



**Tennessee Housing Development Agency -
Board of Directors**

**Meeting Materials
July 29, 2020**



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

THDA Board of Directors Committee Meeting Materials

A. Memo from Executive Director, Ralph M. Perrey

B. Committee Meeting Listing/Agenda

1. Bond Finance Committee Meeting – Friday, July 17 at 8:00 a.m. CT

- a. March 24, 2020 minutes
- b. Fiscal Year 2020-2021 Schedule of Finance
- c. 2020-4 Bond Issue
- d. 2020 Volume Cap Use

2. Lending Committee Meeting – Monday, July 20 at 9:00 a.m. CT

- a. January 29, 2020 minutes
- b. Income Limits
- c. Ratification of Down Payment Assistance changes

3. Tax Credit Committee Meeting – Wednesday, July 22 at 8:00 a.m. CT

- a. January 29, 2020 and May 24, 2020 meeting minutes
- b. Low-Income Housing Credit 2021 Qualified Allocation Plan
- c. 2020 Volume Cap for 2020 Multifamily Tax-Exempt Bond Authority Program
- d. 2020 Multifamily Tax-Exempt Bond Authority Program Special Requests

Supplemental Information

- Update on Competitive 2020 Low-Income Housing Credit Cycle

4. Grants Committee Meeting – Thursday, July 23 at 1:00 p.m. CT

- a. January 29, 2020 meeting minutes
- b. 2021 Low-Income Home Energy Assistance Program (LIHEAP) Annual Plan
- c. 2020 HOME Bright Futures Bridge Subsidy Pilot Program Description
- d. 2017-2020 HOME Program Descriptions Modification
- e. Hardest Hit Fund Program Modifications
- f. HOME Grant Extension Request – City of Bolivar

Supplemental Information

- Proposed changes to the THTF Competitive Grants program
(Move to Fall/Summer offering and addition of Grand Division Geographic selection process similar to NHTF)
- Summaries of Awards/Extensions made under the:
 1. 2020 HOME Program
 2. 2020 Emergency Solutions Grants (ESG) Program
 3. 2020 Spring Round of Tennessee Housing Trust Fund (THTF) Competitive Grants Program
 4. 2020 National Housing Trust Fund (NHTF) Program
 5. 2020 Creating Homes Initiative – 2 (CHI-2) Program
 6. Continuum of Care (CoC) COVID-19 Supplemental
 7. HOME Extensions due to COVID delays



Tennessee Housing Development Agency

**Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243**

Bill Lee
Governor

Ralph M. Perrey
Executive Director

TO: THDA Board of Directors
FROM: Ralph M. Perrey, Executive Director
DATE: July 14, 2020
SUBJ: THDA Board of Directors

THDA Board members –

We look forward to meeting with you via WebEx again this month. Committee meetings will precede the Board meeting date, as noted below. Several action items await your attention this month:

- Bond Finance Committee (July 17) will take up authorization of Issue 2020-4, the Schedule of Finance for FY 2020-21, and set a carry-over target for volume cap needed for future single family mortgage finance.
- Lending Committee (July 20) will be asked to ratify changes to THDA's Down Payment Assistance program which took effect July 1. In addition, the committee will be asked to accept new HUD-generated income limits for our FHA-backed mortgages.
- Tax Credits Committee (July 22) will take up the Qualified Allocation Plan for 2021, consider additional volume cap for multifamily uses in 2020, and consider two pending Special Requests for multifamily bond authority.
- Grants Committee (July 23) will be asked to approve THDA's annual plan for the Federal Low Income Home Energy Assistance Program (LIHEAP), as well as several items pertaining to our administration of Federal HOME dollars.

Among the supplemental materials you will find updates on recently-awarded grants, as well as a report on all exceptions and extensions made for program participants during the COVID time.

Based on committee actions, an updated board meeting agenda with supporting materials will be provided in advance of our meeting on July 29.

Please feel free to contact me with any questions or concerns.



Tennessee Housing Development Agency

**Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243**

Bill Lee
Governor

Ralph M. Perrey
Executive Director

**THDA Board of Directors Bond Finance Committee Meeting
Friday, July 17, 2020 at 8:00 a.m. Central Time
WebEx Meeting /Call - To join the call Dial
1-650-479-3208; Code 133 290 5072**

AGENDA

- A. March 24, 2020 minutes
- B. Fiscal Year 2020-2021 Schedule of Finance
- C. 2020-4 Bond Issue
- D. 2020 Volume Cap Use

COMMITTEE MEMBERS

Mike Hedges, Chair
Butch Eley
Tre Hargett
David Lillard
Justin Wilson

TENNESSEE HOUSING DEVELOPMENT AGENCY
BOND FINANCE COMMITTEE MEETING MINUTES
March 24, 2020

Pursuant to the call of the Chairman, the Bond Finance Committee of the Tennessee Housing Development Agency (THDA) Board of Directors (the “Committee”) met in regular session on Tuesday, March 24, 2020, at 1:08 p.m., via a WebEx call with certain staff members physically present at the THDA Offices located at 502 Deaderick Street; Andrew Jackson Building, 3rd Floor; Nashville, Tennessee 37243 in the Cades Cove Conference Room.

The following Committee members were present via WebEx: Mike Hedges (Chair); Secretary of State Tre Hargett; Treasurer David Lillard; and Katie Armstrong (for Comptroller Justin Wilson). Colleen Daniels (for Interim Commissioner of Finance & Administration Eugene Neubert) joined the meeting via WebEx at 1:20 p.m.

Recognizing a quorum present, Chair Hedges called the Committee meeting to order and recognized Lynn Miller, THDA Chief Legal Counsel, who read the following statement:

“Certain Board members will be participating in this meeting by telephone as authorized by Tennessee Code Annotated Section 8-44-108. Notice was posted stating that this meeting would be conducted in this fashion. This meeting is being conducted in this manner because the matters to be considered by the Board today require timely action and the physical presence of a sufficient number of Board members to constitute a quorum is not possible within the timeframe in which action is required. Therefore, it is necessary for some members to participate via telephone. Board members participating by telephone were sent documents relevant to today’s meeting.”

Upon motion by Treasurer Lillard, second by Secretary of State Hargett, and a roll call vote with Hedges, Hargett, Lillard, and Armstrong (for Wilson) voting “yes”, no members voting “no”, motion carried to conduct the Bond Finance Committee in this manner.

Chair Hedges called for consideration of the January 28, 2020 meeting minutes. Upon motion by Ms. Armstrong, second by Secretary of State Hargett, and a roll call vote with Hedges, Hargett, Lillard, Armstrong (for Wilson), and Daniels (for Neubert) voting “yes”, no members voting “no”, the minutes were approved

Chair Hedges recognized Ms. Miller who presented the following documents, that were previously circulated, regarding authorization of Issue 2020-2 (Federally Taxable):

- a memorandum regarding Issue 2020-2 from Ms. Miller, dated March 12, 2020, that described the documents to be considered, explained how the authorization for Issue 2020-2 complied with THDA’s Debt Management Policy, and included recommendations regarding bookrunning senior manager and rotating co-manager based on information provided in a separate memo dated March 10, 2020, by CSG Advisors incorporated (“CSG”), financial advisor for THDA;

- a separate memorandum from CSG dated March 10, 2020, that recommended authorization of Issue 2020-2 under the 2013 General Resolution, through a negotiated sale, in an aggregate principal amount not to exceed \$110 million, to refund certain outstanding THDA bonds, and for Raymond James to serve as bookrunning senior manager and for Robert W. Baird to serve as the rotating co-manager;
- the Plan of Financing for Issue 2020-2 in an aggregate principal amount not to exceed \$110 million that was approved by the Bond Finance Committee (“Plan of Financing”);
- the Resolution of the Board of Directors authorizing the issuance and sale of Issue 2020-2 under the 2013 General Resolution and delegating authority to an Authorized Officer who is the Secretary of the Bond Finance Committee, or an officer designated by the Secretary, to determine all final terms and conditions of the Issue 2020-2 Bonds (“Authorizing Resolution”); and
- the form of Supplemental Resolution for Issue 2020-2.

Upon motion by Treasurer Lillard, second by Secretary of State Hargett, and a roll call vote with Hedges, Hargett, Lillard, Armstrong (for Wilson), and Daniels (for Neubert) voting “yes”, no members voting “no”, the Plan of Financing for Issue 2020-2 was approved and the Authorizing Resolution for Issue 2020-2 was recommended to the Board.

Chair Hedges next recognized Ms. Miller who presented the following documents that were previously circulated, for authorization of Issue 2020-3:

- a memorandum regarding Issue 2020-3 from Ms. Miller, dated March 12, 2020, that described the documents to be considered, explained how the authorization for Issue 2020-3 complied with THDA’s Debt Management Policy, and included recommendations regarding bookrunning senior manager and rotating co-manager based on information provided in a separate memo dated March 10, 2020, by CSG Advisors Incorporated (“CSG”), financial advisor for THDA;
- a separate memorandum from CSG dated March 10, 2020, that recommended authorization of Issue 2020-3 under the 2013 General Resolution, through a negotiated sale, as taxable and tax-exempt bonds in an aggregate principal amount not to exceed \$200 million, and for RBC Capital Markets to serve as bookrunning senior manager with a rotating co-manager appointed by the Authorized Officer based on results from pricing Issue 2020-2;
- the Plan of Financing for Issue 2020-3 in an aggregate principal amount not to exceed \$200 million that was approved by the Bond Finance Committee (“Plan of Financing”);
- the Resolution of the Board of Directors authorizing the issuance and sale of Issue 2020-3 under the 2013 General Resolution and delegating authority to an Authorized Officer who is the Secretary of the Bond Finance Committee, or an officer designated by the Secretary, to determine all final terms and conditions of the Issue 2020-3 Bonds (“Authorizing Resolution”);

- the form of Supplemental Resolution for Issue 2020-3; and
- the Resolution of the Board of Directors authorizing reimbursement of THDA from proceeds of Issue 2020-3 in an amount not to exceed \$150 million (“Reimbursement Resolution”).

Upon motion by Treasurer Lillard, second by Ms. Armstrong, and a roll call vote with Hedges, Hargett, Lillard, Armstrong (for Wilson), and Daniels (for Neubert) voting “yes”, no members voting “no”, the Plan of Financing for Issue 2020-3 was approved and the Authorizing Resolution for Issue 2020-3 and Reimbursement Resolution for Issue 2020-3 were recommended to the Board.

With no further business, the meeting was adjourned.

Respectfully submitted,

Assistant Secretary
Approved the 17th day of June, 2020

TENNESSEE HOUSING DEVELOPMENT AGENCY

SCHEDULE OF FINANCING

FISCAL YEAR 2020 - 2021

SUMMARY

The Tennessee Housing Development Agency (“THDA”) is required, under Tennessee Code Annotated Section 13-23-120(e)(1), to submit a schedule to the State Funding Board showing financings proposed for the fiscal year. The proposed schedule for fiscal year 2020 - 2021 is attached.

Total amount of bonds or notes reflected on Schedule
of Financing for Fiscal Year 2020 - 2021:

\$505,000,000*

*This amount may increase as refunding opportunities arise.

TENNESSEE HOUSING DEVELOPMENT AGENCY

**SCHEDULE OF FINANCING
FISCAL YEAR 2020 -2021**

**ISSUE 2020-3 - RESIDENTIAL FINANCE PROGRAM BONDS –NEW VOLUME
CAP/REFUNDING
July 2020**

Sources of Funds

Proceeds of the Issue	\$ 145,000,000
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Uses of Funds

To Purchase Mortgage Loans or Refund Outstanding Bonds	\$ 145,000,000
Bond Reserve Funds)	
Underwriting Fee/Bond Discount)	\$ THDA contribution, or no more
than 1% of	
Capitalized Interest)	bond proceeds, or a combination
thereof	
Cost of Issuance)	

**ISSUE 2020-4 - RESIDENTIAL FINANCE PROGRAM BONDS –NEW VOLUME
CAP/REFUNDING
November 2020**

Sources of Funds

Proceeds of the Issue	\$120,000,000*
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Uses of Funds

To Purchase Mortgage Loans or Refund Outstanding Bonds	\$ 120,000,000
Bond Reserve Funds)	
Underwriting Fee/Bond Discount)	\$ THDA contribution, or no more
than 1% of	
Capitalized Interest)	bond proceeds, or a combination
thereof	
Cost of Issuance)	

*This amount may increase as refunding opportunities arise.

**ISSUE 2021-1 - RESIDENTIAL FINANCE BONDS –NEW VOLUME CAP/REFUNDING
February 2021**

Sources of Funds

Proceeds of the Issue	\$120,000,000*
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Uses of Funds

To Purchase Mortgage Loans or Refund Outstanding Bonds	\$ 120,000,000
Bond Reserve Funds)	
Underwriting Fee/Bond Discount)	\$ THDA contribution, or no more
than 1% of	
Capitalized Interest)	bond proceeds, or a combination
thereof	
Cost of Issuance)	

*This amount may increase as refunding opportunities arise.

**ISSUE 2021-2 - RESIDENTIAL FINANCE PROGRAM BONDS –NEW VOLUME
CAP/REFUNDING
May 2021**

Sources of Funds

Proceeds of the Issue	\$120,000,000*
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Uses of Funds

To Purchase Mortgage Loans or Refund Outstanding Bonds	\$ 120,000,000
Bond Reserve Funds)	
Underwriting Fee/Bond Discount)	\$ THDA contribution, or no more
than 1% of	
Capitalized Interest)	bond proceeds, or a combination
thereof	
Cost of Issuance)	

*This amount may increase as refunding opportunities arise.

Single Family Bonds Sold in FY 2019 - 2020

	\$ 150,000,000	Issue 2019-3 Residential Finance Program Bonds, Dated September 30, 2019
	\$ 200,000,000	Issue 2019-4 Residential Finance Program Bonds, Dated December 11, 2019
	\$ 200,000,000	Issue 2020-1 Residential Finance Program Bonds, Dated March 25, 2020
	\$ 108,500,000	Issue 2020-2 Residential Finance Program Bonds Dated May 28, 2020
TOTAL	\$658,500,000	

Multifamily Bonds Sold in FY 2018-2019 \$ 0

**Volume Cap Used by Local Issuers
For Multi-Family Housing in 2019** \$ 286,114,000 From THDA's 2019 Volume Cap Allocation

**Volume Cap Available to Local Issuers
For Multi-Family Housing in 2020** \$ 325,486,025 From THDA's 2020 Volume Cap Allocation

ASSUMPTIONS

1. A bond issue may include any structure authorized by the Board and approved by the Bond Finance Committee or Authorized Officer, including, without limitation, convertible option bonds, short term notes, variable rate debt, taxable debt, planned amortization class bonds.
2. Dates of bond issues are based on estimated absorption of available funds and expected need for additional funds for three to four months, subject to the actual rate at which mortgage loans are currently being purchased.
3. THDA anticipates taking the maximum spread allowed under federal law for each bond issue, which is 112 basis points. The maximum spread could, however, be reduced based on program requirements at the time of sale. Interest rates for THDA loans could be further subsidized.
4. THDA anticipates future bonds will be issued under the 2013 General Resolution to continue to reduce the moral obligation of the state for THDA bonds.

5. The volume cap assumption is that 35% of the annual total tax-exempt bond authority amount available in Tennessee is made available to THDA at the beginning of each calendar year. This is the allocation to THDA for all tax-exempt housing bond issuance in the state in the current Department of Economic and Community Development plan.
6. A THDA contribution may be made for each bond issue as needed to over-collateralize the bond issue for the benefit of THDA borrowers, to fund required reserves, to pay cost of issuance or to ensure that the maximum amount of bond proceeds is used to fund mortgage loans. The amount and source of the THDA contribution is determined at the time it is needed. The amount of the contribution, if needed, is based on the structure of the bond issues, an analysis of debt service requirements of the general resolution under which the bonds are issued, the fee paid to underwriters and an estimate of other costs of issuance expected to be incurred. The source of such THDA contribution is assets available for such purpose under the 2013 General Resolution, 1985 General Resolution or the 2009 General Resolution.



