

STATE OF TENNESSEE

FISCAL YEAR 2023-24

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT



TENNESSEE HOUSING DEVELOPMENT AGENCY

TENNESSEE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

TENNESSEE DEPARTMENT OF HEALTH

## **CR-05 - Goals and Outcomes**

### **Progress the jurisdiction has made in carrying out its strategic plan and its action plan.**

The Consolidated Annual Performance and Evaluation Report (CAPER) serves as the State of Tennessee's annual performance report to the U.S. Department of Housing and Urban Development (HUD) for five formula grant programs: Community Development Block Grant (CDBG), Emergency Solutions Grants (ESG), Home Investment Partnership Program (HOME), Housing Trust Fund (HTF), and Housing Opportunities for Persons Living with AIDS (HOPWA). The reporting period for this Fiscal Year's (FY 23-24) CAPER is July 1, 2023 – June 30, 2024.

A brief description of the grant programs, expenditures for FY 23-24, notable achievements, and the names of the administering state agencies are as follows:

**Community Development Block Grant (CDBG):** The primary purpose of this program is to develop and improve public facilities and infrastructure across Tennessee. CDBG awarded 64 contracts to city governments, county governments, and other subrecipients, totaling \$28,734,903.50 of funding. This amount includes the FY 23-24 award amount plus additional funds that were recaptured, unspent funds from completed projects from previous years, and CDBG loan repayment funds from the CDBG Economic Development Loan Program. A total of 487,933 persons, of whom 296,562 are low-and moderate-income (LMI) persons, will be assisted. Tennessee's Department of Economic and Community Development (ECD) administers the CDBG program.

**Community Development Block Grant - Recovery Housing Program (CDBG-RHP):** The purpose of this program is to develop transitional housing for persons in recovery from substance use disorders. The CDBG-RHP action plan has been approved and the grant agreements received. CDBG-RHP applications are due October 15, 2024, and those grants will be awarded by the end of 2024.

**Emergency Solutions Grants (ESG):** The purpose of the ESG program is to provide services to enable persons experiencing homelessness or those at risk of becoming homeless to regain stability in permanent housing. The ESG program expended \$3,093,360.40 of funding for this reporting period. ESG awarded contracts to 28 agencies and cities. Total ESG funding during the reporting period assisted more than 4,000 low-, very low-, and extremely low-income persons. Of the ESG beneficiaries who reported their status, 288 were veterans, 247 were chronically homeless, 453 were children, and 303 were fleeing domestic violence. The Tennessee Housing Development Agency (THDA) administers the ESG program. (Note: These ESG totals are missing data from one grantee and will be revised when that data is received.)

**HOME Investment Partnership Program:** The purpose of the HOME program is to promote the production, preservation, and rehabilitation of single family housing for low-income households. The HOME program expended \$16,322,210.06 in funds during FY 23-24. In addition, HOME completed a total of 143 housing units in FY 23-24. Previous years' allocations funded these units, since HOME projects take multiple years to complete. Of the 143 households assisted, 39 were extremely low-

income, 41 very low-income, and 63 low-income. In addition, the HOME program provided 53 individuals who aged out of foster care with tenant based rental assistance (TBRA). THDA administers the HOME program.

Housing Trust Fund (HTF): The purpose of the HTF program is to develop and rehabilitate rental housing for households with incomes at or below 30 percent of the area median income (AMI). The HTF program expended \$2,649,150 in FY 23-24. Like HOME projects, HTF projects take multiple years to complete. 34 HTF units were completed and put into service in FY 23-24. THDA administers the HTF program.

Housing Opportunities for Persons With AIDS (HOPWA): The purpose of this program is to provide housing and services benefitting low-income persons living with HIV/AIDS and their families. The HOPWA program expended \$1,490,437 to six project sponsors across the state and for State of Tennessee administrative activities. HOPWA funds are used to provide assistance in the following categories: Tenant Based Rental Assistance (TBRA), short term rental assistance, mortgage and utility assistance (STRMU), supportive services, permanent housing placement, resource ID, and ongoing housing case management. The HOPWA program served 658 qualifying individuals and their families in need of HOPWA services during FY 23-24. The Tennessee Department of Health (DOH) administers the HOPWA program.

In addition, descriptions of temporary programs to respond to the COVID-19 pandemic with funding from the CARES Act are as follows:

CDBG-CV: The purpose of this program is to fund community development, public facilities, and infrastructure projects related to the impacts of the COVID-19 pandemic. An additional 63 activities were awarded in FY 23-24 for a total of \$23,662,360. These awards are broken down into the following types of activities:

- CDBG-CV funded 43 activities with awards totaling \$13,181,312 to address food insecurity. Funding was awarded to local governments who sub-granted funds to partner organizations to increase capacity for providing public services for those experiencing food insecurity. Organizations were able to demonstrate greater need as a result of the pandemic.
- CDBG-CV also funded 16 activities with awards totaling \$8,706,596 for parks and open spaces. Funding was awarded to local governments for creation and/or improvements to parks and open spaces in their communities. These investments will provide spaces to safely social distance in the event of a future pandemic.
- Finally, CDBG-CV also funded 4 activities totaling \$1,774,452 for childcare creation. Funding was awarded to local governments who partner with childcare providers to expand or establish new facilities and create more childcare options to address the crisis that was exacerbated during the pandemic.

ECD administertest the CDBG-CV program.

## Program Year Goals and Outcomes

Some of the goals may have been prioritized or accomplished in prior years, or may be scheduled to be completed in future years, according to the Consolidated Plan and/or based on priority needs and funding available.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Program Year Outcomes
Creation and preservation of affordable housing	Affordable Housing	HOME: \$16,322,210.06  HTF: \$2,649,150.00 LIHC/MTBA: \$116,492,486.00 HCV: \$46,152,973.00 TN HTF: \$1,593,177.00 CITC: \$426,361,402.00	Rental units constructed	Household Housing Unit	HTF: 34 LIHC: 465 TN HTF: 34 CITC: 1808
			Rental units rehabilitated	Household Housing Unit	LIHC: 721 TN HTF: 0 CITC: 295
			Homeowner housing added	Household Housing Unit	HOME: 30 CITC: 82
			Homeowner housing rehabilitated	Household Housing Unit	HOME: 113 TN HTF: 0 CITC: 0
			Direct financial assistance to homebuyers	Households Assisted	HOME: 0 HCV: 40
			Tenant-based rental assistance / Rapid rehousing	Households Assisted	HOME: 53 HCV: 6,726
Fair housing	Affordable Housing Public Housing Homeless	Homeowner Counseling/Homebuyer Education: \$88,471.00	Other	Households Assisted	Homeowner Counseling/Hom ebuyer Education: 190
Physical infrastructure development	Non-Housing Community Development	CDBG: \$15,540,946.50	Public facility or infrastructure activities for low/moderate income housing benefit	Households (Persons) Assisted	CDBG: 174,273

Goal	Category	Source / Amount	Indicator	Unit of Measure	Program Year Outcomes
Preserve homeless facilities & supportive services	Homeless	ESG: \$3,093,360.40	Tenant-based rental assistance / Rapid rehousing	Households Assisted	ESG: 390
			Homeless person overnight shelter	Persons Assisted	ESG: 2,698
			Homelessness prevention	Persons Assisted	ESG: 205
Preserve housing for persons with AIDS/HIV	Affordable Housing Non-Homeless Special Needs	HOPWA: \$1,490,437.00	Tenant-based rental assistance / Rapid rehousing	Households Assisted	HOPWA: 159
			Overnight/emergency shelter/transitional housing beds added	Beds	HOPWA: 76
			Homelessness prevention	Persons Assisted	HOPWA: 280
			Supportive services	Persons Assisted	HOPWA: 488

Goal	Category	Source / Amount	Indicator	Unit of Measure	Program Year Outcomes
Revitalize disinvested areas & improve livability	Non-Housing Community Development	CDBG: \$13,193,957.00 CDBG-CV: \$8,706,654.00	Other	Other (Persons Assisted)	CDBG: 313,660 CDBG-CV: 121,843
TA, Job/Business Development, Administration	Non-Housing Community Development	CDBG: \$942,737.00	Other	Other	CDBG: N/A
Addressing Food Access and Insecurity	Non-Housing Community Development	CDBG-CV: \$13,181,312.00	Public service activities other than low/moderate income housing benefit	Persons Assisted Jobs created/retained Businesses Assisted	CDBG-CV: 104,644
Daycare Assistance	Non-Housing Community Development	CDBG-CV: \$1,774,452.00	Public service activities other than low/moderate income housing benefit	Persons Assisted Jobs Created/Retained	CDBG-CV: 176 CDBG-CV: 31

**Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

One of the State of Tennessee’s highest housing priority areas is to provide affordable housing opportunities throughout the state. Strategies to address this include preserving the existing affordable housing stock, increasing new affordable housing, or creating new homeownership opportunities. The State has made progress on each aspect of this priority area during this reporting period.

