent, mortgage, and utility assistance (379 households).

Discussion:

The HOPWA Program is the only federal program dedicated to the housing needs of people living with HIV/AIDS. It is important that we strategically allocate these funds to better address the needs of this population through this singular source of funding. It is also important to consider the presence of two chronic diseases or conditions when discussing special needs populations and housing needs. An individual or family may experience a multi-level need as they experience one or more special needs. Persons with concurrent disorders, or co-occurring addiction and mental health problems, are of particularly high need and are often disconnected from mainstream services.

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NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction's need for Public Facilities:

Each year the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) completes a study of the state's infrastructure needs (<https://www.tn.gov/tacir/infrastructure/infrastructure-reports-/infrastructure-needs-2018-2023.html>). The most recent report identified \$54.8 billion in infrastructure needs across the state, an increase of \$16 billion dollars since the report conducted at the time of the previous Consolidate Plan. More than \$33.6 billion of these needs fall under in the categories of Transportation and Water and Wastewater. Nearly \$400 million of Housing need was identified, \$260 million in Fire Protection needs, and over \$200 million in other Community Development needs. While these needs aren't fully encompassing of those addressed with the CDBG State program they do represent the majority, and the overall importance and need for the CDBG program.

How were these needs determined?

TACIR assesses these needs through a survey of local officials conducted by staff of the nine development districts, the capital requests submitted to the Governor by state officials and bridge and road needs provided by state transportation officials.

The Housing and Community Needs Survey found that when asked how important each community activity is to you, "community livability" ranked highest in the "very important" category (68 percent). The Community Livability Program includes projects that improve the health and public safety of the community and includes drainage improvements, repaving streets, the purchase of fire trucks, and other improvements to public facilities. This category also ranked second highest for increasing CDBG funding (62 percent) after "housing rehabilitation" (70 percent).

Describe the jurisdiction's need for Public Improvements:

Due to budget constraints in communities across the state, public facilities in every community are in need of improvement. The TACIR report shows the needs for new public facilities as well as improvements needed to current facilities. While there are still people in the state who are not connected to public water and/or sewer, most now are. However, funds are needed to maintain the systems, make improvements, meet new regulations and keep up with growth in the communities.

How were these needs determined?

TACIR assesses these needs through a survey of local officials conducted by staff of the nine development districts, the capital requests submitted to the Governor by state officials and bridge and road needs provided by state transportation officials.

Describe the jurisdiction's need for Public Services:

The Tennessee State Community Development Block Grant program does not currently fund or assess the need for public services based on the high level of need for public facilities and improvements.

For this Consolidated Planning cycle the CDBG program is considering undertaking a pilot program that will address the workforce development and skills gap incarcerated persons to reduce recidivism rates and improve the lives of incarcerated persons upon re-entry to the public and their families. If this pilot program moves forward, it may be funded as a public service.

How were these needs determined?

Recidivism reduction is one of the cornerstone issues for the current Governor. Success with a similar program has been shown with a program with funding from the Appalachian Regional Commission (ARC). The limitations of the ARC program is that a large portion of the state, namely parts of Middle and all of West Tennessee are not in the ARC territory. Using CDBG fund will allow for participation from these uncovered areas of the state.

Disaster Recovery Needs

Tennessee has not been the recipient of a CDBG-DR allocation since 2013 that addressed five Presidentially-declared disasters occurred 2011. Tennessee is was one of the thirteen awardees for the competitive National Disaster Resilience (CDBG-NDR) grant, that is currently underway and will be completed in 2022. In the event the State is a recipient of the CDBG-DR allocation, Department of Economic and Community Development (ECD) as the agency managing the funds will coordinate closely with the Tennessee of Emergency Management Agency (TEMA) and the eligible counties to determine any unmet recovery needs. Based on past disaster programs, the needs will likely be primarily related to damages sustained to water and wastewater infrastructure.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

During the second quarter of 2019, Tennessee's annual house price appreciation, at seven percent, surpassed the national house price appreciation rate by more than two percentage points, and Tennessee was ranked third among the states and the District of Columbia. Current annual price appreciation of seven percent was lower than the peak level of 2017 and it was also less than the appreciation in the previous quarter, but since the home price increase slowed down in some of the high-volatility states like Florida or Arizona, Tennessee moved to the top behind Idaho and Utah. The Nashville MSA's house price appreciation cooled down in the second quarter of 2019. Previous year, with its nearly 10 percent increase, the Nashville MSA was ranked as 39th highest among 245 MSAs, compared to the current 6.3 percent increase and a ranking of 62nd highest in the nation.

In 2019, Tennesseans saw continued pressures on housing affordability in both the rental and owner markets. Growing demand for housing pushed the housing prices and rents higher across Tennessee. In some parts of the state, for example around the Nashville MSA, builders and developers responded to the need for more housing, especially rental housing, and started building large multifamily housing with 5 or more units. However, in the state, renter incomes did not keep up with the rent increases, in real terms, worsening the housing affordability situation for them. From 2017 to 2018, the cost of both owning and renting appreciated faster than the median wage of any occupation considered in this report (i.e. wage of teachers, police officers, retail workers, etc.). Therefore, there was no improvement in any occupation for a single wage earner household's possibility of purchasing a median priced home or renting a two-bedroom apartment at fair market rent without being cost burdened.

In June 2019, all counties across Tennessee had delinquency rates lower than June 2010. In the state, the delinquency rate of June 2019 was nearly five percentage points lower than the delinquency rate nine years ago. According to Market Trends data from CoreLogic, in June 2010, after the housing market crash, more than six percent of borrowers in Tennessee were 90 days or more behind on their mortgages. In the past eight years, increasing home values across the state and the nation improved homeowners' equity position. An improving economy and declining unemployment rates in Tennessee further strengthened the housing markets. According to CoreLogic, Homeowner Equity Insights Report, at the end of the third quarter of 2019, 3.3 percent of Tennessee mortgage holders were underwater, which means their homes were worth less than the balance of their mortgage and they may be at a greater risk for foreclosure. In the third quarter of 2013, 9.4 percent of Tennessee borrowers were underwater.

Privately-owned housing units authorized by building permits in 2018 declined by two percent in the state, compared to 2017. Between 2011 and 2016, building permit issuance increased annually in the state at a consistent pace of more than 10 percent each year. A relatively smaller, five percent, increase in permits issued in 2017, and a two percent decline in 2018 could be a sign of slowing construction

activity in the future. Especially the year-over-year decline in the permits for large multi-family buildings (five or more units) could be an important barometer to watch for the housing market trends in the coming years. Housing construction has varied considerably by region. In the Nashville MSA, for example, the trend of increases in building permits that started in 2010 reversed in 2018. In contrast, total building permits issued in the Memphis MSA increased by 16 percent from 2017 to 2018, bucking the statewide pattern. Directionally consistent across the state and the Nashville MSA, the number of permits issued for five or more units declined from 2017 to 2018, while the permits for large multifamily building more than doubled in the Memphis MSA.

Both the rental and homeowner vacancy rates increased in Tennessee in 2018. The Memphis MSA experienced increasing rental and homeowner vacancy in 2018, while in the Nashville MSA, rental vacancy slightly declined as homeowner vacancy slightly increased, a directional change from the previous few years. Both MSAs had rental vacancy rates higher than the nationwide average for inside metro areas. While this was a normal situation for the Memphis MSA, it was unusual for the Nashville MSA since 2005.

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MA-10 Number of Housing Units – 91.310(a)

Introduction

Based on 2018 population estimates from Census Bureau, the Tennessee population grew by 423,724 since the 2010 census. Of this number, 31 percent was natural increase (the difference between births and deaths), the remaining population growth factor in Tennessee was net migration, mostly driven by domestic migration. With nearly seven percent growth rate over the past eight years Tennessee ranks as 18th among the 50 states and the District of Columbia. Except the slower growth pattern during the 1980s, Tennessee’s decennial population growth was above ten percent since the 1970s.

Decennial Population Growth

	1970	1980	1990	2000	2010	2018 (est.)
Tennessee Population	3,926,018	4,591,120	4,877,185	5,689,283	6,346,286	6,770,010
Decennial Growth		665,102	286,065	812,098	656,822	423,724
Rate of Growth		16.9%	6.2%	16.7%	11.5%	6.7%

Data Source: State Population Totals and Components of Change, Census Bureau, <https://www.census.gov/data/datasets/time-series/demo/popest/2010s-state-total.html>

According to 2014-2018 American Community Survey (ACS) 5-year estimates, there were 2,930,530 housing units in Tennessee. Total number of housing units increased by 20 percent compared to 2000. Of all the housing units, 2,567,061 units, 88 percent, were occupied and remaining 363,469 units were vacant. Owner-occupied housing units increased by nine percent from 2000, while the homeownership rate declined from 70 percent to 66 percent, which was still higher than the national homeownership rate of 64 percent. Homeownership rate in Tennessee varied across the counties from the highest 83.2 percent in Van Buren County to 54.1 percent in Davidson County.

Housing Occupancy: 2000 vs. 2014-2018

	2000	2014-2018	Percent Change
Total housing units	2,439,443	2,930,530	20%
Occupied housing units	2,232,905	2,567,061	15%
Owner-Occupied housing units	1,561,363	1,701,159	9%
Renter-Occupied housing units	671,542	865,902	29%
Percent of Housing Units Occupied	91.53%	87.60%	
Percent Owner-Occupied among Occupied Units	69.93%	66.27%	

Data Source: 2014-2018 ACS

The majority of housing units in the state, as the Table below demonstrates, are single family units, which make up 69 percent of the residential properties throughout the state.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	2,009,258	69%
1-unit, attached structure	88,505	3%
2-4 units	177,745	6%
5-19 units	249,946	9%
20 or more units	129,531	4%
Mobile Home, boat, RV, van, etc	275,545	9%
Total	2,930,530	100%

Data Source: 2014-2018 ACS

The majority of renters live in homes with two or less bedroom while the owner occupied homes have three or more bedrooms.

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	5,084	0%	26,791	3%
1 bedroom	22,542	1%	156,067	18%
2 bedrooms	263,086	15%	361,270	42%
3 or more bedrooms	1,410,447	83%	321,774	37%
Total	1,701,159	100%	865,902	100%

Data Source: 2014-2018 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

The following funding sources are used to target specific income levels:

HOME: The Tennessee Housing Development Agency (THDA) administers the federally funded HOME program to promote the production, preservation and rehabilitation of single family housing for low-income households.

Tennessee Housing Trust Fund: Tennessee Housing Trust Fund, financed by proceeds from THDA's mortgage loan program, serves the needs of low-income households (households earning 80 percent or less of the Area Median Income (AMI)), including elderly, and special needs Tennesseans.

National Housing Trust Fund: THDA administers the federally funded National Housing Trust Fund (NHTF) to expand the production and preservation of affordable rental housing for households with extremely low incomes (households earning no more than 30 percent of AMI or the federal poverty limit

for the county in which the housing is located). Grants may be used for housing acquisition, new construction, or rehabilitation across Tennessee.

Low-Income Housing Tax Credits (LIHTC): LIHTC is a credit against federal income tax liability each year for 10 years for owners and investors in low-income rental housing. The amount of tax credits is based on reasonable costs of development, as determined by THDA, and the number of qualified low-income units. To be eligible, a development must have a minimum of either 20 percent of its units occupied by households with incomes no greater than 50 percent of area median income or 40 percent of its units occupied by households with incomes no greater than 60 percent of area median income. Income limits are adjusted for household size. Maximum rents are established for each size of unit, not to exceed 30 percent of the area maximum income for specified household sizes (utilities are considered part of rent if paid by the owner). All requirements of the relevant qualified allocation plan developed by THDA and approved by the Governor must also be met.

Rental Assistance Housing Choice Voucher (HCV) program: The Housing Choice Voucher (HCV) program is a federal rental assistance program funded through HUD where very low-income families, the elderly, and persons with disabilities receive assistance to afford decent, safe, and sanitary housing in the private market. In general, the family's income may not exceed 80 percent of the AMI for the county or metropolitan area in which the family chooses to live. Federal rules require 75 percent of new households admitted each year to be "extremely low-income," with incomes that do not exceed 30 percent of the area median income. Median income levels are published by HUD annually and vary by county.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

There are 113 properties (totaling 6,089 units) that will be eligible to opt out of their contract within the next five years, though no properties are scheduled or anticipated to opt out at this time.

Does the availability of housing units meet the needs of the population?

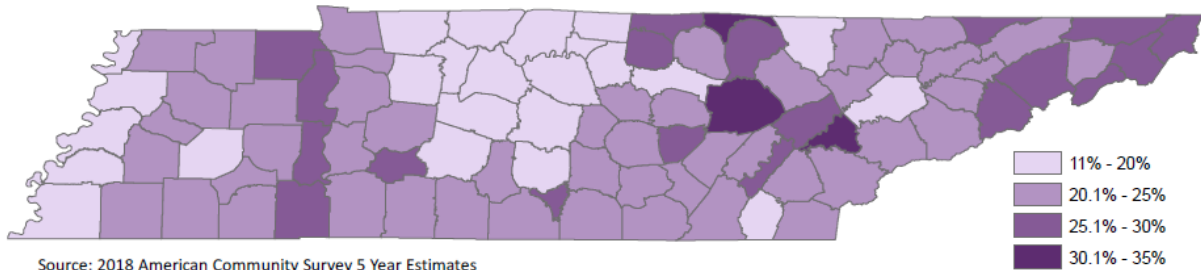
See Overview.

Describe the need for specific types of housing:

As in many parts of the country, the population is aging in Tennessee. In many counties, as depicted in the map below, 25 percent or more of the population consists of residents age 62 and older. There will be a greater need for affordable housing that meets the needs of an aging population. In the state, the population of persons age 62 or older increased by 2.1 percent between 2013 and 2018 (ACS 5 year

estimates). Approximately 32 percent of owner households and 13 percent of renter households are headed by a householder 65 years and older. As people live longer and the population of older households increases there will be more demand for affordable housing with supportive services. As the rate of household formation increases, there will be more demand for affordable rental housing.

Percent of Population Over 62, by County



Discussion

In Tennessee, population increases have led to increased housing demand in the last years. According to the U.S. Census, in 2000 there were 5,689,283 residents in Tennessee. The number of residents increased to 6,346,105 in 2010 and according to ACS, there were an estimated 6,651,089 residents by 2018.

MA-15 Cost of Housing – 91.310(a)

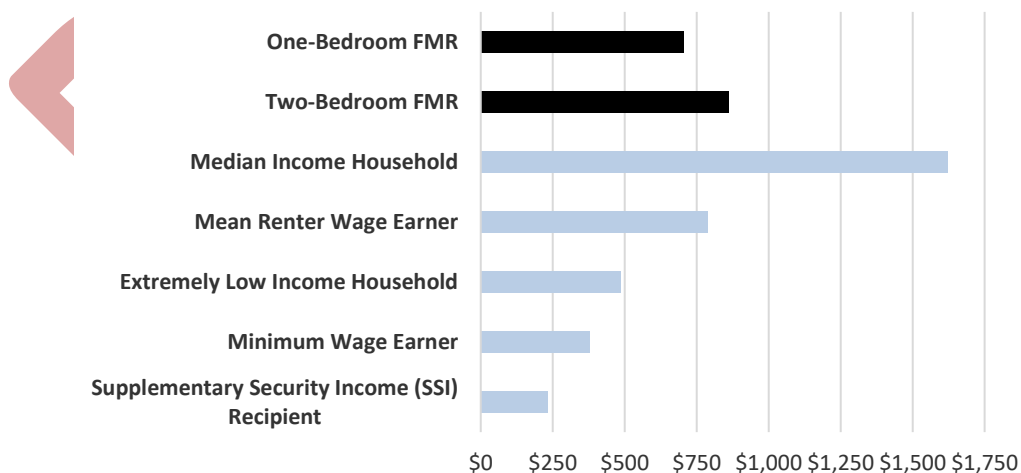
Introduction

Housing costs vary across Tennessee, but the lack of affordable housing affects especially the low-income renter households in different parts of the state. Housing affordability is a significant problem for many low-income families in Tennessee.

According to the 2019 Out of Reach report by the National Low Income Housing Coalition, a household in Tennessee must earn \$2,874 monthly or \$34,488 annually to afford renting a two-bedroom apartment at fair market rent (FMR) without paying more than 30 percent of income on housing, or a housing wage of \$16.58, assuming a 40-hour work week, 52 weeks per year. In Tennessee, a minimum wage worker earns an hourly wage of \$7.25. In order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 91 hours per week, 52 weeks per year. Or a household must include 2.3 minimum wage earners working 40 hours per week year-round in order to make the two-bedroom FMR affordable. In no county in Tennessee, someone who works fulltime earning minimum wage can afford a 2-bedroom home in fair market rent.

The two-bedroom housing wage is highest in the Nashville MSA counties and relatively lower in the non-metro counties across the state. However, the lack of decent, affordable housing is not just an urban issue. Even with relatively lower housing costs, rural Tennesseans are also increasingly cost burdened. In non-metro areas of Tennessee, a minimum wage earner must work 68 hours per week to afford the FMR for a two-bedroom apartment.

**Monthly Rent Affordable to Selected Income Levels
Compared with Two-Bedroom FMR**



Income is an important factor in determining the affordability, but it is not enough. For example, in the Nashville MSA, an average renter earns nearly \$18 per hour, but still a modest rental (a 2-bedroom apartment at FMR) home is too costly for average renter.

FMR versus Wages

	2-BR FMR	Hourly Wage Needed to Afford 2-BR FMR	Estimated mean renter wage	# of full-time jobs at minimum wage needed to afford 2- BR FMR
STATE	\$862	\$17	\$15	2.3
NONMETRO	\$643	\$12	\$11	1.7
Chattanooga MSA	\$847	\$16	\$14	2.2
Clarksville MSA	\$867	\$17	\$13	2.3
Cleveland MSA	\$799	\$15	\$13	2.1
Jackson HMFA	\$775	\$15	\$12	2.1
Johnson City MSA	\$689	\$13	\$11	1.8
Kingsport-Bristol-Bristol MSA	\$700	\$13	\$14	1.9
Knoxville HMFA	\$855	\$16	\$14	2.3
Memphis HMFA	\$875	\$17	\$17	2.3
Morristown MSA	\$720	\$14	\$12	1.9
Nashville-Davidson--Murfreesboro--Franklin HMFA	\$1,103	\$21	\$18	2.9

Data Source: National Low Income Housing Coalition, Out of Reach 2019, <https://reports.nlihc.org/oor>

Cost of Housing

	Base Year: 2010	Most Recent Year: 2018	% Change
Median Household Income	\$43,314	\$50,972	18%
Median Home Value	\$134,100	\$158,600	18%
Median Contract Rent	\$678	\$841	24%

Data Source: Base Year: 2006-2010 Census, 2014-2018 ACS (Most Recent Year)

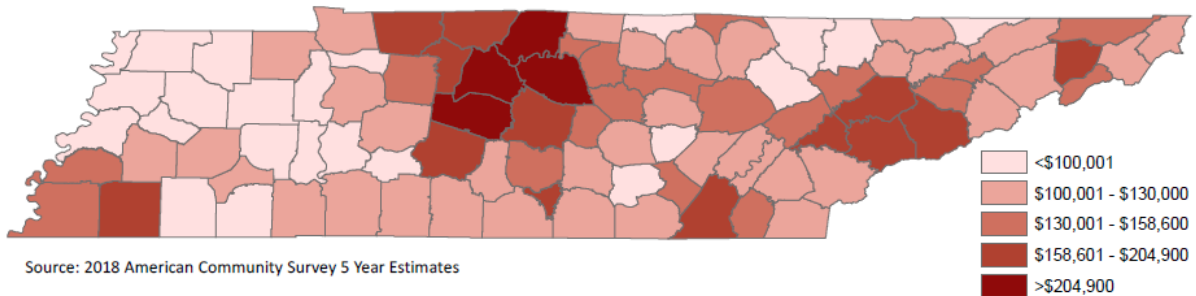
Median home value of owner-occupied housing units in Tennessee is \$158,600 in 2018, while the median gross rent is \$841. The median household income is \$50,972. Statewide, 16 percent of persons are below poverty line. Median home value and median household income, in nominal terms, increased by 18 percent compared to 2010, while median gross rent increased by 24 percent. Although increasing home values is a sign of strong housing market, affordability concerns persist with the rise in home prices. Home prices rising faster than income widen the gap between median income and median home prices. This makes housing farther out of reach for workers with stagnate wages. This type of gap between the cost of housing and incomes affects homeownership as well as rental options. For example, in 2018, full-time single wage earners in restaurant and retail jobs are not able to purchase a median-priced home and are not able to afford to rent a two-bedroom apartment at fair market rent.

Rent Paid

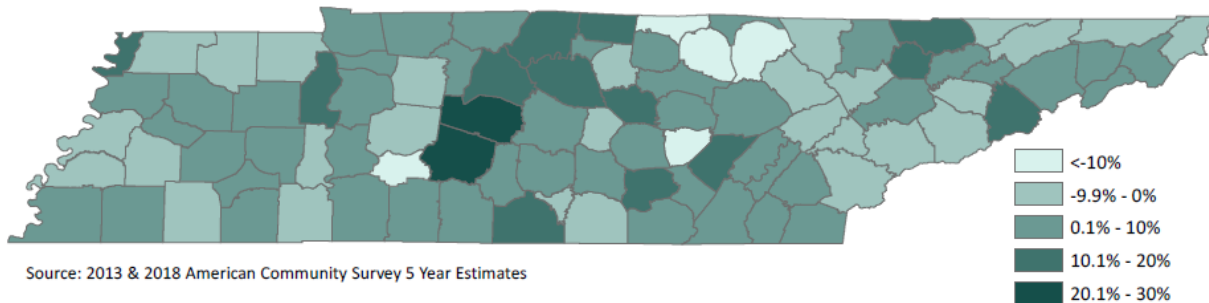
Rent Paid	Number	%
Less than \$500	112,170	14%
\$500-999	424,529	53%
\$1,000-1,499	198,727	25%
\$1,500-1,999	46,767	6%
\$2,000 or more	19,065	2%
Total	832,227	100.0%

Data Source: 2014-2018 ACS

Median Home Value, by County



Change in Median Gross Rent Over 5 Years, by County



Median value of the owner-occupied homes and median rent vary across the state. Median value of an owner-occupied home in Williamson County, the county with the highest median home value, is approximately 5.6 times higher than the median value of a home in Lake County, the county with the lowest median home value. Williamson County residents also pay the highest median gross rent in the state followed by Davidson County.

Counties with the Highest and the Lowest Median Home Value and Median Gross Rent

Median Housing Values		Median Gross Rent	
<i>Highest Counties</i>			
Williamson	\$417,700	Williamson	\$1,443

Wilson	\$243,400	Davidson	\$1,036
Davidson	\$219,900	Wilson	\$1,026
Sumner	\$212,100	Sumner	\$996
Loudon	\$199,400	Rutherford	\$996
Fayette	\$191,200	Cheatham	\$956
Rutherford	\$190,200	Montgomery	\$954
Cheatham	\$176,400	Shelby	\$922
Robertson	\$176,300	Robertson	\$879
Knox	\$174,700	Knox	\$864
<i>Lowest Counties</i>			
Obion	\$89,200	Jackson	\$538
Hancock	\$88,800	Johnson	\$532
Clay	\$88,700	Wayne	\$531
Carroll	\$87,100	Scott	\$527
Hardeman	\$86,200	Pickett	\$522
Benton	\$85,800	Overton	\$512
Lauderdale	\$84,100	Fentress	\$499
Perry	\$83,400	Clay	\$489
Grundy	\$83,100	Van Buren	\$426
Lake	\$74,500	Hancock	\$410

Data Source: 2014-2018 ACS

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	70,550	No Data
50% HAMFI	231,160	157,480
80% HAMFI	552,035	423,740
100% HAMFI	No Data	616,720
Total	853,745	1,197,940

Data Source: 2011-2015 CHAS

Housing affordability is a problem for majority of households in different income groups, but it is even more severe for low-income renters. Statewide, more renter households are cost burdened than owner households (including both the owner households with and without a mortgage), with 43 percent compared to 26 percent.

In Tennessee, 70 percent of renter households with less than or equal to 30 percent of AMI and 74 percent of renters with 30 to 50 percent of AMI were cost burdened. The percent of renter households that are cost burdened declines to 41 percent for the renter households with 50 to 80 percent of AMI.

Cost Burden by Tenure and Income

Income	Owner			Renter		
	Total	Cost Burdened	% Cost Burdened	Total	Cost Burdened	% Cost Burdened
<= 30% HAMFI	114,045	79,825	70%	210,590	146,805	70%
>30% to <=50% HAMFI	152,075	76,305	50%	159,215	117,325	74%
>50% to <=80% HAMFI	262,390	89,430	34%	180,545	74,620	41%
>80% to <=100% HAMFI	173,550	34,050	20%	86,950	12,170	14%
>100% HAMFI	970,980	49,245	5%	211,855	7,145	3%
Total	1,673,045	328,855	20%	849,160	358,065	42%

Data Source: 2012-2016 CHAS

Another way of measuring the affordability is using the housing opportunity index, which we calculated for Tennessee counties in 2017 and 2018 similar to the NAHB/Wells Fargo HOI. The index ranges from zero to 100. The higher the index is, the more homes sold in the area are affordable to a family earning the median income. In 2017, the index values ranged from 15 percent in Williamson County to 97 percent in Cannon County. On average, 67 percent of homes sold in Tennessee would have been affordable to a family earning the median income in 2018, decreasing from 71 percent in 2017.

In 2018, the housing affordability deteriorated (opportunity index declined) in 80 counties compared to 2017. The highest deterioration in affordability among the counties with 500 or more home sales was in Maury County where the housing opportunity index declined from 80 percent in 2017 to 50 in 2018, a 23 percentage points decline. Bradley County's less than one percentage point increase in opportunity index value from 2017 was the largest improvement among the counties with over 500 home sales in 2018. In Meigs County, the opportunity increased nearly 10 percentage points, but less than 100 homes were sold in the county during 2018.

Is there sufficient housing for households at all income levels?

As the discussion in the earlier section indicates, there is not sufficient affordable housing in Tennessee at all income levels. In particular, there is a large unmet need for affordable rental housing among households earning 50 percent or less of AMI.

How is affordability of housing likely to change considering changes to home values and/or rents?

Average mortgage rates in 2019 declined compared to 2018. According to Freddie Mac's Primary Mortgage Market Survey (PMMS) data, in 2019, excluding December, the average interest rate for 30-year fixed mortgages was 3.95 percent compared to 4.53 percent in the same period during 2018. Considering that economic conditions are improving and inflation expectations are low, it is expected

that Federal Reserve bank will cut the interest rates again, which could push the mortgage rates even lower in 2020. Even if they do not decline further, they are expected to stay low.

Statewide, seasonally adjusted, unemployment rate in Tennessee declined to 3.3 percent in November 2019 compared to 3.5 percent in the nation. Tennessee Department of Labor and Workforce Development [report](#) indicates that rates either declined or remained unchanged in two thirds of counties. In fact, in 91 counties, unemployment rate was below five percent compared to state average rate of nearly 11 percent in 2009. Center for Business and Economic Research (CBER) at University of Tennessee estimates that in the next two years unemployment rate will be around 3.5-3.5 percent, and with a small uptick stay around 4.0-4.2 percent in 2022. In the [2019 Economic report to Governor](#), CBER projects that nominal personal income in Tennessee will grow by 4.3 percent in 2019 and 4.5 percent in 2020. Triggered by tight labor markets, wages and salaries are expected to increase by 4.6 percent in 2019 and 4.2 percent in 2020. While being less than national average, per capita personal income in Tennessee will grow by 3.4 percent in 2019 and 3.6 percent in 2020.