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

DATE: July 14, 2020
TO: THDA Bond Finance Committee and THDA Board of Directors
FROM: Lynn Miller
Chief Legal Counsel
SUBJECT: Authorization of General Residential Finance Program Bonds, Issue 2020-4
Tax-Exempt and Federally Taxable

DOCUMENTS FOR BOND FINANCE COMMITTEE CONSIDERATION

Attached please find the following documents in connection with the requested authorization of the THDA bond issue, Issue 2020-4:

1. Memo from CSG Advisors Incorporated ("CSG") recommending authorization in the maximum principal amount of \$200,000,000 for a bond issue under the General Residential Finance Program Bond Resolution adopted in 2013. This bond issue is expected to include an economic refunding component and a replacement refunding component. Staff expects this bond issue to be priced in late September, 2020, with closing by the end of October, 2020, depending on THDA loan production. The final size and structure will be determined by the Authorized Officer closer to pricing.
2. THDA Plan of Financing for Issue 2020-4 Residential Finance Program Bonds, which the Bond Finance Committee will be asked to approve.
3. Resolution of the Board of Directors of the Tennessee Housing Development Agency Authorizing the Issuance and Sale of Residential Finance Program Bonds, Issue 2020-4, that includes the form of Supplemental Resolution for Issue 2020-4 and that authorizes the referenced bond issue and delegates authority to the Authorized Officer to determine all final terms and conditions. The Bond Finance Committee will be asked to recommend this resolution and the transaction to the THDA Board of Directors.
4. Resolution of the Board of Directors of the Tennessee Housing Development Agency Authorizing Reimbursement of THDA from Proceeds of Issue 2020-4 in an amount not to exceed \$100,000,000. This is a larger amount than usual, but timing of a new bond issue is a bit uncertain under current market conditions, so this gives flexibility to continue to purchase mortgage loans until a new bond issue can be executed. The Bond Finance Committee will be asked to recommend this resolution to the Board of Directors.

COMPLIANCE WITH THDA DEBT MANAGEMENT POLICY

Issue 2020-4 complies with the Tennessee Housing Development Agency Debt Management Policy adopted on November 28, 2011, as amended (the “Debt Management Policy”). In particular, Issue 2020-4 complies with the Debt Management Policy as follows:

Part III - by allowing THDA “...to maintain a steadily available supply of funds to finance its mortgage loan programs at cost levels that provide competitive, fixed interest rate mortgage loans that benefit low and moderate income families, while maintaining or improving THDA’s overall financial strength and flexibility...”

Part VIII - the issuance of this debt will not cause THDA to exceed the statutory debt limit contained in TCA Section 13-23-121, assuming the bill currently on the Governor’s desk is not vetoed.

Part X - the factors and items listed to be considered in planning, structuring and executing a bond issue have been and will be considered as planning, structuring and executing this bond issue moves forward.

Part XIV - serial bonds, terms bonds and PAC bonds are being considered for the structure of the bond issue.

Parts XV – authorization of a potential refunding component is expected to result in present value savings and will further THDA program objectives of providing competitive, fixed interest rate mortgage loans that benefit low and moderate income families.

Parts XVIII, XIX, XX and XXI are not applicable as authorization requested for Issue 2020-4 does not include interest rate and forward purchase agreements, conduit debt, or variable rate debt.

SENIOR BOOKRUNNING MANAGER AND ROTATING CO-MANAGER

Although the Bond Finance Committee moved to a “soft” rotation for the senior bookrunning manager, CSG has recommended that Citigroup Global Markets Inc. be the senior bookrunning manager for Issue 2020-4 based on past performance. THDA staff concurs in this recommendation.

In addition, the selling group member recommended to be appointed to serve as rotating co-manager for Issue 2020-4 is Robert W. Baird based on a recommendation from CSG and THDA staff.

SELLING GROUP

Duncan-Williams, Inc.
FTN Financial
Robert W. Baird
Wiley Brothers Aintree Capital, LLC.

LEM/jp

Please see the following hyperlink for the full memo from CSG Advisors
<https://s3.amazonaws.com/thda.org/Memo-from-CSG-Advisors-for-Bond-Issue-2020-4.pdf>



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

TO: THDA Board of Directors, Bond Finance Committee
FROM: Ralph M. Perrey, Executive Director
SUBJ: 2020 Volume Cap Use
DATE: July 14, 2020

Given the need to more carefully manage the amount of Private Activity Volume Cap available to THDA and recognizing the priority we must place on supporting our principle program and business, single family mortgage finance, we ask the Bond Finance Committee to establish a minimum amount of volume cap that should be carried forward in 2020 to support future single family mortgage loan finance.

This is a new approach, intended to prioritize what is *needed* for single family business before considering what is *desired* for multifamily. It is my recommendation that we go through this exercise annually, at the start of the calendar year.

Based on the projections attached, we recommend that THDA plan to carry forward at least \$450 million in 2020. The Department of Economic and Community Development has no requests for its volume cap, so we can safely assume that the state's remaining volume cap, roughly \$366 million, will be made available to THDA at year end for carry forward. THDA has been allocated a total of \$350 million in 2020. To reach the carry forward target of \$450 million, we would need to set aside \$83 million of that total, which, added to the year-end allocation, would provide the \$450 carry forward amount. At that level, THDA would be able to increase the amount of volume cap allocated to multifamily development from the current \$225 million to approximately \$266.

The accompanying projections of single family business make several assumptions:

- That THDA's conventional loan offerings will divert some of volume that would otherwise go to the FHA-backed mortgage loans which we fund through the sale of bonds;
- That THDA will win Ginnie Mae seller-servicer status late in 2022 and begin to finance government-backed loans through secondary market sales, rather than bonds, starting in 2023 and accelerating in 2024 and beyond.

- Accordingly, the need for volume cap to support the single family business will decrease significantly by 2024, thus adding little if any additional debt to THDA and allowing a greater allocation of volume cap to support multifamily development.
- For 2021 and 2022, we expect to require more volume cap for single family than was carried forward in 2018 and 2019, so the recommended \$450 million carry forward in 2020 will assure sufficient resources to support our projected demand in 2023.
- As THDA is able to sell government-backed loans to Ginnie Mae in the secondary market, the amount of volume cap needed for single family business declines starting in 2024, allowing us to reduce the carry forward amount to perhaps \$300 million in 2021, and in the \$250-275 million range in subsequent years.

Projection of MRB and Secondary Volume by Month 2020 to 2025

Mortgage Revenue Bond Production Estimate by Month & Year

Month	2020	2021	2022	2023	2024	2025
January	\$ 51,645,255	\$ 35,000,000	\$ 35,000,000	\$ 25,000,000	\$ 17,500,000	\$ 17,500,000
February	\$ 51,885,029	\$ 38,000,000	\$ 38,000,000	\$ 27,500,000	\$ 22,500,000	\$ 22,500,000
March	\$ 52,161,781	\$ 40,000,000	\$ 40,000,000	\$ 30,500,000	\$ 22,500,000	\$ 22,500,000
April	\$ 52,701,230	\$ 42,500,000	\$ 42,500,000	\$ 32,500,000	\$ 25,000,000	\$ 25,000,000
May	\$ 44,509,405	\$ 45,000,000	\$ 45,000,000	\$ 35,000,000	\$ 25,000,000	\$ 25,000,000
June	\$ 52,600,000	\$ 48,000,000	\$ 48,000,000	\$ 37,500,000	\$ 27,500,000	\$ 27,500,000
July	\$ 55,200,000	\$ 50,000,000	\$ 50,000,000	\$ 37,500,000	\$ 27,500,000	\$ 27,500,000
August	\$ 45,000,000	\$ 50,000,000	\$ 50,000,000	\$ 35,000,000	\$ 25,000,000	\$ 25,000,000
September	\$ 38,000,000	\$ 45,000,000	\$ 45,000,000	\$ 32,500,000	\$ 22,500,000	\$ 22,500,000
October	\$ 37,500,000	\$ 42,000,000	\$ 42,000,000	\$ 29,500,000	\$ 22,500,000	\$ 25,000,000
November	\$ 35,000,000	\$ 35,000,000	\$ 35,000,000	\$ 27,500,000	\$ 20,000,000	\$ 20,000,000
December	\$ 27,000,000	\$ 30,000,000	\$ 30,000,000	\$ 25,000,000	\$ 17,500,000	\$ 15,000,000
Yearend	\$ 543,204,720	\$ 500,500,000	\$ 500,500,000	\$ 375,000,000	\$ 275,000,000	\$ 275,000,000

Actuals in RED

Secondary Market Production Estimate by Month & Year

Month	2020	2021	2022	2023	2024	2025
January	\$	\$ 7,500,000	\$ 12,500,000	\$ 15,000,000	\$ 25,000,000	\$ 25,000,000
February	\$ 181,007	\$ 7,500,000	\$ 12,500,000	\$ 15,000,000	\$ 27,500,000	\$ 25,000,000
March	\$ 99,750	\$ 9,000,000	\$ 15,000,000	\$ 20,000,000	\$ 27,500,000	\$ 27,500,000
April	\$ 1,350,910	\$ 10,000,000	\$ 15,000,000	\$ 20,000,000	\$ 30,000,000	\$ 30,000,000
May	\$ 2,000,000	\$ 12,500,000	\$ 17,500,000	\$ 25,000,000	\$ 30,000,000	\$ 32,500,000
June	\$ 3,000,000	\$ 12,500,000	\$ 20,000,000	\$ 25,000,000	\$ 32,500,000	\$ 35,000,000
July	\$ 4,000,000	\$ 15,000,000	\$ 20,000,000	\$ 30,000,000	\$ 32,500,000	\$ 35,000,000
August	\$ 5,500,000	\$ 15,000,000	\$ 19,500,000	\$ 30,000,000	\$ 35,000,000	\$ 37,500,000
September	\$ 7,500,000	\$ 12,500,000	\$ 17,500,000	\$ 35,000,000	\$ 35,000,000	\$ 37,500,000
October	\$ 7,500,000	\$ 12,500,000	\$ 17,500,000	\$ 35,000,000	\$ 32,500,000	\$ 35,000,000
November	\$ 6,000,000	\$ 10,000,000	\$ 15,000,000	\$ 30,000,000	\$ 30,000,000	\$ 32,500,000
December	\$ 5,000,000	\$ 10,000,000	\$ 15,000,000	\$ 25,000,000	\$ 27,500,000	\$ 30,000,000
Year end	\$ 42,133,687	\$ 134,000,000	\$ 197,000,000	\$ 305,000,000	\$ 365,000,000	\$ 382,500,000

Actuals in RED

Summarized Annual Volume & Down Payment Assistance

	MRB	Secondary	Total SF Volume	Total DPA
2020	\$ 543,204,720	\$ 42,133,687	\$ 585,338,407	\$ 25,322,122
2021	\$ 500,500,000	\$ 134,000,000	\$ 634,500,000	\$ 26,616,544
2022	\$ 500,500,000	\$ 197,000,000	\$ 697,500,000	\$ 29,054,032
2023	\$ 375,000,000	\$ 305,000,000	\$ 680,000,000	\$ 28,623,167
2024	\$ 275,000,000	\$ 365,000,000	\$ 640,000,000	\$ 27,145,161
2025	\$ 275,000,000	\$ 382,500,000	\$ 657,500,000	\$ 27,907,258



Tennessee Housing Development Agency

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Bill Lee
Governor

Ralph M. Perrey
Executive Director

**THDA Board of Directors Lending Committee Meeting
Monday, July 20, 2020 at 9:00 a.m. Central Time
WebEx Meeting /Call - To join the call Dial
1-650-479-3208; Code 133 736 9203**

AGENDA

- A. January 29, 2020 minutes
- B. Income Limits
- C. Ratification of Down Payment Assistance changes

COMMITTEE MEMBERS

Chrissi Rhea, Chair
Butch Eley
Regina Hubbard
John Krenson
Joseph Williams

TENNESSEE HOUSING DEVELOPMENT AGENCY
LENDING COMMITTEE MEETING MINUTES
January 29, 2020

Pursuant to the call of the Chairman, the Lending Committee of the Tennessee Housing Development Agency Board of Directors (the “Committee”) met in regular session on Wednesday, January 29, 2020, at 10:15 a.m., in the Nashville Room of the William R. Snodgrass Tennessee Tower, Nashville, Tennessee.

The following Committee members were present: Dorothy Cleaves (Chair), Chrissi Rhea, Erin Merrick, Colleen Daniels for Commissioner of Finance & Administration Stuart McWhorter, and Mike Hedges (Board Chair). Committee members Regina Hubbard and John Krenson were absent. The following board members were also present: John Snodderly, Rick Neal, Austin McMullen, Katie Armstrong for Comptroller Justin Wilson, Jonathan Rummel for Secretary of State Tre Hargett, and Kevin Bradley for Treasurer David Lillard.

Chair Cleaves called the meeting to order and called for consideration of the minutes from November 19, 2019. Upon motion by Ms. Merrick, and second by Ms. Daniels, the minutes were approved.

Chair Cleaves called on Dr. Hulya Arik, THDA Economist, to present the Housing Cost Index for 2020. Referring to her memo dated January 14, 2020, and the attached Board Resolution, Dr. Arik explained the Housing Cost Index (HCI) indicates the percentage of an average Tennessee household’s gross monthly income that is required to pay for primary fixed housing costs under existing market conditions. After describing the calculation method, detailed in her memo, Dr. Arik stated the housing cost index for 2020 is 28.67%, slightly lower than last year’s index of 29.52%. She noted that lower average interest rates and increased median household income improved the housing affordability for Tennesseans even with increased median home purchase price. Upon motion by Ms. Merrick and second by Ms. Rhea, the Committee recommended adoption of the Board Resolution accepting the 2020 Housing Cost Index and authorizing continued operation of THDA financial assistance programs to the Board.

There being no questions and no further business, Chair Cleaves adjourned the meeting.

Respectfully submitted,

Ralph M. Perrey
Executive Director

Approved the 20th day of July, 2020.



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

DATE: July 13, 2020
TO: THDA Board of Directors
FROM: Dr. Hulya Arik, Economist
SUBJECT: Single Family Mortgage Loan Program Income Limits, 2020

Recommendation

Staff recommends adoption of increased income limits under THDA single family mortgage loan program for certain counties as shown on the attached chart under the heading “2020 AMI and 2020 AAPP” (the “Proposed 2020 Income Limits”) to be effective as of August 1, 2020. These Proposed 2020 Income Limits result in increased income limits for 91 counties and reduced income limits in Hamblen, Henry and Smith Counties. In Weakley County, while the income limit for 1-2 person (small family) households increases, the limit for 3+ person (large family) households slightly declines.

Background

Determination of income limits for THDA’s single family mortgage loan program requires two pieces of information:

- Area Gross Median Family Income (AGMFI) released by HUD
- Average Area Purchase Prices (AAPP) released by the IRS.

HUD released the FY20 AGMFI figures on April 1, 2020. The IRS released Revenue Procedure 2020-18 updating AAPP and nationwide purchase prices for the Mortgage Revenue Bond (MRB) and Mortgage Credit Certificate programs on March 24, 2020. IRS Revenue Procedure 2020-33, released on May 27, 2020, directs issuers of MRB, including THDA, to use either FY20 income figures or FY19 income figures as the basis for calculating new income limits, including income limits for high cost areas.

THDA staff calculated the Proposed 2020 Income Limits based on the 2020 AGMFI and 2020 AAPP and the alternative income limits based on 2019 AGMFI and 2020 AAPP. These calculations were reviewed by THDA bond counsel, Kutak Rock. Staff compared the current THDA income limits, based on FY2019 AGMFI and 2019 AAPP, as shown on the attached chart, to both the Proposed 2020 Income Limits and alternative income limits. The alternative income limits did not result in a decline in any county, but increased income limits only slightly in a small number of counties.

The Proposed 2020 Income Limits create the best opportunity to increase the income limits for the most counties, while reducing income limits for only a few counties.