With regard to preserving the affordable housing stock, HOME grantees completed 113 housing rehabilitations projects in FY 23-24. To increase the number of new affordable housing units and create new homeownership opportunities, HOME completed 30 single-family new construction units during this reporting period, and HTF completed 34 rental units. Note that, in addition to the Consolidated Planning programs, other THDA programs including the Community Investment Tax Credit (CITC) Program, the Low Income Housing Credit (LIHC) Program, Multifamily Bond Authority Program, and the Tennessee Housing Trust Fund also contribute to the state’s goal of preserving and developing new

housing opportunities for Tennesseans.

CDBG funds in Tennessee are primarily awarded to water and sewer public infrastructure projects and public facilities projects. These activities contribute to the state's priority to provide for the viability of communities through ensuring infrastructure development, community livability, health and safety, and targeting economic distress. For FY 23-24, approximately 52 percent of CDBG funds were used for infrastructure development, and approximately 45 percent for community livability, health and safety projects.

The grant agreement for the FY 23-24 CDBG-RHP funds was not fully executed until the spring of 2024, so no CDBG-RHP awards were issued for this period. The state anticipates awarding funding for FY 23-24 and FY 24-25 in the next program year. This will be accomplished through the funding of two grant activities: one to acquire and rehabilitate an existing house to be converted and the other to construct new housing units.

## CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

	CDBG*	CDBG-CV*	HOME	ESG*	HOPWA*	HTF	Total
<b>Race</b>							
White	422,678	112,213	118	2,708	378	19	<b>538,114</b>
Black/African American	44,220	5,582	65	973	247	14	<b>51,101</b>
Asian	1,683	905	-	11	0	-	<b>2,599</b>
American Indian or American Native	1,338	473	-	82	1	-	<b>1,894</b>
Native Hawaiian or Other Pacific Islander	211	89	-	0	0	-	<b>300</b>
Other/Multi-racial	17,803	2,581	13	286	32	1	<b>20,716</b>
<b>Total</b>	<b>487,933</b>	<b>121,843</b>	<b>187</b>	<b>4,060</b>	<b>658</b>	<b>34</b>	<b>614,715</b>
<b>Ethnicity</b>							
Hispanic	30,233	3,138	4	59	21	0	<b>33,455</b>
Non Hispanic	457,700	118,705	139	4,001	-	34	<b>580,579</b>
Unknown	-	-	53	-	637	-	<b>637</b>

\*CDBG, CDBG-CV, ESG, and HOPWA represent individual level demographic data, while HTF and HOME represent household level demographics.

Note: Some programs are missing client data either because the program did not collect the data or a client preferred not to report. As a result, the totals for race and ethnicity may not always match. In addition, other/multiracial totals are not collected in IDIS, but are reported here.

### Narrative

The CDBG-CV demographic breakdown above is only for the CDBG-CV Parks and Open Spaces program.

The demographic characteristics of the CDBG-RHP, Addressing Food Insecurity (CDBG-CV), and Child Care Creation (CDBG-CV) funds are unknown at this time. Due to the design of these programs, demographic characteristics will not be known until the completion of the activities. Therefore, this information is not included in the table above.

The HOME demographic breakdown above is for two different types of recipients. For the rehabilitation and new construction of housing: 101 heads of household were White, 35 were Black or African American, and 7 were another race or multiracial. For the beneficiaries of tenant based rental assistance (TBRA), 17 were White, 30 were Black or African American, and 6 were another race or multiracial.



## CR-15 - Resources and Investments

### Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	CDBG	\$28,091,254.00	\$28,734,903.50
CDBG-RHP	CDBG-RHP	\$1,368,779.00	\$0.00
CDBG-CV	CDBG-CV	\$23,374,369.00	\$23,662,360.00
HOME	HOME	\$15,202,351.00	\$16,322,210.06
HOPWA	HOPWA	\$2,238,477.00	\$1,490,437.00
ESG	ESG	\$3,230,622.00	\$3,093.360.40
Housing Trust Fund	Housing Trust Fund	\$5,290,023.00	\$2,649,150.00
LIHC/MTBA*	LIHC/MTBA	-	\$116,492,486.00
Housing Counseling/Homebuyer Education**	Homebuyer Education	-	\$88,471.00
TN Housing Trust Fund	TN HTF	-	\$1,593,177.00
CITC	CITC	-	\$426,361,402
Housing Choice Vouchers***	HCV	-	\$46,152,973.00

\*Represents the Multi-family Tax Exempt Bond Authority allocated/closed for 8 projects, and the one-year award amount for 4% and the 9% LIHTC allocations for 4 projects. 12 projects were placed in service during the reporting period.

\*\* Represents only the HUD Housing Counseling Program grant expenditures, not including administrative funding.

\*\*\* Represents Housing and Utility Assistance Payment expenditures for all HCV programs: Mainstream Voucher Program, Section 811 Non-elderly Disabled (NED) & HCV for Homeownership, not including administrative funding.

### Narrative

Approximately 93% of CDBG-CV funds for programming have been awarded. Expenditures are underway and most of the funds are awarded to activities that will expend relatively quickly. With HUD's waiver of the 80 percent expenditure requirement, the state has through July 2026 to expend the funds. CDBG submitted a substantial amendment to HUD in December 2023 to allow the award of more shovel-ready activities.

### Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Non-Entitlement Statewide Grant Allocation Priority	87%	87%	State Funding Priority
Statewide Grant Allocation Priority	13%	13%	State Funding Priority

## **Narrative**

For some programs, funds were directed to areas of the state with the greatest need and/or areas that have had disproportionately fewer funds made available to them in previous years. For example, all applicants for CDBG funding are scored with respect to community need and the relationship between the county's unemployment rate and per capita income. All CDBG applicants (other than those considered under the slums and blight and urgent need national objectives) must serve residential areas where at least 51 percent of the residents are low- and moderate-income persons.

In addition, the HOME program uses the Not Proportionately Served measure in its Urban/Rural program to advantage counties that did not receive as much HOME funding per capita as other counties in previous years. The HOME competition also divides the Urban/Rural program resources between urban and rural counties to ensure that the state's HOME program serves areas with diverse population densities.

## Leveraging

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

CDBG: HUD does not require CDBG to have match requirements. Tennessee's CDBG program, however, 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.

ESG: The ESG program requires grantees to provide a dollar-for-dollar match for ESG funds. All grantees must supplement their ESG funds with equal amounts of funds or in-kind support from non-ESG sources. 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.

HOME: THDA awards points in its application scoring matrix to encourage applicants to leverage additional resources with the HOME program, including resources like the Federal Home Loan Bank of Cincinnati, other federal funds (including the Self-Help Homeownership Opportunity Program), local agency resources, and homeowner contributions. Additionally, homes constructed by Community Housing Development Organizations (CHDOs) will often use the THDA mortgage revenue bond financed first mortgage program as leverage to provide an affordable low-interest, fixed-rate loan for the home buyer.

HTF: Though match and leveraging are encouraged in the development budget of the proposed projects, neither are required. However, applicants receive additional points in the competitive application scoring process for providing match and/or leverage to the projects. In most cases, leverage was included in the projects through competitive grants from the Tennessee State Housing Trust Fund and tax credits from Community Investment Tax Credits (CITC) or the Low Income Housing Credits (LIHC). In addition, some applicants who were Public Housing Authorities (PHAs) brought leverage, and in some cases match, by providing owner equity to the projects.

HOPWA: HUD does not require HOPWA to have match requirements. In the State of Tennessee, however, the HOPWA program sometimes utilizes Ryan White Part B Program funding as leveraging in the state administration of the program. For FY 23-24, HOPWA did not leverage Ryan White funds.

## HOME MATCH REPORT

The match information below is from the federal fiscal year October 1, 2022 - September 30, 2023, since Tennessee's CAPER reporting deadline is September 28, 2023.