Unemployment Rate in Tennessee



Low mortgage interest rates, coupled with increased incomes, lead to affordability and increase the demand for housing. However, without a matching increase in housing supply (new and/or existing homes), this increased demand pushes the home prices and deteriorates affordability. In Tennessee, home prices increased by 7.18 percent in the second quarter of 2019 compared to the second quarter of 2018, outpacing the U.S. price increase of 4.99 percent. For more than six years, home prices both in Tennessee and the nation are on an increasing trajectory (since first quarter 2012).

Price appreciation in Tennessee is outpacing the nation. Since the second quarter of 2016, Tennessee home price appreciation always exceeds the appreciation in the nation. In the second quarter of 2019 Tennessee’s price appreciation surpassed the nation’s by more than two percentage point. Tennessee price appreciation peaked during the fourth quarter of 2017 when the house prices increased nearly 10 percent annually. Starting in 2018, there is a slowdown in price appreciation both in the nation and Tennessee, but it is more visible in the nation.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

Tennessee does not calculate statewide fair market rent due to the differences by county and region, so no specific comparison to Area Median Rent is available. See the table below for fair market rent and HOME Program rent limits by county. A list can also be found here:

<https://s3.amazonaws.com/thda.org/Documents/Business-Partners/Grant-Administrators/HOME-Rent-Limits.pdf>

FY2020 Tennessee FMR Local Area Summary							
Locality Name	Metropolitan Area Name	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	FMR Percentile
Anderson County	<i>Knoxville, TN HUD Metro FMR Area</i>	\$624	\$742	\$915	\$1,198	\$1,476	40
Bedford County	Bedford County, TN	\$590	\$594	\$768	\$979	\$1,173	40
Benton County	Benton County, TN	\$492	\$551	\$649	\$856	\$979	40
Bledsoe County	Bledsoe County, TN	\$492	\$554	\$649	\$915	\$1,139	40
Blount County	<i>Knoxville, TN HUD Metro FMR Area</i>	\$624	\$742	\$915	\$1,198	\$1,476	40
Bradley County	<i>Cleveland, TN MSA</i>	\$526	\$613	\$807	\$1,029	\$1,214	40
Campbell County	<i>Campbell County, TN HUD Metro FMR Area</i>	\$453	\$514	\$677	\$909	\$1,097	40
Cannon County	<i>Nashville-Davidson--Murfreeboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Carroll County	Carroll County, TN	\$492	\$570	\$649	\$809	\$879	40
Carter County	<i>Johnson City, TN MSA</i>	\$558	\$564	\$692	\$874	\$1,020	40
Cheatham County	<i>Nashville-Davidson--Murfreeboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Chester County	<i>Jackson, TN HUD Metro FMR Area</i>	\$516	\$648	\$792	\$1,129	\$1,133	40
Claiborne County	Claiborne County, TN	\$492	\$521	\$649	\$809	\$965	40
Clay County	Clay County, TN	\$492	\$509	\$649	\$906	\$969	40
Cocke County	Cocke County, TN	\$492	\$493	\$649	\$936	\$1,139	40
Coffee County	Coffee County, TN	\$532	\$532	\$701	\$962	\$1,137	40

FY2020 Tennessee FMR Local Area Summary							
Locality Name	Metropolitan Area Name	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	FMR Percentile
Crockett County	<i>Crockett County, TN HUD Metro FMR Area</i>	\$432	\$503	\$663	\$876	\$1,164	40
Cumberland County	Cumberland County, TN	\$511	\$514	\$677	\$934	\$1,014	40
Davidson County	<i>Nashville-Davidson--Murfreesboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Decatur County	Decatur County, TN	\$492	\$570	\$649	\$809	\$969	40
DeKalb County	DeKalb County, TN	\$492	\$493	\$649	\$919	\$969	40
Dickson County	<i>Nashville-Davidson--Murfreesboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Dyer County	Dyer County, TN	\$436	\$508	\$669	\$965	\$985	40
Fayette County	<i>Memphis, TN-MS-AR HUD Metro FMR Area</i>	\$665	\$755	\$884	\$1,203	\$1,374	40
Fentress County	Fentress County, TN	\$492	\$532	\$649	\$853	\$1,095	40
Franklin County	Franklin County, TN	\$492	\$498	\$649	\$936	\$1,081	40
Gibson County	Gibson County, TN	\$504	\$583	\$664	\$916	\$1,166	40
Giles County	Giles County, TN	\$492	\$570	\$649	\$868	\$1,065	40
Grainger County	<i>Grainger County, TN HUD Metro FMR Area</i>	\$487	\$621	\$707	\$931	\$958	40
Greene County	Greene County, TN	\$510	\$514	\$649	\$885	\$1,080	40
Grundy County	Grundy County, TN	\$492	\$518	\$649	\$894	\$969	40
Hamblen County	<i>Morristown, TN MSA</i>	\$557	\$560	\$738	\$996	\$1,000	40
Hamilton County	<i>Chattanooga, TN-GA MSA</i>	\$599	\$686	\$832	\$1,081	\$1,305	40
Hancock County	Hancock County, TN	\$492	\$497	\$649	\$936	\$1,139	40
Hardeman County	Hardeman County, TN	\$492	\$493	\$649	\$880	\$957	40
Hardin County	Hardin County, TN	\$516	\$516	\$680	\$847	\$1,034	40
Hawkins County	<i>Kingsport-Bristol-Bristol, TN-VA MSA</i>	\$533	\$542	\$714	\$933	\$1,029	40
Haywood County	Haywood County, TN	\$449	\$497	\$655	\$900	\$978	40
Henderson County	Henderson County, TN	\$501	\$503	\$660	\$832	\$894	40
Henry County	Henry County, TN	\$492	\$518	\$649	\$871	\$900	40
Hickman County	<i>Hickman County, TN HUD Metro FMR Area</i>	\$617	\$691	\$787	\$981	\$1,382	40

FY2020 Tennessee FMR Local Area Summary							
Locality Name	Metropolitan Area Name	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	FMR Percentile
Houston County	Houston County, TN	\$517	\$557	\$681	\$849	\$923	40
Humphreys County	Humphreys County, TN	\$493	\$571	\$650	\$874	\$1,019	40
Jackson County	Jackson County, TN	\$492	\$493	\$649	\$809	\$879	40
Jefferson County	<i>Morristown, TN MSA</i>	\$557	\$560	\$738	\$996	\$1,000	40
Johnson County	Johnson County, TN	\$492	\$527	\$649	\$809	\$969	40
Knox County	<i>Knoxville, TN HUD Metro FMR Area</i>	\$624	\$742	\$915	\$1,198	\$1,476	40
Lake County	Lake County, TN	\$492	\$497	\$649	\$823	\$879	40
Lauderdale County	Lauderdale County, TN	\$492	\$503	\$649	\$856	\$1,013	40
Lawrence County	Lawrence County, TN	\$499	\$538	\$658	\$863	\$985	40
Lewis County	Lewis County, TN	\$498	\$515	\$657	\$865	\$981	40
Lincoln County	Lincoln County, TN	\$497	\$516	\$655	\$900	\$911	40
Loudon County	<i>Knoxville, TN HUD Metro FMR Area</i>	\$624	\$742	\$915	\$1,198	\$1,476	40
Macon County	<i>Macon County, TN HUD Metro FMR Area</i>	\$544	\$560	\$694	\$886	\$1,108	40
Madison County	<i>Jackson, TN HUD Metro FMR Area</i>	\$516	\$648	\$792	\$1,129	\$1,133	40
Marion County	<i>Chattanooga, TN-GA MSA</i>	\$599	\$686	\$832	\$1,081	\$1,305	40
Marshall County	Marshall County, TN	\$563	\$567	\$747	\$948	\$1,012	40
Maury County	<i>Maury County, TN HUD Metro FMR Area</i>	\$706	\$739	\$900	\$1,298	\$1,390	40
McMinn County	McMinn County, TN	\$492	\$570	\$649	\$876	\$879	40
McNairy County	McNairy County, TN	\$492	\$513	\$649	\$856	\$1,139	40
Meigs County	Meigs County, TN	\$492	\$570	\$649	\$936	\$969	40
Monroe County	Monroe County, TN	\$423	\$565	\$649	\$936	\$977	40
Montgomery County	<i>Clarksville, TN-KY MSA</i>	\$578	\$691	\$869	\$1,239	\$1,477	40
Moore County	Moore County, TN	\$492	\$509	\$649	\$919	\$969	40
Morgan County	<i>Morgan County, TN HUD Metro FMR Area</i>	\$495	\$545	\$718	\$966	\$1,261	40
Obion County	Obion County, TN	\$466	\$534	\$649	\$858	\$1,028	40
Overton County	Overton County, TN	\$492	\$493	\$649	\$849	\$969	40

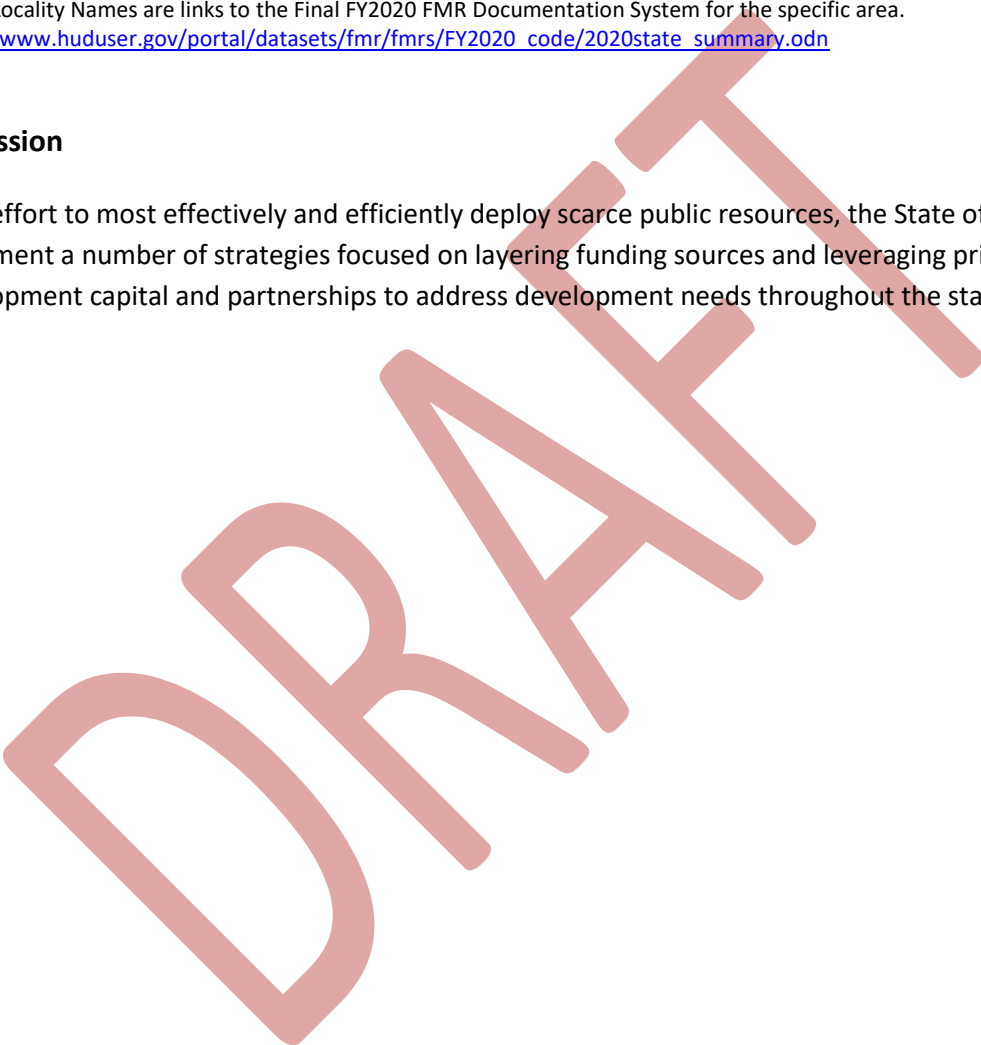
FY2020 Tennessee FMR Local Area Summary							
Locality Name	Metropolitan Area Name	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	FMR Percentile
Perry County	Perry County, TN	\$490	\$493	\$649	\$890	\$969	40
Pickett County	Pickett County, TN	\$492	\$509	\$649	\$809	\$969	40
Polk County	<i>Cleveland, TN MSA</i>	\$526	\$613	\$807	\$1,029	\$1,214	40
Putnam County	Putnam County, TN	\$552	\$556	\$710	\$985	\$1,041	40
Rhea County	Rhea County, TN	\$510	\$513	\$676	\$895	\$1,108	40
Roane County	<i>Roane County, TN HUD Metro FMR Area</i>	\$535	\$623	\$821	\$1,023	\$1,255	40
Robertson County	<i>Nashville-Davidson--Murfreeseboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Rutherford County	<i>Nashville-Davidson--Murfreeseboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Scott County	Scott County, TN	\$492	\$493	\$649	\$876	\$879	40
Sequatchie County	<i>Chattanooga, TN-GA MSA</i>	\$599	\$686	\$832	\$1,081	\$1,305	40
Sevier County	Sevier County, TN	\$656	\$663	\$768	\$1,050	\$1,167	40
Shelby County	<i>Memphis, TN-MS-AR HUD Metro FMR Area</i>	\$665	\$755	\$884	\$1,203	\$1,374	40
Smith County	<i>Smith County, TN HUD Metro FMR Area</i>	\$525	\$528	\$696	\$867	\$1,086	40
Stewart County	Stewart County, TN	\$509	\$526	\$671	\$836	\$1,178	40
Sullivan County	<i>Kingsport-Bristol-Bristol, TN-VA MSA</i>	\$533	\$542	\$714	\$933	\$1,029	40
Sumner County	<i>Nashville-Davidson--Murfreeseboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Tipton County	<i>Memphis, TN-MS-AR HUD Metro FMR Area</i>	\$665	\$755	\$884	\$1,203	\$1,374	40
Trousdale County	<i>Nashville-Davidson--Murfreeseboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Unicoi County	<i>Johnson City, TN MSA</i>	\$558	\$564	\$692	\$874	\$1,020	40
Union County	<i>Knoxville, TN HUD Metro FMR Area</i>	\$624	\$742	\$915	\$1,198	\$1,476	40
Van Buren County	Van Buren County, TN	\$492	\$493	\$649	\$809	\$969	40
Warren County	Warren County, TN	\$514	\$514	\$677	\$844	\$1,068	40
Washington County	<i>Johnson City, TN MSA</i>	\$558	\$564	\$692	\$874	\$1,020	40
Wayne County	Wayne County, TN	\$492	\$515	\$649	\$829	\$969	40
Weakley County	Weakley County, TN	\$457	\$529	\$649	\$845	\$982	40

FY2020 Tennessee FMR Local Area Summary							
Locality Name	Metropolitan Area Name	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	FMR Percentile
White County	White County, TN	\$492	\$509	\$649	\$841	\$879	40
Williamson County	<i>Nashville-Davidson--Murfreesboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40
Wilson County	<i>Nashville-Davidson--Murfreesboro--Franklin, TN HUD Metro FMR Area</i>	\$898	\$957	\$1,136	\$1,484	\$1,822	40

NOTE: Locality Names are links to the Final FY2020 FMR Documentation System for the specific area.
https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2020_code/2020state_summary.odn

Discussion

In an effort to most effectively and efficiently deploy scarce public resources, the State of Tennessee will implement a number of strategies focused on layering funding sources and leveraging private development capital and partnerships to address development needs throughout the state.



MA-20 Condition of Housing – 91.310(a)

Introduction

Below is a discussion of the condition of housing, describing housing problems, age, vacancies, rehabilitation needs, and risks for lead based paint.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Lacking complete plumbing or kitchen facilities	8,355	0%	14,620	2%
With more than 1 persons per room	18,165	1%	32,215	4%
With housing cost burden greater than 30%	323,000	19%	336,375	40%
Housing cost burden not computed, none of the needs above	14,855	1%	25,030	3%
Has none of the 4 housing problems	1,308,670	78%	440,915	52%
TOTAL	1,673,045	100%	849,160	100%

Data Source: 2012-2016 CHAS

As the table above demonstrates, renter-occupied units have a higher frequency of having one or more selected conditions (45 percent) than owner-occupied units (21 percent). Selected conditions include: (1) the lack of complete plumbing facilities, (2) the lack of complete kitchen facilities, (3) more than one person per room, and (4) cost burden greater than 30 percent.

Year Unit Built

Year Unit Built	Owner Occupied		Renter Occupied	
	Number	Percent	Number	Percent
2000 or Later	412,715	24%	165,095	19%
1990 to 1999	333,926	20%	142,444	16%
1980 to 1989	229,107	13%	137,794	16%
1970 to 1979	250,126	15%	151,210	17%
1960 to 1969	173,780	10%	93,477	11%
1950 to 1959	142,602	8%	80,686	9%
1940 to 1949	67,205	4%	44,523	5%
1939 or earlier	91,698	5%	50,673	6%
Total	1,701,159	100%	865,902	100%

Data Source: 2014-2018 ACS

Even though being cost burdened is the primary housing problem among Tennessee households, substandard housing is also an important housing problem. Older housing stock is more likely to be impacted by housing problems. Compared to the nation, in Tennessee, older housing units constitute a relatively smaller percentage of the total housing units. According to 2014-2018 ACS data, six percent of

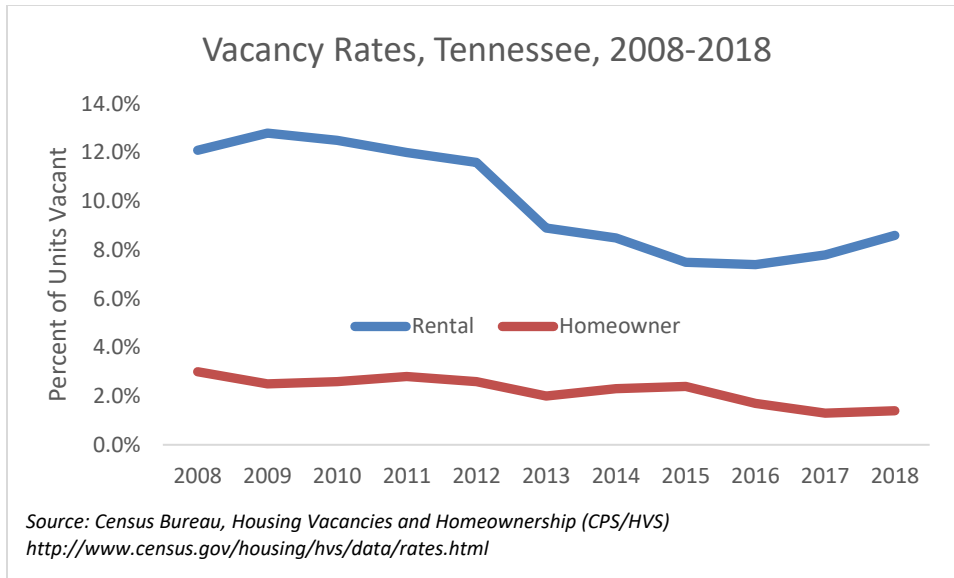
housing units were built before 1940 in Tennessee, while nationally, 13 percent of homes were built before 1940. Twenty-two percent of existing housing units in Tennessee and 18 percent nationally have been built since the year 2000. Renter-occupied housing was older compared to owner-occupied housing units.

In the state, 1.2 percent of all occupied housing units were lacking complete plumbing and kitchen facilities. The depth of these housing problems varies by county. Almost six percent of occupied housing units in Haywood County and five percent of all occupied housing in Hancock and Lawrence Counties were lacking complete kitchen and plumbing facilities. Although rural counties were impacted by the unsanitary housing conditions, this was not a housing problem only for the rural counties. For example, in Hamilton County, 1.5 percent of all occupied housing units were lacking complete kitchen and plumbing facilities. Nine percent of all owner-occupied units and 11 percent of all renter-occupied units were constructed before 1950. Units built after 1950 but before 2000 represent 66 percent of owner-occupied units and 70 percent of renter-occupied units. Units built after 2000 represent 24 percent of owner-occupied units and 19 percent of renter-occupied units.

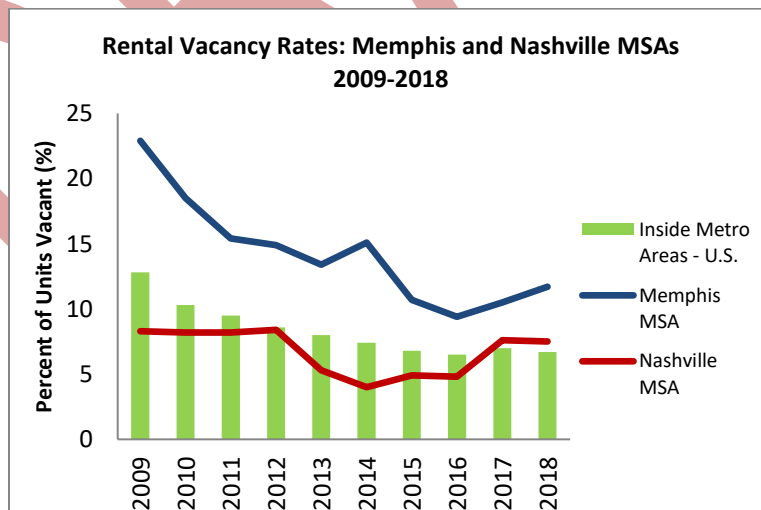
According to 2012-2016 CHAS data, there are 282,435 homeowners with incomes at 0-80% AMI living in homes built before 1980 and 298,045 renters with incomes at 0-80% AMI living in homes built before 1980.

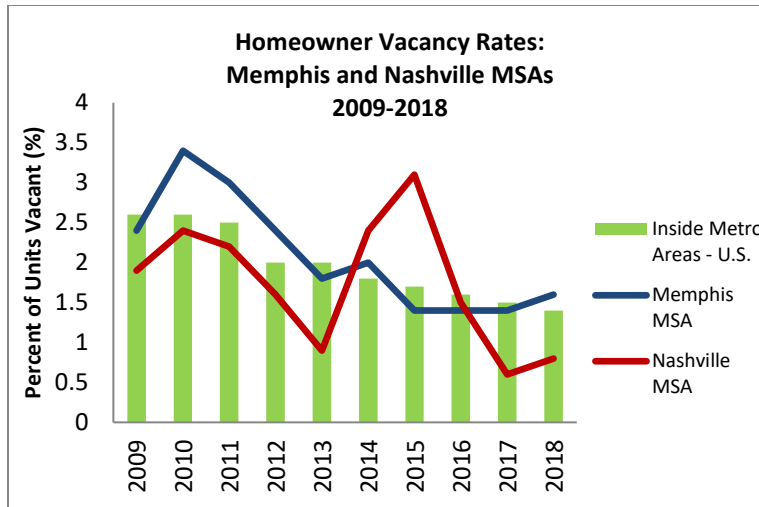
Vacant Units

In 2018, statewide, seasonally not adjusted, vacancy rates were 8.6 percent for rental housing and 1.4 percent for homeowner housing according to the Census Bureau. Tennessee's rental vacancy rate was higher than nation's 6.9 percent, while owner vacancy rate was slightly lower than the US rate of 1.5 percent. In Tennessee, in 2018, both rental and homeowner vacancy rates were higher than they were last year, while in the nation vacancy rates declined from the previous year. Tennessee's 2018 rental vacancy rate was still much lower than the rates hovering around 12 percent between 2008 and 2011.



Tennessee’s two largest MSAs have quite different patterns with regards to rental and homeowner vacancy. Memphis consistently experiences higher rental vacancy rates. While vacancy rates in both MSAs were trending downward in previous years, both rental and homeowner vacancy rates in the Memphis MSA increased in 2018. The current trend in the rental vacancy rate in the Nashville MSA was noteworthy. From 2017, the rental vacancy rate in the Nashville MSA declined just a notch, but it was still well above the vacancy rates between 2013 and 2016. Both rental vacancy rates were higher than the nationwide average for inside metro areas, a departure from a long-term trend for the Nashville MSA. Both metro areas had owner vacancy rates lower than rental rates and, but in both MSAs rate increased from the previous year.





Need for Owner and Rental Rehabilitation

The percentage of Tennessee’s housing stock built before 1980 is 43 percent for owner occupied units and 49 percent of renter occupied units. Newer construction (built after 2010) is 5 percent for owner occupied housing and 6 percent for rental housing. Based on the age of most of the housing stock alone, there is a need for rehabilitation of both rental and ownership units. Further, focus groups and other feedback indicated a great need rehabilitation.

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	742,086	44%	428,923	52%
Housing Units build before 1980 with children present	226,325	14%	141,215	17%

Data Source: 2011-2015 ACS (Total Units) 2011-2015 CHAS (Units with Children present)

The American Healthy Homes Survey measured levels of lead, lead hazards, allergens, arsenic, pesticides, and mold in homes nationwide. The American Healthy Homes Survey (AHHS) estimates that 35 percent of total housing units in the United States have LBP somewhere in the building. Another factor to consider is the age of units, specifically those built before 1980. Older units have an increased likelihood to need rehabilitation or lead abatement. It is estimated that the majority of Tennessee’s low- and moderate-income families live in housing with lead-based paint, as affordable rental and ownership units are predominately older construction and less likely to have undergone substantial rehab.

Data provided by the Healthy Homes Program noted the majority of inquiries into their program were renters (58% of all inquirers). Inquiries could have multiple concerns, but included Lead.

DRAFT

MA-25 Public and Assisted Housing

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

Many PHAs are investigating methods of adding to their affordable housing inventory through mixed finance opportunities or have requested funding to secure technical assistance to explore the potential of improving or expanding their housing portfolio through the Rental Assistance Demonstration (RAD) program. In the past few years, the primary tool HUD has set forth for public housing improvement is the RAD program. According to HUD, the 1.2 million units in the Public Housing program nationally have a documented capital needs backlog of nearly \$26 billion. As a result, the public housing inventory has been losing an average of 10,000 units annually through demolitions and dispositions. RAD allows PHAs to convert assistance to long-term, project-based Section 8 contracts, often considered a more stable source of funding. RAD also allows housing agencies to improve public housing properties by leveraging public and private debt to preserve and improve affordable housing units that could be subject to vouchers and demolition without action.

Most Tennessee PHAs are in the process of pursuing conversion through RAD. Thirty-three Tennessee PHAs have either entered into Commitment to enter into a Housing Assistance Payment (CHAP) contract with HUD or have applied to do so. Twelve PHAs have completed the conversion of 9,543 units across 60 property. According to HUD, these transactions have secured an aggregate of \$234,907,324 in construction investment. Two of the most active housing authorities, Athens and Columbia, are in non-entitlement jurisdictions. They have converted 441 and 295 units respectively. During the first six weeks of 2020 HUD awarded CHAPs to 10 Tennessee PHAs for the conversion of 3,173 units across 20 properties. The majority of these are located in non-entitlement jurisdictions.

The majority of Tennessee RAD applications include both conversion to a project based subsidy and some type of revitalization (to include demolition and replacement). RAD's original authorizing statute limited the total number of First Component Public Housing and Mod Rehab conversions to 60,000 units, leaving most Tennessee PHAs on a waiting list. Congress lifted the First Component RAD cap to 185,000 units in 2013, again to 225,000 in 2017, and finally to 455,000 in federal fiscal year (FY) 2019. Congress declined HUD's request to completely eliminate the cap in FY 2020. However, it is likely that the Department will make the same request in subsequent years. With each extension of the cap, additional Tennessee PHAs received RAD reservations in the form of a CHAP contract with HUD.

MA-30 Homeless Facilities – 91.310(b)

Introduction

The following section discusses the facilities, housing, and supportive services available that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, and veterans and their families. The services include both targeted services to vulnerable populations and mainstream services such as health, mental health, and employment services.