	Current Limits		2020 AMI and 2020 AAPP (20/20) (PROPOSED)		2019 AMI and 2020 AAPP (19/20)		Difference between Current Limits and 20/20 (PROPOSED)		Difference between Current Limits and 19/20	
County	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person
Anderson	\$69,900	\$80,385	\$73,900	\$84,985	\$69,900	\$80,385	\$4,000	\$4,600	\$0	\$0
Bedford	\$64,500	\$74,620	\$66,800	\$77,280	\$64,500	\$74,620	\$2,300	\$2,660	\$0	\$0
Benton	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Bledsoe	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Blount	\$69,900	\$80,385	\$73,900	\$84,985	\$69,900	\$80,385	\$4,000	\$4,600	\$0	\$0
Bradley	\$68,224	\$78,458	\$71,039	\$81,695	\$68,595	\$78,884	\$2,815	\$3,237	\$371	\$426
Campbell	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Cannon	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0
Carroll	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Carter	\$64,680	\$75,460	\$69,000	\$80,500	\$64,680	\$75,460	\$4,320	\$5,040	\$0	\$0
Cheatham	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0
Chester	\$66,840	\$77,980	\$71,399	\$82,109	\$66,840	\$77,980	\$4,559	\$4,129	\$0	\$0
Claiborne	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Clay	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Cocke	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Coffee	\$68,224	\$78,458	\$71,159	\$81,833	\$68,595	\$78,884	\$2,935	\$3,375	\$371	\$426
Crockett	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Cumberland	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Davidson	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0
Decatur	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
DeKalb	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Dickson	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0
Dyer	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Fayette	\$79,080	\$92,260	\$81,480	\$95,060	\$79,080	\$92,260	\$2,400	\$2,800	\$0	\$0
Fentress	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Franklin	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Gibson	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Giles	\$64,680	\$75,460	\$68,760	\$80,220	\$64,680	\$75,460	\$4,080	\$4,760	\$0	\$0
Grainger	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Greene	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Grundy	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Hamblen	\$67,080	\$78,260	\$66,800	\$77,560	\$67,080	\$78,260	-\$280	-\$700	\$0	\$0
Hamilton	\$67,800	\$77,970	\$72,600	\$83,490	\$67,800	\$77,970	\$4,800	\$5,520	\$0	\$0
Hancock	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Hardeman	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Hardin	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Hawkins	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0

	Current Limits		2020 AMI and 2020 AAPP (20/20) (PROPOSED)		2019 AMI and 2020 AAPP (19/20)		Difference between Current Limits and 20/20 (PROPOSED)		Difference between Current Limits and 19/20	
County	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person
Haywood	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Henderson	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Henry	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Hickman	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Houston	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Humphreys	\$67,200	\$78,400	\$66,800	\$76,820	\$67,200	\$78,400	-\$400	-\$1,580	\$0	\$0
Jackson	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Jefferson	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Johnson	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Knox	\$69,900	\$80,385	\$73,900	\$84,985	\$69,900	\$80,385	\$4,000	\$4,600	\$0	\$0
Lake	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Lauderdale	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Lawrence	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Lewis	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Lincoln	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Loudon	\$69,900	\$80,385	\$73,900	\$84,985	\$69,900	\$80,385	\$4,000	\$4,600	\$0	\$0
Macon	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Madison	\$66,840	\$77,980	\$71,399	\$82,109	\$66,840	\$77,980	\$4,559	\$4,129	\$0	\$0
Marion	\$67,800	\$77,970	\$72,600	\$83,490	\$67,800	\$77,970	\$4,800	\$5,520	\$0	\$0
Marshall	\$68,040	\$78,688	\$70,320	\$82,040	\$68,040	\$79,114	\$2,280	\$3,352	\$0	\$426
Maury	\$77,640	\$90,580	\$83,760	\$97,720	\$77,640	\$90,580	\$6,120	\$7,140	\$0	\$0
McMinn	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
McNairy	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Meigs	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Monroe	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Montgomery	\$67,584	\$77,722	\$70,179	\$80,706	\$67,955	\$78,148	\$2,595	\$2,984	\$371	\$426
Moore	\$67,404	\$77,515	\$70,179	\$80,706	\$67,775	\$77,941	\$2,775	\$3,191	\$371	\$426
Morgan	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Obion	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Overton	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Perry	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Pickett	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Polk	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Putnam	\$66,120	\$77,140	\$67,800	\$79,100	\$66,120	\$77,140	\$1,680	\$1,960	\$0	\$0
Rhea	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Roane	\$67,764	\$77,929	\$70,659	\$81,258	\$68,135	\$78,355	\$2,895	\$3,329	\$371	\$426
Robertson	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0

	Current Limits		2020 AMI and 2020 AAPP (20/20) (PROPOSED)		2019 AMI and 2020 AAPP (19/20)		Difference between Current Limits and 20/20 (PROPOSED)		Difference between Current Limits and 19/20	
County	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person	1-2 person	3+ person
Rutherford	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0
Scott	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Sequatchie	\$67,800	\$77,970	\$72,600	\$83,490	\$67,800	\$77,970	\$4,800	\$5,520	\$0	\$0
Sevier	\$66,720	\$77,840	\$69,840	\$81,480	\$66,720	\$77,840	\$3,120	\$3,640	\$0	\$0
Shelby	\$66,584	\$76,572	\$69,739	\$80,200	\$66,955	\$76,998	\$3,155	\$3,628	\$371	\$426
Smith	\$69,120	\$80,640	\$67,440	\$78,680	\$69,120	\$80,640	-\$1,680	-\$1,960	\$0	\$0
Stewart	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Sullivan	\$66,120	\$77,140	\$70,920	\$82,224	\$66,120	\$77,140	\$4,800	\$5,084	\$0	\$0
Sumner	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0
Tipton	\$79,080	\$92,260	\$81,480	\$95,060	\$79,080	\$92,260	\$2,400	\$2,800	\$0	\$0
Trousdale	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0
Unicoi	\$64,680	\$75,460	\$69,000	\$80,500	\$64,680	\$75,460	\$4,320	\$5,040	\$0	\$0
Union	\$83,880	\$97,860	\$88,680	\$103,460	\$83,880	\$97,860	\$4,800	\$5,600	\$0	\$0
Van Buren	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Warren	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Washington	\$64,680	\$75,460	\$69,000	\$80,500	\$64,680	\$75,460	\$4,320	\$5,040	\$0	\$0
Wayne	\$64,500	\$74,175	\$66,800	\$76,820	\$64,500	\$74,175	\$2,300	\$2,645	\$0	\$0
Weakley	\$65,880	\$76,860	\$66,800	\$76,820	\$65,880	\$76,860	\$920	-\$40	\$0	\$0
White	\$77,400	\$90,300	\$80,160	\$93,520	\$77,400	\$90,300	\$2,760	\$3,220	\$0	\$0
Williamson	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0
Wilson	\$96,000	\$112,000	\$98,760	\$115,220	\$96,000	\$112,000	\$2,760	\$3,220	\$0	\$0



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

DATE: June 4, 2020
TO: THDA Board of Directors
FROM: Lindsay Hall, Chief Operating Officer of Single Family Programs
SUBJECT: Proposed Change to DPA Second Mortgage Loan Term

Overview

Staff is proposing a change to the structure of the down payment assistance (DPA) approved by the Board in March. For the reasons described below, staff recommends changing the term of the DPA second mortgage loan from 30 years to 15 years effective July 1, 2020, as part of the other changes approved for the July 1, 2020, effective date.

Background

Based on the changes in the market place due to economic stress, interest rates are remaining historically low. This interest rate environment may be the new norm for some time until the economy begins to recover. When a low interest rate environment is present, prepayments of mortgage loans, both first and seconds, begin to slow down considerably. Borrowers are less likely to consider a refinance because they already have a low interest rate.

In addition to monthly repayments on the THDA DPA, the DPA must be repaid when a home is sold or if a refinance of the first mortgage loan occurs. This allows THDA to recycle DPA for future borrowers. When early payoffs slow down, this affects the amount of DPA available to recycle.

Staff has also recently completed an updated 5 year projection of mortgage loan production. Although the current crisis has created widespread unemployment, it has not negatively impacted THDA mortgage loan production as much as staff originally anticipated. With expected strong and steady mortgage loan production funded by mortgage revenue bonds and through the secondary market, there is a strong need to continue to recoup DPA and recycle DPA as previously anticipated. In this environment, DPA recouped through regular monthly payments over 30 years is not sufficient to meet the demand for DPA going forward. As a result, staff is recommending changing the term of the DPA second mortgage loan (Great Choice Plus, Homeownership for the Brave Plus or GC97Plus) from a 30 year term previously approved to a 15 year term.

The impact to the borrower will be minimal. The mortgage loan payment difference between a 30 year term and a 15 year term is an increase of approximately \$20 to \$25 per month.



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

THDA Board of Directors Tax Credit Committee Meeting
Wednesday, July 22, 2020 at 8:00 a.m. Central Time
WebEx Meeting /Call - To join the call Dial
1-650-479-3208; Code 133 819 0330

AGENDA

- A. January 29, 2020 and May 24, 2020 meeting minutes
- B. Low-Income Housing Credit 2021 Qualified Allocation Plan
- C. 2020 Volume Cap for 2020 Multifamily Tax-Exempt Bond Authority Program
- D. 2020 Multifamily Tax-Exempt Bond Authority Program Special Requests

Supplemental Information

- 1. Update on Competitive 2020 Low-Income Housing Credit Cycle

COMMITTEE MEMBERS

John Snodderly, Chair
Butch Eley
David Lillard
Joseph Williams

TENNESSEE HOUSING DEVELOPMENT AGENCY
TAX CREDIT COMMITTEE MEETING MINUTES
January 29, 2020

Pursuant to the call of the Chairman, the Tax Credit Committee of the Tennessee Housing Development Agency Board of Directors met in regular session on Wednesday, January 29, 2020, at 10:30 a.m. Central Time at the William R. Snodgrass Tennessee Tower, Third Floor, Nashville Room, Nashville, Tennessee.

The following Committee members were present: John Snodderly, Kevin Bradley (for Treasurer David Lillard), Colleen Daniels (for Commissioner of Finance & Administration, Stuart McWhorter), Erin Merrick and Mike Hedges (Board Chair). Committee member Lynn Tully participated by phone. Mr. Snodderly acted as Committee Chair in the absence of Ms. Tully. Other Board members in attendance were Dorothy Cleaves, Katie Armstrong (for Comptroller Justin Wilson), Austin McMullen, Jonathan Rummel (for Secretary of State Tre Hargett), Rick Neal and Chrissi Rhea.

Seeing a quorum present, Chair Snodderly called the meeting to order and called for consideration of the November 19, 2019, minutes. Upon motion by Ms. Daniels, second by Mr. McMullen, the minutes were approved. Chair Snodderly acknowledged Edwin King as the new Director of Multifamily Development for THDA.

Chair Snodderly called for consideration of amendments to the 2019-2020 Multifamily Low Income Housing Qualified Allocation Plan ("QAP") for distressed and at risk communities. Ed Yandell, Senior Housing Credit Advisor, referenced a memo dated January 15, 2020, that describes staff recommendations to amend the QAP to provide special assistance to at-risk/distressed counties in Tennessee and provided the following summary of the proposed amendments:

1. To be eligible for this assistance a proposed development must satisfy each of three criteria:
 - a. New construction
 - b. No more than 64 units; and,
 - c. Located wholly within one of the following counties: Benton, Bledsoe; Campbell, Carroll, Carter, Claiborne, Clay, Cocke, Decatur, Fentress, Grainger, Grundy, Hancock, Hardeman, Hardin, Hawkins, Haywood, Henderson, Houston, Jackson, Johnson, Lake, Lauderdale, Lewis, McNairy, Meigs, Monroe, Morgan, Obion, Overton, Perry, Rhea, Scott, Unicoi, Union, Van Buren, Warren, Wayne or Weakley.
2. Eligible proposed developments would receive the following special considerations:
 - a. Per development annual LIHC limit of \$1.3 million; and
 - b. Basis boost of up to 130%, as determined by THDA; and,
 - c. New construction in a HUD-designated Qualified Census Tract ("QCT") permissible; and
 - d. Applicable total development cost limits increased by 10%; and
 - e. Solely for the purposes of the Special At-Risk/Distressed Counties Assistance, none of the counties above will be considered "non-viable" with regard to the County Need Score.

Mr. Hedges and Chair Snodderly expressed their support for the proposed amendments. Upon motion by Ms. Merrick, second by Ms. Daniels, the Committee recommended to the Board the described changes, together with authorization for staff to make conforming changes as necessary.

Chair Snodderly recognized Mr. Yandell to present the proposed amendment to the QAP regarding the new construction regional pool. Mr. Yandell referenced a memo dated January 27, 2020, that replaced the original memo with the same subject dated January 15, 2020, and explained the following amendments that modify the methodology for allocating housing credits to the new construction regional pools for at risk and distressed counties:

1. Two developments may be selected from each of the West, Cumberland, East and Upper East New Construction Regional Pools; and
2. Three developments may be selected from the Middle New Construction Regional Pool; and
3. Within each of the West, Cumberland, East and Upper East New Construction Regional Pools, there would be no more than one allocation to a proposed development eligible for the special At-Risk/Distressed Counties Assistance and no more than one allocation to a proposed development not eligible for the Special At-Risk/Distressed Counties Assistance; and
4. Within the Middle New Construction Regional Pool, there would be no more than one allocation to a proposed development eligible for the special At-Risk/Distressed Counties Assistance and no more than two allocations to developments not eligible for the Special At-Risk/Distressed Counties Assistance; and
5. Allocations from the New Construction Regional Pools will be made in ranking order, taking into account all limits and tie-breakers, without preference for proposed developments eligible for the special At-Risk/distressed Counties Assistance or proposed developments not eligible for the Special At-Risk/Distressed Counties Assistance.

Upon motion by Mr. Bradley, second by Ms. Merrick, the Committee recommended to the Board the described amendments, together with authorization for staff to make conforming changes as necessary.

Chair Snodderly recognized Mr. King who referenced a memo dated January 15, 2020 titled “Amendment to the 2017 Low-Income Housing Tax Credit Qualified Allocation Plan, the 2018 Low-Income Housing Tax Credit Qualified Allocation Plan, and the 2018 Multifamily Tax-Exempt Bond Authority Program Description”. Mr. King noted that the amount of noncompetitive low-income housing credit currently available to a single development is \$1.1 million per year. He reminded the Committee that in May 2019, the per development limit for non-competitive low income housing credit developments was increased to \$3 million per year under the 2019-2020 QAP and under the 2019 Multifamily Tax-Exempt Bond Authority Program Description (“Program Description”). He noted that allocations of non-competitive low income housing credits may be increased when a development is placed in service. Mr. King indicated that staff recommends increasing the per development limit for non-competitive low income housing credits from \$1.1 million to \$3.0 million. Upon motion by Ms. Daniels, second by Mr. Bradley, the Committee recommended to the Board, the described amendment, together with authority motion carried to approve the amendment as presented along with the authorization for staff to change relevant parts of the QAP and Program Description and to make conforming changes as necessary.

Chair Snodderly recognized Mr. King who referenced a memo dated January 21, 2020, titled "Clarification to Requirements for HVAC Systems and Windows". Mr. King explained that 2016, 2017 and 2018 Low Income Housing Tax Credit Qualified Allocation Plans were amended in November 2019 to address energy efficiency requirements, but the following staff recommendations will provided needed additional clarification:

1. Apply the 2015 enterprise Green Community specifications for HVAC systems and windows for developments that meet all the following conditions:
 - a. The development originally received an allocation of housing credit under the 2016, 2017 or 2018 Low-Income Housing Tax Credit Qualified Allocation Plan; and
 - b. IRS Form(s) 8609 for the most recent allocation of housing credit have not been issued; and
 - c. The development elected to substitute "ENERGY STAR" requirements for the "Enterprise Green Community Certification" requirements; and
 - d. The development architect provides written certification in a form and with substance acceptable to THDA, in its sole discretion, that the HVAC system(s) and windows are compliant with the 2015 Enterprise Green Community specifications.
2. Authorize the Executive Director to resolve unforeseen issues rising from the November 7, 2019 amendment or the clarification to that amendment described above.

Upon motion by Ms. Merrick, second by Ms. Daniels, the Committee recommended the staff recommendations described above to the Board.

With no further business to address, the meeting was adjourned.

