

TENNESSEE HOUSING DEVELOPMENT AGENCY  
GRANTS COMMITTEE  
January 29, 2019

Pursuant to the call of the Chair, the Grants Committee of the Tennessee Housing Development Agency Board of Directors met in regular session on Tuesday, January 29, 2019, at 10:01 a.m. Central Time in the Nashville Room at the William R. Snodgrass Tennessee Tower, 312 Rosa L. Parks Avenue, Nashville, Tennessee.

The following Committee members were present: Secretary of State Tre Hargett, Lynn Tully, and Katie Armstrong (for Comptroller Justin Wilson). Austin McMullen and Pieter van Vuuren were absent. Other Board members present were Dorothy Cleaves, John Krenson, Erin Merrick, and Samantha Wilson.

Secretary of State Hargett chaired the meeting and called the meeting to order. He called for consideration of the minutes from the November 13, 2018, meeting. Upon motion by Secretary of State Hargett, second by Ms. Tully, the minutes were approved.

Secretary of State Hargett next called on. Lorrie Shearon, THDA Chief Strategy Officer, to present information about a proposed 2020 Capacity Building Grant Program. Ms. Shearon referenced her memorandum dated January 22, 2019, for details about the grant program proposal. She noted that many of THDA's programs are dependent upon nonprofit organizations throughout the state to help administer the programs at the local level, and these organizations could greatly benefit from the development of a strategic plan and/or succession plan. She referenced the following highlights of the proposal:

- \$200,000 of THDA funds available in the first year;
- A maximum grant of \$10,000 per selected organization;
- A minimum of two (2) years of experience with affordable housing in Tennessee required;
- Consultants to be selected by the selected organization;
- Match required based on the annual budget of the selected organization;
- Grant payments to be made upon completion of specified milestones;
- Progress reports required; and
- An application deadline at the end of August with funding beginning in the fall.

Upon motion by Secretary of State Hargett, second by Ms. Tully, the Committee recommended approval to the Board of the 2020 Capacity Building Grant Program as described in the referenced memo.

Next, Secretary of State Hargett called upon Don Watt, THDA Director of Community Programs, to present a grant extension request from Sevier County for the 2017 Rebuild and Recover Program. Mr. Watt referenced his memorandum dated January 22, 2019, and the attached request letter from Sevier County. Mr. Watt noted that THDA awarded \$393,750 to Sevier County under the 2017 Rebuild and Recover program to assist 25 homeowners who sustained damage after the 2016 wildfires. He reported that Sevier County contracted with Appalachia Service Project to complete the work and that, to date, 15 homes are complete, 5 are under construction, and pre-construction work is underway for the remaining 5. He stated that all construction activity is expected to be completed by May 31, 2019, bringing all work to completion within 24 months of the grant award on June 1, 2017. Mr. Watt pointed out that even with the extension, the grant has a 30% shorter timeline than THDA's typical grant periods for construction grants, and staff is supportive of the extension. Mr. Watt then informed the Committee that Ms. Melisa Miller of Appalachia Service Project was present to answer any questions. Secretary of State Hargett recognized

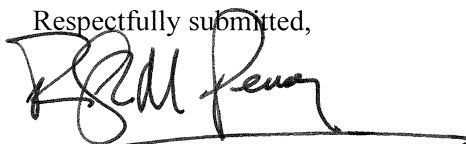
Ms. Miller and allowed her to make a statement. Upon motion by Secretary of State Hargett, second by Ms. Armstrong, the Committee recommended approval to the Board for an extension to May 31, 2019, for the Sevier County 2017 Rebuild and Recover grant.

Next, Secretary of State Hargett called upon Mr. Watt to give an update on the 2019 Fall Round of the Tennessee Housing Trust Fund Competitive Grants funding awards. Mr. Watt referenced his memorandum dated January 22, 2019, and the attached scoring matrix. He reported that 20 eligible applications were received, requesting over \$7.3 million, however, only \$2.2 million was available. He explained that the Executive Director approved full funding to the top 6 scoring applications as described in the referenced memo. Mr. Watt noted that staff is pleased with the mix of populations that will be served under these grants, including female ex-offenders, homeless veterans, adults with intellectual disabilities, young adults exiting out of foster care, and adults who are elderly and disabled, with a target for TennCare Choices clients. He further noted that these awards will create 70 units of housing, serving a total of 79 households.

Next, Secretary of State Hargett called upon Mr. Watt to give an update on the 2018 HOME Community Housing Development Organization (CHDO) Mini Round 2 grant awards. Mr. Watt referenced his memorandum dated January 22, 2019, and the attached scoring matrix. He reported that 5 applications were received, requesting over \$2.6 million in funding for the development of homes for sale to low and moderate income households and over \$132,000 for operating assistance. He indicated that with \$1,435,877 available for development funds and \$667,097 available for operating assistance, the Executive Director approved all of the development funding and \$45,000 of operating assistance to the two top-scoring applicants as described in the referenced memo. Mr. Watt informed the Committee that all development funding set aside for CHDOs under the 2018 program was fully awarded.

There being no further business to come before the Committee, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ralph M. Perrey", with a long horizontal line extending to the right from the end of the signature.

Ralph M. Perrey  
Executive Director

Approved the 26<sup>th</sup> day of March, 2019.