Facilities Targeted to Homeless Persons

	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	
	Year Round Beds (Current & New)	Voucher / Seasonal / Overflow Beds	Current & New	Current & New	Under Development
Households with Adult(s) and Child(ren)	1,001		873	1,900	n/a
Households with Only Adults	2,286		1,220	2,981	n/a
Chronically Homeless Households	5		n/a	1,949	n/a
Veterans	5		361	1830	n/a
Unaccompanied Youth	23		33	4	n/a

Data Source Comments: HUD 2019 Continuum of Care Homeless Assistance Programs Housing Inventory Count Report

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

Mainstream services are services that are offered by the non-homeless services systems that are available to support individuals experiencing homelessness. These resources complement the system of care specifically funded to target homeless persons and are essential in moving individuals and families out of homelessness. A variety of mainstream services are available to Tennessee residents, such as Medicaid, SSI, SSDI, SNAP, WIC, Federal-State Unemployment, Public Housing, Section 8, Families First (TANF), and Job Center services. Homeless service providers refer clients to mainstream services based on their needs. Homeless persons must qualify based on their income, disability status, and family composition.

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MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

The following section describes the facilities and services that assist persons who are not homeless but require supportive housing and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	14
PH in facilities	0
STRMU	468
ST or TH facilities	0
PH placement	2

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The Tennessee Department of Health, HIV/STD Section, HOPWA Program provides funding to a variety of agencies throughout Tennessee: Nashville Cares, Columbia Cares, Chattanooga Cares, Frontier Health, East Tennessee Human Resource Agency – Positively Living, West Tennessee Legal Services, and Upper Cumberland Human Resource Agency. HOPWA funding to these agencies largely support Short-term rent, mortgage and/or utility (STRMU) expenses. A total of \$546,579 was expended in STRMU from 2018 to 2019 to serve 376 households. An additional \$560,000 was used to provide TBRA to 32 households, hotel/motel vouchers for 77 households, permanent housing placements services for 490 households, and 490 households received other supportive services. These agencies also leverage funds from Health Resources and Services Administration, Ryan White program and additional public and private sources totaling more than \$500,000. Many of these agencies also have programs to aid persons returning from mental and physical health institutions.

HOPWA and ESG partners provide a range of services to both homeless and non-homeless individuals including, but not limited to, case management, financial literacy, job training, food and clothing assistance, education support, counseling, housing services, and legal assistance.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

THDA recently partnered with the Tennessee Department of Mental Health and Substance Abuse Services to offer the Creating Homes Initiative–2 (CHI-2) Program, a competitive grant award program that seeks to expand permanent recovery housing options for individuals recovering from an Opioid Use Disorder (OUD). \$3 million is currently available, with a maximum grant award amount up to \$500,000. THDA will accept applications from private organizations, non-profit organizations and local public housing authorities. All housing funded through the CHI-2 Program must be rental and address the housing needs of households recovering from OUD, with incomes at-or-below 80% of the Area Median Income (AMI).

Between FY 2012-2016, the Creating Homes Initiative created 1,700 to more than 2,300 housing opportunities per year. From 2000 to the most recent data available (2016), Creating Homes has provided more than 18,000 housing opportunities with more than \$577 million investments.

In addition to the Creating Homes Initiative, agencies that provide supportive housing for persons with physical and mental disabilities in Tennessee include: Nashville Cares, Columbia Cares, Chattanooga Cares, Frontier Health, East Tennessee Human Resource Agency – Positively Living, West Tennessee Legal Services, and Upper Cumberland Human Resource Agency. These agencies may include individuals returning from mental and physical health institutions and persons with disabilities who are homeless along their clients, but their housing is not exclusively for these subgroups. The state continues to work with local agencies, hospitals, and other institutions to improve access to available permanent supportive housing beds in Tennessee.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

The Tennessee Department of Health HIV/STD Section HOPWA Program plans to undertake activities during the next year to address the housing and supportive services needs with respect to persons who are not homeless but have other special needs. The program will conduct extensive program monitoring and visits with agencies. Monthly conference calls will be scheduled to share information and ideas across agencies. Twice a year, March and September, the Project Sponsors convene for a statewide HOPWA meeting. The meeting serves as a learning opportunity with various subject matter experts in housing. For example, attorneys from West Tennessee Legal Services presented on fair housing at a statewide meeting. These presentations will continue twice a year.

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

See above.

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

The State of Tennessee is currently in the process of completing its Analysis of Impediments to Fair Housing Choice (AI) due for release in 2020. During the process of analysis, several potential issues regarding fair housing in the state have surfaced. Identification of these items as probable impediments to fair housing choice was based on HUD’s definition of impediments as actions, omissions, or decisions that restrict housing choice due to protected class status or actions, omissions, or decisions that have this effect. The identified impediments are supported by evidence uncovered during the AI process, with impediments of higher need being those identified in multiple sources. A full report will be released in the next few months and will be available on the THDA website.

Specific public policy related to the cost of housing and the incentives to develop, maintain, or improve affordable housing varies widely throughout the state. Many communities, especially densely populated jurisdictions, have adopted the “home rule,” which means municipalities control most zoning and land use decisions. The concern is that the “home rule” allows communities to use ordinances to keep affordable and multifamily housing—frequently the routes by which lower-income, often minority, households enter a community—from being developed. The state’s “home rule” provisions mean that zoning ordinances are left to the judgment of local governments. The net effect of these local actions could make housing more expensive than might be the case without the fees and regulations.

Additionally, requirements like background checks and an unwillingness to accept tenants using rental assistance, Housing Choice Voucher waitlist open and closing dates/times prevent case managers from accessing vouchers, long wait list at public housing agencies, prevent potential residents from accessing their units. Low wages and high rents and shortages of affordable housing unit available are barriers to affordable housing.

MA-45 Non-Housing Community Development Assets -91.315(f)

Introduction

This section analyzes Tennessee’s non-housing community development and economic development needs. Overall, the outlook for the state’s economy continues to maintain positive strides and success. Manufacturing, especially, advanced manufacturing continues to be the largest occupation group and is an industry that is in high demand, indicating a healthy manufacturing economy. The American Community Survey estimates below show that Tennessee has an unemployment rate of 5.9%, which is on par with the national average.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	9,869	9,329	1	1	0
Arts, Entertainment, Accommodations	147,316	98,978	12	12	0
Construction	66,322	45,342	5	6	0
Education and Health Care Services	192,215	114,009	15	14	-2
Finance, Insurance, and Real Estate	67,518	37,965	5	5	-1
Information	20,487	10,463	2	1	0
Manufacturing	233,778	196,678	19	24	5
Other Services	34,518	21,783	3	3	0
Professional, Scientific, Management Services	77,490	40,145	6	5	-1
Public Administration	0	0	0	0	0
Retail Trade	182,510	122,205	15	15	0
Transportation and Warehousing	58,823	36,589	5	4	0
Wholesale Trade	60,308	34,652	5	4	-1
Total	1,151,154	768,138	--	--	--

Data Source: 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	1,665,835
Civilian Employed Population 16 years and over	1,527,042
Unemployment Rate	8.38
Unemployment Rate for Ages 16-24	22.65

Unemployment Rate for Ages 25-65	5.00
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Table 1 - Labor Force

Data Source: 2011-2015 ACS

Occupations by Sector

Occupations by Sector	Number of People
Management, business and financial	284,946
Farming, fisheries and forestry occupations	54,941
Service	156,138
Sales and office	368,001
Construction, extraction, maintenance and repair	159,306
Production, transportation and material moving	127,935

Data Source: 2011-2015 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	885,001	61%
30-59 Minutes	443,991	31%
60 or More Minutes	114,735	8%
Total	1,443,727	100%

Data Source: 2011-2015 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		Not in Labor Force
	Civilian Employed	Unemployed	
Less than high school graduate	101,644	16,831	127,249
High school graduate (includes equivalency)	459,834	43,097	217,976
Some college or Associate's degree	382,289	25,168	129,659
Bachelor's degree or higher	310,747	9,569	62,343

Data Source: 2011-2015 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	4,690	9,283	14,194	52,343	87,701
9th to 12th grade, no diploma	35,759	35,229	39,345	94,965	75,125
High school graduate, GED, or alternative	126,176	150,456	168,709	402,315	224,825
Some college, no degree	104,121	95,931	99,737	204,329	100,065
Associate's degree	12,394	30,834	35,805	71,515	21,151
Bachelor's degree	15,500	60,100	71,153	123,097	52,595
Graduate or professional degree	1,014	22,827	35,801	70,131	36,767

Data Source: 2011-2015 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	21,747,087
High school graduate (includes equivalency)	34,609,016
Some college or Associate's degree	40,089,691
Bachelor's degree	46,379,245
Graduate or professional degree	47,927,481

Data Source: 2011-2015 ACS

Based on the Business Activity table above, what are the major employment sectors within the state?

Based on the data from the 2011-2015 American Community Survey from the U.S. Census Bureau and the U.S. Bureau of Labor Statistics, Manufacturing, Education and Health Services, and Retail Trade are the largest employment sectors. According to the 2019 LEAP report Tennessee has 289 job classifications with high employer demand across six priority occupation groups, Information technology, Production, Engineering and engineering-related, Healthcare, Business and financial operations, and Transportation and material moving.

Describe the workforce and infrastructure needs of business in the state.

Tennessee's goal is to become the number one location in the Southeast for high quality jobs. As a part of this plan, the Tennessee General Assembly established the Labor Education Alignment Program (LEAP) in 2013 to better align education, workforce development and economic development efforts and to eliminate the skills gap. Each year TNECD submits a report on demonstrated workforce development needs within existing and prospective businesses. The 2019 report can be found here:

<https://tnced.com/wp-content/uploads/2019/11/LEAP-2019-In-Demand-Occupations-FINAL-REPORT.pdf>. The report shows that Tennessee has 289 job classifications with high employer demand across six priority occupation groups, Information technology, Production, Engineering and engineering-related, Healthcare, Business and financial operations, and Transportation and material moving.

Each year the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) completes a study of the state's infrastructure needs (<https://www.tn.gov/tacir/infrastructure/infrastructure-reports-/infrastructure-needs-2018-2023.html>). The most recent report identified \$54.8 billion in infrastructure needs across the state, an increase of \$16 billion dollars since the report conducted at the time of the previous Consolidate Plan. More than \$33.6 billion of these needs fall under in the categories of Transportation and Water and Wastewater. Nearly \$400 million of Housing need was identified, \$260 million in Fire Protection needs, and over \$200 million in other Community Development needs. While these needs aren't fully encompassing of those addressed with the CDBG State program they do represent the majority, and the overall importance and need for the CDBG program.

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

Building on the success of the TN Promise and TN Reconnect programs which guarantee as a last dollar scholarship that any Tennessean can attend a Tennessee College of Applied Technology (TCAT) or community college. The Governor's Investment in Vocational Education (GIVE) expands this investment in education by expanding funding for high school juniors and seniors to utilize four, fully-funded dual enrollment credits for trade and technical programs.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

As indicated in the LEAP Annual Report, there are workforce needs in the state currently that will become more significant in the future if not addressed with focused programs and initiatives. Jobs with a "High Need" score are jobs that are high-paying and in high-demand. These are scored based on average wages, TN's targeted industries, high number of openings and projections to increase. The "High Strength" and "High Need" occupations often overlap based on projections for growth. Some of these include engineers, computer systems and programmer occupations, and accountants and auditors.

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

One of the primary initiatives for development of the workforce is the Tennessee Promise and Reconnect programs that offers two years of tuition-free community college or technical college to high school graduates and adults seeking re-education or new training. Additionally, the Governor's Investment in Vocational Education (GIVE) expands this investment in education by expanding funding for high school juniors and seniors to utilize four, fully-funded dual enrollment credits for trade and technical programs. Other programs are offered through the Tennessee Departments of Labor and Workforce Development and Education. All the programs have the ultimate goal of helping Tennessee become the number one location in the Southeast for high-quality jobs.

The investments in education, workforce development, and economic development must be matched by investments in public facilities and improvements. When business expand or locate in the state, the facilities and infrastructure must be in place to accommodate that growth. With investments in housing, water and sewer systems, economic development programs, etc., Tennessee uses funding from HUD to support job growth.

Describe any other state efforts to support economic growth.

TNECD has nine business development regions across the state to assist the communities and businesses in their region with job recruitment and expansion. LaunchTN is a public-private partnership focused on supporting the development of high-growth companies in the state through a focus on four key areas: entrepreneurship, commercialization, access to capital and outreach. In 2016 the Rural Economic Opportunity (REO) Act was passed to directly address economic and community development needs in the rural areas of Tennessee. This act and subsequent funding aligned existing programs such as the Tennessee Main Street and Tennessee Downtowns programs that assist with downtown revitalization and the ThreeStar program that assists with community development efforts with newly established programs like Asset Based Planning, the Site Development Grant, and Tourism Development Grant, among other.

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Tennessee has multiple and varying housing and non-housing challenges, which vary from region to region. In reviewing ACS and CHAS data for the state and national reports on concentrated housing problems, there is a possibility that there is a correlation with the concentration of poverty and housing problems.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

HUD defines a Racially Concentrated Area of Poverty as a census tract with: a family poverty rate ≥ 40 percent or a family poverty rate ≥ 300 percent of the metro tract average (whichever is lower) and a majority non-white population (>50 percent). Tennessee currently has 85 R/ECAPS as of 2013.

What are the characteristics of the market in these areas/neighborhoods?

The racially concentrated areas of poverty are mostly located near or in larger metropolitan areas of Tennessee and in entitlement jurisdictions. The land values and rents are somewhat less in these areas versus other parts of the region and of Tennessee. Generally speaking, there is a lack of variety in commercial areas and the housing stock is typically older and in need of rehabilitation and repairs in these areas.

Are there any community assets in these areas/neighborhoods?

Many of the racially concentrated areas of poverty are near larger metropolitan areas in Tennessee which are the hubs for employment opportunities, services, parks, retail, and high quality education. Although these resources are near the racially concentrated areas of poverty, there may be barriers to accessing these resources such as public transportation and sidewalks.

Are there other strategic opportunities in any of these areas?

The concentrated areas are located in or around entitlement jurisdictions, except for one. The local initiatives within each jurisdiction to address the racially concentrated areas of poverty vary. A deeper discussion of R/ECAPS will be available in the upcoming Analysis of Impediments report.

MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

The 2018 ACS 5 Year estimates show that approximately 6,651,089 people live in Tennessee. The 2019 FCC Broadband Deployment Report shows that 91.1% of the state's population has access to broadband using the FCC standard. While 91.1% appears to cover almost all Tennessee residents, when the 8.9% that does not have access is converted to a number, the result is that 591,947 Tennesseans do not have access to broadband that meets the FCC standard. Additionally, when this 91.1% is split between urban and rural populations 98.5% of the urban population has access compared to only 76.5% of the rural population. Also, these figures are likely that best case scenario for the existing state of broadband because the FCC relies largely only data that is self-reported from broadband and telecommunications providers.

The State of Tennessee administers the Broadband Accessibility grant to address gaps in broadband accessibility. The Program is designed to offset the capital expenses in the deployment of broadband in unserved areas. The goal of this program is to facilitate broadband access to all Tennesseans while promoting practices that increase deployment and encourage adoption. Funds will be targeted to areas that are unlikely to receive broadband service without grant funding. Through this grant program Tennessee has invested approximately \$45 million dollars over the last three years, with total grant allocation increases year over year. For FY2021 broadband funding has been proposed to increase again to \$25 million.

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

Physical access is only one major barrier to broadband utilization. Cost of service is another important point that must be considered. In many where broadband exists and isn't fully utilized prohibitive cost of service is the primary reason. Smaller providers and telecom cooperatives often don't have to luxury of providing the multitude of packages and tiers that the larger national provider do. This means that customers are faced with an all or nothing proposition, and the "all" may just be too expensive.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction's increased natural hazard risks associated with climate change.

In recent years, the inland flooding has continued to be the most impactful natural disaster in Tennessee. Changes in perception patterns have led to increased heavy rains for longer sustained periods, resulting in an increase in flooding events. The heavy rain events create flooding impacts in two ways: 1) flash floods due the volume of rainfall; 2) riverine flooding resulting from run-off for sustained heavy rains and increased flooding upstream.

The southeastern area of the state, around Chattanooga, also has experienced more frequent drought conditions, resulting increased chance of wildfires, greater run-off during heavy rain events, and challenges supplying potable water the communities and residents.

Lastly, over the past 20 years, data trends show that straight-line wind activity and tornados, especially EF-3, 4 and 5, have steadily increased across the southeastern states.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

Generally, more vulnerable and LMI populations are at greater risk of being impacted by natural disasters, especially flooding, due to geographic location, housing structure, or both. Historic zoning policies and demographic migration trends have resulted in low income and minority populations often residing in more undesirable and low-lying areas that are more prone to flooding or are closer to floodplains. These areas also tend to be where trailer parks and mobile homes are located putting them at greater risk. Mobile home and much of the manufactured housing units are more affordable for LMI populations, but the lack of a foundation and/or other structural elements puts those living inside these units at greater risk of straight-line wind activity and tornados, as well.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

This section contains the Strategic Plan for housing and community development that will guide Tennessee's investment of HUD funding during the 2020-2024 planning period. The Strategic Plan was designed around the premise that the state's plan must be reflective of the multiplicity of needs found throughout the state, allowing communities the flexibility, where possible, of applying for available funds based on community priorities. In an attempt to establish these priorities, the state conducted public meetings requesting that communities give their priorities for use of Consolidated Plan funds in the State. Public meetings were held in different regions throughout the state communities giving residents and organizations the opportunity to provide input on community needs. Dollar amounts were designated within programs to be reflective of the larger percentage of requests for funds in the state. The Strategic Plan has been developed based on allocating the available HUD resources and non-federal resources to the priority needs of the community, as determined through data analysis, results of consultation and resident surveys. The state recognizes, however, that because available funds are limited, many persons or groups within the state will not be funded even though their project is worthwhile and benefits those persons in need in the state.

The five formula programs have several new anticipated initiatives for consideration in the 2020-2024 Consolidated Planning cycle.

CDBG

- **Microenterprise support and development:** The State of Tennessee has a rolling application open for local governments, nonprofit entities, and institutions of higher education to plan, education, training, and provide resources to microenterprises and entrepreneurs. This program is the TN Placemakers program and includes CDBG and state funding sources.
- **Recidivism reduction through workforce development:** Public service program targeting incarcerated persons to provide workforce development training and skills development programs expand economic opportunity and reduce recidivism.

HOME

- **Rental new construction and rehabilitation:** Rental is already an allowable activity under HOME Guidelines. HOME is proposing to reinstitute funding for rental activities in response to grantee feedback about this funding being highly needed.
- **TBRA funding:** HOME regulations already allow for TBRA activities. THDA proposes a TBRA program using a small amount of HOME resources that will be specific to youth aging out of foster care. This program will serve one of the most vulnerable and underserved populations in

the state. Annually, between 400 and 600 youths age out of foster care. However, the proposed TBRA program will serve only a small percentage of these for a limited 24-month period. HOME Administrators believe it will be vital to those served acting as a foundation to help them become independent and stable citizens in a difficult economic environment.

HOPWA

- **Project-Based Rental Assistance:** Whereas TBRA follows the tenant regardless of the unit in which they live, assistance under PBRA is tied to the unit. HOPWA funds provide subsidy to the unit specifically reserved for HOPWA clients by paying for the operating costs of the unit. Because assistance is tied to the unit, clients may receive assistance only so long as they are eligible and reside at the project-based unit. The assistance does not go with the client when they move, although clients may be eligible for TBRA after leaving a project-based unit.
- **Resource Identification:** is a HOPWA category that can be utilized for a variety of activities related to outreach and expansion of housing resources, system coordination and needs assessments, among others. Resource ID has a broader community or system focus and is not directed towards one specific client.

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SP-10 Geographic Priorities – 91.315(a)(1)

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

CDBG: Is competitive for all city and county governments in Tennessee except for those CDBG entitlement cities which receive direct funding from HUD. Local governments excluded from the state-administered CDBG program include: the cities of Bristol, Chattanooga, Clarksville, Cleveland, Franklin, Hendersonville, Jackson, Johnson City, Kingsport, Knoxville, Memphis, Morristown, Murfreesboro, Oak Ridge, the Metropolitan Government of Nashville-Davidson County, and the counties of Knox and Shelby.

HOME: Is competitive within certain categories. HOME funds are made available for competition as follows: 15 percent to the CHDO set-aside, 10 percent to the Supportive Housing Development set-aside, and 65 percent allocated for urban and rural areas of the state, based upon the percentage of low-income households in the designated urban and rural counties, excluding local HOME Participating Jurisdictions (PJs). The urban allocation is 44 percent of the funds allocated to urban and rural areas and the rural allocation is 56 percent of the funds allocated to urban and rural areas. Local PJs are those local governments in Tennessee that receive HOME funds directly from HUD and include: Bristol, Johnson City, Bluff City, Kingsport, Sullivan County, Washington County, Chattanooga, Clarksville, Jackson, Knoxville, Memphis, Nashville-Davidson, Knox County and Shelby County.

HTF: offers grant funding to Public Housing Authorities and Non-Profit Developers to encourage and implement affordable rental housing development activities for extremely low income (ELI) households. ELI is defined as earning no more than 30% of the Area Median Income (AMI) or the federal poverty limit for the county in which the housing is located. Eligible rental housing development activities include preservation, rehabilitation, and production of new construction of affordable rental housing units for ELI. Organizations must be licensed to do business in Tennessee and may serve any community in Tennessee. The HTF grants are awarded through a competitive application process to local public housing authorities and non-profit organizations that are either organized in or licensed to operate in Tennessee

ESG: THDA will award funds competitively to nonprofit organizations and local governments that are located outside the ESG entitlements jurisdictions of Knoxville, Memphis, and Nashville-Davidson County. THDA will also set-aside up to \$150,000 to each of four communities: Chattanooga Clarksville, Johnson City, and Murfreesboro. The set-aside to Chattanooga will provide continued support to community following its loss in 2020 of its designation as an ESG entitlement community. The remaining three set-aside communities are locations of either a veterans hospital (Johnson City and Murfreesboro) or are located adjacent to a major military installation (Clarksville). These set-asides will support the state's efforts to end veterans homelessness across Tennessee.

THDA will spend up to 7.5 percent of its ESG allocation for administrative and planning expenses. THDA will share the amount available for administration with local governments which either receive funds through the State’s set-aside allocation or to local governments which are awarded funding under the competitive allocation.

HOPWA: Allocates funds by region in the state to seven Project Sponsors. Project Sponsor regions cover all of the counties in the state not covered by the HOPWA Eligible Metropolitan Statistical Area (EMSA) entitlements (Nashville EMSA and Memphis EMSA).

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SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

The priority needs identified by the State of Tennessee include the following:

1. Limited housing opportunities
2. Infrastructure, disinvestment, disaster recovery
3. Limited non-housing supportive services
4. Fair housing

Narrative

The State of Tennessee encourages public and private action that will facilitate community development and affordable housing opportunities for Tennesseans. The geographic scope of the Division of Housing planning authority is limited to CDBG non-entitlement areas and all CDBG planning grants are targeted to meet a CDBG National Objective in accordance with HUD program regulations.

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	HOME does not currently provide funding for TBRA; however, a pilot program proposal using TBRA for youth aging out of foster care is anticipated for review by the THDA Board of Directors. ESG programs provides TBRA through the Rapid Re-Housing program.
TBRA for Non-Homeless Special Needs	The HOPWA program provides TBRA through their voucher program.
New Unit Production	New housing units will be constructed in markets with a significant number of low-income households, an insufficient stock of affordable housing units, and areas in need of disaster recovery assistance.
Rehabilitation	Rehabilitation will be used in markets where there are significant numbers of low-income households requiring housing and an adequate stock of housing units, which could be rehabilitated into decent, safe, and affordable housing. In addition, the goal is to keep families and individuals in their homes, particularly elderly residents.
Acquisition, including preservation	The State of Tennessee will provide acquisition funds to grantees when demand demographics show that the projects will be financially feasible.

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SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

The following table summarizes the anticipated resources, broken down by program type, allocated by the State of Tennessee during the Consolidated Plan's planning period (FY 2020-2024).

Note: All allocations and resources are approximate and based on prior year funding. Official allocations will be announced later this Spring and will be updated here accordingly.

Anticipated Resources

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Program	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
		Annual Allocation: \$ (prior year allocation)	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	27,760,023	1,000,000	0	28,760,023	112,000,000	TNECD receives CDBG funds for the non-entitlement areas of the state. These funds and any program income or recovered funds are used primarily for public facility projects across the state.
HOME	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	8,984,790	100,000	12,353,228	21,438,018	40,000,000	THDA receives HOME funds for the cities, counties and profits outside of local participating jurisdictions. The funds and any program income or recovered funds are used to promote the production, preservation and rehabilitation of single family housing for low-income households.
Housing Trust Fund	Preservation, rehabilitation, and production of new construction of affordable rental housing units	3,377,390	0	1,295,919	4,673,309	20,000,000	THDA receives HTF funds to award grants to Public Housing Authorities and Non-Profit Developers to implement eligible affordable rental housing development activities.

ESG	Financial assistance Overnight/Day shelter Rapid re-housing (rental assistance) Prevention Rental Assistance Services Case Management Transitional housing	3,085,852	166,000	2,775,000	6,026,852	12,000,000	THDA receives ESG funds to provide the services necessary to help homeless persons or those at risk of being homeless quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.
HOPWA	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,404,510	0	0	1,404,510	5,000,000	TDOH receives HOPWA funds for housing activities that benefit low-income persons living with HIV/AIDS and their families.
Ryan White Funds	Other	500,000	0	0	500,000	2,000,000	Leveraged Ryan White funds

LIHC	Acquisition Multifamily rental new construction Multifamily rental rehab	\$430,096,020	0	0	\$430,096,020	The LIHC program allocates federal tax credits to developers of low income rental housing. Allocations are made on the front end for 10 years. The dollars reflected are the 10-year values of the allocations to be made during the ConPlan period.
Section 8 Contract Administration	Rental Assistance	188,320,989	0	0	188,320,989	The Section 8 Contract Administration Division of THDA administers the Project Based Section 8 Rental Assistance Program. THDA administers the Section 8 Housing Assistance Payments (HAP) Contracts and is responsible for approving and making the monthly payment to property owners throughout the state. At the end of calendar year 2019, the Division had 372 contracts, representing 28,501 units, and monthly HAPs averaging approximately \$15.6 million per month.

Homebuyer Education	Homebuyer Education	912,150	0	0	912,150	<p>THDA requires homebuyer education for our home loan programs and encourages it for everyone considering homeownership. The purpose of homebuyer education is not only to assist people with purchasing homes, but also to help them become successful homeowners. THDA provides approved local nonprofit organizations and UT Extension agents with materials to teach first-time homebuyer education classes and hosts certification training for homebuyer education providers.</p>
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<p>Tennessee Housing Trust Fund</p>	<p>Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership Short term or transitional housing facilities Transitional housing</p>	<p>7,500,000</p>	<p>0</p>	<p>0</p>	<p>7,500,000</p>	<p>The Tennessee Housing Trust Fund (THTF) funds six programs to address unmet housing needs in Tennessee. The Competitive Grants program targets rental housing needs across the state for low-, very low-, and extremely low-income residents. Other programs provide housing modifications for persons with disabilities, home repair for the elderly and disabled, new home construction and purchase for low income Tennesseans, and assistance for communities impacted by weather related incidents.</p>
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CITC	Other						CITC - Financial institutions may obtain a credit against the franchise and excise tax liability when qualified loans, investments, grants, or contributions are extended to eligible nonprofit organizations, development districts, public housing authorities, or THDA for activities that create or preserve affordable housing, help low-income Tennesseans obtain affordable housing, or activities that help build the capacity of eligible nonprofit organizations who provide housing opportunities for low income Tennesseans.
		272,690,244	0	0	272,690,244		
Housing Choice Voucher Program	Rental Assistance						The Housing Choice Voucher (HCV) program provides monthly rental assistance to eligible participants who are elderly, disabled, or of very low income.
		36,291,078	0	0	36,291,078		

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Community Development Block Grant

The CDBG program uses an Ability to Pay (ATP) Index to develop the required local match amounts from the applying local governments. The ATP developed as a requirement of the EPA-backed State Revolving Fund (SRF) for all city and county governments based on factors such as median household income, poverty rate, unemployment rate, food stamp dependency etc. ECD uses this ATP to create a match rate range of 10% - 30%. Additionally, local governments can receive a 4% reduction on its match by being located in a county that is actively participating in the ThreeStar program.