Respectfully submitted,

Ralph M. Perrey
Executive Director

Approved this 22nd day of July, 2020

TENNESSEE HOUSING DEVELOPMENT AGENCY
TAX CREDIT COMMITTEE MEETING MINUTES
May 19, 2020

Pursuant to the call of the Chairman, the Tennessee Housing Development Agency Board of Directors Tax Credit Committee (the “Committee”) met in regular session on Tuesday, May 19, 2020, at 10:00 a.m. CDT. All Board members participated by WebEx Call with certain staff members being at the THDA Offices located at 502 Deaderick Street; Andrew Jackson Building, 3rd Floor; Nashville, Tennessee 37243 in the Tanasi Conference Room.

The following Committee members were present via WebEx: Lynn Tully (Chair); Kevin Bradley (for Treasurer David Lillard); Colleen Daniels (for Commissioner of Finance & Administration Butch Eley); Erin Merrick; and Mike Hedges (Board Chair). John Snodderly joined the meeting at 9:25 a.m. CDT. Rick Neal also participated in the meeting.

Chair Tully recognized Lynn Miller, Chief Legal Counsel, who read the following statement:

“Certain Committee members will be participating in this meeting by telephone as authorized by Tennessee Code Annotated Section 8-44-108. Notice was posted stating that this meeting would be conducted in this fashion. This meeting is being conducted in this manner because the matters to be considered by the Committee today require timely action and the physical presence of a sufficient number of Committee members to constitute a quorum is not possible within the timeframe in which action is required. Therefore, it is necessary for some members to participate via telephone. Committee members participating by telephone were sent documents relevant to today’s meeting.”

Mr. Hedges requested an amendment to the Committee agenda to discuss a Multifamily Tax-Exempt Bond Authority Program (“MTBA”) issue involving “Special Requests” brought to his attention by an undisclosed MTBA applicant. He noted that although the applicant submitted a “Special Request”, the matter was not brought to the Board and the applicant was advised by staff that insufficient volume cap was available to fill the “Special Request”. Executive Director Ralph Perrey explained that, in his judgment, there was no purpose in bringing to the Board a request that could not be funded, if approved. Following extensive debate, the Executive Director proposed the following: Staff will contact all who made “Special Requests” and request a formal submission, qualifying “Special Requests” will be on the July Board agenda, and staff will review language in the MTBA Program Description involving Special Requests. Upon motion by Mr. Hedges, second by Ms. Tully, with a roll call vote, motion carried to approve Mr. Perrey’s proposal. All Committee members identified as present voted “yes”.

Chair Tully then recognized Edwin King, Director of Multifamily Programs, who presented the preliminary proposed changes for the Low-Income Housing Credit 2021 Qualified Allocation Plan. Mr. King referenced the staff preliminary proposed changes described in a document titled “Preliminary Proposed Changes: 2021 Low-Income Housing Credit Qualified Allocation Plan”. The consensus of the Committee was that staff would further review items 6.5, 7 and 12 in the referenced memo for further discussion at the July 2020 Committee meeting.

Chair Tully then recognized Mr. King who presented the requests for relief from applicants for 2020 housing credits under the 2019-2020 Low-Income Housing Credit Qualified Allocation Plan (the “2019-2020 QAP”). Mr. King referenced a memo from himself and Don Watt, Chief Programs Officer, dated May 7, 2020, that describes the requests and staff recommendations in greater detail. The following requests for relief were addressed:

1. TN20-005 Bell Street Flats involves the interpretation of Section 7-A-4 of the 2019-2020 QAP, regarding the business of developing and building low-income rental housing in Tennessee at all times since January 1, 2018. Staff noted that although the applicant, Southeastern Housing Foundation II, did not, technically, meet the 2019-2020 QAP requirement, Southeastern Housing Foundation II had prior successful experience with developing and building low income rental housing in Tennessee and was, currently, actively involved in the successful operation and management of housing credit developments in Tennessee. Upon motion by Mr. Snodderly, second by Mr. Bradley, and a roll call vote, motion carried to grant relief on the basis that the current and continuing involvement of Southeastern Housing Foundation II in low-income rental housing in Tennessee met the spirit and intent of the 2019-2020 QAP requirement. All Committee members identified as present voted “yes”.
2. TN20-001 Espresso Chattanooga requires no action as this was an unsuccessful applicant in the Innovation Round.
3. TN20-056 West Way involves Section 14-A-17 (serving resident populations with children) of the 2019-2020 QAP. Staff recommended denial of this request for relief because no three bedroom units were proposed for the development, making this application ineligible for the points in Section 14-A-7. Upon motion by Ms. Merrick, second by Mr. Snodderly and a roll call vote, motion carried to deny the points available under Section 14-A-17 of the 2019-2020 QAP. Five of the Committee members identified as present voted “yes”. One Committee member abstained.

With no further business, meeting was adjourned.

Sincerely submitted,

Ralph M. Perrey
Executive Director

Approved this 22nd day of July 2020



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: THDA Board of Directors

FROM: Edwin King, Director of Multifamily Programs
Don Watt, Chief Programs Officer

SUBJECT: July 22, 2020 Tax Credit Committee Meeting

DATE: July 10, 2020

The agenda for the July meeting includes approval of the Low-Income Housing Credit 2021 Qualified Allocation Plan ("2021 QAP"). The Draft 2021 QAP has been posted to the THDA web site for public comment. You may access the full Draft 2021 QAP for reference by using the following link: <https://s3.amazonaws.com/thda.org/Documents/Business-Partners/Multi-Family-Developers/LIHTC-Program/DRAFT-2021-QAP-06.26.2020.pdf>. A brief summary of the changes incorporated in the Draft 2021 QAP is included in these materials along with a staff summary of and response to the public comments received in response to the posting. A Public Hearing was held online on July 16, 2020.

The agenda also includes an update on the 2020 competitive Low-Income Housing Credit round and an update on 2020 Multifamily Tax-Exempt Bond Authority activity (please see spreadsheet following this memo) and, pending the outcome of the Bond Finance Committee meeting, discussion of the "Special Request Application" as described in Section 6 of the Multifamily Tax-Exempt Bond Authority Program Description for 2020.



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Bill Lee
Governor

Ralph M. Perrey
Executive Director

SUMMARY OF SUBSTANTIVE PROPOSED CHANGES DRAFT LOW-INCOME HOUSING CREDIT 2021 QUALIFIED ALLOCATION PLAN JULY 10, 2020

Please Note

- A. *This document is a brief summary of the substantive proposed changes incorporated in the Draft Low-Income Housing Credit 2021 Qualified Allocation Plan and does not include non-substantive or “housekeeping” changes such as, without limitation, reformatting, relocating, renumbering, or rewording text.*
 - B. *The page numbers in this document refer to the footer page numbers in the Draft Low-Income Housing Credit 2021 Qualified Allocation Plan.*
1. The Draft Low-Income Housing Credit 2021 Qualified Allocation Plan (the “Draft 2021 QAP”) has been reformatted from a two year document to a one year document.
 2. Language regarding amendments to the Qualified Allocation Plan has been clarified to reflect that such amendments do not require re-approval of the QAP by the Governor [page 2].
 3. Definition of 42(m) letter deleted (redundant) [page 4].
 4. Definition of Applicable Fraction added [page 4].
 5. Innovation language deleted [pages 12, 15, 18, 28, 29, 33, and 55].
 6. New Construction Regional Pools have been updated [pages 13 and 14].
 7. Language describing Incremental Developments and Phase 2 Developments has been clarified [pages 7, 8, and 14].
 8. Total Development Cost Limits have been updated [page 15].
 9. Calendar of Events has been updated [page 18]
 10. Language regarding receiving THDA approval for a site change being a Major SAE has been added [page 21].
 11. Language regarding experience requirements for the Non-Profit Set-Aside has been modified [page 25].
 12. Language regarding PHA eligibility for the Non-Profit Set-Aside has been modified [page 25].

13. Language regarding the priority of allocations from the PHA Set-Aside has been modified [page 30].
14. Language regarding threshold requirements for utility availability and development pro-forma has been added [page 34].
15. Language regarding Opportunity360 scoring criterion has been added [page 38].
16. New construction points available under “Opportunity 360” (formerly “Project Location”) decreased to 15 [page 38].
17. Language regarding 60% Income Averaging Test scoring criterion has been deleted [page 39].
18. New construction points available under “Development Characteristics” increased to 17 [page 39].
19. Historic development scoring criterion has been moved into “development characteristics” section [page 40 and 48].
20. Table 14-3 and Table 14-11 (Development Team Track Record) has been modified [page 41 and 49].
21. Language regarding Computer Centers has been modified [pages 42, 43, 50, and 72].
22. Language regarding Enterprise Green Community certification has been deleted [page 43, 64, and 73].
23. Language regarding Leverage scoring criterion has been added [page 44].
24. Existing Multifamily Housing points available under “Project Location” reduced to 2 [page 45].
25. Existing Multifamily Housing points available under “Meeting Housing Needs” increased to 13 [page 45].
26. Language regarding average physical occupancy scoring criterion has been modified [page 45].
27. Existing Multifamily Housing scoring criterion regarding rehabilitation of highest portion of existing low-income units has been added [page 46].
28. Existing Multifamily Housing points available under “Development Characteristics” increased to 20 [page 46].
29. Language regarding tie-breakers has been modified [page 56].
30. Noncompetitive Low-Income Housing Credit points available under “Project Location” reduced to 7 [page 70].
31. Noncompetitive Low-Income Housing Credit points available under “Serving Resident Populations with Special Housing Needs” reduced to 10 [page 71].
32. Noncompetitive Low-Income Housing Credit points available under “Serving Resident Populations with Children” reduced to 10 [page 72].
33. Noncompetitive Low-Income Housing Credit points available under “Energy Efficiency” increased to 13 [page 73].



Tennessee Housing Development Agency

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Bill Lee
Governor

Ralph M. Perrey
Executive Director

SUMMARY OF AND RESPONSE TO COMMENTS REGARDING THE DRAFT LOW-INCOME HOUSING CREDIT 2021 QUALIFIED ALLOCATION PLAN July 10, 2020

Please Note

- A. *This document represents staff's response to select repeated comments and is not meant to be a replacement for the comments themselves (7 submissions in total).*
- B. *The item numbers in this document correspond to the item numbers in the "SUMMARY OF SUBSTANTIVE PROPOSED CHANGES" document also included in these materials.*

Item 5 (Removing Innovation Round): Comments (2) encouraged THDA to retain the Innovation Round for the 2021 competitive cycle. Commenters noted that THDA has the ability to decline to make an Innovation Round reservation.

Response: Staff continues to recommend elimination of the Innovation Round in order to make more credit available in the balance of the competitive reservations.

Item 6 (Modifying New Construction Regional Pools): Comments (4) generally expressed concern that the proposed maximum number of reservations for pool 1 is too low given the affordable housing needs of the counties in the pool (Cheatham, Davidson, Rutherford, Shelby, Sumner, Williamson, and Wilson).

Response: Staff continues to recommend the proposed changes to the New Construction Regional Pools as reflected in the Draft Low-Income Housing Credit 2021 Qualified Allocation Plan ("Draft 2021 QAP), nonetheless, staff is flexible regarding the number of reservations for Pool .1. THDA continues to experience high demand for Low-Income Housing Credit ("LIHC") and the proposed changes in the Draft 2021 QAP represent staff's efforts to balance reservations geographically in accordance with needs across the entire state.

Item 10 (Adding Major Significant Adverse Event (“SAE”) for approval of site change):

Comments

(3) generally expressed concern that a Major SAE for a site change is excessive.

Response: Staff continues to recommend the proposed changes to the penalty for approval of a site change as reflected in the Draft 2021 QAP. Staff takes the position that site changes reflect poor due diligence in the planning stages of a development and should be considered a Major SAE.

Item 13 (Modifying Priority of Reservations from the Public Housing Authority Set-Aside):

Comments (2) expressed concern about the proposed language requiring a common plan of financing.

Response: Staff continues to recommend this proposed change as reflected in the Draft 2021 QAP.

Item 14 (Adding Utility Availability and 30-Year Pro Forma as threshold requirements):

Comments

(3) expressed concern that requiring confirmation of utility availability with the initial application would provide local jurisdictions with a method to discourage LIHC developments and that a 15-year pro forma would be more realistic and useful to staff.

Response: Staff continues to recommend the proposed changes to the utility availability requirement as reflected in the Draft 2021 QAP. Staff takes the position that confirmation of utility availability is a key element of due diligence in the planning stages of a development. Staff is open to reducing the time period for the pro forma to 15 years.

Item 15 (Adding Opportunity360 Scoring Criterion): Comments (3) were mixed. A commenter expressed support for this proposed change and noted that Opportunity360 is being used successfully in multiple states. Other commenters expressed concern that the Opportunity360 scoring criterion would favor affluent areas and concern that the data Opportunity360 uses is out of date.

Response: Staff continues to recommend the proposed changes regarding Opportunity360 as reflected in the Draft 2021 QAP. Staff takes the position that Opportunity360 is based on a broader data set than, and is a good alternative to, the current County Need Score in addition to being a tool to reduce the reliance on tie-breakers.

Item 17 (Removing Scoring Criterion for 60% Income Averaging Test): Comments (3) expressed concern that removing the scoring criterion will effectively mean that no applicants will elect the federal 60% Income Averaging Test.

Response: The Draft 2021 QAP allows an applicant to elect the federal 60% Income Averaging Test. Staff takes the position that removal of the *scoring criterion* for this item reduces the likelihood that novice applicants, in pursuit of a higher score, will make this complex election.

Item 23 (Adding Scoring Criterion for Leverage): Comments (6) expressed concerns that the language in the Draft 2021 QAP lacks sufficient clarity regarding what counts as leverage, that current economic conditions will make leverage funds difficult to obtain, and that including a scoring criterion for leverage will invite applicants to “game the system”.

Response: Staff recommends deletion of this proposed change and adding 3 points to the Deferral of the Qualified Contract Process scoring criterion and adding 2 points to the Extended Recapitalization Waiver scoring criterion. For 2022 and beyond, staff intends, in conjunction with the developer community, to research a measure for efficient use of LIHC.

Item 26 (Modification of Average Occupancy Scoring Criterion): Comments (2) expressed concern that this scoring criteria will make it very difficult for a development with high vacancy due to poor physical condition to receive a reservation.

Response: Staff continues to recommend the proposed changes to the average occupancy scoring criterion as reflected in the Draft 2021 QAP. Staff takes the position that providing an incentive to existing multifamily housing developments that maintain higher occupancy rates allows the limited THDA LIHC resource to stretch further.

Item 27 (Adding Scoring Criterion for Rehabilitating the Highest Portion of Existing Low-Income Units): Comments (4) expressed concern that the provision giving priority to developments with HAP contracts that are about to expire is too restrictive and should be expanded to cover other HAP contracts and other types of rental subsidy (e.g. USDA RD 515).

Response: Staff continues to recommend the change regarding rehabilitating the highest portion of existing low-income units, and recommends deleting the proposed change giving priority to developments with HAP contracts that are about to expire.

**2020 Volume Cap for 2020 Multifamily Tax-Exempt
Bond Authority Program**

**Information will follow after Bond Finance Committee
meeting July 17th, 2020.**



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: THDA Board of Directors
FROM: Edwin King, Director of Multifamily Programs
Don Watt, Chief Programs Officer
SUBJECT: 2020 Multifamily Tax-Exempt Bond Authority Special Requests
DATE: July 10, 2020

Section 6 of the Multifamily Tax-Exempt Bond Authority Program Description for 2020 (the “MTBA 2020 PD”) describes the requirements for “Special Request Applications. The MTBA 2020 PD is available on the THDA web site at the following URL: <https://s3.amazonaws.com/thda.org/Documents/Business-Partners/Multi-Family-Developers/Multi-Family-Tax-Exempt-Bonds/2020-MTBA-PD-11.19.2019.pdf>.

Staff have received two “Special Request Applications” for 2020 Multifamily Tax-Exempt Bond Authority (“2020 MTBA”). Both Special Request Applications are from the Memphis Housing Authority:

1. TN20-606, MH Strategies Family, requesting \$70 million of 2020 MTBA; and
2. TN20-607, MH Strategies Tower, requesting \$55 million of 2020 MTBA.

Memphis Housing Authority has indicated that they give higher priority to TN20-606.

The current status of the 2020 MTBA Program, including the Special Request Applications, is reflected in the following table.