Fiscal Year Summary – HOME Match	
Source of Match	Amount
1. Excess match from prior Federal fiscal year	\$2,991,643.53
2. Match contributed during current Federal fiscal year	\$1,261,544.34
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	\$4,253,187.87
4. Match liability for current Federal fiscal year	\$1,366,651.38
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	\$2,886,536.49

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
15537	11/15/2022	\$0	\$68,430.61	-	-	-	-	\$68,430.61
15663	11/15/2022	\$0	\$3,113.72	-	-	-	-	3,113.73
15809	02/23/2023	\$0	\$40,203.81	-	-	-	-	\$40,203.81
15639	07/15/2023	\$0	\$98,023.74	-	-	-	-	\$98,023.74
15772	11/16/2022	\$0	\$96,872.61	-	-	-	-	\$96,872.61
15810	01/27/2023	\$0	\$94,039.82	-	-	-	-	\$94,039.82
15763	4/24/2023	\$0	\$45,695.92	-	-	-	-	\$45,695.92
15759	03/31/2023	\$0	\$56,806.72	-	-	-	-	\$56,806.72
15734	11/18/2022	\$18,400	\$60,076.37	-	-	\$25,000	-	\$103,476.37
15650	11/08/2022	\$0	\$72,108.24	-	-	-	-	\$72,108.24
15626	11/23/2022	\$0	\$59,943.21	-	-	-	-	\$59,943.21
15693	02/09/2023	\$0	17,500.00	-	-	\$25,000	-	\$42,500.00
15692	02/09/2023	\$0	17,500.00	-	-	\$25,000	-	\$42,500.00
15799	02/09/2023	\$0	17,500.00	-	-	\$25,000	-	\$42,500.00
15755	02/09/2023	\$0	17,500.00	-	-	\$25,000	-	\$42,500.00
15756	02/09/2023	\$0	17,500.00	-	-	\$25,000	-	\$42,500.00
15713	05/26/2023	\$900.00	\$84,276.30	-	-	-	-	\$85,176.30
15803	06/07/2023	\$0	\$48,718.51	-	-	-	-	\$48,718.51
15783	08/11/2023	\$0	\$54,321.56	-	-	-	-	\$54,321.56
14914	06/30/2023	\$0	\$10,282.68	-	-	-	-	\$10,282.68
16163	09/08/2023	\$0	\$111,830.51	-	-	-	-	\$111,830.51

**HOME Minority Business Enterprise / Women’s Business Enterprise (MBE/WBE) Report**

<b>Program Income</b> – Enter the program amounts for the reporting period				
<b>Balance on hand at beginning of reporting period</b>	<b>Amount received during reporting period</b>	<b>Total amount expended during reporting period</b>	<b>Amount expended for TBRA</b>	<b>Balance on hand at end of reporting period</b>
\$521,393.81	\$143,350.01	\$0	\$0	\$664,743.82

**Minority Business Enterprises and Women Business Enterprises** – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period

	<b>Total</b>	<b>Minority Business Enterprises</b>				<b>White Non-Hispanic</b>
		<b>Alaskan Native or American Indian</b>	<b>Asian or Pacific Islander</b>	<b>Black Non-Hispanic</b>	<b>Hispanic</b>	
<b>Contracts</b>						
Dollar Amount	\$0	\$0	\$0	\$0	\$0	\$0
Number	0	0	0	0	0	0
<b>Sub-Contracts</b>						
Number	0	0	0	0	0	0
Dollar Amount	\$0	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>Women Business Enterprises</b>	<b>Male</b>			
<b>Contracts</b>						
Dollar Amount	\$0	0	\$0			
Number	0	0	0			
<b>Sub-Contracts</b>						
Number	0	0	0			
Dollar Amount	\$0	\$0	\$0			

*Note: Totals for non-MBE and non-WBE were not calculated.*

<b>Minority Owners of Rental Property</b> – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	\$0	\$0	\$0	\$0	\$0	\$0

<b>Relocation and Real Property Acquisition</b> – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired		0	0			
Businesses Displaced		0	0			
Nonprofit Organizations Displaced		0	0			
Households Temporarily Relocated, not Displaced		0	0			
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	
Cost	\$0	\$0	\$0	\$0	\$0	

## CR-20 - Affordable Housing

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	Actual
Number of Homeless households to be provided affordable housing units	ESG: 623 HCV: 59 HOPWA: 49
Number of Non-Homeless households to be provided affordable housing units	ESG: 117 CITC: 2185 HOME: 30
Number of Special-Needs households to be provided affordable housing units	CDBG-RHP: 0 HOPWA: 108* TN HTF: 34 HCV: 2,857*

\*Households with at least one person reporting a disability.

	Actual
Number of households supported through Rental Assistance	HOPWA: 408 ESG: 595 HCV: 6,726 HOME: 53
Number of households supported through The Production of New Units	HOME: 30 CITC: 1890 TN HTF: 35 LIHC: 465 HTF: 34
Number of households supported through Rehab of Existing Units	CDBG: 0 HOME: 113 CITC: 220* TN HTF: 0 LIHC: 721
Number of households supported through Acquisition of Existing Units	CITC: 75** TN HTF: 0

\*These households are supported by projects that are rehabilitation only.

\*\*These households are supported by projects are both acquisition and rehabilitation.

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

The actual households supported through the various activities listed above include outcomes for the five formula programs, as well as LIHC, HCV, CITC, and the Tennessee Housing Trust Fund.

**Discuss how these outcomes will impact future annual action plans.**

The Consolidated Planning Partners will adjust our annual housing goals to reflect the programs, resources, opportunities, and threats impacting affordable housing in Tennessee. In addition, the State of Tennessee will consult its five-year Consolidated Plan for FY 20-24 to ensure any proposed strategies and changes are aligned to the state’s goals. Finally, the state will review the results in past CAPERs to understand progress toward goals and to set realistic goals for future years.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

<b>Number of Households Served</b>	<b>CDBG Actual</b>	<b>CDBG-CV Actual</b>	<b>HOME Actual</b>	<b>HTF Actual</b>
Extremely low-income	103,720	34,250	39	34
Low-income	77,806	17,787	41	0
Moderate-income	115,036	30,707	63	0
<b>Total</b>	<b>137,970</b>	<b>145,743</b>	<b>143</b>	<b>34</b>

Extremely low-income households have an income of 30 percent or less of the Area Median Income (AMI). Low-income households have an income of between 30 and 80 percent of the AMI. (Very low-income households, a subset of the low-income households category, have an income of between 30 and 50 percent AMI.) Moderate income households have an income between 80 and 120 percent of AMI.

CDBG's actual numbers of LMI households served are determined by estimating the number of LMI households who benefit from the public infrastructure projects completed in a geographic location. For more information, please see the CDBG PER worksheet in Appendix C, which breaks down the individual projects included and the estimate of LMI households impacted by each project. The demographic characteristics of the CDBG-RHP, Addressing Food Insecurity (CDBG-CV), and Child Care Creation (CDBG-CV) funds are unknown at this time. However, the LMI figures above listed under CDBG-CV are those that were identified under the CDBG-CV Parks and Open Spaces program. The beneficiaries of the CDBG-RHP funds are presumed to be LMI persons, and the vast majority of the beneficiaries of the food bank, food insecurity, and child care activities funded with CDBG-CV funds are expected to be LMI persons.

HOME does not serve moderate-income households. For projects that rehabilitated or constructed housing, HOME served 39 extremely low-income households. In addition, of the 104 households classified as low-income, 41 were considered very low-income (with incomes between 30 and 50 percent of AMI), and 63 were considered low-income (with incomes between 50 and 80 percent of AMI).

HTF only serves extremely low-income households.



In addition to those listed in the table above, In addition, THDA administers many other housing programs that support affordable housing for lower income households.

The LIHC program is a substantial contributor to new and renovated affordable housing units for low-income Tennesseans. For FY 23-24, \$116,492,486 was expended toward 8 MTBI projects, and the one-year award amount for 4% and the 9% LIHTC allocations for 4 projects. 12 projects were placed in service during the reporting period.

In addition, lenders received Community Investment Tax Credits (CITC) on approximately \$426.4M in below market loans or contributions made to eligible non-profit agencies and public housing authorities to assist 2185 households through a range of housing services and to create or preserve units of affordable rental housing.

The Tennessee Housing Trust Fund (TN HTF) provides funding for several programs within THDA to address significant housing needs. For the State of Tennessee's fiscal year, \$1,593,177 was expended to complete 34 rental units.

Many low-income homebuyers are also supported with the homebuyer education initiative (HBEI). In total, 190 THDA borrowers received homebuyer education from October 1, 2022 to June 30, 2023 as part of the Great Choice Home Loan Program.

Each of these efforts is critical to affordable housing goals and aligned to decreasing impediments to fair housing choice. More information about any of the programs listed in this section can be found at [THDA.org](https://www.thda.org). Calendar year annual spending and outcomes for these and other THDA programs are detailed in the Investments and Impacts Report.

## **CR-25 - Homeless and Other Special Needs**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

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

For the ESG program, street outreach activities are a key component for grantees. These activities 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. Eligible participants under this category/activity are unsheltered individuals and families who qualify as homeless under Category 1 of HUD's Definition of Homelessness.

Beyond engaging homeless persons through street outreach, grantees of the ESG program continue their support to this population through case management, which includes an assessment of housing and service needs, and coordinating the delivery of individualized services. To reach out to homeless persons and assess their individual needs, ESG grantees provided six main services:

- **Engagement:** activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid rehousing programs.
- **Case Management:** using the centralized or coordinated assessment system as required under § 576.400(d); conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility; counseling; developing, securing and coordinating services; obtaining federal, state, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability.
- **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 and the transportation of clients to emergency shelters or other service providers.