Applicants must submit a local government resolution with the application for the commitment of matching funds. If upon bidding the project budget must be increased, the local government must provide a commitment, usually in the form of a resolution, to cover the overage. During the reimbursement process, ECD only reimburses based on the percentage of each budget line item attributed to the grant. For instance, if the construction line item is 50% CDBG-funded, when a request for payment is submitted only 50% of the construction amount invoiced will be reimbursed.

HOME Investment Partnership Program

For HOME, THDA will continue to provide the required federal match. Although no local match is required from applicants, THDA will count toward its matching requirement any nonfederal project funds that qualify as match under the HOME rule. In the scoring matrix, any project that has leveraged funds will receive additional points.

Housing Trust Fund

For HTF, THDA will count leveraged funds provided by the applicant and grants from other sources as match funds. A contribution of value in the form of cash, materials or labor in a pre-approved form and method toward the hard development costs of a project is considered leveraged funds. In the scoring matrix, any project that has leveraged funds will receive additional points.

Emergency Solutions Grants (ESG)

The ESG program requires that grantees provide a dollar for dollar match of the ESG funds. Each grantee must provide a certification of matching funds. All grantees must supplement their ESG funds with equal amounts of funds or in-kind support from non-ESG sources. Certain other federal grants contain language that may prohibit their being used as a match. Matching funds or in-kind support must be provided after the date of the grant award to the recipient and within the period of the ESG contract with THDA. The recipient may not include funds used to match any previous ESG grant.

Housing Opportunities for Persons with AIDS/HIV (HOPWA)

HOPWA does not require a match for their grants.

If appropriate, describe publically owned land or property located within the state that may be used to address the needs identified in the plan

The TN CDBG program awards many projects each year that will be completed on publicly-owned property, particularly water and sewer system improvement projects where work is often done at water and wastewater treatment plants or other similar properties.

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SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

Responsible Entity	Responsible Entity Type	Role	Geographic Area Served
Tennessee Housing Development Agency	Government	Homelessness Ownership Planning Public Housing Rental	State
Tennessee Department of Economic and Community Development	Government	Economic Development Ownership public facilities public services	State
Tennessee Department of Health	Government	Non-homeless special needs	State

Assess of Strengths and Gaps in the Institutional Delivery System

Activities in the Consolidated Plan will be primarily carried out by the Tennessee Housing Development Agency, Department of Economic and Community Development and the Department of Health. The state also encourages collaborations with private sector partners, non-profit organizations and local service providers. In addition, the state leads and convenes a number of local and regional consortia of housing, development, and health professionals whose activities support the goals of the Consolidated Plan.

Ways to bridge possible gaps in the institutional delivery system are continuing to improve coordination between the consolidated planning partners and expanding the state’s use of online materials and reporting for sub-grantees.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

Homelessness Prevention Services	Available in the Community	Targeted to Homeless	Targeted to People with HIV
Homelessness Prevention Services			
Counseling/Advocacy	X	X	X
Legal Assistance	X	X	X
Mortgage Assistance	X	X	X
Rental Assistance	X	X	X
Utilities Assistance	X	X	X
Street Outreach Services			
Law Enforcement	X	X	
Mobile Clinics	X	X	
Other Street Outreach Services	X	X	
Supportive Services			
Alcohol & Drug Abuse	X	X	
Child Care	X		
Education	X	X	
Employment and Employment Training	X	X	
Healthcare	X	X	
HIV/AIDS	X	X	
Life Skills	X	X	X
Mental Health Counseling	X	X	
Transportation	X	X	X
Other			
Nutrition			X
Case Management			X

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

Mainstream services are services that are offered by the non-homeless services systems that are available to support individuals experiencing homelessness. These resources complement the system of care specifically funded to target homeless persons and are essential in moving individuals and families out of homelessness. A variety of mainstream services are available to Tennessee residents, such as Medicaid, SSI, SSDI, SNAP, WIC, Federal-State Unemployment, Public Housing, Section 8, Families First (TANF), and Job Center services. Homeless service providers refer clients to mainstream services based on their needs. Homeless persons must qualify based on their income, disability status, and family composition.

The Tennessee Department of Health, HIV/STD Section, HOPWA Program provides funding to a variety of agencies throughout Tennessee: Nashville Cares, Columbia Cares, Chattanooga Cares, Frontier Health, East Tennessee Human Resource Agency – Positively Living, West Tennessee Legal Services, and Upper Cumberland Human Resource Agency. HOPWA funding to these agencies largely support Short-term rent, mortgage and/or utility (STRMU) expenses. A total of \$546,579 was expended in STRMU from 2018 to 2019 to serve 376 households. An additional \$560,000 was used to provide TBRA to 32 households, hotel/motel vouchers for 77 households, permanent housing placements services for 490 households, and 490 households received other supportive services. These agencies also leverage funds from Health Resources and Services Administration, Ryan White program and additional public and private sources totaling more than \$500,000. Many of these agencies also have programs to aid persons returning from mental and physical health institutions.

THDA's ESG program partners with Continuums of Care across Tennessee who support local non-profits providing a range of services. The Tennessee Continuum of Care governs service provision and standards. Three CoCs receive direct HUD funding, and THDA offers funding to the remaining. CoC's help establish coordinated efforts to prevent and end homelessness at the regional level. In January 2020, THDA encouraged CoC's to attend feedback sessions on the Consolidated Plan related to ESG and homelessness strategy. CoC and their grantees discussed how they are reaching homeless populations, coordination with health/mental health and other services, and gave feedback on program parameters. CoC's and homeless related nonprofit agencies were surveyed at these workshops about services in their communities. Most of the services listed above were available at least in some communities, except for child care services targeted to the homeless population.

HOPWA and ESG partners provide a range of services to both homeless and non-homeless individuals including, but not limited to, case management, financial literacy, job training, food and clothing assistance, education support, counseling, housing services, and legal assistance.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

Significant barriers to services for homeless and other special populations mentioned in the ESG Workshops and Stakeholder Meetings include funding and limits on that funding, waitlists and coordination with PHAs about openings, transportation to services, childcare, cost of housing, funding for case management, willing landlords, health/mental health facilities closing, and others. Dental services were also mentioned as a need and as a way to identify potential clients. Participants also asked for increased communication and help with coordination among related services.

Particular groups mentioned who are often overlooked, hard to serve, or who don't quite qualify for needed services include older adults who need assistance but don't qualify as elderly or disabled, youth (transitioning out of foster care and other youth), lgbt, veterans, persons exiting the justice system,

persons with multiple special needs, persons with disabilities, sex offenders, and persons battling drug addictions.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

HOME is currently considering opening up funding for rental projects, which has been highly requested in different feedback sessions. ESG is also considering some minor program changes to accommodate the needs of grantees. Over the last year, ESG has also streamlined some reporting forms in order to more easily and consistently gather data that help determine funding needs.

THDA, ECD, and DOH consistently aim to improve relationships with community partners that help increase communication, coordination, and service improvements statewide.

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SP-45 Goals Summary – 91.315(a)(4)

Goals Summary Information

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Goal Name	Category	Geographic Area	Anticipated Funding	Goal Outcome Indicator
Creation and preservation of affordable housing	Affordable Housing	Non-Entitlement Statewide Grant Allocation Priority	HOME: \$21,438,018 HTF: \$4,673,309 CITC: \$272,690,244 TN HTF: \$7,500,000 HCV: \$36,291,078 Homebuyer Ed: \$912,150 LIHC: \$430,096,020 S8CA: \$188,320,989	HOME 8. Rental units rehabilitated (Household Housing Units): 90 9. Homeowner Housing Added (Household Housing Units): 24 10. Homeowner Housing Rehabilitated (Household Housing Units): 153 11. Direct Financial Assistance to Homebuyers (Households Assisted): 13 12. Tenant-based rental assistance / Rapid Rehousing (Households Assisted): 150 Housing Trust Fund 7. Rental units constructed (Household Housing Units): 40 8. Rental units rehabilitated (Household Housing Units): 8 CITC: 7. Rental units constructed (Household Housing Units) 1162 8. Rental units rehabilitated (Household Housing Units) 377 9. Homeowner Housing Added (Household Housing Units) 118 10. Homeowner Housing Rehabilitated (Household Housing Units) 8 TN HTF: 7. Rental units constructed (Household Housing Units) 146 8. Rental units rehabilitated (Household Housing Units) 76 9. Homeowner Housing Added (Household Housing Units) 50 10. Homeowner Housing Rehabilitated (Household Housing Units) 468 HCV 12. Tenant-based rental assistance / Rapid Rehousing (Households Assisted): 6149 plus 149 mainstream vouchers Homebuyer Education 11. Direct Financial Assistance to Homebuyers (Households Assisted): 3,500 LIHC 7. Rental units constructed (Household Housing Unit): 950 8. Rental units rehabilitated (Household Housing Unit): 870

Preserve homeless facilities & supportive services	Homeless	Non-Entitlement Statewide Grant Allocation Priority	ESG: \$3,085,852	12. Tenant-based rental assistance / Rapid Rehousing (Households Assisted) 4,000 13. Homeless Person Overnight Shelter (Persons Assisted) 6,100 15. Homelessness Prevention (Persons Assisted) 700
Preserve housing for persons with AIDS/HIV	Affordable Housing Non-Homeless Special Needs	Non-Entitlement Statewide Grant Allocation Priority	HOPWA: \$1,404,510 Leveraged Funds Ryan White: \$500,000	12. Tenant-based rental assistance / Rapid Rehousing (Households Assisted) 14 14. Overnight/ Emergency Shelter/Transitional Housing Beds added (Beds) 77 15. Homelessness Prevention (Persons Assisted) 490 16. Jobs created/retained (Jobs) 362
Physical infrastructure development	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$20,849,848	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit (Persons Assisted): 250,000
Revitalize disinvested areas & improve livability	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$4,891,998	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit (Persons Assisted): 130,000
TA, Job/Business Development, Administration	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$932,000	
Microenterprise support and development	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$115,000	Microenterprises/entrepreneurs assisted: 100
Recidivism reduction through workforce development	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$300,000	Workforce development programs in local jails established: 3
Fair Housing	Affordable Housing Public Housing Homeless	Non-Entitlement Statewide Grant Allocation Priority	Homebuyer Ed: \$912,150 CDBG: \$1,500 HOME: HTF: ESG: HOPWA:	

Goal Descriptions

1	Goal Name	Creation and preservation of affordable housing
	Goal Description	Create and maintain affordable rental and homeownership stock with the construction of new affordable housing, rehabilitate existing affordable housing, provide down payment assistance and provide tenant-based rental assistance to eligible populations
2	Goal Name	Preserve homeless facilities & supportive services
	Goal Description	Preserve homeless facilities to ensure they can continue to meet the needs of Tennessee's homeless population as well as provide resources to support those who are homeless or at-risk of homelessness.
3	Goal Name	Preserve housing for persons with AIDS/HIV
	Goal Description	Provide resources to preserve affordable housing options for those persons with HIV/AIDS.
4	Goal Name	Physical infrastructure development
	Goal Description	Provide resources to cities and communities to update and repair water and sewer systems. Also, create the base of infrastructure that will provide for a high quality of life for individuals, productive capacity for communities, and that will support economic development.
5	Goal Name	Revitalize disinvested areas & improve livability
	Goal Description	These projects are activities designed to provide other community development services to meet health and safety needs of the communities, particularly to benefit LMI persons. These projects can include purchasing fire trucks or ambulances, repaving roads, assisting with the building of community centers, treatment centers or other public service buildings not for the general use of government.
6	Goal Name	TA, Job/Business Development, Administration
	Goal Description	Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development and housing activities. Also, technical assistance to non-profit organizations, local development corporations, and local governing bodies. This goal will also help implement programs that will create a climate that is receptive to and encourages the growth of jobs.

7	Goal Name	Microenterprise support and development
	Goal Description	This goal aims to support and encourage microenterprise development and growth by funding local governments and non-profits to provide tools, education, and technical assistance.
8	Goal Name	Recidivism reduction through workforce development
	Goal Description	This goal aims to provide workforce development training and skills development programs to benefit incarcerated persons to reduce recidivism.
9	Goal Name	Fair housing
	Goal Description	Affirmatively furthering fair housing by providing training and technical assistance to communities, organizations, realtors, lenders and other stakeholders. Also provide fair housing counseling, outreach, and education to households, organizations, realtors, lenders and other stakeholders. Fair housing practices will be integrated into all of our housing activities and therefore cannot be quantified at the state level. It also does not fit into the indicator categories provided.

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SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

Information on PHA Section 504 Voluntary Compliance Agreements is not available to the state. THDA is not subject to a Section 504 Voluntary Compliance Agreement since the PHA activity of the agency is limited to managing the HCV program only.

Activities to Increase Resident Involvements

THDA applies annually for a HUD grant to manage a Family Self Sufficiency (FSS) program in association with its HCV program. Additionally, in its voucher program, THDA has a resident advisory board that meets annually to review changes to substantive policies, discuss other program concerns and approve the agency's Annual and Five Year Plan.

The state supports local PHA initiatives that provide self-sufficiency assistance to residents, encourage literacy, and provide safe places for children of public housing. The state further supports initiatives that serve the elderly and those with disabilities in public housing. The state does not assign priority to these populations over other low-income families, rather the local PHAs assess their community needs and assign priority.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the 'troubled' designation

N/a

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

The State of Tennessee is currently in the process of completing its Analysis of Impediments to Fair Housing Choice (AI) due for release in 2020. During the process of analysis, several potential issues regarding fair housing in the state have surfaced. Identification of these items as probable impediments to fair housing choice was based on HUD’s definition of impediments as actions, omissions, or decisions that restrict housing choice due to protected class status or actions, omissions, or decisions that have this effect. The identified impediments are supported by evidence uncovered during the AI process, with impediments of higher need being those identified in multiple sources. A full report will be released in the next few months and will be available on the THDA website.

Specific public policy related to the cost of housing and the incentives to develop, maintain, or improve affordable housing varies widely throughout the state. Many communities, especially densely populated jurisdictions, have adopted the “home rule,” which means municipalities control most zoning and land use decisions. The concern is that the “home rule” allows communities to use ordinances to keep affordable and multifamily housing—frequently the routes by which lower-income, often minority, households enter a community—from being developed. The state’s “home rule” provisions mean that zoning ordinances are left to the judgment of local governments. The net effect of these local actions could make housing more expensive than might be the case without the fees and regulations.

Additionally, requirements like background checks and an unwillingness to accept tenants using rental assistance, Housing Choice Voucher waitlist open and closing dates/times prevent case managers from accessing vouchers, long wait list at public housing agencies, prevent potential residents from accessing their units. Low wages and high rents and shortages of affordable housing unit available are barriers to affordable housing.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The CDBG program funds a small portion of housing rehabilitation for LMI homeowner occupied units, but an intended indirect impact of the CDBG funds are to help keep communities affordable by alleviating part of the cost burden on water and wastewater infrastructure improvements. Monthly utility bills are often cited by our local governments as directly affecting the affordability of the residents to continue to live in their communities. Without the inclusion of CDBG funds, these communities would have to raise utility rates to pay for these improvements.

ECD is also making efforts to work more closely with housing partners concerning affordability, including THDA, the Tennessee Commission on Aging and Disability (TCAD), and the Tennessee Affordable Housing Coalition (TNAHC) to research if there are opportunities for streamlining and leveraging of funded sources, and also to provide them with information and updates from ECD that could create impacts or implications for affordable housing, such as a large industrial recruitment that could result in 700 new jobs in a rural area.

THDA is reviewing options to re-authorize its funding to support Continuums of Care to develop or refine a system framework to better address veteran and chronic homelessness. If approved, THDA will support the participation of additional CoCs through the Built for Zero of Community Solutions.

THDA is evaluating opportunities to improve collaboration between local Continuums of Care serving THDA's Housing Choice Voucher service area and ESG grant recipients in order to support the transition of homeless individuals with disabilities for rapid re-housing assistance and other qualifying households to the Non-Elderly Disabled (NED) rental assistance vouchers administered by THDA.

THDA is also planning to administer a HOME-funded tenant based rental assistance pilot program for youth transitioning out of the state's foster care system. This opportunity will extend rental assistance for a period of up to two years for this vulnerable population.

THDA's ESG scoring criteria also prioritizes assistance for organizations that minimize barriers - including criminal background, financial requirements, sobriety - to accessing its services.

Low-Income Housing Tax Credits (LIHTC) are a federal incentive to invest in low-income housing. State housing finance agencies allocate federal tax credits in return for restrictions on rent and tenant income. Without the credits, which are the primary source of capital for investors in these development, they likely would not be built. Tennessee property assessors consider the credits when determining the value of these structures for property tax purposes because the credits are an indication of what the property is worth to a buyer. Tennessee is one of only five states which include the value of the credit when assessing property taxes. The policy confuses invested capital with future income resulting in the overvaluation and consequent over-taxation of tax credit financed properties. This can lead to an affordable housing barrier because the amount the credits add declines over time as the credits phase out, which can cause a cash flow problem for the taxpayer in the early years when tax bills are larger. The tax bill starts high the first year and drops each year until the tax credits run out after ten years. The Tennessee Advisory Commission on Intergovernmental Relations (TACIR), a public policy group called on to study the legislation, released a report in 2015 which describes two other alternatives to the current method, both of which would make it easier for property owners to budget for taxes while still recognizing the properties' market values.

SP-60 Homelessness Strategy – 91.315(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Annually, the ten Tennessee Continuum of Cares will continue to conduct PIT counts of those who are homeless in Tennessee. The PITC allows participant agencies to assess the level of homelessness needs in the community, as well as provide referral services and resources to homeless persons.

The State of Tennessee also recognizes that in addition to the PITC, street outreach to those experiencing homelessness is necessary in order to engage them and work towards housing stability. Tennessee will encourage ESG grant recipients to use best practices in street outreach, which seek to meet basic needs and engage those experiencing homelessness in a respectful way.

Addressing the emergency and transitional housing needs of homeless persons

The state prioritizes the use of its ESG resources for rapid re-housing assistance, yet also continues to fund shelter services to support the emergency needs of homeless individuals and families.

THDA provides funding through its Competitive Grants program to support the development of transitional housing and permanent rental housing opportunities across Tennessee. THDA offers two funding cycles annually, prioritizing programs that serve youth transitioning from the state's foster care system, ex-offenders, and homeless veterans.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Tennessee's strategic plan goals contribute to helping homeless persons make the transition to permanent housing and independent living by providing funds for facilities operated by agencies that serve these populations and by expanding affordable housing options to these populations.

THDA is reviewing options to re-authorize its funding to support Continuums of Care to develop or refine a system framework to better address veteran and chronic homelessness. If approved, THDA will support the participation of additional CoCs through the Built for Zero of Community Solutions.

THDA is evaluating opportunities to improve collaboration between local Continuums of Care serving THDA's Housing Choice Voucher service area and ESG grant recipients in order to support the transition

of homeless individuals with disabilities for rapid re-housing assistance and other qualifying households to the Non-Elderly Disabled (NED) rental assistance vouchers administered by THDA.

THDA is also planning to administer a HOME-funded tenant based rental assistance pilot program for youth transitioning out of the state's foster care system. This opportunity will extend rental assistance for a period of up to two years for this vulnerable population.

THDA's ESG scoring criteria also prioritizes assistance for organizations that minimize barriers - including criminal background, financial requirements, sobriety - to accessing its services.

Additionally, THDA offers Competitive Grants that are awarded twice a year to develop and/or preserve affordable rental housing for the elderly and those with special needs, including persons with mental, physical, or developmental disabilities; individuals recovering from substance addiction; victims of domestic violence; veterans with multiple needs; youth aging out of foster care; and ex-offenders re-entering society. Eligible applicants are local communities, non-profit agencies, public housing authorities, and development districts.

THDA recently partnered with the Tennessee Department of Mental Health and Substance Abuse Services to offer the Creating Homes Initiative-2 (CHI-2) Program, a competitive grant award program that seeks to expand permanent recovery housing options for individuals recovering from an Opioid Use Disorder (OUD). \$3 million is currently available, with a maximum grant award amount up to \$500,000. THDA will accept applications from private organizations, non-profit organizations and local public housing authorities. All housing funded through the CHI-2 Program must be rental and address the housing needs of households recovering from OUD, with incomes at-or-below 80% of the Area Median Income (AMI).

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

The above programs assist both the homeless and persons at risk of homelessness.

Additionally, THDA is preparing to launch a pilot HOME-funded tenant based rental assistance program that will support the transition of youth transitioning from the state's foster care system. Additionally, THDA's Competitive Grants program provides funds to organizations that are seeking to develop either or permanent or transitional rental housing, with a priority for applications which will target youth transitioning out of the state's foster care system or ex-offenders. The State also participates on several committees serving both ex-offenders and youth transitioning out of foster care.

A number of programs are available for low-income elderly and disabled homeowners including Home Modifications and Ramps and Emergency Repair.

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SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

The State of Tennessee addresses hazards of lead based paint in the state through the following programs/initiatives. In May 1999, by state legislation, the Tennessee Department of Environment and Conservation (TDEC) was given the necessary authority to have lead-based paint training in the state. The legislation also gave TDEC the authority to monitor lead abatement in the state to assure that contractors and owners of units comply with applicable laws. The division of solid waste management of TDEC received authorization from the Environmental Protection Agency (EPA) on January 17, 2001, to administer the program in the state. The state has established guidelines for training of lead-abatement contractors and their workers in the state.

Lead-based paint policies are also in effect for each of the five formula programs in the state. Specifically, grantees must give participants notice of possible lead hazards within the unit when the house is pre-1978, informing them of possible lead dangers. For families with children under age seven, grantees must inspect units that might have lead contamination and provide the necessary abatement or encapsulation activities. Families must be given a federally approved pamphlet on lead poisoning prevention.

The Tennessee Department of Health's Childhood Lead Poisoning Prevention Program and Healthy Homes Initiative provides lead poisoning information such as lead sources and prevention tips for parents and health care professional. The Prevention Programs requires TennCare, the state health system for uninsured persons, to test children enrolled in the program. All children, regardless of payer source, with elevated blood lead levels receive case management services. Children with a blood lead level that repeats elevated or is > 20 µg/dl may receive an environmental investigation per the physician's request. The department links with the Tennessee Department of Environment and Conservation's information on lead assessment and abatement programs.

How are the actions listed above integrated into housing policies and procedures?

See above.

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

Tennessee’s anti-poverty strategy examines how both the CDBG and the HOME programs address the needs of individuals in the state with incomes below 30 percent of the area median income (AMI). While both the HOME program and the CDBG program serve persons up to 80 percent of the AMI, it is important to note that both programs recognize the special circumstances faced by extremely low- or very low-income individuals and families.

HOME – The HOME Program serves very low- and low-income households. Very low-income households are defined as those households whose annual income is 50 percent or less of the AMI for the county in which the household resides. Low-income households are defined as those households whose annual income is between 50 percent and 80 percent of the AMI for the county in which the household resides. Additionally, the THDA Board of Directors has expressed intent that very low-income persons be served. In 2018-19, 70 percent of HOME beneficiaries were very low-income households. Almost half of the very low-income households qualified as extremely low income (0-30% AMI).

Housing Trust Fund - HTF provides funding for the production, preservation, rehabilitation, and operation of affordable rental housing for extremely low income (ELI) households. ELI is defined as earning no more than 30% of the Area Median Income (AMI) or the federal poverty limit for the county in which the housing is located.

ESG used supportive service dollars to help fund The Built for Zero Collaborative. This initiative is a yearlong peer learning journey facilitated by Community Solutions, Inc., and designed to help a CoC to end chronic and veteran homelessness. While Tennessee’s participation focused on veterans, participants will learn with and from other communities as participating CoCs build a reliable by-name list and start using new tools and methods to drive measurable, monthly reductions of homeless veterans. The goal for each participating CoC will be to achieve “functional zero” among this population across its Continuum.

The state’s anti-poverty strategy is addressed through non-housing initiatives within state government, such as Workforce Development/Investment which involves a consortium of agencies in the state working together to assist persons in poverty find employment. The Family Self Sufficiency Program and the Families First Program (Temporary Assistance for Needy Families/TANF program), help with transportation, as well as a number of other services to assist low-income families in finding and maintaining employment.

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

The State of Tennessee’s poverty reducing goals, programs, and policies are coordinated between government agencies and work to ensure gaps in services and funding are addressed, while maximizing the utilization of each funding source. The State understands that local and regional anti-poverty agencies are well-situated to respond to the specific needs of their individual communities. Therefore, Tennessee will continue to refer housing program participants to local community resources and programs, as participant needs are identified. Tennessee will also seek to provide funding to help these agencies support housing initiatives as a critical component of their unique mix of programs operating to advance economic self-sufficiency.

DRAFT

SP-80 Monitoring – 91.330

Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Each state department responsible for the administration and delivery of the five HUD funded programs has developed standards and procedures for monitoring the activities through the development of program guidelines and through ongoing monitoring of program recipients, such as regular monitoring visits and required progress reports. These activities insure that the ultimate recipients of program funds are carrying out the objectives of the program as described in the five-year Consolidated Plan and annual Action Plans.

All CDBG-funded activities are monitored on-site at least once before the activity can be closed. Depending on the scope and/or length of time for implementation an activity may be monitored again on-site on through a desk review. For construction activities, monitoring is triggered once construction has reached 50% completion; this allows for enough work to have been completed to adequately review labor compliance and enough time left to resolve any findings. Activities that require purchase of equipment, such as a fire truck, are monitored upon delivery on the equipment. This provides the monitor to ability to verify the equipment is on-site and that the sub-recipient is in full ownership of the equipment.

ANNUAL ACTION PLAN YEAR 1

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

The following table summarizes the anticipated resources, broken down by program type, allocated by the State of Tennessee during year five of the Consolidated Plan's planning period (FY 2020-2024).

Note: All allocations and resources are approximate and based on prior year funding. Official allocations will be announced later this Spring and will be updated here accordingly.

Anticipated Resources

Program	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
		Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	27,760,023	1,000,000	0	28,760,023	112,000,000	TNECD (Tennessee Economic and Community Development) receives CDBG funds for the non-entitlement areas of the state. These funds and any program income or recovered funds are used primarily for public facility projects across the state. Program income will be applied to the funding of additional regular round activities. At least \$1,000,000 of recovered funds from prior activities will be held for funding imminent threat projects during the year. At the end of the year excessive balances will be allocated for use in the next program year.
HOME	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	8,984,790	100,000	12,353,228	21,438,018	40,000,000	THDA receives HOME funds for the cities, counties and nonprofits outside of local participating jurisdictions (PJs) and for CHDO organizations statewide. The funds and any program income or recovered funds are used to promote the production, preservation and rehabilitation of single family housing for low-income households.
Housing Trust Fund	Preservation, rehabilitation, and production of new construction of affordable rental housing units	3,377,390	0	1,295,919	4,673,309	20,000,000	The Housing Trust Fund (HTF) is an affordable housing production program that complements federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households, including homeless families.