MULTIFAMILY TAX-EMPT BOND AUTHORITY STATUS UPDATE				
Submitted and Under Review				
TN ID	Development Name	County	Amount	Group
20-219	Memphis Towers	Shelby	\$ 25,000,000.00	Millenia
20-220	Washington Square	Shelby	\$ 13,729,740.00	Carl Mabry
20-225	Ironwood	Wilson	\$ 24,000,000.00	Pedcor
		Total Under Review	\$ 62,729,740.00	
Commitments Issued and Awaiting Closing				
TN ID	Development Name	County	Amount	Group
20-204	Meadowood Apartments	Blount	\$ 9,500,000.00	Vitus
20-208	The 808 at Skyline Ridge	Davidson	\$ 26,681,349.00	LDG
20-214	Burlington Commons	Knox	\$ 5,400,000.00	Bunch/Varner
20-206	Robinhood Park Apartments	Shelby	\$ 5,800,000.00	Alco
20-203	Evergreen Villas	Knox	\$ 4,310,000.00	LHP
20-202	Kingsport West	Hawkins	\$ 8,500,000.00	LHP
20-201	Covenant Village	Knox	\$ 7,490,000.00	LHP
		Total Committed	\$ 67,681,349.00	
Commitments Closed				
20-205	Chickasaw Place Apartments	Shelby	\$ 15,000,000.00	Alco
20-207	North Lights	Davidson	\$ 23,000,000.00	Elmington
20-209	Hobson	Davidson	\$ 37,000,000.00	Elmington
		Total Closed	\$ 75,000,000.00	
Total Allocated to Multifamily			\$ 225,486,025.00	
Total Received:	Includes Under Review, Committed, and Closed		\$ 205,411,089.00	
Total Remaining			\$ 20,074,936.00	
PROSPECTIVE "SPECIAL REQUESTS"				
TN ID	Development Name	Amount		
20-607	MH Strategies Towers	\$ 55,000,000.00		
20-606	MH Strategies Family	\$ 70,000,000.00		
	Total Special Requests	\$ 125,000,000.00		



Tennessee Housing Development Agency

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Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: THDA Board of Directors
FROM: Edwin King, Director of Multifamily Programs
Don Watt, Chief Programs Officer
SUBJECT: Update on Competitive 2020 Low-Income Housing Credit Cycle
DATE: July 10, 2020

As you may know, staff have released the Preliminary Ranking for the competitive 2020 Low-Income Housing Credit ("LIHC") Cycle. The Preliminary Ranking is posted to the THDA web page at the following URL: <https://s3.amazonaws.com/thda.org/Documents/Business-Partners/Multi-Family-Developers/LIHTC-Program/2020-PRELIM-LIHC-RANKING-FOR-WEB-07.01.2020.pdf>. The amount of competitive 2020 LIHC available for allocation was approximately \$21.6 million. LIHC requests from applicants totaled approximately \$37.7 million for a 1.75 to 1 demand to supply ratio.

Overall, THDA anticipates issuing a Reservation Notice to 23 proposed developments, 12 of which are new construction.

Within the 23 proposed developments, THDA anticipates issuing a Reservation Notice to 8 proposed developments in At Risk or Distressed counties, 2 of which are new construction. These 8 proposed developments are located in the following counties: Claiborne, Cocke, Hancock, Hardin, McNairy, Monroe, Perry, and Scott.



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Bill Lee
Governor

Ralph M. Perrey
Executive Director

THDA Board of Directors Grants Committee Meeting Thursday, July 23, 2020 at 1:00 p.m. Central Time WebEx Meeting /Call - To join the call Dial 1-650-479-3208; Code 133 921 3777

AGENDA

- A. January 29, 2020 meeting minutes
- B. 2021 Low-Income Home Energy Assistance Program (LIHEAP) Annual Plan
- C. 2020 HOME Bright Futures Bridge Subsidy Pilot Program Description
- D. 2017-2020 HOME Program Descriptions Modification
- E. Hardest Hit Fund Program Modifications
- F. HOME Grant Extension Request – City of Bolivar

Supplemental Information

- Proposed changes to the THTF Competitive Grants program
(Move to Fall/Summer offering and addition of Grand Division Geographic selection process similar to NHTF)
- Summaries of Awards/Extensions made under the:
 - 1. 2020 HOME Program
 - 2. 2020 Emergency Solutions Grants (ESG) Program
 - 3. 2020 Spring Round of Tennessee Housing Trust Fund (THTF) Competitive Grants Program
 - 4. 2020 National Housing Trust Fund (NHTF) Program
 - 5. 2020 Creating Homes Initiative – 2 (CHI-2) Program
 - 6. Continuum of Care (CoC) COVID-19 Supplemental
 - 7. HOME Extensions due to COVID delays

COMMITTEE MEMBERS

Austin McMullen, Chair
Tre Hargett
John Krenson
Rick Neal
Justin Wilson

TENNESSEE HOUSING DEVELOPMENT AGENCY
GRANTS COMMITTEE MEETING MINUTES
January 29, 2020

Pursuant to the call of the Chair, the Grants Committee of the Tennessee Housing Development Agency Board of Directors met in regular session on Wednesday, January 29, 2020, at 10:00 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: Austin McMullen (Chair), Jonathan Rummel for Secretary of State Tre Hargett, Rick Neal, Katie Armstrong for Comptroller Justin Wilson and Board Chair Mike Hedges. Also present were Colleen Daniels, Chrissi Rhea, John Snodderly, Dorothy Cleaves, and Kevin Bradley. Erin Merrick arrived at 10:12 a.m. Central Time. John Krenson and Lynn Tully were absent.

Chair McMullen called the meeting to order and called for consideration of the November 19, 2019, minutes. Upon motion by Ms. Armstrong, second by Mr. Neal, the minutes were approved.

Chair McMullen then recognized Cynthia Peraza, THDA Director of Community Programs, to present the request for approval of modifications to the 2020 Creating Homes Initiative 2 (CHI-2) Program Description. Ms. Peraza referenced her memo dated January 15, 2020, and noted that in September 2019, the CHI-2 Program Description was approved by the Board. She explained that after approval of the Program Description, the Department of Mental Health and Substance Abuse Services (DMHSAS) requested modifications to the Program Description as described in more detail in the referenced memo. She indicated that, in consultation with DMHSAS, THDA staff recommends the following changes to the CHI-2 Program Description: 1) Expand the qualifying diagnosis from "Opioid Use Disorder" to "Opioid or opioid derivatives must be a drug of choice" throughout the Program Description; 2) Remove the language referenced on Page 1, Section A, of the Program Description referencing the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition; and 3) Extend the application deadline to 4:00 P.M. CST, Thursday, February 13, 2020, with application decisions to be announced by April 1, 2020, and contracts effective as of May 1, 2020. Upon motion by Mr. Hedges, second by Ms. Armstrong, the Committee recommended approval of the referenced changes to the 2020 CHI-2 Program Description to the Board.

Chair McMullen next recognized Mr. Don Watt, THDA Chief Program Officer, who referenced his memo dated January 16, 2020. He reported that the Executive Director awarded \$1,945,959 of the \$3,241,878 available under the 2019 National Housing Trust Fund (NHTF) Program Description to Metropolitan Development and Housing Agency, Murfreesboro Housing Authority, and The Crossroads Campus to create 200 housing units, 24 of which will be set aside for extremely low-income Tennesseans. He noted that the remaining amount would be rolled into the funding amount for the National Housing Trust Fund in 2020.

Chair McMullen recognized Mr. Watt who referenced his memo dated January 16, 2020, regarding the 2020 National Housing Trust Fund (NHTF) Program Description. Mr. Watt noted that approximately \$4,335,570, including \$1,295,919 from 2019 and \$3,039,651 expected for 2020, will be available for development of affordable rental housing for extremely low-income households. He explained that the 2020 NHTF Program Description contains the following recommended changes from 2019: 1) reduce the minimum award from \$250,000 to \$100,000 to encourage the use of funds in smaller, rural developments; 2) add a spend-down requirement for entities with prior NHTF funding awards; and 3) provide 7 points for a project located in a rural county and an additional 3 points if the applicant is a rural public housing authority. Upon a motion by Mr. Rummel, second by Mr. Neal, the Committee recommended approval of the 2020 NHTF Program Description to the Board.

Chair McMullen next recognized Ms. Peraza, who referenced her memo dated January 15, 2020, requesting authorization to increase the Tennessee Renovation Loan Program (TRLP) funds by the approximately \$811,000 that remain after the 2017-2018 Appalachian Renovation Loan Program ended in July 2019. She noted that TRLP not only offers the same type of assistance as the Appalachian Renovation Loan Program, but also focuses on providing assistance to low-income homeowners who need help in repairing and preserving their homes. Upon motion by Mr. Neal, second by Mr. Hedges, the Committee recommended approval of the transfer of 2017-2018 Appalachian Renovation Loan Program funds to TRLP.

Chair McMullen again recognized Ms. Peraza who referenced her memo dated January 17, 2020, regarding the following proposed changes to the Appraisal Gap Pilot Program (Gap Program): 1) Increase the allocation by \$500,000 in THDA funds bringing the total Gap Program allocation to \$1,000,000; 2) Expand Gap Program availability across the state; and 3) Extend Gap Program, as a pilot program through December 31, 2020, or until the Gap Program funding is depleted, whichever occurs first. Ms. Peraza explained that in September 2018, the Board authorized the Gap Program, which offered up to \$20,000 in grant funding to eligible, nonprofit housing agencies to help fund the gap between the cost to build a home and the appraised value of such a home in Memphis, Chattanooga and Oak Ridge. Upon motion by Ms. Armstrong, second by Mr. Neal, the Committee recommended approval of the referenced Appraisal Gap Pilot Program changes.

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

Respectfully submitted,

Ralph M. Perrey
Executive Director

Approved the 23rd day of July, 2020.



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: THDA Board of Directors
FROM: Cynthia Peraza, THDA Community Programs Director
Don Watt, THDA Chief Program Officer
DATE: July 14, 2020
SUBJ: Low Income Home Energy Assistance Program (LIHEAP) – Program Year 2021

Recommendation:

Staff is requesting Board and Committee approval of THDA submitting an application to the U.S. Department of Health and Human Services (HHS) for the LIHEAP Program Year 2021 funds by the federal deadline of September 1, 2020, subject to review by the Board Chair, the Committee Chair, and THDA's Executive Director of any further material changes prior to submission.

Staff anticipates HHS approval of Tennessee's 2021 LIHEAP application before the December 2020 THDA Board meeting. At that time, Community Programs staff will provide the Board and Committee with the final allocation amounts, participating agencies, program updates and any amendments to the approved plan.

Background:

The HHS will be accepting applications from states for the Program Year 2021 Low Income Home Energy Assistance Program (LIHEAP). Applications are due to the HHS no later than September 1, 2020. The Program Year 2021 allocation for Tennessee is not yet available; however, based on the amount available to Tennessee for 2020, THDA anticipates approximately \$65,000,000 will be received, with approximately \$6,500,000 available for administrative costs and \$58,500,000 available for program costs.

LIHEAP and the activities carried out with the LIHEAP funding are subject to federal regulations found at 45 C.F.R. § 96. The annual application to HHS defines the program and requires the program be made available to eligible agencies that serve all areas (counties) in the state.

Grantees for LIHEAP funding are those agencies meeting the federal definition of an eligible entity which includes Community Action Agencies (CAA) or other public or nonprofit entities selected on the basis of public comment received during a public hearing conducted pursuant to 45 C.F.R. § 96 and other appropriate findings regarding:

- (i) The subgrantee's experience and performance in LIHEAP;
- (ii) The subgrantee's experience in assisting low-income persons in the area to be served; and
- (iii) The subgrantee's capacity to undertake a timely and effective LIHEAP Program.

The program funding is allocated by county, based on the percentage of the low-income population residing in that county, as determined through the use of SAIPE (Small Area Income and Poverty Estimates) census data.

The local agency will receive, if willing to participate, the allocation for the county or counties located in their service delivery area. THDA will retain funding for administrative expenses as permitted under federal regulations. Staff will also conduct public meetings to explain the program and funding situation.

At this time, THDA is planning to propose the following programmatic changes for the 2021 program year. There will be public hearings and a public comment period in August 2020.

LIHEAP Emergency/ Disaster Assistance including the following items:

- Extending the eligibility of affected households to a maximum income of 60% State Median Income.
- Costs to temporarily shelter or house individuals in hotels, apartments or other living situations in which homes have been destroyed or damaged, i.e., placing people in settings to preserve health and safety and to move them away from the crisis situation
- LIHEAP funding for temporary housing due to energy related needs will not exceed 3 days and must be reasonable. Any period requested beyond 3 days must be submitted to THDA for review on a case-by-case basis.
- Costs for transportation (such as taxis, ride-share cars, shuttles, buses) to move individuals away from the crisis area to shelters, when health and safety is endangered by loss of access to heating or cooling
- Costs must be reasonable and energy related. Vehicle purchases are not allowed.
- Utility reconnection costs
- Must be energy related and, if costs exceed \$500, they must be approved by THDA on a case-by-case basis.
- Repair or replacement costs for furnaces, air conditioners, or insulation
- Coats and blankets, as tangible benefits to keep individuals warm
- Crisis payments for utilities and utility deposits
- Purchase and installation of fans, air conditioners, or generators
- Generators may be purchased in life-threatening situations when a household member must have power for medical equipment.



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Bill Lee
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Ralph M. Perrey
Executive Director

MEMORANDUM

TO: THDA Board of Directors
FROM: Cynthia Peraza, THDA Community Programs Director
Don Watt, THDA Chief Program Officer
DATE: July 14, 2020
SUBJ: 2020 HOME Bright Futures Bridge Subsidy Pilot Program's Program Description

Recommendation:

THDA staff is proposing to create a new program, the Bright Futures Bridge Subsidy Pilot Program (BFBS), to be funded from the 2020 HOME allocation, to assist with housing opportunities to youth transitioning out of foster care. To facilitate this assistance, staff recommends the following Board action:

- Adopt the proposed 2020 HOME Bright Futures Bridge Subsidy Pilot Program's Program Description, attached to this memo ("Program Description")
- Authorize a \$1,500,000 set aside from 2020 HOME Program project funds for the Bright Futures Bridge Subsidy Pilot Program
- Authorize a \$90,000 set aside from 2020 HOME Program administrative funds to cover the administrative costs of the participating organizations;
- Authorize the Executive Director to award funds to up to three nonprofit organizations
- Authorize staff to take all actions determined appropriate by the Executive Director to initiate and administer the Bright Futures Bridge Subsidy Pilot Program.

Background:

THDA's Strategic Plan includes a goal to meaningfully expand and preserve the housing resources of hard-to-serve populations who are at risk of becoming homeless and who are not currently being assisted through other housing programs. Through the BFBS, tenant-based rental assistance (TBRA) will be offered to eligible youth to help them afford the cost of market-rate housing units for a period not to exceed 24 months. The level of subsidy will be calculated based on income, the cost of the unit selected, and the rent standards established by THDA for the community in which the selected

unit is located. To keep the cost of living more affordable, the BFBS funds may also be used to assist in the cost of utilities, security deposits, utility deposits, and permitted soft costs.

THDA staff has had on-going conversations with several organizations to implement this pilot program in their service areas surrounding the cities of Nashville and Knoxville. Staff will non-competitively select up to two organizations as sub-recipients of the HOME funds. The pilot program would begin on or about October 1, 2020 and three years from the grant start date.

For a full description, please click on the following link:

2020 HOME bright futures:

<http://thda.darkstardesign.net/pdf/2020-HOME-Bright-Futures-Bridge-Subsidy-Pilot-Program.pdf>



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: THDA Board of Directors
FROM: Cynthia Peraza, THDA Community Programs Director
Don Watt, THDA Chief Program Officer
DATE: July 14, 2020
SUBJ: 2017-2020 HOME Program Description Modification – Manufactured Homes

Recommendation:

THDA staff is making a recommendation to modify the 2017, 2018, 2019, and 2020 HOME Program Descriptions to include manufactured housing as an eligible housing type, as referenced and allowed in HUD 24 CFR § 92.205 and meet the definition of manufactured housing sited at 24 CFR 3280.2 and HUD HOME requirements as specified in 24 CFR 92.205 (A)(4).

