

Overview of the 2024-25 State of Tennessee Annual Action Plan

The Annual Action Plan serves as the State of Tennessee's application to the U.S. Department of Housing and Urban Development (HUD) for the funding of HUD's five formula grant programs listed below. The 2024-25 Annual Action Plan, covering July 1, 2024 through June 30, 2025, describes the allocations, strategies and activities for carrying out year five of the 2020-2024 Consolidated Planning goals.

Programs and activities discussed in the Plan include:

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

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

This report describes the amounts of the five formula grant funds expected to be made available during Program Year 2024-25 and discusses the methods by which funds will be distributed to eligible applicants by the administering agencies. The 2023 allocation totaled over \$55 million, and increases are expected in 2024. Funds are made available either through a competitive grant process, through a formula basis, or in some cases, both. The plan also discusses other affordable housing resources made available to the State or having an impact on the State's performance.

The State of Tennessee identified four priority needs for the five-year period covered by the 2020 – 2024 Consolidated Plan. The 2024 – 25 Annual Action Plan discusses specific activities to address these goals in year five of the five-year plan. These priority needs include:

- Limited housing opportunities: Preserve affordable housing stock; increase the amount of affordable housing; and increase access to affordable housing for low- and moderate-income families
- Aging infrastructure, disinvestment in communities, and disaster recovery: Improve the safety and livability of communities through investment in infrastructure, economic opportunities, and disaster recovery

- Limited non-housing supportive services: Increase availability and awareness of supportive services for persons with HIV/AIDs, homeless persons, and other special populations
- Affirmatively furthering fair housing: ensure access to quality housing for protected classes and provide fair housing outreach, education and counseling

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

Public review and comment on the draft Annual Action Plan will be available March 18 – April 18, 2024 at <https://thda.org/research-reports/consolidated-planning>, along with details for a public hearing on Monday, April 15, 2024.