ESG	Financial assistance Overnight/Day shelter Rapid re-housing (rental assistance) Prevention Rental Assistance Services Case Management Transitional housing	3,085,852	166,000	2,775,000	6,026,852	12,000,000	THDA receives ESG funds to provide the services necessary to help homeless persons or those at risk of being homeless quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.
HOPWA	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,404,510	0	0	1,404,510	5,000,000	TDOH receives HOPWA funds for housing activities that benefit low-income persons living with HIV/AIDS and their families.
Ryan White Funds	Other	500,000	0	0	500,000	2,000,000	Leveraged Ryan White funds.
LIHC	Acquisition Multifamily rental new construction Multifamily rental rehab	\$430,096,020	0	0	\$430,096,020		The LIHC program allocates federal tax credits to developers of low income rental housing. Allocations are made on the front end for 10 years. The dollars reflected are the 10-year values of the allocations to be made during the ConPlan period.

Section 8 Contract Administration	Rental Assistance	188,320,989	0	0	188,320,989	The Section 8 Contract Administration Division of THDA administers the Project Based Section 8 Rental Assistance Program. THDA administers the Section 8 Housing Assistance Payments (HAP) Contracts and is responsible for approving and making the monthly payment to property owners throughout the state. At the end of calendar year 2019, the Division had 372 contracts, representing 28,501 units, and monthly HAPs averaging approximately \$15.6 million per month.
Homebuyer Education	Homebuyer Education	912,150	0	0	912,150	THDA requires homebuyer education for our home loan programs and encourages it for everyone considering homeownership. The purpose of homebuyer education is not only to assist people with purchasing homes, but also to help them become successful homeowners. THDA provides approved local nonprofit organizations and UT Extension agents with materials to teach first-time homebuyer education classes and hosts certification training for homebuyer education providers.
Tennessee Housing Trust Fund	Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership Short term or transitional housing facilities Transitional housing	7,500,000	0	0	7,500,000	The Tennessee Housing Trust Fund (THTF) funds six programs to address unmet housing needs in Tennessee. The Competitive Grants program targets rental housing needs across the state for low-, very low-, and extremely low-income residents. Other programs provide housing modifications for persons with disabilities, home repair for the elderly and disabled, new home construction and purchase for low income Tennesseans, and assistance for communities impacted by weather related incidents.

CITC	Other						CITC - Financial institutions may obtain a credit against the franchise and excise tax liability when qualified loans, investments, grants, or contributions are extended to eligible nonprofit organizations, development districts, public housing authorities, or THDA for activities that create or preserve affordable housing, help low-income Tennesseans obtain affordable housing, or activities that help build the capacity of eligible nonprofit organizations who provide housing opportunities for low income Tennesseans.
		272,690,244	0	0	272,690,244		
Housing Choice Voucher Program	Rental Assistance	36,291,078	0	0	36,291,078		The Housing Choice Voucher (HCV) program provides monthly rental assistance to eligible participants who are elderly, disabled, or of very low income.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The CDBG program uses an Ability to Pay (ATP) Index to develop the required local match amounts from the applying local governments. The ATP developed as a requirement of the EPA-backed State Revolving Fund (SRF) for all city and county governments based on factors such as median household income, poverty rate, unemployment rate, food stamp dependency etc. ECD uses this ATP to create a match rate range of 10% - 30%. Additionally, local governments can receive a 4% reduction on its match by being located in a county that is actively participating in the ThreeStar program.

Applicants must submit a local government resolution with the application for the commitment of matching funds. If upon bidding the project budget must be increased, the local government must provide a commitment, usually in the form of a resolution, to cover the overage. During the reimbursement process, ECD only reimburses based on the percentage of each budget line item attributed to the grant. For instance, if the construction line item is 50% CDBG-funded, when a request for payment is submitted only 50% of the construction amount invoiced will be reimbursed.

HOME Investment Partnerships Program: For HOME, THDA includes a scoring item that encourages the submission of applications that include match resources eligible under the federal HOME program regulations. Up to 20 points are available for applications from local governments and non-profits and up to 15 points for applications from CHDOs that will contribute eligible match resources to assist the State in meeting its required match obligations. Although no local match is required from applicants,

THDA will also count toward its matching requirement any nonfederal project funds that qualify as match under the HOME rule. Finally, THDA will draw upon excess match contributions to meet its match liability generated during the program year. In the scoring matrix, any project that has leveraged funds will receive additional points.

Housing Trust Fund (HTF): THDA will provide a preference for applications that include the use of non-THDA, federal and non-federal resources towards the development of the housing. THDA will not consider rental assistance provided for the purposes of this category. THDA will award points based on the actual percentage of other non-THDA funds in the project against the total development costs of the project. In order to receive points, written documentation committing the non-THDA funds must be included in the application.

Emergency Solutions Grants Program (ESG): The ESG program requires that grantees provide a dollar for dollar match for ESG funds. Each grantee must provide a certification of matching funds. All grantees must supplement their ESG funds with equal amounts of funds or in-kind support from non-ESG sources. Certain other federal grants contain language that may prohibit their being used as a match. Matching funds or in-kind support must be provided after the date of the grant award to the recipient and within the period of the ESG contract with THDA. The recipient may not include funds used to match any previous ESG grant.

HOPWA does not require a match for their grants.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The TN CDBG program awards many projects each year that will be completed on publicly-owned property, particularly water and sewer system improvement projects where work is often done at water and wastewater treatment plants or other similar properties.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

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Goal Name	Category	Geographic Area	Anticipated Funding	Goal Outcome Indicator
Creation and preservation of affordable housing	Affordable Housing	Non-Entitlement Statewide Grant Allocation Priority	HOME: \$21,438,018 HTF: \$4,673,309 CITC: \$272,690,244 TN HTF: \$7,500,000 HCV: \$36,291,078 Homebuyer Ed: \$912,150 LIHC: \$430,096,020 S8CA: \$188,320,989	HOME 8. Rental units rehabilitated (Household Housing Units): 90 9. Homeowner Housing Added (Household Housing Units): 24 10. Homeowner Housing Rehabilitated (Household Housing Units): 153 11. Direct Financial Assistance to Homebuyers (Households Assisted): 13 12. Tenant-based rental assistance / Rapid Rehousing (Households Assisted): 150 Housing Trust Fund 7. Rental units constructed (Household Housing Units): 40 8. Rental units rehabilitated (Household Housing Units): 8 CITC: 7. Rental units constructed (Household Housing Units) 1162 8. Rental units rehabilitated (Household Housing Units) 377 9. Homeowner Housing Added (Household Housing Units) 118 10. Homeowner Housing Rehabilitated (Household Housing Units) 8 TN HTF: 7. Rental units constructed (Household Housing Units) 146 8. Rental units rehabilitated (Household Housing Units) 76 9. Homeowner Housing Added (Household Housing Units) 50 10. Homeowner Housing Rehabilitated (Household Housing Units) 468 HCV 12. Tenant-based rental assistance / Rapid Rehousing (Households Assisted): 6149 plus 149 mainstream vouchers Homebuyer Education 11. Direct Financial Assistance to Homebuyers (Households Assisted): 3,500 LIHC 7. Rental units constructed (Household Housing Unit): 950 8. Rental units rehabilitated (Household Housing Unit): 870

Preserve homeless facilities & supportive services	Homeless	Non-Entitlement Statewide Grant Allocation Priority	ESG: \$3,085,852	12. Tenant-based rental assistance / Rapid Rehousing (Households Assisted) 4,000 13. Homeless Person Overnight Shelter (Persons Assisted) 6,100 15. Homelessness Prevention (Persons Assisted) 700
Preserve housing for persons with AIDS/HIV	Affordable Housing Non-Homeless Special Needs	Non-Entitlement Statewide Grant Allocation Priority	HOPWA: \$1,404,510 Leveraged Funds Ryan White: \$500,000	12. Tenant-based rental assistance / Rapid Rehousing (Households Assisted) 14 14. Overnight/ Emergency Shelter/Transitional Housing Beds added (Beds) 77 15. Homelessness Prevention (Persons Assisted) 490 16. Jobs created/retained (Jobs) 362
Physical infrastructure development	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$20,849,848	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit (Persons Assisted): 250,000
Revitalize disinvested areas & improve livability	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$4,891,998	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit (Persons Assisted): 130,000
TA, Job/Business Development, Administration	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$932,000	
Microenterprise support and development	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$115,000	Microenterprises/entrepreneurs assisted: 100
Recidivism reduction through workforce development	Non-Housing Community Development	Non-Entitlement Statewide Grant Allocation Priority	CDBG: \$300,000	Workforce development programs in local jails established: 3
Fair Housing	Affordable Housing Public Housing Homeless	Non-Entitlement Statewide Grant Allocation Priority	Homebuyer Ed: \$912,150 CDBG: \$1,500 HOME: HTF: ESG: HOPWA:	

Goal Descriptions

1	Goal Name	Creation and preservation of affordable housing
	Goal Description	Create and maintain affordable rental and homeownership stock with the construction of new affordable housing, rehabilitate existing affordable housing, provide down payment assistance and provide tenant-based rental assistance to eligible populations
2	Goal Name	Preserve homeless facilities & supportive services
	Goal Description	Preserve homeless facilities to ensure they can continue to meet the needs of Tennessee's homeless population as well as provide resources to support those who are homeless or at-risk of homelessness.
3	Goal Name	Preserve housing for persons with AIDS/HIV
	Goal Description	Provide resources to preserve affordable housing options for those persons with HIV/AIDS.
4	Goal Name	Physical infrastructure development
	Goal Description	Provide resources to cities and communities to update and repair water and sewer systems. Also, create the base of infrastructure that will provide for a high quality of life for individuals, productive capacity for communities, and that will support economic development.
5	Goal Name	Revitalize disinvested areas & improve livability
	Goal Description	These projects are activities designed to provide other community development services to meet health and safety needs of the communities, particularly to benefit LMI persons. These projects can include purchasing fire trucks or ambulances, repaving roads, assisting with the building of community centers, treatment centers or other public service buildings not for the general use of government.
6	Goal Name	TA, Job/Business Development, Administration
	Goal Description	Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development and housing activities. Also, technical assistance to non-profit organizations, local development corporations, and local governing bodies. This goal will also help implement programs that will create a climate that is receptive to and encourages the growth of jobs.

7	Goal Name	Microenterprise support and development
	Goal Description	This goal aims to support and encourage microenterprise development and growth by funding local governments and non-profits to provide tools, education, and technical assistance.
8	Goal Name	Recidivism reduction through workforce development
	Goal Description	This goal aims to provide workforce development training and skills development programs to benefit incarcerated persons to reduce recidivism.
9	Goal Name	Fair housing
	Goal Description	Affirmatively furthering fair housing by providing training and technical assistance to communities, organizations, realtors, lenders and other stakeholders. Also provide fair housing counseling, outreach, and education to households, organizations, realtors, lenders and other stakeholders. Fair housing practices will be integrated into all of our housing activities and therefore cannot be quantified at the state level. It also does not fit into the indicator categories provided.

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AP-25 Allocation Priorities – 91.320(d)

Introduction:

Tennessee will address the strategic housing and community needs as articulated in the Consolidated Plan through the five Consolidated Planning grants and other resources that the state and HUD provide to address this need.

Funding Allocation Priorities

	Creation and preservation of affordable housing (%)	Preserve homeless facilities & supportive services (%)	Preserve housing for persons with AIDS/HIV (%)	Physical infrastructure development (%)	Revitalize disinvested areas & improve livability (%)	TA, Job/Business Development, Administration (%)	Microenterprise support and development (%)	Recidivism reduction through workforce development (%)	Fair housing (%)	Total (%)
CDBG	4	0	0	75	17	3	0	1	0	100
HOME	99	0	0	0	0	0	0	0	1	100
HTF	100	0	0	0	0	0	0	0	0	100
ESG	0	99	0	0	0	0	0	0	1	100
HOPWA	0	0	100	0	0	0	0	0	0	100
Ryan White Funds	0	0	100	0	0	0	0	0	0	100
LIHC	100	0	0	0	0	0	0	0	0	100
Section 8 Contract Administration	100	0	0	0	0	0	0	0	0	100
Homebuyer Education	0	0	0	0	0	0	0	0	100	100
Tennessee Housing Trust Fund	100	0	0	0	0	0	0	0	0	100
CITC	100	0	0	0	0	0	0	0	0	100
Housing Choice Voucher Program	100	0	0	0	0	0	0	0	0	100

Reason for Allocation Priorities

HOPWA: the proposed distribution of funds address all of our priority need housing areas to include but not limited to preserving affordable housing, provide suitable living environments, permanent housing placement- PHP, short term rent, mortgage and utility assistance STRMU, tenant-based rental assistance –TBRA, Supportive Services- SS to the extent that it is driven by applicant demand of these activities and federal and State statutory or regulatory requirements for the use of these funds to prevent and or alleviate homelessness among people living with HIV/AIDS.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

Each of the five Consolidated Planning Programs has its own method of distribution. Each method is intended to ensure that all non-entitlement areas can compete for these funds. Program specific need-based preferences can be found in these methods of distribution.

Since 2014, Tennessee’s HOME Program allows only homeowner rehabilitation, reconstruction and homebuyer down payment assistance in its Urban/Rural allocations and the development of units for homeownership by Community Housing Development Organizations (CHDOs) in its CHDO set-aside. However, THDA will be developing and implementing rental housing development and tenant based rental assistance programs using HOME funds during the program year. Additionally, the Housing Trust Fund and the Tennessee Housing Trust Fund Competitive Grants programs will target households at 30% AMI and 50% AMI, respectively. There is a deep need in all of these types of housing, and the provision of state funds in the rental housing sector is a reflection of our commitment to address each of these needs.

CDBG has proposed two new initiatives:

- Microenterprise support and development: The State of Tennessee has a rolling application open for local governments, nonprofit entities, and institutions of higher education to plan, education, training, and provide resources to microenterprises and entrepreneurs. This program is the TN Placemakers program and includes CDBG and state funding sources.
- Recidivism reduction through workforce development: Public service program targeting incarcerated persons to provide workforce development training and skills development programs expand economic opportunity and reduce recidivism.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

The below methods of distribution describe how individual programs will allocate their funding to particular projects and the program parameters used in assessing funding needs. Also included are methods for how competitive applications are assessed and awarded.

Distribution Methods

1	State Program Name:	CDBG - Regular Round
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The State of Tennessee holds an annual round of applications open to all non-entitlement jurisdictions that do not have a grant open at the time of application. A public meeting was held in September of 2019 to discuss the application and award process of the 2020 grants. All local officials from eligible non-entitlement jurisdictions, along with administrators and engineers who frequently work with CDBG projects, were invited to participate and offer comments. More than 50 people were in attendance.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>All applications must meet four criteria, before being scored:</p> <ol style="list-style-type: none"> 1. Meet a National Objective 2. Be an eligible activity 3. Be a non-entitlement jurisdiction 4. Be an eligible community development objective <ul style="list-style-type: none"> • Physical Infrastructure Development - to create the base of infrastructure that will provide for a high quality of life for individuals and productive capacity for communities. • Community Livability Development - to develop an improved community livability by enhancing emergency and protective services or making improvements to the physical environment. • Target Economic Distress - to deliver community development programs in a manner that provides maximum assistance not only to economically disadvantaged individuals, but also to economically disadvantaged areas of the state. • Maximize Grantees - to use the resources available to the state in a manner which will maximize the number of grantees and, therefore, beneficiaries of the programs. <p>For State Fiscal Year 2019-20, applicants may apply for funding from one of five different program categories: Economic Development, Water/Sewer, Housing Rehabilitation, Community Livability and Commercial Façade Improvements. All</p>

		<p>Urgent Need/Imminent Threat projects must also fall into one of the program categories.</p> <p>Applications are scored based on the following criteria:</p> <ol style="list-style-type: none"> 1. Community Need <ul style="list-style-type: none"> • Latest annual county unemployment rate. • Target area/Census tract per capita income • 2010-2019 average county unemployment rate • 2018 5 Year ACS per capita income 2. Project Need: Project need points measure the degree to which there is a need for the project (example: no existing facilities or existing facilities are inadequate). Due to the different types of projects, project need points are structured differently based on project type. 3. Project Feasibility: Project Feasibility is not scored and is instead a threshold for water/sewer projects. The feasibility of Community Livability projects are based on 1) quality of design, 2) cost effectiveness, 3) Alternatives, 4) Adequacy of operating budget, 5) Quality of documentation that the project will solve the problem. Housing feasibility is based on the assessment of the amount of work needed as proposed and the magnitude of the problems. 4. Project Impact: Project Impact is scored on the CDBG cost per person and the CDBG cost per LMI person (based on county LMI percentage) for all applications. The rate factor is also included for water/sewer applications. 5. Project Essentialness: Project essentialness points apply only to community livability projects and are designed to assess the degree to which the project is essential for the maintenance of safe and tolerable living conditions. Scores of three ECD reviewers will be averaged. 6. Economic Development: Up to 10 additional points are available to applications that exhibit economic development impacts as a result of the project.
	<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>All CDBG manuals and applications materials are available on the ECD website and by request.</p>

<p>Describe how resources will be allocated among funding categories.</p>	<table border="0"> <tr> <td>Water and Sewer Projects</td> <td>\$20,900,000 (75%)</td> </tr> <tr> <td>Community Livability Projects</td> <td>\$4,900,000 (18%)</td> </tr> <tr> <td>Housing Projects</td> <td>\$1,028,023 (4%)</td> </tr> <tr> <td>Commercial Façade Projects</td> <td>\$0 (0%)</td> </tr> <tr> <td>Administration and Tech. Assistance</td> <td>\$932,000 (3%)</td> </tr> <tr> <td>Total</td> <td>\$27,760,023 (100%)</td> </tr> </table> <p>Program income will be applied to the funding of additional regular round activities. At least \$1,000,000 of recovered funds from prior activities will be held for funding imminent threat projects during the year. At the end of the year, excessive balances will be allocated for use in the next program year.</p>	Water and Sewer Projects	\$20,900,000 (75%)	Community Livability Projects	\$4,900,000 (18%)	Housing Projects	\$1,028,023 (4%)	Commercial Façade Projects	\$0 (0%)	Administration and Tech. Assistance	\$932,000 (3%)	Total	\$27,760,023 (100%)
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Commercial Façade Projects	\$0 (0%)												
Administration and Tech. Assistance	\$932,000 (3%)												
Total	\$27,760,023 (100%)												
<p>Describe threshold factors and grant size limits.</p>	<p>Community Livability grants have a maximum threshold request of \$400,000. Housing has a threshold of \$500,000. Water and sewer have thresholds of \$600,000. Projects located in a ThreeStar participating county have the opportunity for an additional 5% in grant funds.</p>												
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Number of projects expected to be completed under each of the activity descriptions based on prior grant years. Additionally, the CDBG program tracks each project upon close as meeting on the following outcome categories:</p> <ul style="list-style-type: none"> • Accessibility/Availability • Affordability • Sustainability 												
<p>2</p>	<table border="1"> <tr> <td data-bbox="250 1203 618 1255"> <p>State Program Name:</p> </td> <td data-bbox="618 1203 1563 1255"> <p>CDBG – Microenterprise support and development</p> </td> </tr> <tr> <td data-bbox="250 1255 618 1308"> <p>Funding Sources:</p> </td> <td data-bbox="618 1255 1563 1308"> <p>CDBG</p> </td> </tr> <tr> <td data-bbox="250 1308 618 1472"> <p>Describe the state program addressed by the Method of Distribution.</p> </td> <td data-bbox="618 1308 1563 1472"> <p>The State of Tennessee has a rolling application open for local governments, nonprofit entities, and institutions of higher education to plan, education, training, and provide resources to microenterprises and entrepreneurs. This program is the TN Placemakers program and includes CDBG and state funding sources.</p> </td> </tr> <tr> <td data-bbox="250 1472 618 1883"> <p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p> </td> <td data-bbox="618 1472 1563 1883"> <p>Applications that are funded using CDBG funds must meet the following criteria:</p> <ol style="list-style-type: none"> 5. Meet a National Objective 6. Be an eligible activity 7. Be a non-entitlement jurisdiction <p>Applications are scored based on the following criteria:</p> <ol style="list-style-type: none"> 7. Project Need (25 points) <ul style="list-style-type: none"> • How and why did you choose the proposed project? Why is this project important for the community? </td> </tr> </table>	<p>State Program Name:</p>	<p>CDBG – Microenterprise support and development</p>	<p>Funding Sources:</p>	<p>CDBG</p>	<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The State of Tennessee has a rolling application open for local governments, nonprofit entities, and institutions of higher education to plan, education, training, and provide resources to microenterprises and entrepreneurs. This program is the TN Placemakers program and includes CDBG and state funding sources.</p>	<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Applications that are funded using CDBG funds must meet the following criteria:</p> <ol style="list-style-type: none"> 5. Meet a National Objective 6. Be an eligible activity 7. Be a non-entitlement jurisdiction <p>Applications are scored based on the following criteria:</p> <ol style="list-style-type: none"> 7. Project Need (25 points) <ul style="list-style-type: none"> • How and why did you choose the proposed project? Why is this project important for the community? 				
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<p>Funding Sources:</p>	<p>CDBG</p>												
<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The State of Tennessee has a rolling application open for local governments, nonprofit entities, and institutions of higher education to plan, education, training, and provide resources to microenterprises and entrepreneurs. This program is the TN Placemakers program and includes CDBG and state funding sources.</p>												
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Applications that are funded using CDBG funds must meet the following criteria:</p> <ol style="list-style-type: none"> 5. Meet a National Objective 6. Be an eligible activity 7. Be a non-entitlement jurisdiction <p>Applications are scored based on the following criteria:</p> <ol style="list-style-type: none"> 7. Project Need (25 points) <ul style="list-style-type: none"> • How and why did you choose the proposed project? Why is this project important for the community? 												

	<ul style="list-style-type: none"> • Can you demonstrate existing demand for the project (Use specific data if available)? • How will this project assist your current plan of work to support or grow entrepreneurship? • How is this an innovative approach? <p>8. Project Impact: (25 points)</p> <ul style="list-style-type: none"> • Describe how additional funds will be leveraged to increase the impact of this project? • Provide the expected outcomes for the project. • What is the target area, number of participants, and demographics of participants your project will serve? • Will other partners participate? • What will their role be? • Describe how this project is scalable and replicable. <p>9. Project Plan (25 Points)</p> <ul style="list-style-type: none"> • What does success look like for this project? • What metrics will you use to determine success (qualitative and quantitative)? • How many jobs do you predict will be created with this project (Provide a conservative and best-case scenario)? • What is your recruitment plan for participation in your program? <p>10. Feasibility and Sustainability (25 Points)</p> <ul style="list-style-type: none"> • What is the timeline for execution of this project/program? • Describe the qualifications of the person(s) administering the program, providing the training, and managing the finances. • How will the project be sustained after the funding period concludes? What challenges or barriers do you expect? <p>11. Budget (10 Points):</p> <ul style="list-style-type: none"> • Provide a budget narrative for the proposed budget including information on how the budget was developed. • Is the budget reasonable, comprehensive, and comprehensible?
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>The application and program guidelines are on the ECD website.</p>

	<p>Describe how resources will be allocated among funding categories.</p>	<p>\$400,000</p> <p>The funding for these projects comes from recoveries and program income.</p>
	<p>Describe threshold factors and grant size limits.</p>	<p>Applicants can apply under 3 categories: Assess and Plan, Support and Train, and Build and Sustain. An applicant may apply under any one, two, or all three categories. Category threshold are:</p> <p>Assess and Plan - \$15,000</p> <p>Support and Train - \$25,000</p> <p>Build and Sustain - \$75,000</p> <p>Total Application Threshold - \$100,000</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Number of projects expected to be completed under each of the activity descriptions based on prior grant years. Number of microenterprises/entrepreneurs served.</p>
<p>3</p>	<p>State Program Name:</p>	<p>CDBG – Recidivism reduction through workforce development</p>
	<p>Funding Sources:</p>	<p>CDBG</p>
	<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Public service program targeting incarcerated persons to provide workforce development training and skills development programs expand economic opportunity and reduce recidivism.</p>
	<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>This first round will be a pilot round where 3 counties will be selected. The program is structured around a successful program funded by ARC, but only ARC counties are eligible. CDBG will be able to expand this program across the state.</p> <p>Eligible entities and proposals must meet the following:</p> <ol style="list-style-type: none"> 1. Meet a National Objective 2. Be an eligible activity 3. Be a non-entitlement jurisdiction <p>The detailed criteria is still being established, but each sub-recipient will have to exhibit the following:</p> <ul style="list-style-type: none"> • Organizational capacity and personnel to effectively execute the program, including the local elected officials, the local sherriff’s office, involvement from supporting industry partners, and personnel available to conduct education and training. • Incarcerated participants that meet the baseline criteria for eligibility, including length of sentence remaining, severity of the offense, level of education, etc.