Background:

THDA has been administering the HOME Program for the past 20 years. The HOME Program has always promoted the development and rehabilitation of affordable single-family homes for low-income families. In the past, the HOME Program allowed the reconstruction and rehabilitation of manufactured housing as a Homeownership rehabilitation activity. The decision to eliminate manufactured as an eligible housing type occurred in 2013, when the HOME Program experienced severe funding cuts and another pilot program, the Tennessee Manufactured Housing Foundation, provided funding for similar activities. Since that change occurred, the housing industry and the HOME Program have evolved substantially. In 2014, the Tennessee Manufactured Housing Foundation Pilot Program was terminated and the HOME Program has received ample amount of funding to continue the development and rehabilitation of affordable single-family housing.

Off-site construction (also called modular, pre-engineered, or manufactured housing) is now being used for a wide range of single-family developments across the state. This type of construction brings several attractive benefits to the affordable housing platform, such as: climate controlled home construction, energy efficient appliances, industry precision building methods that help reduce waste and save the consumer money, reasonably priced homes, and a well-built final products.

Off-site construction housing does not require as many contractors as traditional stick-built homes, which adds to the advantages of adding this housing type in the HOME Program. This change will be a great benefit to the state and any county that struggles with procuring contractors and or trade workers.

In addition to cost to the lower cost to develop these types of homes, having the ability to order a partially built home from a factory will help in our requirements to social distance through the COVID-19 pandemic and will also provide for a quicker and easier home to develop.

Housing Grant app:

<http://thda.darkstardesign.net/pdf/Housing-Grant-App-for-HOME-Prgm-for-FY-2020.pdf>

For a full description, please click on the following link:



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: THDA Board of Directors
FROM: Cynthia Peraza, THDA Community Programs Director
Don Watt, THDA Chief Program Officer
DATE: July 14, 2020
SUBJ: Hardest Hit Fund Program Modifications

Recommendation:

THDA staff is making recommendations to:

- Move \$4,500,000 from the HHF Administrative Budget to the HHF Blight Elimination Program;
- Modify the HHF Program end date from December 31, 2020 to December 31, 2021 in all applicable documents and guides; and
- Authorize staff to make any necessary changes as required by the U. S. Department of the Treasury.

All recommendations are subject to the U. S. Department of the Treasury's approval.

Background:

THDA has been administering the Hardest Hit Fund Program (HHF) since 2010. The HHF Program was developed by the U. S. Department of the Treasury to help prevent foreclosures and stabilize neighborhoods in states that were negatively impacted by the mortgage crisis.

As of the first quarter of 2020, THDA has disbursed approximately \$268,000,000 in HHF Program funds that have provided mortgage assistance to more than 7,400 homeowners, down payment assistance to 5,448 homebuyers, and demolished over 95 blighted properties across the state. THDA has approximately \$4.5 million available in Blight Elimination Program (BEP) program funds and approximately \$9 million in administrative funds.

Due to the coronavirus (COVID-19) pandemic, the U. S. Department of the Treasury has extended the use of HHF Program funds. With this extension, all BEP loans must be committed by or before June 1, 2021, and all disbursements must be processed before December 31, 2021.



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: Board of Directors
FROM: Cynthia Peraza, Director of Community Programs
DATE: July 13, 2020
RE: 2015-2016 HOME Grant Extension Request – City of Bolivar

Recommendation

Staff recommends and requests approval of the extension request submitted by the City of Bolivar for their 2015-16 HOME Grant extending their grant from June 30, 2020 to June 30, 2021.

Background

THDA awarded a \$321,000 grant to the City of Bolivar from the 2015-16 HOME Program. Since the inception of their award, the City of Bolivar experienced delays as they learned how to administer the HOME Program. In the last year, they finally started working at a pace that would have allowed them to expend the majority of their grant by the contract end date of June 30, 2020. However, as with many other programs, their production was slowed by the COVID-19 pandemic. To date, approximately 33% of the project funds have been disbursed.

The City of Bolivar had submitted a request for extension in early April, but staff inadvertently left the request off the list submitted to the Board for review and consideration in May. THDA staff is in favor of granting the extension because we recognize that the delay in project was due to significant issues encountered outside of the Grantee's control. THDA is aware of the increasingly negative impact of COVID-19 on the HOME program administrators and their ability to meet existing deadlines.

Additionally, we understand the uncertainty that exists as we move forward. As a result, to help deal with these unprecedented times, THDA staff is in favor of extending the City's 2015-2016 Grant Award for a period of 12 months, changing the Contract End Date from June 30, 2020 to June 30, 2021. This extension aligns with that provided to all grantees with expiring contracts on June 30, 2020.

Julian A. McTizic, Sr.
MAYOR

Shelia Dellinger
CITY ADMINISTRATOR



City of Bolivar
211 North Washington
Bolivar, TN 38008

Council Members:

Larry Crawford
Melvin Golden
Jonathan Joy
Todd Lowe
Larry McKinnie
Suzanne Rhea
Carol B. Spinks
Page Walley

April 8, 2020

Don Watts, Director of Community Programs
Tennessee Housing Development Agency
Andrew Jackson Building Third Floor
502 Deaderick Street
Nashville, TN 37243

Subject: City of Bolivar 2016 HOME Grant – Request for Grant Period Extension

Dear Mr. Watts,

I am submitting this letter to request an extension for the City of Bolivar's HOME Grant end date. The City's 2016 grant expires June 30, 2020. Due to delays in starting home rehabilitation work only two of the seven homes have been completed. Though progress on three additional homes has been made due to the impact of the coronavirus pandemic an extension past June 30th is being needed. Per THDA's instructions we're including the following information for your office's review of this request.

1. Timeline for grant activity –
 - a. Policy and procedures passed 9/13/16
 - b. Initial public meeting first publicized 9/8/16
 - c. Public meetings held 9/8/16 and 9/13/16
 - d. Applications received – 33; potentially qualified – 20
 - e. First work write up completed 7/4/19
2. Subsequent public meetings – No additional public meetings were held since 20 viable applications were received and funds were limited to 7+ homes.
3. Total grant funds expended to date - \$81,086.50
4. Administration draws – One administration fee draw on 2/5/20 for \$2,500.00
5. Current projects contracted or committed



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: Board of Directors

FROM: Cynthia Peraza, THDA Director of Community Programs
Don Watt, THDA Chief Program Officer

DATE: July 13, 2020

RE: Tennessee Housing Trust Fund Competitive Grants Program Changes

Each year THDA makes funds available for the construction and rehabilitation of affordable rental housing through the Tennessee Housing Trust Fund Competitive Grants Program. These cycles have occurred in the Fall and Spring annually. Generally, at the July Board meeting, staff would present the program description for the Fall Round for your consideration.

In an effort to separate the timing of program application cycles administered in Community Programs, staff is changing the funding cycle from Fall and Spring to Winter and Summer. For the 2021 program year, this change will require THDA to make only one funding opportunity, the Winter Round, that will include all funding which would have been made available in the 2021 Fall and Spring Rounds, currently an estimated \$3.3M.

Staff will present the amount of program funding, application timeline, grant workshop dates, and any changes proposed to the program description for the 2021 Winter Round of Tennessee Housing Trust Fund Competitive Grants Program to the Board in September 2020 for approval.

Additionally, as part of the modifications to be considered for the Winter Round, staff will propose an adjustment to the funding selection process to achieve a greater geographic funding distribution across the state. Under this proposal, THDA first will fund the highest scoring project in the each of the Grand Divisions and then, the highest scoring projects from all applications remaining. This methodology is currently used for the National Housing Trust Fund program.



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: Board of Directors

FROM: Cynthia Peraza, THDA Director of Community Programs
Don Watt, THDA Chief Program Officer

DATE: July 10, 2020

RE: 2020 HOME Program Awards

THDA received of 40 HOME applications from local governments and nonprofits that requested \$16,350,000 million to implement homeowner rehabilitation programs under the 2020 HOME Program Description. THDA awarded \$7,270,000 million to 18 local governments that project to assist over 200 homeowners. A full listing of the funding awards made and applications received are provided on the 2020 HOME Urban Funding Matrix and 2020 HOME Rural Funding Matrix.

THDA also received 3 applications under the 2020 HOME Program Description seeking funding under the over \$1.4 million set-aside for Community Housing Development Organizations (CHDOs). THDA awarded over \$675,000 in total to one organization that will create 6 units of housing for sale to low and moderate income homebuyers as noted on the 2020 HOME CHDO Funding Matrix.

To initiate the program year, THDA held a grantee workshops on June 24, 2020 and June 25, 2020. All grant awards were effective on July 1, 2020 and will conclude on June 30, 2023.

2020 HOME Applications Funding Matrix - Rural

Applicant	Threshold	County	Div	Urban/Rural	Project	Admin	Total	# Units	Activity	Score	\$8,050,000.00
Town Of Centerville	Eligible	Hickman	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	119	\$7,580,000.00
Town Of Bean Station	Eligible	Grainger	E	Rural	\$ 235,000.00	\$ 15,000.00	\$ 250,000.00	5	Homeowner Rehabilitation	117	\$7,345,000.00
Grainger County Local Government	Eligible	Grainger	E	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	8	Homeowner Rehabilitation	117	\$6,875,000.00
Warren County	Eligible	Warren	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	114	\$6,405,000.00
Dekalb County	Eligible	Dekalb	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	113	\$5,935,000.00
Cocke County	Eligible	Cocke	E	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	15	Homeowner Rehabilitation	110	\$5,465,000.00
Town Of Woodbury	Eligible	Cannon	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	8	Homeowner Rehabilitation	110	\$4,995,000.00
City Of Savannah	Eligible	Hardin	W	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	6	Homeowner Rehabilitation	109	\$4,525,000.00
City Of Paris	Eligible	Henry	W	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	105	\$4,055,000.00
Lewis County Government	Eligible	Lewis	M	Rural	\$ 352,500.00	\$ 22,500.00	\$ 375,000.00	7	Homeowner Rehabilitation	105	\$3,702,500.00
City Of Hohenwald	Eligible	Lewis	M	Rural	\$ 352,500.00	\$ 22,500.00	\$ 375,000.00	7	Homeowner Rehabilitation	105	\$3,350,000.00
Jefferson County	Eligible	Jefferson	E	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	15	Homeowner Rehabilitation	104	\$2,880,000.00
City Of Allardt	Eligible	Fentress	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	8	Homeowner Rehabilitation	103	\$2,410,000.00
City Of Union City, TN	Eligible	Obion	W	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	101	\$1,940,000.00
Town Of Byrdstown	Eligible	Pickett	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	8	Homeowner Rehabilitation	101	\$1,470,000.00
City Of Shelbyville	Eligible	Bedford	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	100	\$1,000,000.00
Hancock County	Eligible	Hancock	E	Rural	\$ 250,000.00	\$ 15,000.00	\$ 265,000.00	4	Homeowner Rehabilitation	96	\$750,000.00
Unicoi County Government	Eligible	Unicoi	E	Rural	\$ 250,000.00	\$ 15,000.00	\$ 265,000.00	4	Homeowner Rehabilitation	92	
City Of Lawrenceburg	Eligible	Marshall	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	91	
Town Of Unicoi	Eligible	Unicoi	E	Rural	\$ 250,000.00	\$ 15,000.00	\$ 265,000.00	4	Homeowner Rehabilitation	91	
City Of Loretto	Eligible	Lawrence	M	Rural	\$ 235,000.00	\$ 15,000.00	\$ 250,000.00	10	Homeowner Rehabilitation	85	
City Of Fayetteville	Eligible	Lincoln	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	84	
Dickson County	Eligible	Dickson	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	84	
Cheatham County	Eligible	Cheatham	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	78	
Town Of Ashland City	Eligible	Cheatham	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	78	
City Of Cowan	Eligible	Franklin	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	77	
Town Of Coopertown	Eligible	Robertson	M	Rural	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	9	Homeowner Rehabilitation	74	

Total Requested by All Applicants	27	\$ 11,325,000.00	\$ 720,000.00	\$ 12,045,000.00
Total Awarded	17	\$ 7,300,000.00	\$ 465,000.00	\$ 7,765,000.00

Approved:

Ralph M. Perrey, Executive Director

Date

2020 HOME Applications Funding Matrix - Urban

Applicant	Threshold	County	Div	Urban/Rural	Project	Admin	Total	# Units	Activity	Score	\$2,950,000.00
Tennessee's Community Assistance Corporation	Eligible	Hamblen	E	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	40	Homeownership DPA Only	115	\$2,480,000.00
City of Morristown	Eligible	Hamblen	E	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	15	Homeowner Rehabilitation	104	\$2,010,000.00
City Of Dyer	Eligible	Gibson	W	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	98	\$1,540,000.00
Dominion Financial Management	Eligible	Rutherford	M	Urban	\$ 120,000.00	\$ 7,200.00	\$ 127,200.00	12	Homeownership DPA Only	97	\$1,420,000.00
Oak Ridge Housing Authority	Eligible	Anderson	E	Urban	\$ 100,000.00	\$ 6,382.00	\$ 106,382.00	7	Homeownership DPA Only	96	\$1,320,000.00
ORHA Development Corporation	Eligible	Anderson	E	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	91	
Blount County Habitat for Humanity	Ineligible	Blount	E	Urban	\$ 104,993.00	\$ 6,300.00	\$ 111,293.00	7	Homeownership DPA Only	87	
Town Of Stanton	Eligible	Haywood	W	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	7	Homeowner Rehabilitation	82	
Montgomery County Government	Eligible	Montgomery	M	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	74	
City of Mount Pleasant	Eligible	Maury	M	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	74	
City Of Spring Hill	Eligible	Maury	M	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	73	
Maury County	Eligible	Maury	M	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	72	
City of Lebanon	Eligible	Wilson	M	Urban	\$ 470,000.00	\$ 30,000.00	\$ 500,000.00	10	Homeowner Rehabilitation	71	

Total Requested by All Applicants	13	\$ 5,024,993.00	\$ 319,882.00	\$ 5,344,875.00
Total Awarded	5	\$ 1,630,000.00	\$ 103,582.00	\$ 1,733,582.00

* Ineligible Application did not provide required documentation

Approved: 
 Ralph M. Ferrey, Executive Director

Date: 7/14/2020

2020 CHDO Applications																		
Applicant	Threshold	Div	County	Project	Operating	Total	# Units	Activity	Design	Need	Not Served	Match	Leverage	Disaster	Energy	Growth	Score	Running Balance
																		\$ 2,406,989.00
Eastern Eight Community Development Corporation	Eligible	E	Washington	\$ 675,666.00	\$ 47,300.00	\$ 722,966.00	6	New Construction	9	2	2	0	0	0	10	0	81.5	\$ 1,731,323.00
Homesource East Tennessee	Ineligible	E	Knox	\$ 500,000.00	\$ 35,000.00	\$ 535,000.00	0	New Construction	10	0	0	10	1	0	10	0	81.33	
Jonah Affordable Housing Organization	Ineligible	M	Madison	\$ 225,222.00	\$ 15,766.00	\$ 240,988.00	0	New Construction	10	8	37	0	0	0	0	0	64.33	
Total Requested by All Applicants			3	\$ 1,400,888.00	\$ 98,066.00													
Total Awarded			1	\$ 675,666.00	\$ 47,300.00													



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: Board of Directors

FROM: Cynthia Peraza, THDA Director of Community Programs
Don Watt, THDA Chief Program Officer

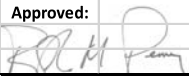
DATE: July 10, 2020

RE: 2020 Emergency Solutions Grants Program Awards

THDA received 32 applications from nonprofit organizations and local governments that requested over \$3.3 million through the 2020 Emergency Solutions Grants Program (ESG) competitive round to assist individuals and families who are homeless or threatened with homelessness. THDA awarded \$2,340,150 through its competition to 24 nonprofit organizations. Eligible ESG activities include shelter operations, rapid rehousing assistance, homelessness prevention assistance, outreach, and data collection.

Additionally, THDA awarded \$600,000 in program funds and \$45,000 in administrative funds to four set-aside communities, including Chattanooga, Clarksville, Johnson City, and Murfreesboro. These communities will contract with local providers to implement ESG-eligible activities.

To initiate the program year, THDA held a grantee workshop on June 17, 2020. All contracts were effective on July 1, 2020.