- Services to special populations which are 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**

To address emergency shelter and transitional housing needs of homeless persons, ESG grantees rehabilitate existing shelter or convert buildings for the purposes of providing emergency shelter, essential services and operational expenses. Renovation is defined as rehabilitation that involves costs of 75 percent or less of the value of the building before renovation. Major rehabilitation is defined as rehabilitation that involves costs in excess of 75 percent of the value of the building before rehabilitation. Finally, conversion is defined as a change in the use of the building to an emergency shelter for the homeless, where the cost of conversion exceeds 75 percent of the value of the building after conversion. Grantees receiving ESG assistance for major rehabilitation or conversion must maintain the building as a shelter for homeless individuals and families for 10 years; grantees receiving ESG assistance for renovations must maintain the building as a shelter for homeless individuals and families for three years.

In addition to rehabilitation, ESG grantees provide essential services connected to emergency shelter and transitional housing, including services concerned with employment, health, drug abuse, and education, as well as the staff salaries necessary to provide these services. These services may include, but are not limited to, the following: 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, food stamps and aid to families with dependent children; other services such as child care, legal services, life skills training, transportation, job placement and job training; and the staff salaries necessary to provide the above services.

Under this category, operating expenses 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 are also included, which makes the State of Tennessee's efforts under this category possible.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after 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); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

For the ESG program, eligible activities include those related to preventing persons from becoming homeless and to assist participants in regaining stability in their current or other permanent housing. Specifically, ESG grantees typically provide financial assistance in order to help prevent and rapidly re-house clients in the following ways: pay rental application fees (excludes pet deposit), moving costs, security deposit for rental or utility, payment of rental arrears up to six months, and short-term (up to three months) or medium-term (up to nine months) rental and/or utility assistance.

Under this category, THDA defines these low-income individuals and families as extremely low-income individuals and families with household incomes of at or below 30 percent of AMI 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."

In addition, HOME assists youth aging out of foster care with tenant based rental assistance (TBRA).

**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**

To help homeless persons make the transition to permanent housing and independent living, ESG grantees provide financial assistance for the following: 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. Under this category, in order to be eligible, individuals and families must meet the definition of homeless, living in an emergency shelter or other place described in the definition provided by HUD.

## **CR-30 - Public Housing**

### **Actions taken to address the needs of public housing**

During this reporting period, 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 2024 Qualified Allocation Plan (QAP) for the Low Income Housing Credit (LIHC) program includes a set-aside of up to 25 of the state's competitive housing credit ceiling 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 2024 QAP includes a preference for subsequent phases to previously funded RAD conversions. In this way, THDA ensures that local PHAs have the resources necessary to complete largescale multiphase RAD conversions. The 2024 QAP sets aside an additional \$1.7M 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. The 2024 QAP has been approved by the THDA Board of Directors and Governor Lee as of December 21, 2023.

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

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

THDA created the New Start Loan Program, which is designed to promote the construction of new homes for homeownership opportunities for low- and very-low income Tennesseans, which is often the income range for public housing residents. The New Start Loan Program is a zero percent interest loan program delivered through non-profit organizations with established programs for the construction of single family housing for low- and very-low-income households.

THDA manages a Family Self Sufficiency (FSS) program for its Housing Choice Voucher (HCV) Program participants as an effort to enable participants to become self-sufficient or independent of welfare assistance.

The FSS program includes financial counseling and pre-purchase homeownership counseling for participants. FSS participants sign a five-year contract in which they agree to find employment and identify goals for achieving financial independence. Staff assists participants in identifying goals and provides referrals for resources in the community. Participants are eligible for the establishment of an

escrow account, which is based on increased income as a result of employment. The funds in the escrow account may be accessed by the participant once the contract is fulfilled or the family requires an interim disbursement in pursuit of an established goal.

In 1998, the FSS program was mandated to have 181 participants. Since 1998, over 181 participants have graduated from the program, making the program voluntary. THDA has opted to have 175 slots available to Housing Choice Voucher participants.

THDA also offers a homeownership voucher option to participants of the FSS program. The THDA Homeownership Voucher Program offers a mortgage subsidy to low-income families who are not able to afford to purchase a home through traditional financing. With the Homeownership Voucher Program, families typically pay 30 percent of their monthly-adjusted income (or the family's Total Tenant Payment) towards homeownership expenses and THDA pays the difference between the family Total Tenant Payment and the actual monthly mortgage payment. The mortgage assistance payment is paid directly to the lender or loan servicing company and not to the family.

#### **Actions taken to provide assistance to troubled PHAs**

Not applicable.

## **CR-35 - Other Actions**

**Actions taken 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.**

The State of Tennessee implements a number of programs outside of the five Consolidated Planning programs that remove barriers to affordable housing and support our FY 2020-2024 Consolidated Plan. The following programs encourage the preservation and creation of affordable housing units.

**Community Investment Tax Credit Program (CITC):** In order to encourage the development of affordable housing units, this program enables financial institutions to obtain a credit against the sum total of taxes imposed by the Franchise and Excise Tax Laws when qualified loans, qualified investments, grants or contributions are extended to eligible housing entities for engaging in eligible low income housing activities. Eligible activities include creating or preserving affordable housing for low-income Tennesseans; activities that assist low-income Tennesseans in obtaining safe and affordable housing; activities that build the capacity of an eligible non-profit organization to provide housing opportunities for low-income Tennesseans; and any other low-income housing related activity approved by the THDA Executive Director and the Commissioner of Revenue.

**Low Income Housing Credits (LIHC):** Another program that encourages the development and preservation of affordable housing is the Low Income Housing Credit (LIHTC) program. LIHC 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 (MTBA):** The Bond Authority program, like the LIHTC program, supports rehabilitation, acquisition and rehabilitation, and new construction of affordable rental units. Municipalities request an allocation of the state's bond authority and sell bonds in support of housing development. Proposed developments utilizing tax exempt bonds are eligible for non-competitive Low Income Housing Credits.

**Tennessee Housing Trust Fund (TN HTF):** Many of the primary programs within THDA to address difficult housing needs are funded through the state's Housing Trust Fund. During this reporting period, the Emergency Repair Program helped 338 elderly and/or disabled homeowners with critical home repairs; 88 homes were provide ramps and modifications based on disability needs; and 28 homes were bought by low-income homebuyers through the state's Trust Fund support of Habitat for Humanity. In addition, the Rebuild and Recover Program reconstructed ten weather-damaged homes.

**Actions taken to address obstacles to meeting underserved needs.**

The State of Tennessee is committed to addressing the obstacles facing underserved Tennesseans. Our 2020-2024 Consolidated Plan identified affordable housing, community development and infrastructure, and housing and services for persons experiencing homelessness and those with special needs as focus areas to better meeting the needs of those underserved.

Funds were directed to the areas of the state with greatest need and/or areas that have had disproportionately fewer funds made available to them. HOME used the Not Proportionally Served measure to advantage counties not receiving as many funds per capita as other counties. CDBG used 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.

CDBG-DR: Another underserved need is supporting communities in Tennessee with disaster relief and resilience. An accomplishment worth noting is that the Tennessee Department of Economic and Community Development (ECD) was a winner of the National Disaster Resilience Competition (CDBG-NDR) from HUD and the Rockefeller Foundation during this reporting period. NDRC is funded through CDBG – Disaster Recovery appropriations provided by the Disaster Relief Appropriations Act of 2013. The initiative is a federal, state and local collaborative effort to create rural resilient communities along the Mississippi River in Tennessee. HUD funding will help with the restoration of two miles of degraded floodplain, the rehabilitation of a wastewater lagoon, and the creation of wetlands and recreation space.

Tennessee has been awarded CDBG Disaster Recovery and Mitigation funds to address the impacts of federally declared major disasters that occurred in 2020 and 2021 and to prepare for and mitigate future natural disasters in the designated areas. Collectively, Tennessee is receiving approximately \$85 million. The action plan has been approved and the agreement between HUD and the state has been executed. The most impacted and distressed (MID) counties are in the process of developing their plans for the use of the funding allocations.

The purpose of the CDBG-CV program is to fund community development, public facilities, and infrastructure projects related to the impacts of the COVID-19 pandemic. Funding for addressing food insecurity was awarded to local governments who sub-granted funds to partner organizations to increase capacity for providing public services for those experiencing food insecurity. Organizations were able to demonstrate greater need as a result of the pandemic. Funding for parks and open spaces was awarded to local governments for creation and/or improvements to parks and open spaces in their communities. These investments will provide spaces to safely social distance in the event of a future pandemic. Funding for childcare creation was awarded to local governments who partner with childcare providers to expand or establish new facilities and create more childcare options to address the crisis that was exacerbated during the pandemic.

In addition, due to the COVID-19 pandemic, many Tennesseans experienced unexpected periods of unemployment or underemployment in the last few years with significant impacts on housing stability.