		<ul style="list-style-type: none"> The capacity and willingness for program sustainability beyond the life of the grant.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	The program guidelines still in development but will be available on the ECD website.
	Describe how resources will be allocated among funding categories.	<p>\$300,000</p> <ul style="list-style-type: none"> \$150,000 for grants \$150,000 for program management and activity delivery <p>The funding for these projects comes from recoveries and program income.</p>
	Describe threshold factors and grant size limits.	\$50,000
	What are the outcome measures expected as a result of the method of distribution?	<p>The proposed measures are:</p> <ul style="list-style-type: none"> Recidivism rates at years 1, 2, and 3 post release. Time to employment Starting wage
4	State Program Name:	HOME - CHDO Round
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	<p>Activities under the HOME Program must address the housing needs of low-income households. Eligible activities include: <i>Homeownership programs</i> - THDA provides funds for the development of affordable housing for sale to low and moderate income households. THDA provides funds to the CHDO as a grant for the rehabilitation or new construction of units that will be sold to qualified households. Each CHDO must provide an amount of down payment assistance not to exceed \$14,999 for use by the home buyer as a soft second mortgage necessary to qualify the household for permanent financing; CHDOs may retain the remaining balance from the sale of the unit as CHDO proceeds for development of future HOME eligible housing. <i>CHDO Operating Expenses, Developer's Fees; and Project Soft Costs</i> - CHDO's may request up to 7% of the funds awarded as operating expense assistance and up to 8% of the actual hard project costs as a developer fee. Additional qualified</p>

		soft costs may be charged to each project. All soft costs will count towards the HOME maximum subsidy.
	<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>1. CAPABILITY Up to 60 points: The proposed project demonstrates exceptional planning and readiness and the organization demonstrates sufficient capacity beyond threshold.</p> <p>2. CHDO SERVICE AREA NOT IN A PJ 5 points: THDA shall award up to 5 points to applications submitted from CHDO’s where the service area of the CHDO does not include an area designated as an entitlement area/PJ by HUD.</p> <p>3. DISASTER AREAS 10 points: THDA shall award 10 additional points to applications for projects located in counties that have been declared a presidential disaster area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the year prior to the application due date.</p> <p>4. MATCH Up to 15 points: THDA shall award up to 15 points to applications that include a committed contribution of eligible match resources towards the project implementation. A commitment of eligible match contribution from an external source must be documented in the application from the source providing the contribution. To determine the points awarded, THDA will not round the percentage calculated.</p> <p>5. LEVERAGE Up to 10 points: THDA shall award up to 10 additional points to applications that include the use of funds from other sources. THDA will award point in this category based on the actual percentage of other funds in the project. Leveraged funds counted in one program year do not qualify again as leverage in subsequent years. In order to receive point, there must be written documentation for the leveraged funds in the application.</p> <p>6. ENERGY CONSERVATION up to 10 points: For acquisition/rehabilitation and sale type homeownership projects, THDA shall award up to 10 points to applications that, to the extent feasible, include at least three energy conservation measures beyond that required by THDA’s Design Standards for Rehabilitation in the rehabilitation of each unit. For new construction homeownership projects, THDA shall award up to 10 points to applications that agree to construct each single family unit in accordance with the following standards beyond that which is required by THDA’s Design Standards for New Construction.</p> <p>7. UNIVERSAL DESIGN up to 10 points: For new construction or acquisition/rehabilitation type homeownership projects, THDA shall award up to 10 total points to applications that include additional identified universal design features in each unit.</p> <p>Applications must receive a minimum threshold score equal to 50% of the total points available under the applicable scoring matrix.</p>

	<p>Describe how resources will be allocated among funding categories.</p>	<p>CHDO Set-aside. Eighteen percent (18%) of 2019 HOME allocation will be reserved for eligible applications from CHDOs, including CHDOs located in Local PJs. The THDA HOME funding to successful CHDO applicants in the Local PJs will be reduced by the amount of funding the CHDO receives from the Local PJs to keep within the \$750,000 maximum grant.</p> <p>A successful CHDO that receives an allocation of 2019 CHDO funds, must commit those funds to specific units no later than June 30, 2021. If in the opinion of THDA, the applications submitted do not contain viable proposals or are from a CHDO that lacks the organizational potential to comply with all HOME affordability requirements, THDA may choose not to award any or all of the funds set-aside for CHDOs in the current application round.</p> <p>THDA will not make any funding awards for units in a jurisdiction where the unit cannot be inspected by a state certified building inspector or by a provider as permitted under State law.</p>
	<p>Describe threshold factors and grant size limits.</p>	<p>An applicant must apply for at least \$100,000 and may apply for a maximum HOME grant of \$750,000. The THDA HOME funding to successful CHDO applicants in the Local PJs will be reduced by the amount of funding the CHDO receives from the Local PJs to keep within the \$750,000 maximum grant.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The expected outcome measure is that the activities under the HOME Program effectively address the housing needs of low-income households.</p>
<p>5</p>	<p>State Program Name:</p>	<p>HOME Program – Urban and Rural</p>
	<p>Funding Sources:</p>	<p>HOME</p>
	<p>Describe the state program addressed by the Method of Distribution.</p>	<p>Activities under the HOME Program must address the housing needs of low-income households. Eligible activities include: <i>Housing Rehabilitation</i> - the use of HOME funds will be limited to the rehabilitation or reconstruction of existing housing units. A maximum investment per unit will be limited by both (1) the federal maximum HOME subsidy limit as adjusted by the number of bedrooms per unit and (2) the after rehabilitation value of the unit permitted under the federal regulations. By regulation, the after rehabilitation value may not exceed 95% of the median purchase price for the area. <i>Homeownership programs</i> - are restricted to down payment assistance necessary to qualify the household for permanent financing.</p>
	<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<ol style="list-style-type: none"> PROGRAM DESIGN Up to 50 points: The proposed program demonstrates exceptional planning, readiness and administrative capability. All necessary components to accomplish the project have been identified in the application NEED Up to 40 points: THDA has calculated need factors using housing statistics for counties. Factors are based on percentages rather than absolute numbers. For homeowner projects, the need factors used are the percentage of owner households that are low income; the percentage of owner households with cost burden; the percentage of affordable owner units built before 1960; the percentage of homes lacking complete kitchen facilities; the percentage of

		<p>homes lacking complete plumbing facilities; and the percentage of food stamp recipient households in the county. For multi-county projects, the need score is calculated proportionately according to the number of units proposed for each county</p> <ol style="list-style-type: none"> 3. NOT PROPORTIONALLY SERVED Up to 40 points: THDA shall award up to 40 additional points to applications submitted from areas where the amount of prior THDA and HOME funding is below the state average. The formula for awarding these points is based on the percentage of HOME dollars awarded in each county during the previous 10 year period. 4. DISASTER AREAS : 10 points THDA shall award 10 additional points to applications for projects located in counties that have been declared a presidential disaster area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the year prior to the application due date. 5. LEVERAGE Up to 10 points: THDA shall award up to 10 additional points to applications that include the use of funds from other sources. THDA will award points in this category based on the actual percentage of other funds in the project. Leveraged funds counted in one program year do not qualify again as leverage in subsequent years. In order to receive points, there must be written documentation of the leveraged funds in the application. 6. MATCH Up to 20 points: THDA shall award up to 20 points to applications that include a committed contribution of eligible match resources towards the project implementation. A commitment of eligible match contribution from an external source must be documented in the application from the source providing the contribution. To determine the points awarded, THDA will not round the percentage calculated. For more details about points, please refer to the HOME Program Description in the Appendix. 7. ENERGY CONSERVATION Up to 10 points: THDA shall award up to 10 additional points to applications for rehabilitation that include an independent energy audit and, to the extent feasible, incorporate the recommendations of the audit report in the rehabilitation work write-up. 8. TENNESSEE GROWTH POLICY ACT 10 points: TCA Section 6-58-109(c) requires THDA to award 10 points on a 100 point scale or a comparable percentage on a different point scale to municipalities or counties with approved growth plans when the local communities apply for HOME funds. Applications from counties not subject to the Tennessee Growth Policy Act will also receive these points. <p>Applications must receive a minimum threshold score equal to 50% of the total points available under the applicable scoring matrix.</p>
	<p>Describe how resources will be allocated among funding categories.</p>	<p>Urban and Rural Matrices.</p> <p>THDA will make available approximately \$12.5M for use under the Urban and Rural Matrices. The urban areas include the following counties: Anderson, Blount, Bradley, Carter, Coffee, Dyer, Gibson, Hamilton, Hamblen, Haywood, Loudon, Madison, Maury, Montgomery, Putnam, Roane, Rutherford, Sumner, Unicoi, Williamson and Wilson. All other counties are considered Rural. The urban allocation is 45% of the remaining 70% of the funding, and the rural allocation is 55%. The percentages are</p>

		<p>based on the low-income population in the designated urban and rural counties. However, the urban areas do not include the low income populations of the local participating jurisdictions of Chattanooga, Clarksville, Jackson, Knox County, Knoxville, Memphis, Metropolitan Nashville-Davidson County, Shelby County, Sullivan County, and Washington County, excluding the Town of Jonesborough. THDA will score, rank and fund urban and rural applications separately. THDA may re-allocate funding between the Urban and Rural matrices should an insufficient number of applications receive the minimum threshold score necessary to award all funds allocated under either of the respective matrices. To be considered for funding, an application must receive a minimum threshold score of 95, an amount equal to 50% of the total points available under the urban or rural matrices. All applications will be ranked in descending order from highest to lowest score and HOME funds will be awarded until all funds are awarded or until the lowest scoring application that meets the threshold score is funded. There will be an urban and a rural matrix and the applicants will be scored and ranked. Applications that do not meet the threshold score will not be considered for funding. There is a \$500,000 maximum grant per county. Grants to successful applicants in the same county will be reduced proportionately should there be multiple successful applicants from the same county with a minimum grant of \$250,000, however, the THDA Board of Directors may award less than \$250,000 should there be more than three successful applicants from the same county.</p> <p>HOME awards will be in the form of a grant. Grantees will be required to repay any HOME funds expended on projects that are not completed and ready for occupancy by the close of the grant period. Grantees may also be required to repay HOME funds as described in the Working Agreement.</p> <p>THDA will not make any funding awards for units in a jurisdiction where the unit cannot be inspected by a state certified building inspector or by a provider as permitted under State law.</p>
	<p>Describe threshold factors and grant size limits.</p>	<p>Applicants under the Urban and Rural matrices must apply for at least \$100,000 and may apply for a maximum HOME grant of \$500,000. There is a \$750,000 limit on the amount of HOME funds that can be awarded in any one county.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The outcome measure is that the activities under the HOME Program effectively address the housing needs of low-income households.</p>
<p>6</p>	<p>State Program Name:</p>	<p>Housing Trust Fund</p>
	<p>Funding Sources:</p>	<p>Housing Trust Fund</p>
	<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The Housing Trust Fund (HTF) is an affordable housing production program that will complement existing Federal, state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low- and very low-income households, including homeless families. For 2019, the HTF program will be restricted to extremely low-income households only.</p>

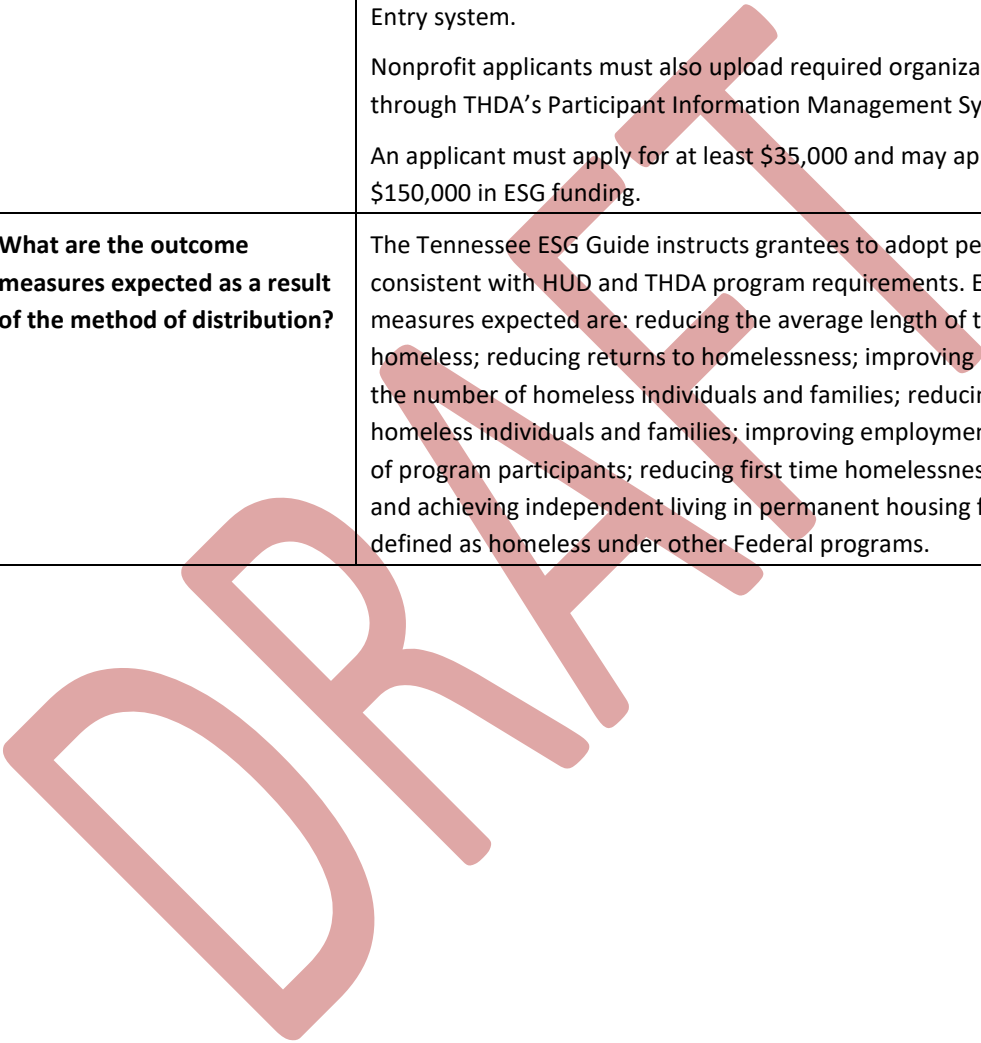
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Geographic Diversity. THDA will accept/consider proposals that are consistent with the State's certification to AFFH. THDA will establish a minimum score threshold that must be received to be eligible for HTF funding. This minimum score ensures that sound, well-designed, and financially viable rental housing will be financed using the HTF. THDA will rank applications that receive the minimum score by TN grand division. THDA will select the highest scoring application from each grand division. If additional funding is available, THDA will rank all remaining applications in a single ranking score. Those remaining applications that receive the highest score will be selected until funding runs out. Given the limited funding available statewide and to disperse the HTF across Tennessee, THDA reserves the right to limit funding to only one award per county. THDA reserves the right not to select a proposed project if sufficient funding is not available to award all funds requested by the applicant. In such instances and at its sole and absolute discretion, THDA may move to the next lower scoring project to meet its commitment obligations under the HTF.</p> <p>Ability to obligate HTF funds. THDA will evaluate the experience of the entire proposed team with owning, developing and managing projects of similar size and scope serving the intended population proposed. Applicants and their development team must undergo an evaluation by THDA of their capacity to carry out the proposed housing project. THDA will evaluate the experience and capacity of the organization to ensure compliance with the requirements and regulations of all Federal, State and local housing programs used in conjunction with HTF funds; THDA will evaluate the history of the applicant and their team in serving the community in which the HTF-assisted housing is proposed.</p> <p>Ability to undertake eligible activities in a timely manner. Applicant must be capable of undertaking and completing HTF-funded activities in a timely manner. THDA will evaluate past performance of the applicant in completing THDA funded activities.</p> <p>For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low-income families. THDA will provide a preference for applications which propose to preserve existing housing with project-based rental assistance and for proposals with binding commitments of project-based vouchers to the project.</p> <p>For rental housing, the duration of the units' affordability period. All rental developments assisted with HTF resources will have a 30 year affordability period.</p> <p>Merits of the application in meeting the State's priority housing needs. THDA will prioritize applications in counties with a higher rental housing need based on variables determined by THDA, which may include, but is not limited to, percent of extremely low-income renters, population growth rate, vacancy rate, and the pipeline of rental housing under construction. Additionally, THDA will provide a priority for applications located in census tracts of opportunity based on variables to be determined by THDA, which may include median gross rent, high cost burden, proximity to employment, high workforce participation, low levels of abandoned</p>
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		<p>housing, rental market vacancy rate, and the pipeline of rental housing under construction.</p> <p>Extent to which application makes use of non-federal funding sources. To encourage the diversity of funding, THDA will provide a preference for applications that include the use of non-THDA, federal and non-federal resources towards the development of the housing. THDA will not consider rental assistance provided for the purposes of this category. THDA will award points based on the actual percentage of other non-THDA funds in the project against the total development costs of the project.</p>
	Describe how resources will be allocated among funding categories.	In total, 10% of funding will serve as an administrative fee for THDA. Up to 33% of funding may be used for operating cost assistance and operating cost assistance reserves for HTF assisted housing for which project-based rental assistance is not available. The State reserves the right to reallocate uncommitted operating funds to development costs if qualified applications for operating funds are insufficient to award all operating funds.
	Describe threshold factors and grant size limits.	The grant minimum is \$250,000 and the grant maximum is \$900,000. There is no difference in minimum or maximum for non-entitlement, entitlement, urban and rural jurisdictions. THDA reserves the right to limit the number of grants per county to ensure that needs in a range of counties are met.
	What are the outcome measures expected as a result of the method of distribution?	The outcome measure is that the activities under the HTF effectively address the housing needs of extremely low-income households.
7	State Program Name:	ESG - Set Aside
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	<p>The ESG Program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help those persons to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. Eligible activities include street outreach, shelter activities, homelessness prevention, rapid re-housing, Homeless Management Information Systems (HMIS) and administration activities.</p> <p>The majority of funding is made available competitively to nonprofit organizations and local units of government serving outside the HUD ESG entitlement communities of Knoxville, Memphis, and Nashville-Davidson County.</p> <p>THDA will allocate \$150,000 each to the cities of Chattanooga, Clarksville, Johnson City, and Murfreesboro. Each of these jurisdictions have either recently lost their direct ESG allocation from HUD or are the location of a major entity serving veterans, a key priority under the Tennessee State Plan to End Homelessness. Each program will operate its ESG program in accordance with its approved Consolidated Plan.</p>

	<p>THDA will spend up to 7.5 percent of its ESG allocation for administrative and planning expenses. THDA will share the amount available for administration with local governments participating as a “Set-Aside” city through the State’s ESG program or to local governments which are awarded funding through the State’s funding competition. Nonprofit agencies are not eligible to receive funds for administration.</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>THDA will award funding to organizations based on the following general scoring criteria:</p> <ul style="list-style-type: none"> • Program Design – Up to 40 Points • Applicant Experience and Capacity – Up to 20 Points • Applicant Fiscal Capacity – Up to 10 Points • Coordination with CoC Priorities – Up to 15 Points • Housing Need – Up to 15 Points <p>For complete criteria, please consult the 2020 ESG Program Description and ESG Guide at http://thda.org/business-partners/esg</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Nonprofits and local governments located outside the ESG entitlement cities of Knoxville, Memphis, and Nashville-Davidson County may compete in the competitive round for ESG funds (see below). Four local governments (Chattanooga, Clarksville, Johnson City, and Murfreesboro) each receive a set-aside of funding of \$150,000 to distribute all or a part of their ESG funds to eligible, private 501(c)(3) nonprofit organizations for allowable ESG activities.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The funding categories within ESG are: Street Outreach; Emergency Shelter; Prevention; Rapid Re-housing; and Data Collection. Eligible applicants may request funding for different categories based on assessed community needs and input from local CoC priorities.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Threshold criteria include: submission of a complete application; proposal of an eligible activity; proposal of a project that meets the requirements of the ESG Regulations; Written ESG Standards, Habitability Standards, Confidentiality and Privacy Policies; and compliance with and participation in the applicable CoC.</p> <p>An applicant must apply for at least \$35,000 and may apply for a maximum of \$150,000 in ESG funding. Nonprofits that apply for the competitive round and apply to their set-aside city cannot be awarded more than \$150,000 in total funding.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The Tennessee ESG Guide instructs grantees to adopt performance standards consistent with HUD and THDA program requirements. Examples of outcome measures expected are: reducing the average length of time a person is homeless; reducing returns to homelessness; improving program coverage; reducing the number of homeless individuals and families; reducing the number of chronically</p>

		<p>homeless individuals and families; improving employment rate and income amounts of program participants; reducing first time homelessness; preventing homelessness and achieving independent living in permanent housing for families and youth defined as homeless under other Federal programs.</p> <p>Although THDA understands many sub-recipients have chosen to provide one-time emergency rent or utility assistance to prevent homelessness, sub-recipients receiving ESG funds should use all available resources that will ensure the ongoing housing stability of program participants.</p>
8	State Program Name:	2020 Emergency Solutions Grants Program
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	<p>The ESG Program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help those persons to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.</p> <p>THDA will allocate \$150,000 each to the cities of Chattanooga, Clarksville, Johnson City, and Murfreesboro in a set-aside. 7.5 percent of the ESG funding is made available for the administration of activities by local governments and THDA. The remaining ESG funds will be allocated to eligible applicants in a competitive grant application process.</p>
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>ESG applicants are scored on the following sets of criteria, and given scoring points accordingly: PROGRAM DESIGN (up to 40 points); APPLICANT CAPACITY (up to 20 points); FISCAL CAPACITY (up to 10 points); COORDINATION WITH COC PRIORITIES (up to 15 points); and HOUSING NEED (up to 15 points).</p> <p>For complete criteria, please consult the ESG Program Description and ESG Guide at http://thda.org/business-partners/esg</p>
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	<p>Nonprofits and local governments compete in the competitive round of ESG funds. Additionally, local government recipients may distribute all or a part of their ESG funds to eligible, private 501(c)(3) nonprofit organizations for allowable ESG activities. Once a year, THDA hosts grantee workshops throughout the state, posts notifications on the THDA website, and notifies CoC lead agencies to notify their CoC members and other agencies, which include community and faith based organizations. Nonprofit organizations are eligible to receive shelter funds only if such funding is approved by the local government jurisdiction where programs are based.</p> <p>Nonprofits must be an eligible nonprofit agency as defined in the 2020 ESG Program Description.</p>
Describe how resources will be allocated among funding categories.	The funding categories within ESG are: Street Outreach; Emergency Shelter; Prevention; Rapid Re-housing; and Data Collection.	

		<p>Expenditure limits of combined Street Outreach and Emergency Shelters cannot exceed 60 percent of the entire ESG allocation. THDA reserves the right to adjust applicants' budgets, if needed, to remain within this requirement.</p>
	<p>Describe threshold factors and grant size limits.</p>	<p>Threshold criteria includes: Submission of a complete application; proposal of an eligible activity; proposal of a project that meets the requirements of 24 CFR Part 576 and 91, as amended; Programs with established written ESG Standards, Habitability Standards, and Confidentiality and Privacy Policies; and compliance with and participation in the applicable Continuum of Care, including its Coordinated Entry system.</p> <p>Nonprofit applicants must also upload required organizational documentation through THDA's Participant Information Management System (PIMS).</p> <p>An applicant must apply for at least \$35,000 and may apply for a maximum of \$150,000 in ESG funding.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The Tennessee ESG Guide instructs grantees to adopt performance standards consistent with HUD and THDA program requirements. Examples of outcome measures expected are: reducing the average length of time a person is homeless; reducing returns to homelessness; improving program coverage; reducing the number of homeless individuals and families; reducing the number of chronically homeless individuals and families; improving employment rate and income amounts of program participants; reducing first time homelessness; preventing homelessness and achieving independent living in permanent housing for families and youth defined as homeless under other Federal programs.</p>



9 State Program Name:	HOPWA
Funding Sources:	HOPWA
Describe the state program addressed by the Method of Distribution.	<p>The State is divided into seven (7) HOPWA regions (East Tennessee, North East Tennessee, Upper Cumberland, Mid Cumberland, Mid Cumberland, South Central Tennessee, West Tennessee and South East Tennessee). For FY 2020-2021, the HOPWA allocation will be distributed through a formula process based on the reported HIV and AIDS case data provided by CDC. And further adjusted base on the seven (7) State of TN HOPWA Regions listed below for FY 2020-2021:</p> <ul style="list-style-type: none"> • East Tennessee (Positively Living) - \$424,500 • North East Tennessee (Frontier Health – HOPE for TN) - \$137,300 • Upper Cumberland (UCHRA) - \$91,300 • Mid Cumberland (Nashville CARES) - \$96,800 • South Central Tennessee (Columbia CARES) - \$129,200 • West Tennessee (WTLS) - \$194,500 • South East Tennessee (Chattanooga CARES) - \$368,800
Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>Pursuant to HOPWA regulations, changes in eligibility jurisdictions for HOPWA may occur if a metropolitan area reaches a population of more than 500,000 and has a least 1,500 cumulative AIDS cases. The State’s method of distribution selects projects and proposals targeted at meeting local needs and taking steps to affirmatively further fair housing during implementation, supportive service gaps, and addressing the regions of the state reporting an increase of homelessness.</p>
Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	<p>Sponsors are solicited through grant proposals that include grass roots faith-based and other community-based organizations. The purpose of this Request for Grant Proposal (RFGP) is to define the State’s minimum requirements, solicit grant proposals and gain adequate information from which the State can evaluate the services potential project sponsors propose to provide. The RFGP process for HOPWA is based on a five-year cycle, which was last issued in 2016 and will end June 30th, 2021. The contracts for these agencies are for one year with the option to renew for four additional years. However, the State reserves the right to terminate a contract should there be substandard performance by a project sponsor. In the event a contract is terminated the State will solicit new agency proposals. The Department of Health will contract with established not-for-profit agencies that continually show both the capability to plan for, as well as the ability to provide direct intervention and housing assistance to eligible clients and their families. Proposals are evaluated on criteria such as technical services, organization, experience, and budget to name a few. Funds were awarded to sponsors who submitted proposals that best met, or exceeded the required criteria and provided a detailed budget, which best met the needs of HOPWA clients.</p>

<p>Describe how resources will be allocated among funding categories.</p>	<p>To address urgent needs of persons living with AIDS/HIV and to assist in meeting the State’s goal, project sponsors may select from the following eligible HOPWA activities:</p> <ul style="list-style-type: none"> • STRMU- Short term rent, mortgage and utility assistance • TBRA- Tenant based rental assistance • Supportive Services to include nutrition, transportation, housing information services, and non-medical case management • PHP- Permanent Housing Placement • Facility-Based Short-term/Transitional Housing <p>Project sponsor may also use funds for allocation of indirect cost of no more than 7% for grant administration.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>Project sponsors may also use funds for allocation of indirect cost of no more than 7% for grant administration. Also, the Tennessee Department of Health will not exceed the 3% administrative cap for the HOPWA program.</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>The state envisions the use of STRMU services, permanent housing placement (PHP) and Short-term Transitional Facilities Hotel/Motel Voucher (FB Transitional) to enhance the availability and sustainability by way of prevention of homelessness. HOPWA is also exploring the opportunity to provide tenant-based rental assistance to prevent homelessness among this population. The seven project sponsors across the State will implement supportive services of various types to prevent homelessness. Our goal include meeting more with Project sponsors by leading the development of resources needed to advance services adequately and timely to prevent homelessness. This will be accomplished through monthly conference calls and training and through bi-annual statewide meetings to discuss challenges, barriers, outcomes and new ideas to improving care. For additional information to HOPWA goals see AP-70 HOPWA Goals-90.320(k)(4) in the State’s action plan.</p>

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

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AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

Funds are directed to the areas of the state with greatest need and/or areas that have had disproportionately fewer funds made available to them. HOME uses the Not Proportionally Served measure to advantage counties not receiving as much funds per capita as other counties. The HOME competition divides the resources between urban and rural counties so as to ensure a mixture of urban/city served by the state's HOME program.

HOME, ESG, and HTF all use a needs score to determine areas of the state with the greatest need based on indicators of low income, poverty, unemployment, public assistance rates, housing conditions, etc. These scores are calculated at the county level and used in the final application scoring for each of the programs.

HTF: Public Housing Authorities (PHAs) and nonprofit entities in both entitlement and non-entitlement jurisdictions statewide are eligible to apply for HTF dollars however there will be a preference for areas of the state with the greatest need and/or projects that develop housing for extremely low-income households (residents earning less than 30% AMI) in areas of opportunity, as defined by the opportunity score developed by THDA.

CDBG: Funds are directed to the areas of the state with greatest need and/or areas that have had disproportionately fewer funds made available to them. HOME uses the Not Proportionally Served measure to advantage counties not receiving as much funds per capita as other counties. The HOME competition divides the resources between urban and rural counties so as to ensure a mixture of urban/city served by the state's HOME program.

All applicants for the TN CDBG program are considered and scored in the same way. All applicants (other than those considered under the slums and blight and urgent need national objectives) must serve at least 51% LMI households. There is not a specific geographic distribution planned.

Rationale for the priorities for allocating investments geographically

CDBG: Geographic location is not part of the method of distribution for CDBG. Projects are selected based on how they compare to the other similar projects and if the eligible applicants have open projects.

HOME: There are three categories of competition for HOME funds, two of which have a geographic component. HOME funds are made available for competition as follows: 18% to the CHDO set-aside, and 67% allocated for urban and rural areas of the state, based upon the percentage of low-income

households in the designated urban and rural counties, excluding local HOME Participating Jurisdictions (PJs). Within the 67 percent allocated for the urban and rural competitions, the urban allocation is 45% of the funds and the rural allocation is 55% of the funds. Local PJs are local governments in Tennessee that receive HOME funds directly from HUD: Bristol, Johnson City, Bluff City, Kingsport, Sullivan County, Washington County, Chattanooga, Clarksville, Jackson, Knoxville, Memphis, Nashville-Davidson, Knox County and Shelby County. Urban and rural designations are based on the percent of the county's population who live in areas designated as rural. THDA will spend up to ten percent (10%) of its 2019 HOME allocation for administrative and planning expenses, (four percent (4%) for its own administrative expenses and six percent (6%) is available to pay the administrative costs of local governments and non-CHDO nonprofit grant recipients). Any funds remaining following award under the Urban, Rural, and CHDO matrices will be made available for rental housing development and/or tenant based rental assistance.

HTF: Public housing authorities and nonprofit entities in entitlement and non-entitlement jurisdictions statewide are eligible to apply for HTF funds. In total, 10% of funds will serve as an administrative fee for THDA. Up to 33% may be used for operating cost assistance and operating cost assistance reserves for HTF assisted housing for which project-based rental assistance is not available. The State reserves the right to reallocate uncommitted operating funds to development costs if qualified applications for operating funds are insufficient to award all operating funds.