2020 Emergency Solutions Grants - Funding Recommendations												
Organization Name	County	Region	Total Score	Outreach	Shelter	Prevention	Rapid Rehousing	Data	Admin	Amount of Funds Requested	TOTAL AMOUNT OF 2020 AWARD	Running Total
												\$2,390,458
Tennessee Homeless Solutions	Madison	W	94	\$ -	\$ 39,000	\$ -	\$ 81,000	\$ -	\$ -	\$ 120,000	\$ 120,000	\$ 2,270,458
Fairview Housing Management Corporation	Washington	E	92	\$ -	\$ -	\$ 45,000	\$ 30,000	\$ 10,000	\$ -	\$ 85,000	\$ 80,750	\$ 2,189,708
Family Promise Of Greater Kingsport	Sullivan	E	92	\$ -	\$ 46,000	\$ 5,000	\$ 25,000	\$ 4,000	\$ -	\$ 80,000	\$ 76,000	\$ 2,113,708
Family Promise Of Greater Johnson City, Inc.	Washington	E	92	\$ -	\$ 85,000	\$ -	\$ -	\$ 1,700	\$ -	\$ 86,700	\$ 82,365	\$ 2,031,343
Greater Kingsport Alliance For Development	Sullivan	E	92	\$ -	\$ -	\$ 55,500	\$ 90,000	\$ 4,500	\$ -	\$ 150,000	\$ 142,500	\$ 1,888,843
Families In Crisis, Inc.	Warren	M	92	\$ -	\$ 68,000	\$ -	\$ 52,000	\$ 14,500	\$ -	\$ 134,500	\$ 127,775	\$ 1,761,068
The Salvation Army Of Johnson City	Washington	E	91	\$ -	\$ 75,000	\$ -	\$ -	\$ 10,000	\$ -	\$ 85,000	\$ 80,750	\$ 1,680,318
Change is Possible	Unicoi	E	91	\$ -	\$ 22,000	\$ -	\$ 110,700	\$ 2,688	\$ -	\$ 135,388	\$ 128,619	\$ 1,551,699
Carey Counseling Center, Inc.	Henry	W	90	\$ -	\$ 18,000	\$ -	\$ 27,000	\$ 41,500	\$ -	\$ 86,500	\$ 82,175	\$ 1,469,524
The Journey Home, Inc.	Rutherford	M	90	\$ -	\$ -	\$ 3,000	\$ 107,000	\$ 15,000	\$ -	\$ 125,000	\$ 118,750	\$ 1,350,774
United Methodist Urban Ministries Clarksville District	Montgomery	M	89	\$ -	\$ 60,000	\$ -	\$ 10,000	\$ 5,000	\$ -	\$ 75,000	\$ 67,500	\$ 1,283,274
Area Relief Ministries	Madison	W	89	\$ 5,000	\$ 70,000	\$ -	\$ 75,000	\$ -	\$ -	\$ 150,000	\$ 135,000	\$ 1,148,274
Wo/Men's Resource and Rape Assistance Program (WRAP)	Madison	W	89	\$ -	\$ 75,200	\$ -	\$ 74,800	\$ -	\$ -	\$ 150,000	\$ 135,000	\$ 1,013,274
Appalachian Regional Coalition On Homelessness	Washington	E	88	\$ 40,000	\$ -	\$ 6,500	\$ 48,000	\$ 8,500	\$ -	\$ 103,000	\$ 92,700	\$ 920,574
Cleveland Emergency Shelter, Inc.	Bradley	E	88	\$ -	\$ 90,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ 150,000	\$ 135,000	\$ 785,574
Ministerial Association Temporary Shelter	Hamblen	E	88	\$ -	\$ 107,400	\$ -	\$ 16,000	\$ 26,600	\$ -	\$ 150,000	\$ 135,000	\$ 650,574
Doors of Hope	Rutherford	M	87	\$ -	\$ 65,000	\$ -	\$ -	\$ 10,000	\$ -	\$ 75,000	\$ 67,500	\$ 583,074
Domestic Violence Program, Inc.	Rutherford	M	87	\$ -	\$ 15,740	\$ -	\$ 36,260	\$ 3,000	\$ -	\$ 55,000	\$ 49,500	\$ 533,574
Trinity Out-Reach Center Of Hope	Anderson	E	87	\$ 17,000	\$ -	\$ -	\$ 61,000	\$ 2,000	\$ -	\$ 80,000	\$ 72,000	\$ 461,574
Chattanooga Regional Homeless Coalition	Hamilton	E	86	\$ -	\$ -	\$ -	\$ -	\$ 66,629	\$ -	\$ 66,629	\$ 59,966	\$ 401,608
Helen Ross McNabb Center	Knox	E	86	\$ 27,908	\$ -	\$ -	\$ 55,392	\$ 1,700	\$ -	\$ 85,000	\$ 76,500	\$ 325,108
Johnson County Safe Haven, Inc.	Johnson	E	86	\$ -	\$ 80,000	\$ -	\$ -	\$ 27,000	\$ -	\$ 107,000	\$ 96,300	\$ 228,808
Chattanooga Room In The Inn	Hamilton	E	84	\$ -	\$ -	\$ -	\$ 52,650	\$ 7,350	\$ -	\$ 60,000	\$ 51,000	\$ 177,808
Buffalo Valley, Inc.	Lewis	M	83	\$ -	\$ -	\$ -	\$ 100,000	\$ 50,000	\$ -	\$ 150,000	\$ 127,500	\$ 50,308
Fayette Cares, Inc.	Fayette	W	82	\$ -	\$ 61,000	\$ -	\$ 25,000	\$ 4,000	\$ -	\$ 90,000	\$ 76,500	\$ (26,192)
Bridges of Williamson County	Williamson	M	82	\$ -	\$ 100,403	\$ -	\$ 15,337	\$ 5,650	\$ -	\$ 121,390	\$ 103,182	\$ (129,373)
Tennessee Valley Coalition To End Homelessness, Inc.	Campbell	E	82	\$ 40,910	\$ -	\$ -	\$ 70,470	\$ 38,620	\$ -	\$ 150,000	\$ 127,500	\$ (256,873)
Jesus Cares McNairy County	McNairy	W	81	\$ -	\$ -	\$ -	\$ 72,000	\$ 850	\$ -	\$ 72,850	\$ 61,923	\$ (318,796)
Clinch-Powell RC&D	Grainger	E	80	\$ -	\$ -	\$ -	\$ 45,000	\$ 5,000	\$ -	\$ 50,000	\$ 40,000	\$ (358,796)
Pinnacle Resource Center	Scott	E	79	\$ -	\$ 67,000	\$ 500	\$ 75,000	\$ 7,500	\$ -	\$ 150,000	\$ 120,000	\$ (478,796)
The Crossville Housing Development Corp.	Cumberland	E	77	\$ 8,000	\$ -	\$ -	\$ 91,600	\$ 400	\$ -	\$ 100,000	\$ 80,000	\$ (558,796)
Cannon County S.A.V.E.	Cannon	M	76	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 40,000	\$ (598,796)
Funding by Region:												
	East	\$ 1,309,450										
	Middle	\$ 558,525										
	West	\$ 472,175										
Set-Aside Funding												
City of Clarksville	Montgomery	M	\$ 150,000.00	\$ 11,250.00	\$161,250.00							
City of Chattanooga	Hamilton	E	\$ 150,000.00	\$ 11,250.00	\$161,250.00							
City of Johnson City	Washington	E	\$ 150,000.00	\$ 11,250.00	\$161,250.00							
City of Murfreesboro	Rutherford	M	\$ 150,000.00	\$ 11,250.00	\$161,250.00							
Other Applicants Not Passing Threshold												
	County	Region	Threshold Issue									
The Salvation Army at Knoxville	Knox	E	Ineligible Applicant									
Approved:  Ralph M. Perrey, Executive Director												
												May 29, 2020
												Date

Approved:

Ralph M. Perrey, Executive Director

May 29, 2020

Date



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: THDA Board of Directors
FROM: Cynthia Peraza, THDA Community Programs Director
Don Watt, THDA Chief Program Officer
DATE: July 14, 2020
SUBJ: 2020 Spring Round Tennessee Housing Trust Fund Competitive Grants Program
Awards Summary

Recommendation:

Attached is the funding matrix for the 2020 Spring Competitive Grants of the Tennessee Housing Trust Fund ("THTF"). THDA made \$2,511,432 available for award and received 11 eligible applications requesting nearly \$4.1 million. THDA awarded \$2,482,393 to the following applicants, which will create 97 units of affordable housing benefitting 97 households:

Mending Hearts, Inc. - (Middle TN) - This project is for the reconstruction of a 3,153 square foot, 8-bedroom transitional living recovery housing building targeting women who are low income, including ex-offenders, have addiction and/or mental health issues, are homeless, and those who have very low incomes. All units will be reserved for eligible women who earn between 0-50% AMI, including those in the 0-30% AMI range, and those with a history of sexual abuse. This grant will provide the gap funding to allow Mending Hearts to demolish and replace this outdated duplex with new, affordable, safe and secure transitional recovery housing in Nashville.

Urban Housing Solutions – (Middle TN) – This project will help fund the new construction of 70 one-bedroom units on open land at the Rex Courts property on Plus Park Boulevard in Nashville. Competitive Grants will fund thirty-four (34) of the units. This project, "REX2," will occur alongside a broader renovation of the existing 96-unit apartment complex at Rex Courts and will increase the property to 166 units. REX2 will offer quality and energy-efficient permanent housing to individuals earning between 0-60% AMI. Thirteen of the 34 THTF-supported units will be set aside for individuals earning between 0-30% AMI, and another five units will support individuals earning up to 50% AMI. Social Service coordinators will be available to connect residents with health, mental health, Alcohol & Drug recovery, employment/supplemental income benefits, and other essential services to individuals who were previously homeless and other vulnerable populations.

Renewal House, Inc. – (Middle TN) – This project is for the new construction of a three-story, 36,780 square-foot new facility in Nashville, which will increase the agency's capacity to meet the tremendous needs for its unique family residential program services for women with substance use disorders and their children. Treatment spaces for the agency's licensed intensive outpatient program, a small primary care clinic, meeting rooms and staff offices will be located on the first floor. The second and third floors will have 34 transitional housing apartments, including 26 one-bedroom units and 8 two-bedroom units, as well as laundry facilities for the residents. The apartments will provide safe housing in a drug-free environment for pregnant and parenting women and their children admitted to the family residential program. During a stay of approximately 6-12 months, resident mothers complete a comprehensive program of recovery and the children receive early intervention and prevention services.

Dawn of Hope Foundation – (East TN) – This project in Johnson City is for the new construction of two fully ADA accessible permanent housing rental homes for three (3) adult individuals with intellectual and developmental disabilities each, for a total of six (6) residents/tenants served. This grant will continue the successful Houses of Hope Program. The project will set aside 25% of the units produced (2 of the 6 tenants) for individuals earning at or below 30% of AMI and 50% of the units produced (3 of the 6 tenants) to be at or below 50% of AMI. Dawn of Hope, Inc. will provide supportive services and transportation to employment and community activities where the tenants can participate in a variety of activities.

Park Center, Inc. – (Middle TN) – This project in Nashville will replace two houses in disrepair with new construction of 12 SRO units and one efficiency unit. One site is a single family home that will include four SRO units and a detached accessory dwelling that will include the efficiency unit. The other site will include a duplex that contains four SRO units on each side. Park Center is also using a CITC Loan from Pinnacle Financial Partners and a grant from the FHLB of Cincinnati Affordable Housing Program to help fund this development. This project will serve 11 extremely low-income adults (at or below 30% AMI) and two very low-income adults (at or below 50% AMI) living with a severe mental illness, at least 11 of whom are also experiencing homelessness. Park Center will provide medical and/or supportive services to adults with mental illness and/or substance use disorders.

Carey Counseling Center, Inc. – (West TN) – This project will fund the acquisition and rehabilitation of a duplex home in Huntingdon. The property will require only minor rehabilitation work, improvements, and energy-efficient appliances. The duplex will be a rental property targeted for households that include individuals with a disability with incomes that are very low (at or below 50% AMI) or extremely low-income (at or below 30% AMI). Carey Counseling will provide the tenants with access to supportive services including, but not limited to; outpatient therapy, medication management, community-based case management and/or independent living case management.

**TENNESSEE HOUSING TRUST FUND COMPETITIVE GRANTS PROGRAM
2020 SPRING ROUND**

APPLICANTS PASSING THRESHOLD		COUNTY	E M W	HTF Program Request	HTF Admn Request	TOTAL HTF	HTF Award	MATCHING FUNDS (Cash)	MATCHING SERVICES / PROPERTY	TOTAL PROJECT COSTS	# of HHs	# of Units	ACTIVITY	POPULATION	CAPABILITY 70 Pts	NEED 20 Pts	INNOVATION 10 Pts	TOTAL SCORE	TOTAL BALANCE OF FUNDS AVAILABLE
																			\$2,511,432
1	Mending Hearts, Inc.	Davidson	M	\$465,000	\$35,000	\$500,000	\$500,000	\$319,840	85,000; \$52,000	\$956,840	8	8	Construction	low-income ex-offender females with addiction and/or mental health issues, homeless	70	7	5	82	\$2,011,432
2	Urban Housing Solutions	Davidson	M	\$500,000	\$0	\$500,000	\$500,000	\$9,240,000	\$212,027	\$9,952,027	34	34	Construction	low and extremely low income homeless individuals, including those with disabilities and those living with AIDS/HIV	66	5	8	79	\$1,511,432
3	Renewal House	Davidson	M	\$500,000	\$0	\$500,000	\$500,000	\$6,128,923	\$0	\$6,628,923	34	34	Construction	low income women with substance abuse disorder and their children	65	5	8	78	\$1,011,432
4	Dawn of Hope Foundation	Washington	E	\$374,764	\$26,233	\$400,997	\$400,997	\$90,000	\$445,360; \$45,800	\$982,157	6	6	Construction	adults with intellectual and developmental disabilities under 80% AMI	65	6	7	78	\$610,435
5	Park Center	Davidson	M	\$409,353	\$0	\$409,353	\$409,353	\$648,021	\$0	\$1,057,374	13	13	Construction	very low and extremely low income adults with severe mental illness	66	6	6	78	\$201,082
6	Carey Counseling Center, Inc.	Carroll	W	\$160,000	\$12,043	\$172,043	\$172,043	\$0	\$81,000	\$253,043	2	2	Acquisition	very low and extremely low income disabled	64	6	6	76	\$29,039
7	Memphis Housing Authority	Shelby	W	\$500,000	\$0	\$500,000	\$0	\$20,602,262	\$0	\$21,102,262	131	131	Construction	low income elderly; 7 units reserved for homeless veterans	65	6	5	76	-\$470,961
8	Rockwood Housing Authority	Roane	E	\$338,354	\$23,684	\$362,038	\$0	\$640,405	\$0	\$1,002,433	36	36	Acquisition and Rehab	low income elderly	62	7	5	74	-\$832,999

**TENNESSEE HOUSING TRUST FUND COMPETITIVE GRANTS PROGRAM
2020 SPRING ROUND**

APPLICANTS PASSING THRESHOLD		COUNTY	E M W	HTF Program Request	HTF Admn Request	TOTAL HTF	HTF Award	MATCHING FUNDS (Cash)	MATCHING SERVICES / PROPERTY	TOTAL PROJECT COSTS	# of HHs	# of Units	ACTIVITY	POPULATION	CAPABILITY 70 Pts	NEED 20 Pts	INNOVATION 10 Pts	TOTAL SCORE	TOTAL BALANCE OF FUNDS AVAILABLE
9	Eastern Eight Community Development Corporation	Hawkins	E	\$250,000	\$17,500	\$267,500	\$0	\$1,005,821	\$0	\$1,273,321	24	24	Rehab	families and elderly with income under 80% AMI; 12 units reserved for under 50% AMI	64	7	2	73	-\$1,100,499
10	Tennessee Children's Home	Montgomery	M	\$250,000	\$0	\$250,000	\$0	\$93,000	\$2,465,000	\$2,808,000	13	8	Acquisition and Rehab	(9) youth exiting foster care age 18-24, and (4) low income homeless families	55	10	4	69	-\$1,350,499
11	Community Health of East Tennessee, Inc.	Campbell	E	\$200,000	\$14,000	\$214,000	\$0	\$100,000	\$0	\$314,000	3	3	Acquisition and Rehab	very low to extremely low income adults with intellectual and developmental disabilities	55	12	2	69	-\$1,564,499

Applicants Not Passing Threshold Due to Insufficient Score

1	Bluff City Community Development Corporation	Shelby	W	\$465,000	\$35,000	\$500,000	\$0	\$4,750,000	\$0	\$5,250,000	120	120	Rehab	seniors, disabled and homeless veterans	49	0	5	54	
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Total Funds Recommended for Award:	\$2,409,117	\$73,276	\$2,482,393
Total Funds for which Eligible Applications Received:	\$3,947,471	\$128,460	\$4,075,931

Total Recommended for Award:	97	97
Total Eligible Applications:	304	299

Other Applicants Not Passing Threshold	County	Threshold Issue
1 Senior Citizens Housing Assistance	Jefferson	Certificate of Existence was not submitted with the application
2 Renovatus	Jefferson	Application proposed to provide transitional housing for ex-offenders. Applicant is not on the Tennessee Department of Corrections list of approved transitional housing providers.