The Homeowner Assistance Fund (HAF) was created under the American Rescue Plan Act to assist states in preventing mortgage delinquencies, foreclosures, defaults and other related housing expenses. For FY 23-24, the program was not accepting new applicants, but some current beneficiaries are still receiving assistance. Similarly, the Renter Assistance Program was created to support renters who are or have been struggling to pay rent, utilities, or other home energy costs. For FY 23-24, new applications are still being accepted. Finally, HUD granted THDA 325 Emergency Housing Vouchers in 2021 and has maintained this number each year since. These vouchers are available for eligible families, who CoCs refer because they are experiencing homelessness, are at-risk of homelessness, or are fleeing violence.

### **Actions taken to reduce lead-based paint hazards.**

Title X of the federal Residential Lead Based Paint Hazard Reduction Act of 1992 became effective on December 6, 1996. On September 26, 2000, the Tennessee Department of Environment and Conservation (TDEC) implemented a certification program and compiled a registry of certified lead inspectors, risk assessors, contractors, and training facilitators.

In April 2001, HUD and the Environmental Protection Agency (EPA) issued a joint memorandum to clarify Title X requirements for rehabilitation of housing, specifically the definition of abatement under regulations issued by EPA and HUD. It also asserted in the memorandum that HUD and EPA regulations were complementary. On May 2, 2011, THDA and TDEC issued a joint memorandum that allowed for the use of HUD regulations in rehabilitation projects. TDEC certified that lead-based paint professionals must be used. These joint efforts have enabled rehabilitation efforts to continue safely.

Each of the five Consolidated Planning grant programs have lead-based paint requirements. In regards to the CDBG and HOME programs, subrecipients must give participants of the program notice of possible lead hazards within the unit when the house is dated pre-1978 and must inform them of possible dangers. The Lead Chapter of the HOME Operations Manual, which provides further guidance for compliance with HUD regulations, is made available to all grantees and can be found on THDA's website. THDA monitors for compliance with lead-based paint regulations during project monitoring. Housing assisted with RSG funds are also subject to the Lead Based Paint Poisoning Prevention Act and based on the activity, must comply with various subparts of the Act.

The Housing Trust Fund follows the same requirements as the HOME program. Data on lead-based paint in Tennessee was updated in the 2020-2024 Consolidated Plan.

### **Actions taken to reduce the number of poverty-level families.**

Reducing the number of poverty-level families in the State of Tennessee is a core mission of the Tennessee Consolidated Planning Partners. Each program utilizes data to inform decision-making and adapts processes to consider the special needs of lower income individuals and families. The Consolidated Planning programs serve mainly individuals and families under 80 percent of the AMI, with a few exceptions. A few programs have special considerations for those who fall into even lower income

ranges.

CDBG: As a part of its scoring mechanism for housing rehabilitation, ECD (CDBG) 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.

ESG: The program provides services geared towards assisting families who are homeless or at risk of becoming homeless. In addition to shelter services, ESG provides rapid rehousing services, homelessness prevention activities, and rental assistance. Additional activities were added with ESG-CV funds, such as providing incentives to landlords to help families achieve or maintain housing and providing hazard pay, incentives, and training to recruit additional outreach workers and volunteers who can provide needed services to individuals and families.

HOME: The program serves all households under 80 percent of the AMI. 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. Over the reporting period, just over a quarter of households served by HOME (39 households) were extremely low-income, or had incomes at or below 30 percent of the AMI. 41 households were considered very low-income, while 63 households were low-income. Over the last few years, HOME has committed to serving increased numbers of families who meet the extremely low-income definition.

HTF: The program provides rental housing for families or individuals whose income is at or below 30 percent of the AMI. As of the end of the program year, HTF completed 34 units and put them into service.

HOPWA: The program serves families impacted by HIV/AIDS who fall under 80 percent of the AMI with services such as rental, mortgage, and utility assistance, as well as other supportive services. In total, HOPWA served 658 persons and their family members with housing related activities in FY 23-24.

Additionally, the state coordinates resources so that services to households at or below 80 percent of the AMI are effectively administered. Continued coordination efforts include plans to further address the housing needs of those who face additional barriers. Specifically, youth transitioning out of foster care and formerly incarcerated people, groups who are often experiencing poverty or are at-risk of poverty, have become a focus for THDA and its grantees. We have enhanced a number of our housing programs to encourage the development of housing options for these populations.

### **Actions taken to develop institutional structure.**

Please see below.

### **Actions taken to enhance coordination between public and private housing and social service**

## **agencies.**

To enhance coordination between public and private housing and social service agencies, as well as the development of the institutional structure, the Consolidated Planning partners and their programs complete the following activities and foster the following partnerships:

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.

THDA has a Lender/Realtor Advisory Board, as well as an advisory board for homebuyer educators, that assist THDA in ensuring programs are responsive to the needs of consumers and partners. THDA also hosts a peer session for the Homebuyer Education Initiative, which includes a section of fair housing education, and the Energy Efficiency/Weatherization Advisory Board.

THDA's grantees include local governments, regional Development Districts and not-for-profit organizations. Each of these partnerships adds strength to the overall institutional structure as well as the strong public-private partnerships that exist throughout the state.

Additionally, THDA promotes participation and the active involvement of HCV residents in all aspects of the Housing Choice Voucher program mission and operation. HCV participants are invited to serve on a Resident Advisory Board to represent their interests. THDA's Resident Advisory Board is composed of active HCV participants who provide supportive assistance to HCV personnel. The Resident Advisory Board consist of a maximum of 15 members. If more than 15 persons volunteer for the Board, THDA utilizes a random selection process to ensure proportionate representation from the East, West and Middle divisions of the state. In addition, as required by the federal regulations, the THDA Board of Directors includes one eligible resident board member who can vote on Housing Choice Voucher program issues. The goal of the Resident Advisory Board is to positively impact the overall quality and delivery of HCV services and improve the overall quality of life for HCV participants.

## **Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice.**

Appendix A provides a detailed assessment of fair housing activities undertaken by CDBG, HOME, HTF, ESG, HOPWA, and other relevant programs, including updates on fair housing planning for 2023 – 2024.

## **CR-40 - Monitoring**

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

The State of Tennessee has established standards and procedures to monitor the use of federal grant funds. Each state department that manages a Consolidated Planning grant program allocates grant resources received in accordance with the preapproved uses of the funds. Contracts, agreements, and other documentation with program participants incorporate the services and activities to be completed, the compliance requirements, and the specific conditions under which funds may be released.

Further, designated staff are responsible for monitoring compliance with applicable federal and state regulations for programs. Each department conducts monitoring activities regularly or as required by HUD regulations to ensure compliance. Some examples of monitoring activities for funded programs include program site visits, regular review of participant-level data via web-based tracking systems, reviews of deliverables reported in monthly and quarterly reports, environmental reviews, on-site construction inspections, and other activities that ensure program compliance.

Specific to minority business outreach and Section 3, within the program documents that grantees receive, policies and procedures are detailed regarding the affirmative steps that must be taken to ensure that women and minority businesses are afforded opportunities to bid on service, material, and construction contracts. Grantees also receive a statewide Diversity Business Enterprise Directory to help connect grantees to women and minority owned business options in the state. They are also given the Disadvantaged Business Enterprise Directory to help grantees be in compliance with Section 3 and the required HUD forms for both of these areas to ensure awareness of their obligations to affirmatively market and connect with minority owned businesses and provide economic opportunities for low- and very low-income persons.

### **Citizen Participation Plan 91.105(d); 91.115(d)**

**Description of the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

For the FY 23-24 CAPER, the State of Tennessee has provided an Overview in English and Spanish and a draft of the CAPER in English on the THDA website. Public notices were translated into Arabic, Badini, Chinese, Korean, Laotian, Spanish, Somali, Sorani, and Vietnamese, and available on the THDA website and the SurveyMonkey feedback form. Public notices in English and Spanish and links are published on Tennessee Department of Economic and Community Development website, Tennessee Department of Health website, most of the nine Development District websites, and thirteen major newspapers across the State. The State of Tennessee also sent an email blast promoting the draft and public comment period to program grantees, as well as advocacy and social service groups serving protected classes in

Tennessee. This year, the public notice was published in ten English newspapers and in three Spanish newspapers:

- Memphis Commercial Appeal
- The Tennessean (Nashville)
- The Herald – Citizen (Cookeville)
- The State Gazette (Dyersburg)
- Chattanooga Times Free Press (Chattanooga)
- The Leaf Chronicle (Clarksville)
- Johnson City Press (Johnson City)
- The Knoxville News Sentinel (Knoxville)
- The Daily Herald (Columbia)
- The Jackson Sun (Jackson)
- La Prensa Latina (Memphis)
- El Crucero de Tennessee (Nashville)
- La Campana (Franklin/Nashville)

The Overview and public comment form will be made available on THDA’s website from August 30 – September 17, 2024, which meets the requirements set forth in the State of Tennessee’s Citizen Participation Plan.

