

State of Tennessee

2020-24 Consolidated Plan & FY 24 – 25 Annual Action Plan

Substantial Amendment Summary

Background Information:

Hurricane Helene hit the Big Bend region of Florida on September 26, 2024 as a Category 4 hurricane. As the storm moved across the southeastern United States, it produced heavy rainfall causing flooding and landslides in several states, including eastern Tennessee. Bill Lee, the Governor of Tennessee, announced approval of his request for an Expedited Major Disaster Declaration on October 2, 2024. The declaration covers Carter, Cocke, Greene, Hamblen, Hawkins, Johnson, Unicoi, and Washington counties in Tennessee.

The Tennessee Housing Development Agency's (THDA's) HOME Investment Partnerships Program engages in a variety of housing activities, including the construction and rehabilitation of affordable single-family homes and multifamily properties. HOME funds are typically distributed through a competitive application process for HOME Urban/Rural (Homeowner Rehab) activities, HOME CHDO (Homeowner Development) activities, and HOME Rental (Rental Development) activities.

Amendment Summary:

The proposed substantial amendment would establish a new program, the HOME Homeowner Rehabilitation Program for East Tennessee Disaster Recovery, which will offer \$8 million in available HOME funds to Carter, Cocke, Greene, Hamblen, Hawkins, Johnson, Unicoi, and Washington counties through a discretionary application process to assist with homeowner rehabilitation activities stemming from the impacts of Hurricane Helene.

A substantial amendment to the 2020 – 2024 Consolidated Plan is proposed to allow HOME to distribute funds discretionarily to the federally declared disaster counties, rather than through the HOME program's typical competitive process. A substantial amendment to the FY 24 – 25 Annual Action Plan is proposed to establish the new disaster relief program and describe its funding, goals, and method of distribution.

An amendment to section SP-10 Geographic Priorities in the 2020 – 2024 Consolidated Plan will allow THDA to distribute HOME funds to county governments on a discretionary basis when HOME funded activities are carried out in counties declared federally as disaster areas.

An amendment to the FY 24 – 25 Annual Action Plan, especially sections AP-15 Anticipated Resources, AP-20 Goals, AP-30 Methods of Distribution, and AP-50 Geographic Distribution, will

establish the HOME Homeowner Rehabilitation Program for East Tennessee Disaster Recovery, which will offer \$8 million in available HOME funds by discretionary application to Carter, Cocke, Greene, Hamblen, Hawkins, Johnson, Unicoi, and Washington counties to assist with disaster recovery from Hurricane Helene. The funding will produce an estimated 40 units of rehabilitated homeowner housing across these eight counties.

In addition, the amendment clarifies the amount of HOME funding available from prior years. THDA originally reported \$2,722,613 of previous years' HOME funding as available. This amount accounted for HOME funding that had not been allocated to subgrants or activities from previous years' allocations. However, this amount did not account for previous years' HOME funding that had been allocated to subgrants and activities but, upon the grant expiring, had funding unspent that could be reincorporated into available funding. In addition, this amount did not account for any program income available.

The current amount of HOME funding THDA has available for future use is \$10,332,958.12, as of December 12, 2024, which is now reflected in the Prior Year Resources column in the table for section AP-15 Anticipated Resources. This amount includes 1) HOME funding that has never been allocated to subgrants or activities, 2) HOME funding that was previously allocated to subgrants or activities but can be reincorporated into available funding because funds were not spent before the grant expired, and 3) program income. \$8 million of these available HOME funds will be allocated to the HOME Homeowner Rehab: East Tennessee Disaster Recovery Program.

A county must request a minimum HOME grant of \$250,000 and may request a maximum HOME grant of \$1,000,000. This program will be making use of a disaster relief waiver from the U.S. Department of Housing and Urban Development (HUD) to waive the matching requirements.

THDA's Board of Directors conditionally approved the Homeowner Rehabilitation Program for East Tennessee Disaster Recovery's Program Description on Tuesday, November 19, 2024. The implementation of the program is contingent on the successful amendment of the 2020 – 2024 Consolidated Plan and FY 24 – 25 Annual Action Plan, as described in this summary.

A public comment period on this amendment will be held from Wednesday, January 22, 2025 to Wednesday, January 29, 2025. A public hearing will be held on Wednesday, January 29, 2025 at 10:00 AM CST in the Andrew Jackson Building's Public Hearing Room. The public can also participate in this public meeting virtually.

To comment on the amendment and find details of the public hearing, visit [Tennessee Housing Development Agency | Consolidated Planning](#).