Approved:


 May 29, 2020
 Ralph M. Perrey, Executive Director Date

APPLICANTS PASSING THRESHOLD		COUNTY	E M W	HTF Program Request	HTF Admn Request	TOTAL HTF
1	Mending Hearts, Inc.	Davidson	M	\$465,000	\$35,000	\$500,000
2	Urban Housing Solutions	Davidson	M	\$500,000	\$0	\$500,000
3	Renewal House	Davidson	M	\$500,000	\$0	\$500,000
4	Dawn of Hope Foundation	Washington	E	\$374,764	\$26,233	\$400,997
				\$1,839,764	\$61,233	\$1,900,997

HTF Award	MATCHING FUNDS (Cash)	MATCHING SERVICES / PROPERTY / DONATIONS	TOTAL PROJECT COSTS	# of HHs	# of Units	ACTIVITY
\$500,000	\$319,840	\$85,000; \$52,000	\$956,840	8	8	Construction
\$500,000	\$9,240,000	\$212,027	\$9,952,027	34	34	Construction
\$500,000	\$6,128,923	n/a	\$6,628,923	34	34	Construction
\$400,997	\$90,000	\$445,360; \$45,800	\$982,157	6	6	Construction
\$1,900,997	\$15,778,763	\$840,187	\$18,519,947	82	82	

POPULATION	CAPABILITY 70 Pts	NEED 20 Pts	INNOVATION 10 Pts	TOTAL SCORE	TOTAL BALANCE OF FUNDS AVAILABLE
					\$1,800,000
low-income ex-offender females with addiction and/or mental health issues, homeless	70	7	5	82	\$1,300,000
low and extremely low income homeless individuals, including those with disabilities and those living with AIDS/HIV	66	5	8	79	\$800,000
low income women with substance abuse disorder and their children	65	5	8	78	\$300,000
adults with intellectual and developmental disabilities under 80% AMI	65	6	7	78	-\$100,997



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: Board of Directors

FROM: Cynthia Peraza, THDA Director of Community Programs
Don Watt, THDA Chief Program Officer

DATE: July 10, 2020

RE: 2020 National Housing Trust Fund Program Awards

THDA made \$5.2 million available for award under the 2020 National Housing Trust Fund Program Description. THDA received seven eligible applications requesting nearly \$12.7 million in NHTF. THDA awarded full funding for the top scoring applicants in the East, Middle, and West Grand Divisions, and full funding for the next three highest overall scoring applications. A full breakout of scores and funding is shown on the attached funding matrix. The awards include the program's first funding allocations to applications in West Tennessee and the first award in a rural community.

The applications recommended for a full funding award include:

- **Knoxville Community Development Corporation (KCDC)** submitted an application for \$850,000 from the NHTF program to fund an infill development to benefit large families with a total project cost of \$2,971,627. These funds will be used to construct 7 new affordable houses. These are 4 to 5 bedroom houses with energy star, modular buildings, that will be built to THDA and applicable government standards. KCDC is also leveraging funding through the City of Knoxville, a commitment for a market rate CITC loan from Home Federal Bank, and KCDC is committing to contributing the land for these homes and the balance of the development costs. They will also use the voucher program to provide stable operating funding source to maintain the units and ensure positive cash flow. Over 100 families are on a waitlist waiting for larger homes.
- **Samaritan Recovery Community (SRC)** submitted an application for \$900,000 from the NHTF Program to fund a 216-unit development called Shelby House, with a total project cost of \$43,848,392. Samaritan Recovery Community (SRC) will fund a project with an affordable housing PILOT partnership with Metro Nashville and the Mayor's Office, project based vouchers from MDHA, CITC Loan, and 4% tax credits and tax-exempt bonds with THDA. SRC will contribute the land as equity valued at \$6.75 million. SRC is a comprehensive community-based treatment center

in Nashville that offers programs such as alcohol and drug residential rehabilitation, co-occurring residential treatment services, halfway house treatment services, supportive housing services, outpatient services, and DUI schools. The \$900,000 NHTF grant will allow SRC to set-aside 54 units for low-income families at or below 30% AMI.

- **Binghampton Development Corp** submitted an application for \$892,418 from the NHTF Program to fund a large development with a total project cost of \$35,591,011. The proposal will create a high-quality affordable living community that includes the development of four new buildings containing approximately 166 multi-family units that are a combination of family, independent and senior living units as part of the master redevelopment of the existing Tillman Cove apartments. An integrated neighborhood retail space, parking lot, and other amenities will be included. This new development will provide affordable and workforce housing to those in the community making less than 70% of the area median income. The overall income average for the project will be at or below 60% AMI. The 70% AMI income restriction will provide affordable housing opportunities to the elderly, social security dependents, disability recipients, and others that meets the income threshold.
- **Urban Housing Solutions** submitted an application for \$900,000 from the NHTF Program to fund a new development of 70 units with a total cost of \$10,247,425. The new construction project, “REX2,” will occur alongside a broader renovation of the existing 96-unit apartment complex at Rex Courts and will increase the property to 166 units. Through housing subsidies offered through the Permanent Supportive Housing (PSH) program for previously homeless individuals with disabilities (sponsored through the local Continuum of Care), the Housing Opportunity for People with AIDS (HOPWA) program, possible project-based rental assistance agreements, and other creative subsidy sources, REX2 will offer quality and energy efficient permanent housing to individuals earning between 0-60% AMI. Urban Housing Solutions will serve as the development project administrator, property manager, and compliance manager for REX2.
- **Sparta Housing Authority** submitted an application for \$900,000 from the NHTF Program to fund the major renovation of the 12-unit Harris Street development with a total project cost of \$963,448. The project will fund needed upgrades to bring the property up to physical and energy efficiency standards for the Authority’s low-income to extremely low-income elderly and family residents. The housing authority will tie project based rental assistance to this development.

The final application selected received a partial funding award:

- **Memphis Housing Authority** submitted an application for \$900,000 from the NHTF Program to fund a new development of 131 units with a total project cost of \$23,752,262. Legends Parks is a proposed 131-unit senior permanent affordable housing development located on a vacant 4.77 acres with mixed-income units. All units will be reserved for seniors making at or below 60% AMI, 33 units reserved for households at 30% AMI. Project-Based Voucher (PBV) subsidies are also planned for the senior community, providing greater affordability and housing stability for low-income residents. There will be one and two-bedroom unit types, specifically designed for independent seniors. Legends Park Senior will involve a mixed-finance approach, including tax-exempt bonds, conventional financing, local financing, and 4% Low Income Housing Tax Credits.

2020 National Housing Trust Fund Matrix

			Funds Available		\$5,197,026.00		
Proposed Funding Matrix	Region	Score	Funds Requested	Funds Awarded	Remaining Balance	Total Units	NHTF Units
Knoxville Community Housing Corp	E	73	\$850,000	\$850,000	\$4,347,026	11	7
Samaritan Recovery Community	M	68	\$900,000	\$900,000	\$3,447,026	216	54
Binghampton Development Corp	W	67	\$892,418	\$892,418	\$2,554,608	166	12
Urban Housing Solutions	M	65	\$900,000	\$900,000	\$1,654,608	70	15
Sparta Housing Authority	E	64	\$900,000	\$900,000	\$754,608	12	12
Memphis Housing Authority	W	63	\$900,000	\$754,608	\$0	131	33
4th Purpose Foundation	M	60	\$875,593	\$0	\$0	16	16

Not Eligible/ Failed Threshold	Region	Score	Funds Requested	Reason		
Cleveland Housing Authority	E	52	\$900,000.00	Ineligible Project (PHA Funded Units)	80	80
Ripley Housing Authority	W	49	\$505,641.00	Did not secure supportable debt	75	75

Total Requested:	\$12,675,286.00	Total of NHTF Units
Funds Available:	\$5,197,026.00	133
Total Awarded:	\$5,197,026.00	
Funds Not Awarded:	\$0.00	

Approved by:



06/23/2020

Ralph M. Perrey, Executive Director



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: Board of Directors

FROM: Cynthia Peraza, THDA Director of Community Programs
Don Watt, THDA Chief Program Officer

DATE: July 10, 2020

RE: Creating Homes Initiatives-2 Funding Recommendations

THDA made \$3,000,000 million available for award under the Creating Homes Initiatives-2 Program. THDA received 10 applications, requesting over \$4.7 million. THDA awarded full funding for the top scoring applications. A full breakout of scores and funding is shown on the attached funding matrix. The applications recommended for a full funding award include:

- **Helen Ross McNabb Center** – (East TN) – Renovations and new construction/expansion of existing Mineral Springs Manor, which consists of a 50-unit permanent, supportive living housing facility for low-income senior citizens. Of the 50 units, 8 will be equipped to support senior citizens with a history of substance use disorder, in particular opioid use disorder.
- **Park Center** – (Middle TN) – New construction of 8 units of permanent supportive housing to serve low-income (under 80% AMI) adults 18 years and older who have an opioid use disorder as a primary diagnosis. Of the 8 units, 7 units will be single room occupancy (SRO) and one unit will be reserved for a Housing Manager.
- **CrossBridge, Inc.** – (Middle TN) – New construction of a 36,745 square foot five-story building providing permanent recovery housing to low-income people recovering from substance use disorders, particularly the use of opioids or opioid derivatives. Grant funds will be used to partially fund construction of the residential portion of the project, consisting of ten group homes housing 50 one-person households. The project includes a large basement with storage, laundry facilities, fitness room, and a commercial kitchen for the social enterprise, CrossBridge Catering. Administrative and support service offices will be located on the main floor, as well as a large community gathering space, and meeting rooms for training, support groups, and creative activities.

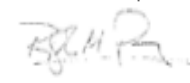
- **Keystone Development, Inc.** - (East TN) – New construction of 6 apartments in Johnson City beside the Johnson City Housing Authority's Keystone Public Housing Community which will be redeveloped via HUD's Rental Assistance Demonstration (RAD) program. These units will be for low-income individuals who suffer from substance abuse disorders, specifically opioid abuse disorders. Wrap-around services will be provided to residents by Frontier Health, a leading behavioral and mental health provider in the East Tennessee region.
- **Greater Kingsport Alliance for Development** – (East TN) – New construction of a 3-bedroom supportive living home for individuals who are low-income and recovering from opioid or opioid derivate use disorder. The home will have separate bedroom and bathroom facilities for each resident along with a shared living room, kitchen, and laundry facilities. An office area will be provided for case management, and counseling services.

The recommended funding amount of \$2,500,000 will create 32 units of affordable housing for 74 households.

The following five applicants did not meet the threshold requirements for funding consideration.

- | | |
|-------------------------------|---|
| 1. Uplift Appalachia | - Did not meet 2-year experience requirement; |
| 2. Divine Trinity Outreach | - Did not meet 2-year experience requirement and did not submit IRS 501 (c)(3) letter; |
| 3. For The People | - Provided an incomplete application; |
| 4. Jerry L. Ivery Ministries | - Did not provide audited financials through PIMS; and |
| 5. Odessa's Foster Care Homes | - Did not upload recent audited financials. |

TENNESSEE HOUSING TRUST FUND CREATING HOMES INITIATIVE - 2 PROGRAM
2020 ROUND

APPLICANTS PASSING THRESHOLD		COUNTY	E M W	CHI-2 Program Request	CHI-2 Dev Fee Request	TOTAL CHI-2	CHI-2 Award	MATCHING FUNDS (Cash)	MATCHING SERVICES / PROPERTY	TOTAL PROJECT COSTS	# of HHs	# of Units	ACTIVITY	POPULATION	PROJECT DESIGN 40 Pts	CAPACITY 40 Pts	COMMUNITY SUPPORTS 14 Pts	NEED 6 Pts	TOTAL SCORE	TOTAL BALANCE OF FUNDS AVAILABLE
																				\$3,000,000
1	*Helen Ross McNabb Center	Knox	E	\$465,000	\$35,000	\$500,000	\$500,000	\$5,960,482	\$0	\$6,460,482	8	8	Rehab., NC	Low Income Seniors	36	40	14	4	94	\$2,500,000
2	Park Center	Davidson	M	\$465,000	\$35,000	\$500,000	\$500,000	\$206,700	\$213,000	\$706,700	7	7	NC	Low Income	34	40	14	4	92	\$2,000,000
3	CrossBridge, Inc.	Davidson	M	\$500,000	\$0	\$500,000	\$500,000	\$4,896,175	\$332,800	\$5,396,175	50	10	NC	Low Income	38	31	14	4	87	\$1,500,000
4	Keystone Development, Inc.	Washington	E	\$500,000	\$0	\$500,000	\$500,000	\$358,274	\$0	\$858,274	6	6	NC	Low Income	35	37	11	0	83	\$1,000,000
5	Greater Kingsport Alliance for Development	Sullivan	E	\$465,000	\$35,000	\$500,000	\$500,000	\$0	\$20,196	\$500,000	3	1	NC	Low Income	22	34	6	1	63	\$500,000
Applicants Not Passing Threshold																				
		County	Threshold Issue																	
1	Divine Trinity Outreach	Shelby	Did not meet 2 year experience requirement, did not submit IRS 501 (c)(3) letter																	
2	For The People	Shelby	Incomplete Application																	
3	Jerry L. Ivery Ministries	Shelby	Did not upload financial audit to PIMS																	
4	Odessa's Foster Care Homes	Shelby	Did not upload recent financial audit to PIMS																	
5	Uplift Appalachia	Washington	Did not meet 2 year experience requirement																	
Total Funds Recommended For Award:				\$2,395,000	\$105,000	\$2,500,000		Total Recommended for Award:				74	32	Approved:						
Total Funds For Which Eligible Applications Received:				\$2,395,000	\$105,000	\$2,500,000		Total Eligible Applications:				74	32				4/8/2020			
* Note - this is a 50 unit project. CHI-2 will have 8 dedicated units.														Ralph M. Perrey, Executive Director			Date			



Tennessee Housing Development Agency

Andrew Jackson Building, Third Floor
502 Deaderick Street, Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: Board of Directors

FROM: Cynthia Peraza, THDA Director of Community Programs
Don Watt, THDA Chief Program Officer

DATE: June 15, 2020

RE: THDA COVID-19 Supplemental Funding from two Continuum of Care

THDA received applications for the THDA COVID-19 Supplemental Funding from multiple Continuum of Care (CoC) agencies. THDA had \$500,000 available for award and each approved agency is eligible to receive up to \$50,000 to support the implementation of a plan to support a CoC-wide response to reduce the risk of transmission of the coronavirus within the homeless community.

Since my last update, staff approved the following applications for funding through the THDA COVID-19 Supplemental Funding:

<u>Organization</u>	<u>Amount Funded</u>
Community Alliance for the Homeless, Inc.	\$50,000
Appalachian Regional Coalition on Homelessness	\$50,000
Chattanooga Regional Homeless Coalition	\$50,000
Metropolitan Development and Housing Agency	\$50,000
Housing, Health & Human Services Alliance of Rutherford County	\$50,000
Knoxville-Knox County Continuum of Care	\$50,000

THDA is expecting additional applications from eligible CoCs in the following months. Staff will continue to provide the Executive Director's recommendation for funding, if any, to the Board at the September 2020 meeting.