A public meeting will be held on September 17, 2024 from 1:00 – 2:00 PM with options to participate in person at an accessible location or online.

The final appendix will contain copies of the translations, posted notices, and other outreach efforts.

## **CR-45 - CDBG**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

Program objectives have remained the same. However, TNECD continues to seek grantee and public feedback on program changes. It uses both the in-person and hybrid format to encourage participation and involvement in the public participation process. Still, only a few comments were received this cycle, which were mostly positive about the increase of the maximum grant for construction activities being raised to \$1 million.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No

## CR-50 - HOME

**Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations**

*Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.*

Here are the following properties that were inspected on-site during this program year, as well as the findings.

Property	Inspection Date	Finding(s)
JONAH  2267 Kinner Road, Hwy 152, Humboldt  Webb Street, Bells  600 Austin Street, Brownsville	03/06/2024	No findings.
BUFFALO VALLEY, INC.  904; 905; 907; 908 A & B; 909 A & B; 910 and 911 A & B Red Bud Lane, Nunnely	02/22/2024	No findings.
WESLEY PINE RIDGE APARTMENTS  79 Wesley Dr Units A/B/C & D; 80 Wesley Dr Units A/B & C  86 Wesley Dr Units A/B/C & D; 90 Wesley Dr Units A/B/C &  106 Wesley Dr Units A/B/C & D	02/23/2024	No findings.
ALPHA OMEGA VETERANS SERVICES  War Memorial Drive, Memphis (11 units)	03/21/2024	No findings.
BUFFALO VALLEY, INC.  454; 456; 457 and 458 Honesuckle Dr, Lawrenceburg  895; 897 and 899 Spring Street, Lawrenceburg  900; 902 and 904 Woodland Street, Lawrenceburg	02/27/2024	No findings.
CAREY COUNSELING CENTER  511 Cherry Street, Tiptonville (Units 1-5)	02/22/2024	No findings.

<p>QUINCO MENTAL HEALTH CENTER</p> <p>35 Young Lane, Apts 1 - 4, Savannah (Raintreet Apts)</p> <p>111 Hines Blvd, Apts A - D, Bolivar (Avalon Apts)</p>	02/13/2024	No findings.
<p>SETHRA</p> <p>10A &amp; B; 17A &amp; B; 22A &amp; B; 33A &amp; B; 36A &amp; B Cedar Grove Way, Dunlap</p>	03/14/2024	No findings.
<p>VOLUNTEER BEHAVIORAL HEALTH CARE SYSTEM</p> <p>1721 - 1737 Garden Drive, Athens (8 units)</p>	03/14/2024	No findings.
<p>BEHAVIORAL HEALTH INITIATIVES</p> <p>300 A-D Austin Street, Savannah (4 units)</p> <p>115 A-D, Hines Blvd, Bolivar (4 units)</p> <p>148 Johnson St, Bethel Springs (3 bedroom group home)</p>	02/12/2024	No findings.
<p>BUFFALO VALLEY, INC.</p> <p>701 Woodrow Street, Manchester</p> <p>191 Shawna Lane, Manchester</p> <p>305 Carter Street, Manchester</p> <p>813 Lowery Street, Manchester</p> <p>130 Rayburn Drive, Manchester</p> <p>134 Rayburn Drive, Manchester</p> <p>411 Maple Street, Manchester</p> <p>412 Oak Street, Manchester</p> <p>602 Oakdale, Manchester</p> <p>604 Oakdale, Manchester</p>	02/28/2024	No findings.
<p>CAREY COUNSELING CENTER</p> <p>104 Cherry Blossom, Huntingdon (Units 1-6)</p> <p>317 Midland Street, Gleason</p>	02/21/2024	No findings.



4022 Wahl Street, Milan		
CENTERSTONE COMMUNITY M. H. CENTER, INC. 1521 New Columbia Hwy, Lewisburg (10 units)	03/07/2024	No findings.
CLEVELAND – BRADLEY HC 2365 Worth Lane NW, Charleston 2369 Worth Lane NW, Charleston 2373 Worth Lane NW, Charleston 174 Polk Co Avenue NE, Cleveland 184 Polk Co Avenue NE, Cleveland 250 Gaut Street NE, Cleveland	03/12/2024	No findings.
SOUTHWEST CDC (formerly AFFORDABLE HOUSING CDC) 340 Southern Street, Jackson (3 bedroom house) 139 Crescent Avenue, Jackson (3 bedroom group home)	03/05/2024	No findings.
BUFFALO VALLEY, INC. 101c; 105a Spring Valley Ct, Waynesboro (2 units) 441/463/485/539/543/557 Marshalltown Road, Parsons 392; 412 Oakwood Drive, Decaturville (2 units)	02/26/2024	No findings.
BUFFALO VALLEY, INC. 353 & 357 Dover Street, Shelbyville 106, 107 & 108 Anna Street, Shelbyville 100 Michael Street, Shelbyville 154 & 156 Hendon Memorial, Shelbyville	02/29/2024	No findings.
MOUNTAIN CITY (EASTERN 8) 130 Wayland Street, Mountain City (8 units)	03/25/2024	No findings.
FFC HOUSING 502 Cedar Park, LaVergne (2 person Grp Hm)	02/21/2024	No findings.

1404 Stroud, Lebanon (3 person Grp Hm) 1403 Stroud, Lebanon (3 person Grp Hm) 1405 Stroud, Lebanon (3 person Grp Hm) 1409 Stroud, Lebanon (3 person Grp Hm) 835 Cherry St, Alcoa (2 person Grp Hm)		
CAREY COUNSELING CENTER 511 Cherry Street, Tiptonville (Units 6 - 10)	02/22/2024	No findings.
DAWN OF HOPE 106 Rhodendron Lane, Johnson City (3 bed group home) 115 Wild Rose Lane, Johnson City (3 bed group home) 119 Wild Rose Lane, Johnson City (3 bed group home) 205 Clemson Court, Johnson City (3 bed group home) 1915 Powder Branch Rd, Johnson City (3 bed group home) 1913 Powder Branch Rd, Johnson City (3 bed group home)	03/27/2024	No findings.
HOPE OF MARTIN CDC 327 A - D North McCombs St, Martin 534 A & B North McCombs St, Martin	02/22/2024	No findings.
CENTERSTONE COMMUNITY M. H. CENTER, INC. 100 Hopes Way, Dickson (8 units)	02/22/2024	No findings.
VOLUNTEER BEHAVIORAL HEALTH CARE SYSTEM 1739 - 1749 Garden Drive, Athens (6 units)	03/14/2024	No findings.
BUFFALO VALLEY, INC. 331 2nd Avenue West, Hohenwald 705 & 725 Noah Drive, Hohenwald 124 Backwoods Drive, Hohenwald	02/29/2024	No findings.

BUFFALO VALLEY  102 & 103 Buffalo Valley Ct, Shelbyville  3046 & 3056 William Lyell Road, Centerville  3093 William Lyell Road, Centerville	02/29/2024	No findings.
CLEVELAND – BRADLEY HC  270 Gaut St NE, Cleveland  335 16th Street SE, Cleveland  327-329 King Edward Ave, Cleveland  231 Dooley Street, Cleveland  241 Dooley Street, Cleveland	03/12/2024	No findings.
CHPWC  520 11th Avenue North, Franklin  522 A & B 11th Avenue North, Franklin  731 A & B Mt. Hope Street, Franklin  735 A, B & C Mt. Hope Street, Franklin	02/14/2024	No findings.
DAWN OF HOPE  3220 Unicoi Drive, Unicoi (3 bed group home)  110 Golf Course Lane, Unicoi (3 bed group home)  4961 Unicoi Drive, Unicoi (3 bed group home)  4963 Unicoi Drive, Unicoi (3 bed group home)  4965 Unicoi Drive, Unicoi) (3 bed group home)  4967 Unicoi Drive, Unicoi (3 bed group home)	03/27/2024	No findings.
EASTERN 8 CDC  134 Wayland Street, Mountain City (8 units)	03/25/2024	No findings.
HORIZON CDC	03/26/2024	No findings.