ESG: THDA will spend up to 7.5% of its ESG allocation for administrative and planning expenses. THDA will share the amount available for administration with the small city entitlement communities that do not receive their own ESG allocation from HUD as well as other successful local government applications in the Competitive Round. Nonprofit agencies are not eligible to receive funds for administration. For FY20, THDA will set-aside \$150,000 each to the cities of Chattanooga, Clarksville, Johnson City, and Murfreesboro. Each of these jurisdictions have either recently lost their direct ESG allocation from HUD or are the location of a major entity serving veterans, a key priority under the Tennessee State Plan to End Homelessness. Each program will operate its ESG program in accordance with its approved Consolidated Plan. Eligible activities include street outreach, shelter activities, homeless prevention, rapid re-housing, Homeless Management Information Systems (HMIS) and administration activities. After the small cities set-aside and administration funds are allocated, the remaining ESG funds will be allocated to eligible applicants in a competitive grant application process to implement any of the eligible activities noted above. The competitive scoring process weights applications based on the housing need geographically. The Housing Need score considers such factors as extremely or very low income households, the population receiving food stamps, reported domestic violence victims, unemployment rates, and homeless persons reported.

HOPWA: Pursuant to HOPWA regulations, changes in eligible jurisdictions for HOPWA may occur if a metropolitan area reaches a population of more than 500,000 and more than 1,500 persons living with HIV or AIDS and states with more than 2,000 persons living with HIV or AIDS outside of eligible metropolitan areas. EMSAs receive HOPWA funds directly from HUD annually. At the inception of State

HOPWA, it was determined that State HOPWA would serve non-EMSAs only. The State is divided into seven HOPWA regions (East Tennessee, North East Tennessee, Upper Cumberland, Mid Cumberland, Mid Cumberland, South Central Tennessee, West Tennessee and South East Tennessee). The State has entered into a grant agreement with the seven regions for FY20-21. The formula for regional distribution of funds will be determined by the ratio of HIV/AIDS cases reported in each region to the total number of cases reported statewide.

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Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

The one year estimated goals for households served in different categories by program are below. These goals are not inclusive of all households supported by the five formula programs.

One Year Goals for the Number of Households to be Supported	HOPWA	ESG
Homeless	77	6,100
Non-Homeless	379	4,700
Special-Needs	379	0
Total	835	10,800

One Year Goals for the Number of Households Supported Through	HOPWA	ESG	HTF	HOME
Rental Assistance	490	4,000	0	150
The Production of New Units	0	0	40	24
Rehab of Existing Units	0	0	8	243
Acquisition of Existing Units	0	0	0	13
Total	490	4,000	48	430

Discussion

A number of other affordable housing activities taken on by the state are not reflected in the numbers above. Much of the ESG assistance provided is not a dedicated unit, as is required to be reported above, but instead is support for a person experiencing homelessness. In all, we expect to assist directly or indirectly around 12,000 homeless persons.

AP-60 Public Housing - 24 CFR 91.320(j)

Actions planned during the next year to address the needs to public housing

During the 2018-19 program year, THDA met with Public Housing Authority (PHA) Executive Directors and conducted a survey related to seniors/65+ persons residing in public housing and services available on site to inform ongoing discussion surrounding the growing need for affordable housing with integrated services among seniors. The 2019-20 Qualified Allocation Plan (QAP) for the Low Income Housing Tax Credit (LIHTC) program includes a set-aside of up to 20% of the state's annual competitive housing credit authority to assist the redevelopment of public housing units. Within the set-aside THDA prioritizes applications involving public housing authorities (PHAs) which HUD has selected for the Rental Assistance Demonstration (RAD) program. The 2019-20 QAP sets aside an additional \$1.7 Million of Tennessee's annual competitive tax credit authority to assist PHAs awarded a Choice Neighborhoods Initiative (CNI) Implementation Grant from HUD. In this way THDA is confronting gentrification and helping serve Tennessee's low-income residents and communities. THDA also uses its discretionary basis boost authority under the Housing and Economic Recovery Act (HERA) to ensure that these transactions are financially viable.

In 2020 THDA incentivized investment in rural rental housing. Pursuant to the Governor's emphasis on serving at-risk and distressed rural counties, THDA amended the 2019-20 QAP to make it easier to produce small developments in these areas. Applications for competitive LIHC have increased maximum credit requests, increased total development cost limits, and use of the basis-boost under HERA. These provisions are only available to proposals to develop rental housing in counties designated as at-risk or distressed by the Appalachian Regional Commission (ARC). These provisions should increase the availability of affordable rental housing in underserved rural areas of the state.

To bring awareness to the needs of public housing residents and other affordable housing recipients, the Research and Planning Division of THDA published a report which provided an in-depth look at the age and physical condition of existing affordable housing properties in the state, along with other risk factors for loss of affordable units, such as HUD rental subsidy contract expirations. The report also contains a county-by-county breakdown of the number of Section 8, public housing and USDA units that are greater than 15 years old. This report will help to guide THDA's efforts and resources to help fill this gap of aging affordable housing, including the aging of public housing options in the State of Tennessee.

Additionally, PHA's are eligible applicants for the Housing Trust Fund and THDA has made a considerable effort to communicate with and encourage PHA's to apply for HTF funds to support their RAD conversions.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

THDA manages the Family Self Sufficiency (FSS) program for its Housing Choice Voucher (HCV) Program

participants, which includes financial counseling and pre-purchase homeownership counseling for participants. THDA also offers a homeownership voucher option to participants of the FSS program (Section 8 to Homeownership). THDA is not able to offer these services to families participating in other PHA public housing or HCV programs.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

N/a

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AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

The objectives of the ESG program are:

1. To help meet the costs of operating and maintaining emergency shelters;
2. To provide essential services so that homeless individuals have access to the assistance they need to improve their situation;
3. To provide street outreach services to the homeless; and
4. To provide emergency intervention assistance and rapid re-housing services to prevent homelessness and to obtain permanent housing.
5. To support the data collection efforts of homeless service providers using the Homeless Management Information System of the local CoC or, if a victim service provider a comparable system.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Eligible street outreach activities among ESG grantees include: Essential services to eligible participants provided on the street or in parks, abandoned buildings, bus stations, campgrounds, and in other such settings where unsheltered persons are staying. Staff salaries related to carrying out street outreach are also eligible.

Eligible Program Participants: Unsheltered individuals and families who qualify as homeless under Category 1 of HUD's Definition of Homelessness

Allowable Activities:

- *Engagement* – Activities to locate, identify, and build relationships with unsheltered homeless persons for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or social services and housing programs. Eligible costs include: initial assessment of need and eligibility; providing crisis counseling; addressing urgent physical needs; and actively connecting and providing information and referral. Eligible costs also include the cell phone costs of outreach workers during the performance of these activities
- *Case Management* – Assessing housing and service needs, and coordinating the delivery of individualized services. Eligible costs include: using a Continuum of Care centralized or coordinated assessment system; initial evaluation including verifying and documenting eligibility; counseling; helping to obtain Federal, State and local benefits; providing information

- and referral to other providers; and developing an individualized housing/service plan
- *Emergency Health Services* – Outpatient treatment of urgent medical conditions by licensed medical professionals; and providing medication and follow-up services
- *Emergency Mental Health Services* – Outpatient treatment of urgent mental health conditions by licensed professionals; medication costs and follow up services
- *Transportation* – Travel by outreach workers or other service providers during the provision of eligible outreach activities; costs of transportation of clients to emergency shelters or other service providers; and costs of public transportation for clients.
- *Services to Special Populations* – Essential Services that have been tailored to address the needs of *homeless youth, victims of domestic violence, and related crimes/threats, and/or people living with HIV/AIDS* who are literally homeless.

Addressing the emergency shelter and transitional housing needs of homeless persons

Eligible emergency shelter activities among ESG grantees include: Essential services and operational expenses.

Eligible Participants: Individuals and families who qualify as homeless under Categories 1 and 4 of HUD’s Definition of Homelessness.

Allowable Activities:

Essential Services - This includes services concerned with employment, health, drug abuse, education and staff salaries necessary to provide these services and may include, but are not limited to: Assistance in obtaining permanent housing; Medical and psychological counseling and supervision; Employment counseling; Nutritional counseling; Substance abuse treatment and counseling; Assistance in obtaining other Federal, State and local assistance including mental health benefits; employment counseling; medical assistance; Veteran’s benefits; and income support assistance such as Supplemental Security Income, Supplemental Nutrition Assistance Program (SNAP) and Families First (Temporary Assistance for Needy Families/TANF); Other services such as child care, legal services, life skills training, transportation, job placement and job training; and Staff salaries necessary to provide the above services. Operating expenses - Payment of eligible operation costs related to the operation of emergency and transitional housing, including but not limited to, maintenance, operation, rent, repair, security, fuel, equipment, insurance, utilities, food and furnishings.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were

recently homeless from becoming homeless again

Eligible rapid-rehousing activities among ESG grantees include: Activities related to help a homeless individual or family to move into permanent housing.

Eligible Participants: Individuals and families who meet the definition of “homeless” who live in an emergency shelter or other place described in the definition provided by HUD.

Allowable Activities for Prevention and Rapid Re-Housing: Financial Assistance – Rental application fee (excludes pet deposit); moving costs; security deposit for rental or utility; payment of rental arrears up to six months; and short-term (up to 3 months) or medium-term (up to 9 months) rental and/or utility assistance.

Short and Medium Term Rental Assistance Requirements and Restrictions

- Compliance with Fair Market Rents (FMR) and Rent Reasonableness;
- For purposes of calculating rent, the rent must equal the sum of the total rent, any fees required for rental (excluding late fees and pet deposits), and, if the tenant pays separately for utilities (excluding telephone) the monthly allowance for utilities as established by the public housing authority for the area in which the housing is located
- Compliance with minimum habitability standards;
- Tenant based rental assistance means that participants select a housing unit in which to live and receive rental assistance. Project based rental assistance means that grantees identify permanent housing units that meet ESG requirements and enter into a rental assistance agreement with the owner to reserve the unit and subsidize it so that eligible program participants have access to the unit;
- A standard and legal lease must be in place;
- No rental assistance can be provided to a household receiving assistance from another public source for the same time period (with the exception of rental arrears); and
- Participants must meet with a case manager at least monthly for the duration of the assistance (participants who are victims of domestic violence are exempt if meeting would increase the risk of danger to client).
- The Grantee must develop an individualized plan to help the program participant remain in permanent housing after the ESG assistance ends.
- *Housing Relocation and Stabilization Services* – Housing search and placement; assessment of housing barriers and needs; landlord mediation; legal services resolving landlord/tenant matters; assistance with submitting rental applications and leases; assessment of housing for habitability, lead-based paint and rent reasonableness; case management; HMIS data collection and submission; credit repair counseling; budget classes; and monitoring and re-evaluating

program participants.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Eligible prevention activities among ESG grantees include: Activities related to preventing persons from becoming homeless and to assist participants in regaining stability in their current or other permanent housing.

Eligible Participants: Extremely low-income individuals and families with household incomes of at or below 30% of Area Median Income who qualify as homeless under Categories 2, 3 and 4 of HUD’s Definition of Homelessness or any category of HUD’s Definition of “At Risk of Homelessness”.

Allowable Activities for Prevention and Rapid Re-Housing: *Financial Assistance* – Rental application fee (excludes pet deposit); moving costs; security deposit for rental or utility; payment of rental arrears up to six months; and short-term (up to 3 months) or medium-term (up to 9 months) rental and/or utility assistance.

Short and Medium Term Rental Assistance Requirements and Restrictions

- Compliance with FMR (Fair Market Rents) and Rent Reasonableness;
- For purposes of calculating rent, the rent must equal the sum of the total rent, any fees required for rental (excluding late fees and pet deposits), and, if the tenant pays separately for utilities (excluding telephone) the monthly allowance for utilities as established by the public housing authority for the area in which the housing is located;
- Compliance with minimum habitability standards;
- Tenant based rental assistance means that participants select a housing unit in which to live and receive rental assistance. Project based rental assistance means that grantees identify permanent housing units that meet ESG requirements and enter into a rental assistance agreement with the owner to reserve the unit and subsidize it so that eligible program participants have access to the unit;
- A standard and legal lease must be in place;
- No rental assistance can be provided to a household receiving assistance from another public source for the same time period (with the exception of rental arrears); and
- Participants must meet with a case manager at least monthly for the duration of the assistance

(participants who are victims of domestic violence are exempt if meeting would increase the risk of danger to client).

- The Grantee must develop an individualized plan to help the program participant remain in permanent housing after the ESG assistance ends.
- *Housing Relocation and Stabilization Services* – Housing search and placement; assessment of housing barriers and needs; landlord mediation; legal services resolving landlord/tenant matters; assistance with submitting rental applications and leases; assessment of housing for habitability, lead-based paint and rent reasonableness; case management; HMIS data collection and submission; credit repair counseling; budget classes; and monitoring and re-evaluating program participants.

Discussion

Outside of the ESG funding priorities, THDA has a strategic priority to address the housing needs of youth transitioning out of foster care and ex-offenders. To support the development of affordable housing for these populations, THDA awards additional points through its THDA funded Competitive Grants program for applications that will construct or rehabilitate affordable rental housing for either youth transitioning out of foster care or ex-offenders.

HOME is proposing a pilot program offering TBRA to youth aging out of foster care. TBRA is a flexible program that can provide assistance to individual households to help them afford the housing costs of market-rate units. HOME regulations already allow for TBRA activities, though THDA does not currently offer TBRA in the HOME program. THDA proposes a TBRA program using a small amount of HOME resources that will be specific to youth aging out of foster care. This program will serve one of the most vulnerable and underserved populations in the state. Annually, between 400 and 600 youths age out of foster care. The proposed TBRA program will serve only a small percentage of these for a limited 24-month period. HOME Administrators believe it will be vital to those served acting as a foundation to help them become independent and stable citizens in a difficult economic environment.

AP-70 HOPWA Goals – 91.320(k)(4)

Introduction:

In addition to its current programs, HOPWA is in the process of providing two new resources for their clients:

- **Project-Based Rental Assistance:** Whereas TBRA follows the tenant regardless of the unit in which they live, assistance under PBRA is tied to the unit. HOPWA funds provide subsidy to the unit specifically reserved for HOPWA clients by paying for the operating costs of the unit. Because assistance is tied to the unit, clients may receive assistance only so long as they are eligible and reside at the project-based unit. The assistance does not go with the client when they move, although clients may be eligible for TBRA after leaving a project-based unit.
- **Resource Identification:** is a HOPWA category that can be utilized for a variety of activities related to outreach and expansion of housing resources, system coordination and needs assessments, among others. Resource ID has a broader community or system focus and is not directed towards one specific client.

One year goals for existing programs are as noted below.

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	469
Tenant-based rental assistance	14
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	12
Total	495

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

The State of Tennessee is currently in the process of completing its Analysis of Impediments to Fair Housing Choice (AI) due for release in 2020. During the process of analysis, several potential issues regarding fair housing in the state have surfaced. Identification of these items as probable impediments to fair housing choice was based on HUD's definition of impediments as actions, omissions, or decisions that restrict housing choice due to protected class status or actions, omissions, or decisions that have this effect. The identified impediments are supported by evidence uncovered during the AI process, with impediments of higher need being those identified in multiple sources. A full report will be released in the next few months and will be available on the THDA website. A preliminary draft of the forthcoming

Fair Housing Plan is included in the Appendix. A full and final Fair Housing Plan will be released with the upcoming Analysis of Impediments to Fair Housing Choice.

Specific public policy related to the cost of housing and the incentives to develop, maintain, or improve affordable housing varies widely throughout the state. Many communities, especially densely populated jurisdictions, have adopted the “home rule,” which means municipalities control most zoning and land use decisions. The concern is that the “home rule” allows communities to use ordinances to keep affordable and multifamily housing—frequently the routes by which lower-income, often minority, households enter a community—from being developed. The state’s “home rule” provisions mean that zoning ordinances are left to the judgment of local governments. The net effect of these local actions could make housing more expensive than might be the case without the fees and regulations.

Additionally, requirements like background checks and an unwillingness to accept tenants using rental assistance, Housing Choice Voucher waitlist open and closing dates/times prevent case managers from accessing vouchers, long wait list at public housing agencies, prevent potential residents from accessing their units. Low wages and high rents and shortages of affordable housing unit available are barriers to affordable housing.

The CDBG program funds a small portion of housing rehabilitation for LMI homeowner occupied units, but an intended indirect impact of the CDBG funds are to help keep communities affordable by alleviating part of the cost burden on water and wastewater infrastructure improvements. Monthly utility bills are often cited by our local governments as directly affecting the affordability of the residents to continue to live in their communities. Without the inclusion of CDBG funds, these communities would have to raise utility rates to pay for these improvements.

ECD with currently working with the Department of Environment and Conservation (TDEC), the United State Department of Agriculture Rural Development (USDA-RD) state office, the Comptroller of the Treasury, and the University of Tennessee – Knoxville to complete a statewide rate study for water and wastewater. This comprehensive study will allow these departments and agencies to better compare and analyze the impact of water and wastewater rates on the utilities and the communities.

ECD is also making efforts to work more closely with housing partners concerning affordability, including THDA, the Tennessee Commission on Aging and Disability (TCAD), and the Tennessee Affordable Housing Coalition (TNAHC) to research if there are opportunities for streamlining and leveraging of funded sources, and also to provide them with information and updates from ECD that could create impacts or implications for affordable housing, such as a large industrial recruitment that could result in 700 new jobs in a rural area.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the

return on residential investment

See above. The forthcoming Analysis of Impediments will provide further examination on this question.

Below are other actions related to fair housing undertaken by THDA and Consolidated Planning partners:

The program managers for HOME, ESG and HTF, along with other THDA program staff, plan to attend Fair Housing trainings and conferences scheduled for Spring 2020 and Spring 2021. Attendance at these conferences ensures up to date information about fair housing concerns nationally and locally as well as current information on strategies to affirmatively further fair housing. THDA will also provide training to all grant recipients on fair housing requirements and obligations.

For FY20-21, THDA will complete the following actions in support of our Annual Action Plan to affirmatively further fair housing.

- Sponsor, support, participate in, and attend three statewide fair housing conferences across the state.
- Present fair housing workshops and provide fair housing literature/resources at the Tennessee Housing Conference, organized by THDA.
- Provide THDA fair housing education to all THDA employees through customized program training for program staff and fair housing overview training for other THDA staff.
- New employee onboarding includes Title VI & Fair Housing online training module and quiz to be completed within the first 6 months of employment.
- An online training and self-assessment for Title VI & Fair Housing for sub-recipients and other partners - will help us track partner Fair Housing activities during 2020-2a.
- THDA's Fair Housing & Title VI page are updated regularly with information of importance to the public.
- Enhance sub-recipient, owner and managers training by adding fair housing, renters' rights and Title VI training to each THDA sponsored workshop or by encouraging grantees and partners to view online training during workshops.
- THDA plans to expand on previously presented Fair Housing training for future TAHRA workshops.
- A Limited English Proficiency (LEP) Analysis and Language Access Plan was completed and presented to the THDA policy review committee in FYE 2019. The Language Access Plan will be implemented in FYE 2020.

TNECD supports statewide and local fair housing trainings and other educational events that address the various barriers to fair housing. TNECD supports the implementation of fair housing ordinances and

policies for local governments.

TNECD serves in a representative role on the Health and Housing Task Force that works to address the impacts and intersections of health, aging, and housing in Tennessee.

TNECD will also be working with THDA this year to develop the update to the Analysis of Impediments to Fair Housing Choice. We expect the findings to guide how TNECD addresses and support fair housing issues in the future.

HOPWA: West TN Legal Services and Fair Housing and Disability Rights has partnered to provide the State of TN Department of Health, HOPWA Program annual training on tenant and landlord rights and fair housing services at our statewide meetings once a year. Trainings include Fair Housing for Persons with Disabilities – unlocking Doors to Freedom of Choice, reasonable modifications and reasonable accommodations under the Fair Housing Act and landlord tenant law in Tennessee.

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AP-85 Other Actions – 91.320(j)

Actions planned to address obstacles to meeting underserved needs

Tennessee is committed to tackling the needs identified in the Consolidated Plan: affordable housing, community development and infrastructure, and housing and services for the homeless as well as those with special needs. Each program uses the information on need to inform their program actions. Funds are directed to the areas of the state with greatest need and/or areas that have had disproportionately fewer funds made available to them. HOME uses the “Not Proportionally Served” measure to advantage counties not receiving as many HOME funds per capita of low-income residents as other counties. CDBG uses the “Ability to Pay” measure that determines the level of local financial contribution that is required, allowing impoverished communities receiving grants to receive more funds. This ability-to-pay determination includes per capita income, the value of taxable property, and the value of taxable sales. The Housing Trust Fund uses a census tract level opportunity score to promote the production of affordable housing in areas of opportunity. This will enable residents in need to have more access to opportunity and resources. Additionally, the Housing Trust Fund uses a county level needs score.

The HOME, HTF, and ESG programs use a needs score as a part of the application scoring process in an effort to quantify need per county. The scores may include factors such as extremely or very low-income households, housing problems (overcrowding, cost burden, etc.), characteristics of housing units, persons living in poverty, the population receiving food stamps, domestic violence victims, unemployment rates, and homeless persons reported. Each program has its own metrics available in their respective program manuals.

Actions planned to foster and maintain affordable housing

The State of Tennessee will continue to invest HOME and CDBG funds to promote the production, preservation, and rehabilitation of affordable housing for individuals and families of low- and very low-income. The state will also invest Housing Trust Fund dollars to promote the production, preservation, and rehabilitation of affordable rental housing for individuals and families of extremely low-income. The state will also invest in community infrastructure to support communities that are home to low income households. ESG and HOPWA also provide affordable housing, both permanent and short term to special needs populations to support their affordable housing needs. The state also maintains relationships with local organizations, which provide alternative housing services to fill the gaps between government-funded programs. This has been an important part to both fostering and maintaining affordable housing throughout the state.

Affordability has many contributing factors. The CDBG program funds a small portion of housing rehabilitation for LMI homeowner occupied units, but an intended indirect impact of the CDBG funds are to help keep communities affordable by alleviating part of the cost burden on water and wastewater infrastructure improvements. Monthly utility bills are often cited by our local governments as directly

affecting the affordability of the residents to continue to live in their communities. Without the inclusion of CDBG funds, these communities would have to raise utility rates to pay for these improvements.

Additional efforts are being made, both through regulatory and development avenues, to find new ways of providing quality, affordable housing. Energy efficiency improvements to the existing housing stock, emergency repair programs, and low-income housing tax credits are just some of the housing considerations being made to foster more housing that is affordable and in close proximity to resources and services. Further, THDA funds the Tennessee Housing Trust Fund that targets assistance to persons of very low and extremely low income, those earning 50% or less of the area median income, with specific lower targets under specific TN HTF funded programs. Within the TN Housing Trust Fund, competitive grants support the chronically homeless, persons with intellectual disabilities or mental illness, citizens with developmental disabilities, single mothers recovering from substance addiction or physical abuse, youth exiting the foster care system, large families, veterans with multiple needs, and ex-offenders re-entering society. In 2006, the TN Housing Trust Fund was established with \$12 million of THDA funds over a two-year period. Currently, the TN Housing Trust Fund is funded at \$8.5 million per year. This allows for complementary housing activities in addition to those funded with CDBG and HOME funds, providing or maintaining critical affordable housing throughout Tennessee. In FY 2019, THDA implemented the second year of the Challenge Grant Program which provides initial seed funding to support the fundraising efforts of nonprofit organizations across Tennessee to implement housing activities that represent unique milestones, are part of a broad community initiative, or are part of a significant expansion of work outside the normal day-to-day activities of the organization. This program will provide opportunities to support unique projects that result in significant community or regional impact. THDA developed the Low-Income Housing Tax Credit (LIHTC) Program Qualified Contract Guide to assist buyers that are willing to purchase and maintain properties that are eligible to opt-out of the LIHTC program. THDA is developing a network of qualified purchasers and will market qualified LIHTC properties on its website to find the best sales contracts, which will maintain the affordable housing inventory in Tennessee.

Low Income Housing Tax Credits – Another program that encourages the development and preservation of affordable housing is the Low-Income Housing Tax Credit (LIHTC) program. LIHTC is a credit against federal income tax liability each year for 10 years for owners and investors in low-income rental housing. The amount of tax credits is based on the portion of the buildings' total depreciable cost basis dedicated to serving qualified low-income residents. THDA ensures that costs are reasonable and determined in compliance with Section 42 of the Internal Revenue Code.

Multifamily Tax-Exempt Bond Authority - The Bond Authority program, like the LIHTC program, supports rehabilitation, acquisition and rehabilitation, and new construction of affordable rental units. Local governments use a portion of the state's bond authority to issue bonds in support of housing development. Bond proceeds are loaned to developers to fund construction of affordable rental housing. The bond issuance is a limited obligation of the state through which bond-investors assume financial risk. Proposed developments utilizing tax exempt bonds are eligible for non-competitive Low

Income Housing Credits. Tax-Exempt bonds and non-competitive credits help support the conversion of public housing to more financially stable models through RAD.

Actions planned to reduce lead-based paint hazards

The State of Tennessee addresses hazards of lead based paint in the state through the following programs/initiatives. In May 1999, by state legislation, the Tennessee Department of Environment and Conservation (TDEC) was given the necessary authority to have lead-based paint training in the state. The legislation also gave TDEC the authority to monitor lead abatement in the state to assure that contractors and owners of units comply with applicable laws. The division of solid waste management of TDEC received authorization from the Environmental Protection Agency (EPA) on January 17, 2001, to administer the program in the state. The state has established guidelines for training of lead-abatement contractors and their workers in the state.

Lead-based paint policies are also in effect for each of the five formula programs in the state. Specifically, grantees must give participants notice of possible lead hazards within the unit when the house is pre-1978, informing them of possible lead dangers. For families with children under age seven, grantees must inspect units that might have lead contamination and provide the necessary abatement or encapsulation activities. Families must be given a federally approved pamphlet on lead poisoning prevention.

The Tennessee Department of Health's Childhood Lead Poisoning Prevention Program and Healthy Homes Initiative provides lead poisoning information such as lead sources and prevention tips for parents and health care professional. The Prevention Programs requires TennCare, the state health system for uninsured persons, to test children enrolled in the program. All children, regardless of payer source, with elevated blood lead levels receive case management services. Children with a blood lead level that repeats elevated or is $> 20 \mu\text{g}/\text{dl}$ may receive an environmental investigation per the physician's request. The department links with the Tennessee Department of Environment and Conservation's information on lead assessment and abatement programs. Any concerns submitted to THDA will be directed to these programs as appropriate.

Actions planned to reduce the number of poverty-level families

The Consolidated Planning Partners work to address housing and community development needs of low-, very low- and extremely low-income households. Through the services provided through the five programs addressed in this plan and the other resources brought to bear on housing and community development needs across the state, the state is working to improve the economic well-being of families through creating and maintaining safe, sound affordable housing and communities.

CDBG – For several years, the CDBG program did not separate extremely low-, very low-, and low-income beneficiary data to show participants below 30% of the AMI. ECD is now collecting data on program participants below 30% of the AMI. Also, as a part of its scoring mechanism for housing

rehabilitation, project need points are awarded based on the number of persons with higher poverty levels in the state, specifically persons 62 years of age or above, and/or female heads-of-household, and/or disabled individuals. ECD does not collect 30% AMI for projects that qualify for meeting LMI based on HUD defined LMI percentages, as these are only provided for 50%, 80% and 120% of AMI.