126 Tipton Street, Erwin (Duplex)		
885 Love Street, Erwin		
106 Shawnee Ext, Erwin		
LIFE BRIDGES	03/13/2024	No findings.
2021 Glenwood Drive NW (3 SRO), Cleveland		
2311 Wolfe Drive NW (3 SRO), Cleveland		
3004 Pleasant Grove Rd (3 SRO), Cleveland		
BUFFALO VALLEY	02/14/2024	No findings.
501 Lenape Path, Columbia		
511 Lenape Path, Columbia		
521 Lenape Path, Columbia		
502 Formosa, Columbia		
810 Armstrong, Columbia		
812 Armstong, Columbia		
BUFFALO VALLEY	02/202/2024	No findings.
1005 Ballew Circle, Dickson		
507 Delacy, Dickson		
105 A G Myatt, Dickson		
103 A G Myatt, Dickson		
500 Center, Dickson		
502 Center, Dickson		
EASTERN 8 CDC	03/26/2024	No findings.
Kirk Lane, Jonesborough (5 units)		
BUFFALO VALLEY	02/15/2024	No findings.
703 Cheairs Circle, Columbia		

1906 Vicksburg Circle, Columbia		
1910 Vicksburg Circle, Columbia		
608 Blue Ridge, Columbia		
820 Mulberry Drive, Columbia		
HORIZON CDC	03/26/2024	No findings.
110 York Drive, Greeneville (2 SRO's)		
1712 Moore Avenue, Greeneville (3 SRO's)		
HOPE OF MARTIN CDC	02/22/2024	No findings.
111 A & B Highland Ave, Martin		
113 A & B Highland Ave, Martin		
180 A & B Meek St, Martin (2 three-bed group home)		

Since its implementation of the 2013 HOME funds in calendar year 2014, THDA has not funded rental housing activities under its HOME program. Beginning with Program Year 2013, THDA moved all rental production from HOME to the THDA-funded Tennessee Housing Trust Fund Competitive Grants program. HOME has re-introduced rental projects in the 2023-24 grant cycles. In addition, THDA has granted HOME-ARP funding with rental activities. Outcomes of these programs will be captured in future CAPER reports.

For FY 23-24 and prior year HOME funding, THDA required that the units meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion and prior to making the final payment on rehabilitation or construction of rental units. In the absence of a local code, HOME-assisted rental new construction of apartments of three or more units must have met the State-adopted International Building Code; HOME-assisted new construction or reconstruction of single-family rental units or duplexes must have met the State-adopted International Residential Code for One- and Two-Family Dwellings; and HOME-assisted rental rehabilitation must have met the State-adopted International Existing Building Code. Rental new construction must also have met the International Energy Conservation Code. In addition, all new construction must have met Energy Star standards as certified by an independent Home Energy Rating System (HERS) rater. All other HOME-assisted rental housing (e.g., acquisition) must meet all applicable state and local housing quality standards and code requirements, and if there were no such standards or code requirements, the housing must have met the Uniform Physical Condition Standards (UPCS).

The 2013 HOME Rule made significant revisions to the Property Standards at §92.251, which were to be effective January 24, 2014. However, the effective date was delayed pending additional guidance from

HUD. THDA moved forward with the requirements of the new regulations and adopted written design standards for all HOME-assisted rehabilitation activities. In addition, new construction of rental units must also have met accessibility requirements and mitigated disaster impact, as applicable per state and local codes, ordinances, etc. THDA reviewed and approved written cost estimates and determined cost reasonableness prior to the grantee putting the project out to bid. These changes were implemented with the 2012 HOME projects funded under Supported Housing Development and 2012 CHDO rental projects in advance of a new effective date.

### **An assessment of the jurisdiction's affirmative marketing actions for HOME units.**

Prior to beginning a HOME project, grant recipients must adopt affirmative marketing procedures and requirements for all HOME funded home buyer projects with five or more units. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability. These must be approved by THDA prior to any HOME funds being committed to a project. Requirements and procedures must include:

- Methods for informing the public, owners and potential tenants about fair housing laws and the local program's policies;
- A description of what owners and/or the program administrator will do to affirmatively market housing assisted with HOME funds;
- A description of what owners and/or the program administrator will do to inform persons not likely to apply for housing without special outreach;
- Maintenance of records to document actions taken to affirmatively market HOME-assisted units and to assess marketing effectiveness; and
- Description of how efforts will be assessed and what corrective actions will be taken where requirements are not met.

THDA encourages its grantees to identify those populations who are least likely to apply for assistance and to make outreach to those populations. To accomplish this, THDA recommends that the grantee advertise for assistance availability at churches, convenience stores, libraries, senior centers, and local offices of the TN Department of Human Services. Additionally, THDA requires that each grantee have policies and procedures to assist non-English speaking applicants. Each grantee must also have a process that notifies LEP persons of language assistance availability (i.e. notices, signs) and that is accessible to individuals seeking assistance. Grantee staff should be knowledgeable of all procedures and processes.

THDA also requires all grantees to use the Fair Housing logo on all program materials.

### **Data on the amount and use of program income for projects, including the number of projects and owner and tenant characteristics.**

During this reporting period, THDA received \$143,350.01 in HOME program income and expended

\$0.00.

In FY 23-24, there were 143 HOME units completed that assisted 39 extremely low-income households, 39 very low-income households, and 49 low-income households.

All 143 HOME units completed during FY 23-24 were owner-occupied. 113 were rehabilitation only projects, and 30 were new construction only.

In terms of racial demographics, 101 of the HOME program beneficiaries identified as white, 35 identified as Black/African American, and 7 identified as multiracial. In addition, HOME assisted 54 single, non-elderly residents, 121 elderly residents, 2 single-parent households, 16 two-parent households, and 10 households of other compositions. About eighty percent of beneficiaries—117 of 143—live alone.

### **Other actions taken to foster and maintain affordable housing, including the coordination of LIHC with the development of affordable housing.**

The State of Tennessee will continue to invest HOME, HTF, 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 in community infrastructure to support communities that are home to low-income households. ESG and HOPWA also provide both permanent and short-term affordable housing 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. These efforts foster and maintain affordable housing throughout the state.

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 credits are just some of the housing considerations being made to foster more affordable housing in close proximity to resources and services. Further, THDA utilizes the Tennessee Housing Trust Fund (TN HTF), which targets assistance to persons of very low-income, those earning 50 percent or less of the AMI. Within TN HTF, competitive grants support the chronically homeless, persons with disabilities, single mothers recovering from substance addiction or physical abuse, veterans with multiple needs, formerly incarcerated persons, and youth transitioning out of foster care. This allows for complimentary housing activities, in addition to those funded through CDBG, HTF, and HOME, to provide and maintain critical affordable housing throughout Tennessee.

THDA's Low Income Housing Credit (LIHTC) Qualified Allocation Plan (QAP) prioritizes the preservation of affordable housing. The 2025 Draft QAP sets-aside up to 25 percent of the state's competitive housing credit ceiling to existing multifamily housing or adaptive reuse of existing buildings. Through this set-aside, THDA is creating new affordable housing opportunities while respecting historical character of

existing communities. THDA’s Qualified Contract Guide assists in the preservation of affordable housing. LIHC properties eligible to exit from the program are marketed for sale on THDA’s website. As potential purchasers contact THDA about these exiting properties, other THDA financing options can be discussed, which can assist the preservation of this housing.

## CR-55 – HOPWA

### Identify the number of individuals assisted and the types of assistance provided

This table captures the one-year goals for the number of households provided housing through the use of HOPWA activities, including short-term rent, mortgage, and utility assistance (STRMU) payments to prevent homelessness of the individual or family; tenant-based rental assistance (TBRA); and units provided in housing facilities developed, leased, or operated with HOPWA funds (ST-TFBH or hotel vouchers).

Number of Households Served Through:	One-year Goal	Actual
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	550	280
Tenant-based rental assistance	125	51
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	-	108
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	125	76
Total	800	515

### Narrative

The table above captures services provided to households. However, during the reporting period, the HOPWA program served 658 eligible individuals (total individuals including family or household members benefiting from services), with some receiving multiple services, including other supportive services not mentioned above. A comprehensive assessment of HOPWA and its beneficiaries can be found in HOPWA’s annual CAPER.



## CR-56 - HTF

**Describe the extent to which the grantee complied with its approved HTF allocation plan and the requirements of 24 CFR part 93.**

Housing Trust Fund (HTF): HTF provides rental housing for families or individuals whose income is at or below 30 percent of AMI. As of the end of the program year, \$2,649,150.00 has been expended, and 34 HTF units have been completed and put into service.

### HTF Units in HTF activities completed during the period

Tenure Type	0 – 30% AMI	0% of 30+ to poverty line (when poverty line is higher than 30% AMI)	% of the higher of 30+ AMI or poverty line to 50% AMI	Total Occupied Units	Units Completed, Not Occupied	Total Completed Units
Rental	34	0	0	34	0	34
Homebuyer	0	0	0	0	0	0

## CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

<b>Total Labor Hours</b>	<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>	<b>HTF</b>
Total Number of Activities	20	1	0	0	0
Total Labor Hours	47,404	160			0
Total Section 3 Worker Hours	9,747	0			0
Total Targeted Section 3 Worker Hours	973	0			0

**Table 1 – Total Labor Hours**

<b>Qualitative Efforts - Number of Activities by Program</b>	<b>CDBG</b>	<b>HOME</b>	<b>ESG</b>	<b>HOPWA</b>	<b>HTF</b>
Outreach efforts to generate job applicants who are Public Housing Targeted Workers	1	1			0
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.	1	1			0
Direct, on-the job training (including apprenticeships).	2	0			0
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.	0	0			0
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).	1	0			0
Outreach efforts to identify and secure bids from Section 3 business concerns.	4	1			0
Technical assistance to help Section 3 business concerns understand and bid on contracts.	1	0			0
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.	1	0			0
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.	1	0			0
Held one or more job fairs.	2	1			0
Provided or connected residents with supportive services that can provide direct services or referrals.	0	0			0
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.	0	0			0
Assisted residents with finding child care.	0	0			0
Assisted residents to apply for, or attend community college or a four year educational institution.	0	0			0
Assisted residents to apply for, or attend vocational/technical training.	0	0			0
Assisted residents to obtain financial literacy training and/or coaching.	0	0			0
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.	0	0			0
Provided or connected residents with training on computer use or online technologies.	0	0			0
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.	0	0			0
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.	0	0			0

Other.	13	0			0
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**Table 2 – Qualitative Efforts - Number of Activities by Program**

## **Narrative**

CDBG: For FY 23-24, 75 grant activities were completed, 43 of which are subject to the new Section 3 rule. Of those, 20 activities met the qualifying criteria to report Section 3. Collectively, activities came close to the target Section 3 hours worked with 21% and 2% of hours worked by Target Section 3 employees. Meeting the established goals of 25% of hours being worked by Section 3 workers and 5% by Targeted Section 3 workers continues to be a challenge for small rural communities. Often construction contracts are awarded to bidders that are not local. They bring their workforce with them and do not typically need to hire additional workers for the job.

### **Other CDBG Section 3 Efforts:**

- State and local procurement laws were followed, for State and local procurement laws were followed, for the procurement of both construction and non-construction contracts. Construction bids were publicly advertised.
- The non-construction procurement policies were followed. The construction contract was bid out competitively. The advertisement for bid was placed on the TN GoDBE site and were mailed out to potential minority bidders.
- The state procurement procedures were followed when soliciting for construction bids. The awarded contractor did not need to hire.
- The section 3 clauses were included in the construction manual and also placed in the advertisement for bid.
- The project followed the State procurement process for non-construction contracts and for the construction contract the project was bid competitively.
- The contractor was encouraged at the preconstruction conference to hire Section 3 workers if possible. The contractor indicated that he did not anticipate hiring new employees but would use persons that are currently working for him
- The contractor did not have to do any special recruiting initiatives to recruit Section 3 workers. The wage rates for our region automatically qualify them as low income.
- The construction bid was publicly advertised, published on the bidders listed; and placed on the TN GoDBE site.
- The city advertised the project in a daily and local paper as well as posted the details of the project at Pulaski City Hall and on social media and the local website. Additionally, letters were sent out to female and minority-owned businesses the described the project and details on bidding. The project was also listed on the TN GoDBE website.
- The advertisement for construction bids contain the Section 3 requirements, as part of the procurement process for competitive bids.
- The bids for construction were publicly advertised. The advertisement contain language specific

to Section 3. With such a small contract, the awarded contractor did not need to hire.

- The project followed the State procurement process for non-construction contracts and for the construction contract the project was bid competitively.
- The construction manual and also the advertisement for bid, contained the Section 3 clause requirement.

HOME: for FY 23-24, the Mountain City HOME Project was subject to the Section 3 rule and reported the following Section 3 efforts. A public notice for Pre-Bid Conference was published in the Johnson City Press in September 2023 and The Tomahawk in October 2023. It was also published on the First Tennessee Development District's (FTDD) website and Facebook page. Notice included language regarding the Section 3 project.

In addition, the Pre-Bid Conference letter was forwarded to a compiled list of 90 contractors, along with bid clearinghouse providers Construct Connect and Dodge Quality Construction. The Pre-Bid Conference letter was also forwarded to the Kingsport Home Builders Association and the Johnson City Homebuilders Association, who BCCed it to their member list, which includes contractors from the Knoxville area and eastward. This list also includes contractors from the Tennessee governor's Office of Diversity Business Directory from the same area. The notice included language urging the participation of minority and female contractors, as well as projects being Section 3 applicable.

A date/time was arranged with Mountain City to accept applications of Section 3 qualified workers. Posters were taken to three locations listing the date/time of application intake and job qualifications.

FTDD Housing Staff went to the Mountain City Hall in October 2023 to accept applications, but no individuals applied. A notice was also posted at the job site regarding Section 3 employment opportunities.

## CR-70 – ESG - Assistance Provided and Outcomes

### Shelter Utilization

Number of New Units – Rehabbed	0
Number of New Units - Conversion	0
Total Number of bed-nights available	3,696
Total Number of bed-nights provided	2,103
Capacity Utilization	56.90%

### Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)

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.

## CR-75 – Expenditures

### ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year				
	2019	2020	2021	2022	2023
Expenditures for Rental Assistance	\$0	\$0	\$0	\$99,464.59	\$188,525.61
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	\$35,968.52	\$101,324.24	\$138,673.86	\$10,554.18	\$32,416.27
Expenditures for Housing Relocation & Stabilization Services - Services	\$8,992.13	\$15,261.74	\$55,835.90	\$33,745.46	\$56,105.62
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	\$0	\$0	\$0	\$0	\$0
<b>Subtotal Homelessness Prevention</b>	<b>\$44,960.65</b>	<b>\$116,585.98</b>	<b>\$194,509.76</b>	<b>\$143,764.23</b>	<b>\$277,047.50</b>

### ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year				
	2019	2020	2021	2022	2023
Expenditures for Rental Assistance	\$0	\$0	\$0	\$321,784.03	\$144,937.61
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	\$676,467.15	\$429,013.49	\$220,746.72	\$166,512.97	\$109,715.79
Expenditures for Housing Relocation & Stabilization Services - Services	\$553,473.13	\$359,593.80	\$222,476.70	\$269,712.33	\$182,032.29
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	\$0	\$0	\$0	\$0	\$0
<b>Subtotal Rapid Re-Housing</b>	<b>\$1,229,940.28</b>	<b>\$788,607.29</b>	<b>\$443,223.42</b>	<b>\$758,009.33</b>	<b>\$436,685.69</b>

### ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year				
	2019	2020	2021	2022	2023
Essential Services	\$706,245.23	\$520,696.08	\$359,687.30	\$581,795.96	\$853,702.44
Operations	\$470,830.16	\$403,261.48	\$464,330.88	\$617,979.20	\$808,324.57

Renovation	\$0	\$0	\$0	\$0	\$0
Major Rehab	\$0	\$0	\$0	\$0	\$0
Conversion	\$0	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>\$1,177,075.39</b>	<b>\$923,957.56</b>	<b>\$824,018.18</b>	<b>\$1,199,775.16</b>	<b>\$0</b>

### Other Grant Expenditures

	Dollar Amount of Expenditures in Program Year				
	2019	2020	2021	2022	2023
Street Outreach	\$99,671.55	\$121,398.67	\$91,436.04	\$214,551.89	\$103,169.01
HMIS	\$272,004.08	\$260,654.85	\$165,623.26	\$254,531.40	\$332,748.05
Administration	\$40,686.03	\$207,156.67	\$187,912.53	\$209,052.74	\$249,558.76

### Total ESG Grant Funds

Total ESG Funds Expended	2019	2020	2021	2022	2023
	\$2,864,337.98	\$2,418,361	\$1,906,723	\$2,779,684	\$3,061,236.11

### Match Source

Source	2019	2020	2021	2022	2023
Other Non-ESG HUD Funds	\$265,001.88	\$248,615.58	\$150,296.70	\$247,805.48	\$145,902.16
Other Federal Funds	\$449,474.11	\$86,477.73	\$55,000.85	\$190,216.08	\$17,623.25
State Government	\$0	\$0	\$113,500.00	\$119,598.70	\$252,092.56
Local Government	\$314,078.14	\$40,909.90	\$185,646.20	\$55,686.82	\$6,667.15
Private Funds	\$112,000.00	\$629,805.07	\$695,704.21	\$672,650.02	\$802,884.34
Other	\$1,860,398.38	\$1,539,095.27	\$1,282,980.88	\$1,666,106.69	\$1,703,190.94
Fees	\$0	\$0	\$0	\$0	\$0
Program Income	\$0	\$0	\$18,041.96	\$53,492.00	\$165,000.00
<b>Total Match Amount</b>	<b>\$3,000,952.51</b>	<b>\$2,544,903.55</b>	<b>\$2,501,170.80</b>	<b>\$3,005,555.79</b>	<b>\$3,093,360.40</b>

### Total

Total Amount of Funds Expended on ESG Activities	2019	2020	2021	2022	2023
	\$5,865,290	\$4,963,265	\$4,407,894	\$4,407,894	Autopopulated based on above