HOME – The HOME Program serves very low- and low-income households. Very low-income households are defined as those households whose annual income is 50 percent or less of the AMI for the county in which the household resides. Low-income households are defined as those households whose annual income is between 50 percent and 80 percent of the AMI for the county in which the household resides. Additionally, the THDA Board of Directors has expressed intent that very low-income persons be served. In 2017-18, 59 percent of the 186 HOME beneficiaries served were very low-income households. Of the 110 very low-income households served, 52 percent of those were considered extremely low-income, earning 0-30% AMI.

HTF - The HTF exclusively serves extremely low-income households earning less than 30% AMI. This initiative remains a new program; therefore, the statistics on previous clients served through this program are not yet available.

Actions planned to develop institutional structure

Please see below

Actions planned to enhance coordination between public and private housing and social service agencies

To address this as well as the development of the institutional structure, it is important to recognize the grantees in the Consolidated Planning programs as well as the partnerships each of the state Consolidated Planning partners foster above and beyond these five programs. By using CHDOs, local and regional governments, and social service agencies, the State has invested in the existing structure to implement our programs while requiring and monitoring a level of quality that improves the housing affordability and quality of the units impacted by these funds. Through technical assistance contracts with the regional Development Districts, THDA seeks to help improve non-profit capacity such that they can be better positioned to qualify as a CHDO. Additionally, Community Programs staff at THDA have been working to provide information and assistance for non-profits interested in the CHDO qualifications.

Currently CDBG funds are not used for activities supporting public housing or social service agencies, so coordination is limited. ECD does intend to increase communication and coordination with housing partners, particularly concerning affordable housing.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	400,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	600,000
5. The amount of income from float-funded activities	0
Total Program Income	1,000,000

Other CDBG Requirements

1. The amount of urgent need activities	1,000,000
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	95.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:
N/a
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

CHDOs must use HOME funds to develop units for homeownership, including new construction or acquisition and substantial rehabilitation of substandard single-family dwellings. HOME funds *are to be used as the primary method of financing* (without interest cost) *for the development of affordable single-family units*. The CHDO must be the owner-developer of the project. At the time of permanent financing the HOME funds are repaid to the CHDO as CHDO proceeds and are used to develop additional single-family units for homeownership. A CHDO must allow up to \$14,999 of HOME funds to remain with the unit as a soft second mortgage as necessary to qualify the household for permanent financing, but not less than \$1,000. THDA requires that a subsidy remain in the financing when the unit is sold so affordability is based on the less restrictive recapture provision of the HOME regulations. Any homeownership unit developed by a CHDO that cannot be sold to an eligible homeowner within nine months of project completion must be converted to rental housing and rented to an income eligible tenant.

Cities, counties and nonprofit organizations (non-CHDO) – Homeownership programs for these applicants are restricted to down payment assistance necessary to qualify the household for permanent financing. The down payment assistance is made available as a soft second mortgage to the homebuyer following the guidelines below.

Soft second mortgages – Any HOME funds used for a soft second mortgage in homeownership programs are limited to the lesser of \$14,999 in HOME funds or the amount of HOME funds necessary to qualify the household for permanent financing, but not less than \$1,000. All grant recipients using HOME for soft second mortgages must use the THDA single-family underwriting template to determine the amount of HOME assistance, and must submit the determination to THDA for review and final approval. If the underwriting template indicates that the homebuyer does not have an unmet need for the soft second mortgage, the grant recipient may not provide direct HOME assistance to that homebuyer. The amount of the soft second mortgage is the “direct HOME subsidy” provided to the homebuyer and subject to recapture.

The soft second mortgage will have an affordability period of five years which is forgiven at the end of the fifth year if the unit remains in compliance, i.e., the unit remains the permanent residence of the initial buyer and is not leased or vacated. If the unit is sold or transferred during the affordability period, the amount of the HOME subsidy subject to recapture will be reduced by twenty percent (20%) per year of occupancy by the initial homebuyer. If the unit is leased or

vacated during the affordability period, the entire HOME subsidy must be repaid.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Down Payment Assistance Programs by Local Communities or Non-CHDO Nonprofit Orgs: A grant recipient who is a local community or a non-CHDO nonprofit organization may provide down payment and closing cost assistance as a soft second mortgage in an amount equal to the lesser of \$14,999 in HOME funds or the amount of HOME funds necessary to qualify a household for permanent financing, but not less than \$1,000. There will be an affordability period of 5 years, secured by a Note and Deed of Trust between the grant recipient and the homebuyer. The HOME loan is forgiven at the end of the fifth year if the unit remains in compliance with HOME requirements. This means that the property remains the primary residence of the initial buyer and is not leased or vacated. If the property is sold or transferred at the end of the affordability period, the homebuyer has complied with these recapture provisions. If the unit is sold or transferred during the affordability period, the amount of the HOME subsidy subject to recapture will be reduced by 20% per year of occupancy by the initial homebuyer. If the unit is leased or vacated during the affordability period, the entire HOME subsidy must be repaid. *CHDOs:* At the time of the sale of the unit to an eligible homebuyer, the CHDO must leave up to \$14,999 of HOME funds in the unit as a soft second mortgage in an amount equal to the lesser of \$14,999 in HOME funds or the amount of HOME funds necessary to qualify a household for permanent financing, but not less than \$1,000. There will be an affordability period of five years, secured by a Note and Deed of Trust between the CHDO and the homebuyer. The HOME loan is forgiven at the end of the fifth year if the unit remains in compliance with HOME requirements. This means that the property remains the primary residence of the initial homebuyer and is not leased or vacated. If the property is sold or transferred at the end of the affordability period, the homebuyer has complied with these recapture provisions. If the unit is sold or transferred during the affordability period, the amount of the HOME subsidy subject to recapture will be reduced by 20% per year of occupancy by the initial homebuyer. If the unit is leased or vacated during the affordability period, the entire HOME subsidy must be repaid. *Sale/Transfer of the Property:* The HOME-assisted homebuyer may sell or otherwise transfer the unit on or before the end of the affordability period to any willing buyer at any price, and the amount of the HOME subsidy subject to recapture will be reduced by 20 percent per year of occupancy by the initial buyer. The amount subject to recapture is limited by the availability of net proceeds. The net proceeds are the sales price minus superior non-HOME loan repayments minus closing costs. If the net proceeds are not sufficient to recapture the remaining outstanding principal balance of the HOME Note plus the amount of the down payment made by the homeowner, if any, plus the amount of any capital improvement investment made by the homeowner, then the Grantee shall recapture a pro rata share of the net proceeds of the sale in lieu of the full remaining outstanding principal balance of the HOME Note. "Capital improvement investment" means the improvements to the property made at the homeowner's expense (and not through some other form of subsidy), as evidenced by receipts or cancelled checks detailing the capital improvements made. Capital improvements do not include items of maintenance, deferred maintenance or cosmetic improvements. The pro rata amount to be recaptured shall be calculated in accordance with the HOME Program Regulations at 24 CFR 92.254(a)(5)(ii)(A)(3).

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is

rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

N/a

DRAFT

Emergency Solutions Grant (ESG) Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

The written standards for providing ESG assistance, *the Emergency Solutions Grants Guide*, are attached and can also be found at the THDA ESG Program webpage:

https://s3.amazonaws.com/thda.org/ESG-Guide-Final_for-web.pdf.

2. If the Continuum of Care (CoC) has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Tennessee has seven Continuums of Care (CoC) under the ESG funding umbrella. Each CoC is attempting to address the coordinated assessment system in a way that meets the needs of the individual region. For instance, the Cities of Murfreesboro and Chattanooga have centralized physical locations for those needing assistance. While effective for a city, the model does not work for the other CoC regions that cover eight to 23 counties. In Upper East Tennessee, led by Appalachian Regional Homeless Coalition (ARCH), there are three physical intake locations in Bristol, Kingsport and Johnson City as well as a hotline available CoC-wide. West Tennessee, led by TN Homeless Solutions, also has created an ESG-funded hotline to assess over the phone and refer potential clients to the closest agency for services. All agencies in their CoC who receive ESG and/or CoC funding also act as coordinated access points. Two CoCs (Homeless Advocacy for Rural TN and Community Housing Partnership of Williamson County) have opted for a centralized system of intake for their Continuum agencies. TN Valley Coalition to End Homelessness operates a centralized access point for nine counties, as well as supporting CoC member agencies who offer coordinated assessment for three other counties. Using the 'No Wrong Door' philosophy, each agency within a Continuum uses the same intake process/paperwork within that region.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The method of distribution across the geographic areas both with set asides and competition for funds is described in the AP-30 Method of Distribution section.

The State of Tennessee, through THDA, will accept applications for the ESG program from nonprofit organizations. Nonprofit applicants must submit **PART V: Nonprofit Checklist** with supporting documentation, and **PART VI: Nonprofit Board Composition**.

To be eligible to apply for ESG funding the nonprofit organization must:

- Be organized or existing as a nonprofit agency under Tennessee law, as evidenced by a Certificate of

Existence from the Tennessee Secretary of State dated within 30 days of the application due date
OR

- Be organized or existing under the laws of another state but eligible to conduct business in the State of Tennessee;
- Demonstrate at least two (2) years of experience providing affordable housing or affordable housing related services in the state of Tennessee satisfactory to THDA, in its sole discretion.
- Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual;
- Be established for charitable purposes and whose activities include, but are not limited to, the promotion of social welfare and the prevention or elimination of homelessness, as evidenced in its charter, articles of incorporation, resolutions or by-laws, and experience in the provision of shelter and services to the homeless;
- Have standards of financial accountability that conform to 24 CFR 84.21, Standards of Financial Management Systems; and
- Have an IRS designation under Section 501(c)(3) or Section 501(c)(4) of the federal tax code. A 501(c)(3) nonprofit applicant may not submit an application until they have received their designation from the IRS. A 501(c)(4) nonprofit applicant must provide documentation satisfactory to THDA, in its sole discretion, that the nonprofit has filed the necessary materials with the IRS and received a response from the IRS demonstrating 501(c)(4) status.
- Faith-based organizations receiving ESG funds, like all organizations receiving HUD funds, must serve all eligible beneficiaries without regard to religion.
- Have approved established ESG Written Standards in accordance with Continuum of Care Coordinated Entry process.
- Submit certification of participation in local Continuum of Care activities and HMIS reporting.

Nonprofit organizations are eligible to receive funds for shelter activities only if such funding is approved by the local government jurisdiction where programs are based. Each application from a nonprofit seeking funds for shelter activities should contain **PART VII: Certification of Local Government Approval** specific to housing and service locations that it controls within each jurisdiction. This Attachment must be submitted to THDA at the time of application. If the organization intends to provide homeless assistance in a number of jurisdictions, the certification of approval must be submitted by each of the units of local government in which the projects are to be located.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

It is a requirement for all ESG subrecipients to formulate homelessness participation in their program. It is required information on the application. All grantees either have a homeless or

formerly homeless individual on staff or on the board, or they have incorporated a process to involve the homeless to participate in policy-making decisions.

5. Describe performance standards for evaluating ESG.

The Tennessee ESG Policies and Procedures Manual instructs grantees to adopt performance standards consistent with HUD and THDA program requirements.

Performance Standards/Measures: THDA must ensure that programs and activities funded through the ESG program meet certain Performance Standards as set by the local Continuum of Care, THDA, and HUD. The following is an example of the types of Standards that THDA and its sub-recipients will be required to meet in order to demonstrate success of the ESG program:

- Reducing the average length of time a person is homeless
- Reducing returns to homelessness
- Improving program coverage
- Reducing the number of homeless individuals and families
- Reducing the number of chronically homeless individuals and families
- Improving employment rate and income amounts of program participants
- Reducing first time homelessness
- Preventing homelessness and achieving independent living in permanent housing for families and youth defined as homeless under other Federal programs

Although THDA understands many sub-recipients have chosen to provide one-time emergency rent or utility assistance to prevent homelessness, sub-recipients receiving ESG funds should use all available resources that will ensure the ongoing housing stability of program participants.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

- Applications submitted by eligible recipients
- Subgrantees that are State Agencies
- Subgrantees that are HUD-CPD entitlement grantees

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The Tennessee Housing Development Agency will distribute HTF funds by selecting applications submitted by eligible recipients. Eligible recipients include public housing authorities and nonprofit entities. A recipient must:

- Be organized and existing to do business in the State of Tennessee, or if organized in another state, must be qualified to do business in the State of Tennessee. All Applicants must demonstrate at least two years of related housing experience in Tennessee.
- Demonstrate the financial capacity necessary to undertake, complete, and manage the proposed project, as demonstrated by its ability to own, construct, or rehabilitate and manage and operate affordable rental housing. THDA will evaluate the experience of the entire proposed team with owning, developing and managing projects of similar size and scope serving the intended population proposed. Applicants and their development team must undergo an evaluation by THDA of their capacity before the applicant qualifies as an eligible recipient.
- Have demonstrated understanding of the Federal, State and local housing programs used in conjunction with HTF funds to ensure compliance with all applicable program requirements and regulations.
- Not be debarred or excluded from receiving federal assistance or THDA assistance prior to selection or entering into a Written Agreement or closing the loan.
- Certify that housing units assisted with the HTF will comply with HTF program requirements during the entire period that begins upon selection and ending upon the conclusion of all HTF -

funded activities.

b. Describe the grantee’s application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

- Eligible participants will include public housing authorities and nonprofit organizations that are organized and existing to do business in the State of Tennessee, or if organized in another state, must be qualified to do business in the State of Tennessee. All Applicants must demonstrate at least two years of related housing experience in Tennessee.
- Demonstrate the financial capacity necessary to undertake, complete, and manage the proposed project, as demonstrated by its ability to own, construct, or rehabilitate and manage and operate affordable rental housing. THDA will evaluate the experience of the entire proposed team with owning, developing and managing projects of similar size and scope serving the intended population proposed. Applicants and their development team must undergo an evaluation by THDA of their capacity before the applicant qualifies as an eligible recipient.
- Have demonstrated understanding of the Federal, State and local housing programs used in conjunction with HTF funds to ensure compliance with all applicable program requirements and regulations.
- Not be debarred or excluded from receiving federal assistance or THDA assistance prior to selection or entering into a Written Agreement or closing the loan.
- Certify that housing units assisted with the HTF will comply with HTF program requirements during the entire period that begins upon selection and ending upon the conclusion of all HTF - funded activities.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Tennessee will select recipients of HTF resources through a competitive selection process that will evaluate the following factors:

1. Geographic Diversity

THDA will accept and consider proposals for HTF resources that will serve communities across the state consistent with the State’s certification to affirmatively further fair housing. THDA will establish a minimum score threshold that must be received in order to be eligible for NHTF funding. This minimum score will be determined to ensure that sound, well-designed, and financially viable rental housing will be financed using HTF resources. THDA will rank all applications by Tennessee’s three Grand Divisions – East, Middle, and West - that receive the minimum score. THDA will select the highest scoring qualified application from each Grand Division. If additional funding is available, THDA will then rank all remaining applications in a single ranking by score. Those remaining applications that receive the highest score will be selected until funding runs out. Given the limited funding available statewide and to disperse HTF funding across Tennessee, THDA reserves the right to limit funding to only one award per county. THDA also reserves the right to not select a proposed project if sufficient funding is not available to award all funds requested by the applicant. In such

instances and at its sole and absolute discretion, THDA may move to the next lower scoring project(s) in order to meet its commitment obligations under the HTF program.

2. Applicant Capacity to obligate HTF funds and undertake eligible activities in a timely manner

THDA will evaluate the experience of the entire proposed team with owning, developing and managing projects of similar size and scope serving the intended population proposed. Applicants and their development team must undergo an evaluation by THDA of their capacity to carry out the proposed housing project before the applicant qualifies as an eligible recipient. THDA will also evaluate the experience and capacity of the organization to ensure compliance with the requirements and regulations of all Federal, State and local housing programs used in conjunction with HTF funds; THDA will also evaluate the history of the applicant and project team in serving the community in which the HTF - assisted housing is proposed. The applicant must be capable of undertaking and completing HTF - funded activities in a timely manner. THDA will evaluate the past performance of the applicant in completing THDA funded development activities.

3. Project-Based Rental Assistance

For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low-income families: THDA will provide a preference for applications which propose to preserve existing housing with project-based rental assistance and for proposals with binding commitments of project-based vouchers to the project.

4. Duration of Affordability Period

For rental housing, the duration of the units' affordability period: All rental developments assisted with HTF resources will have a 30-year period of affordability. No additional consideration is proposed for developments that will extend the period of affordability beyond this minimum requirement.

5. Priority Housing Needs of the State

The merits of the application in meeting the State's priority housing needs: THDA will provide a priority for applications in counties with a higher rental housing need based on variables determined by THDA, which may include, but is not limited to, percent of extremely low-income renters, population growth rate, vacancy rate, and the pipeline of rental housing under construction. Additionally, THDA will provide a priority for applications located in census tracts of opportunity based on variables to be determined by THDA, which may include median gross rent, high cost burden, proximity to employment, high workforce participation, low levels of abandoned housing, rental market vacancy rate, and the pipeline of rental housing under construction.

6. Leveraging

The extent to which application makes use of non-federal funding sources: THDA manages federal resources, including the HOME Investment Partnership Program and the Housing Choice Voucher Program. In order to encourage the diversity of funding sources, THDA will provide a preference for applications that include the use of non-THDA, federal and non-federal resources towards the development of the housing. THDA will not consider rental assistance provided for the purposes of this category. THDA will award points based on the actual percentage of other non-THDA funds in the project against the total development costs of the project. In order to receive points, written documentation committing the non-THDA funds must be included in the application.

7. Other

(1) Applications that propose housing in which more than 20% of the assisted units will be set aside for individuals with disabilities must meet the qualities of settings that are eligible for reimbursement under the Medicaid home and community-based services that were established by the Centers for Medicare and Medicaid Services (CMS) in the final rule dated January 16, 2014:

<https://www.federalregister.gov/articles/2014/01/16/2014-00487/medicaid-program-state->

[planhome- and-community-based-services-5-year-period-for-waivers-provider](#). The final rule requires that all home and community-based settings meet certain qualifications, including:

- The setting is integrated and supports full access to the greater community;
- Is selected by the individual from among setting options;
- Ensures individual rights of privacy, dignity, and respect, and freedom from coercion and restraint;
- Optimizes autonomy and independence in making life choices; and,
- Facilitates choice regarding services and who provides them. Additionally for provider owned or controlled residential settings, the following additional requirements apply:
- The individual has a lease or other legally enforceable agreement providing similar protections;
- The individual has privacy in their unit including lockable doors, choice of roommates, and freedom to furnish or decorate the unit;
- The individual controls his/her own schedule, including access to food at any time;
- The individual can have visitors at any time; and,
- The setting is physically accessible

(2) THDA will evaluate the design of the proposed project for the population to be served, including unit configuration, on-site amenities and services, integration with mixed income housing options, and access to community services, including education, transportation, medical, support, recreation, and other activities of daily living.

(3) THDA will evaluate the firm financial commitments available for the proposed project as well as the extent that site control of the proposed project location(s) has been obtained.

(4) THDA will evaluate the inclusion of universal design features into the housing design.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

THDA will accept and consider proposals for HTF resources that will serve communities across the state consistent with the State's certification to affirmatively further fair housing. THDA will establish a minimum score threshold that must be received in order to be eligible for NHTF funding. This minimum score will be determined to ensure that sound, well-designed, and financially viable rental housing will be financed using HTF resources. THDA will rank all applications by Tennessee's three Grand Divisions – East, Middle, and West - that receive the minimum score. THDA will select the highest scoring application from each Grand Division. If additional funding is available, THDA will then rank all remaining applications in a single ranking by score. Those remaining applications that receive the highest score will be selected until funding runs out. Given the limited funding available statewide and to disperse HTF funding across Tennessee, THDA reserves the right to limit funding to only one award per county. THDA also reserves the right not to select a proposed project if sufficient funding is not available to award all funds requested by the applicant. In such instances and at its sole and absolute discretion, THDA may move to the next lower scoring project(s) in order to meet its commitment obligations under the HTF program.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

THDA will evaluate the experience of the entire proposed team with owning, developing and managing projects of similar size and scope serving the intended population proposed. Applicants and their development team must undergo an evaluation by THDA of their capacity to carry out the proposed housing project before the applicant qualifies as an eligible recipient. THDA will also evaluate the experience and capacity of the organization to ensure compliance with the requirements and regulations of all Federal, State and local housing programs used in conjunction with HTF funds; THDA will also evaluate the history of the applicant and project team in serving the community in which the HTF - assisted housing is proposed.

The applicant must be capable of undertaking and completing HTF-funded activities in a timely manner. THDA will evaluate the past performance of the applicant in completing THDA funded development activities.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

For rental housing, the extent to which the project has Federal, State or local project-based rental assistance so rents are affordable to extremely low-income families: THDA will provide a preference for applications which propose to preserve existing housing with project-based rental assistance and for proposals with binding commitments of project-based vouchers to the project.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

For rental housing, the duration of the units' affordability period: All rental units assisted with HTF resources will have a 30 year period of affordability. No additional consideration is proposed for units that will extend the period of affordability beyond this minimum requirement.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The merits of the application in meeting the State’s priority housing needs: THDA will provide a priority for applications in counties with a higher rental housing need based on variables determined by THDA, which may include, but is not limited to, percent of extremely low income renters, population growth rate, vacancy rate, and the pipeline of rental housing under construction. Additionally, THDA will provide a priority for applications located in census tracts of opportunity based on variables to be determined by THDA, which may include median gross rent, high cost burden, proximity to employment, high workforce participation, low levels of abandoned housing, rental market vacancy rate, and the pipeline of rental housing under construction.

i. Describe the grantee’s required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

The extent to which application makes use of non-federal funding sources: THDA manages federal resources, including the HOME Investment Partnership Program and the Housing Choice Voucher Program. In order to encourage the diversity of funding sources, THDA will provide a preference for applications that include the use of non-THDA, federal and non-federal resources towards the development of the housing. THDA will not consider rental assistance provided for the purposes of this category. THDA will award points based on the actual percentage of other non-THDA funds in the project against the total development costs of the project. In order to receive points, written documentation committing the non-THDA funds must be included in the application.

4. Does the grantee’s application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.

Yes

5. Does the grantee’s application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee’s goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.

Enter or attach the grantee’s maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME’s maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

To implement the Housing Trust Fund program, THDA will follow HUD the interim policy issued for the HOME Program that requires the use of the Section 234-Condominium Housing, elevator-type, basic mortgage limits as the maximum per unit subsidy limits for the Housing Trust Fund program. Effective as of May 4, 2019 and until it is amended, superseded, or rescinded, the maximum per unit subsidy for the HOME program is as follows:

Minimum HOME Dollars
\$1,000 Per Unit Limit

Maximum HOME Dollars
\$62,445 - Efficiency
\$71,584 - 1 Bedroom
\$87,047 - 2 Bedrooms
\$112,611 - 3 Bedrooms
\$123,611 - 4+ Bedrooms

For the Housing Trust Fund, the State of Tennessee adopted the limits used in the HOME program in order to have consistency among the federal grant programs that we administer. These limits have proven to be successful for the HOME program and, due to the similarities between programs, we believe they will also be successful for the HTF program.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must

meet upon project completion. The grantee’s description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

All HTF units must meet the specific Design Standards as prescribed by THDA in the Program description. These standards are specific to rehabilitation of existing units and new construction. In addition, all HTF units must meet all applicable local, state and federal building codes.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter “N/A”.

___ The grantee will use the HUD issued affordable homeownership limits.

___ The grantee has determined its own affordable homeownership limits using the methodology described in § 93.305(a)(2) and the limits are attached.

N/A

11. Grantee Limited Beneficiaries or Preferences. Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

The State will not limit beneficiaries and/or give preferences to any segments of the extremely low income population.

12. Refinancing of Existing Debt. Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

The State will not permit the refinancing of existing debt.

Housing Opportunities for Persons with AIDS (HOPWA)
91.320(k)(4)

YES (described below and in AP-30) HOPWA Specific: Does the Action Plan identify the method for selecting project sponsors (including providing full access to grassroots faith-based and other community organizations)?

Description:

The method of selecting sponsors is through soliciting grant proposals to include grass roots faith-based and other community-based organizations. The purpose of this Request for Grant Proposal (RFGP) is to define the State's minimum requirements, solicit grant proposals and gain adequate information from which the State can evaluate the services potential project sponsors propose to provide. The RFGP process for HOPWA is based on a five-year cycle, which was last issued in 2016 and will end June 30th, 2021. The contracts for these agencies are for one year with the option to renew for four additional years. However, the State reserves the right to terminate a contract should there be substandard performance by a project sponsor. In the event a contract is terminated the State will solicit new agency proposals. The Department of Health will contract with established not-for-profit agencies that continually show both the capability to plan for, as well as the ability to provide direct intervention and housing assistance to eligible clients and their families. Proposals are evaluated on criteria such as technical services, organization, experience, and budget, among others. Funds were awarded to sponsors who submitted proposals that best met, or exceeded the required criteria and provided a detailed budget, which best met the needs of HOPWA clients.

Appendix A: Preliminary Draft of the Fair Housing Plan*

The Tennessee Housing Development Agency’s Analysis of Impediments and Fair Housing Plan are currently under development. Through the Analysis of Impediments planning process, THDA identified five core fair housing impediment themes, each with specific related barriers to fair housing choice. At this time, the agency is still working on strategies to address the impediments, determining if a strategy to overcome an identified barrier is within the control of the Consolidated Plan agencies and the priority of addressing each impediment/barrier. A final Fair Housing Plan will be released with THDA’s Analysis of Impediments report.

Impediments/Barriers to Fair Housing Choice

Lack of Access to Affordable Rental Housing Opportunities
Insufficient supply of decent, rental housing affordable to 30-80% AMI across the state, which may disproportionately affect persons in a protected class who are low income.
Lack of knowledge about available rental housing opportunities, especially those that are affordable and accept vouchers, which may disproportionately affect persons in a protected class who are low income.
Discrimination on the basis of inclusion in a protected class. Discrimination includes refusal to rent, harassment, quoting different terms and conditions including rent amount and steering to units or properties not of their choice.
Cost of utilities increases housing cost burden for all protected classes and may reduce housing choice or access to quality housing.

Lack of Access to Homeownership Opportunities/ Lack of Resources to Maintain Homeownership
Lack of knowledge of homebuying process and awareness of rights during home purchase process, which may disproportionately affect persons in a protected class, particularly minorities.
Lack of knowledge of homebuying process and awareness of rights during home purchase process, which may disproportionately affect persons in a protected class, particularly minorities.
Less opportunity to achieve homeownership among minority populations.
Lack of resources among low-income homeowners to make needed repairs, improve energy efficiency (reduce utility costs) or to add accessibility features.

Lack of Housing Choice in Opportunity Areas
Lack of access to affordable rental housing in area of choice for all protected classes.

Concentration of affordable housing opportunities in areas of high poverty.
Lack of affordable access to broadband in some communities.

Inadequate Supply of Accessible, Affordable Housing
Lack of accessible and affordable rental housing for persons with disabilities and/or a lack of inventory of accessible/affordable rental units.
Lack of accessible owner-occupied housing for persons with disabilities.
Lack of accessible, service-enriched affordable housing for persons with disabilities, particularly those with mental health disabilities and seniors with physical or cognitive decline.
Lack of integrated housing opportunities for persons with disabilities.

Lack of Understanding of Fair Housing Laws & Enforcement
Lack of knowledge among local governments and regional stakeholders of fair housing laws, protections and responsibilities.
Lack of knowledge of fair housing laws and rights by renters and buyers and perceived lack of timely enforcement of fair housing laws among Tennesseans.
Lack of understanding of fair housing laws by property managers, owners/agents, realtors and homeowner associations, which may lead to disparate treatment of persons in a protected class, including the failure to make or approve reasonable accommodations & modifications for persons with a disability.

*Expanded and final Plan to be included in the upcoming Analysis of Impediments to Fair Housing Choice Report