TITLE VI COMPLIANCE REPORT & IMPLEMENTATION PLAN

FISCAL YEAR 2019-2020

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I. OVERVIEW

The Tennessee Housing Development Agency (THDA) is a political subdivision of the State of Tennessee, created by the Tennessee General Assembly in 1973 through the enactment of *TCA 13-23-101, et seq*. THDA is the state's housing finance agency (HFA). As Tennessee's HFA, THDA engages in activities to increase and sustain affordable homeownership and rental housing opportunities, primarily targeted to low- and moderate-income homebuyers and very low and low- income renters and/or special populations. To this end, THDA serves as the primary administrator for numerous federal and state housing and housing-related programs described below. Detailed program descriptions and administrative and policy manuals for individual programs are available on THDA's website at *www.thda.org*.

A. Homeownership

THDA is authorized to issue tax-exempt Mortgage Revenue Bonds to support financing opportunities for first-time homebuyers and veterans through its Great Choice Loan Programs. Great Choice offers a low, fixed rate, 30-year first mortgage loan. Great Choice Plus combines the Great Choice first mortgage with downpayment assistance, providing the borrower with up to $7,500 for down payment and closing cost assistance through a 15-year second mortgage loan at the same interest rate as the first mortgage. Active and retired members of the military receive a half percent reduction on the interest rate through the Homeownership for the Brave program.

THDA is not a direct lender to borrowers but works with approved mortgage lenders ("Originating Agents" or "OAs") from across Tennessee to originate its loans. THDA underwrites loan applications submitted by OAs, and then commits to purchase pre-approved loans after closing. The servicing department within THDA, known as Volunteer Mortgage Loan Servicing (VMLS), services all THDA loans. Additionally, to promote successful homeownership and help families avoid foreclosure, THDA provides non-profit organizations with tools to teach homebuyer education classes and provide foreclosure prevention through THDA's Homebuyer Education Initiative (HBEI).

The proceeds from the *mortgage loan program* allow THDA to fund the HBEI along with the *Tennessee Housing Trust Fund (THTF)*, which funds various programs that benefit low- and very low-income elderly and special needs Tennesseans. Grants are awarded to, and administered by, cities, counties, development districts, public housing authorities (PHAs), and non-profit organizations. The THTF includes the *New Start Loan Program*, which is delivered through non-profit partners, supports the construction of new homes for low- and very-low income Tennesseans. Habitat for Humanity of Tennessee has been provided an annual allocation of funds since July 2014 to provide funding to statewide Habitat affiliates for the new construction of single-family homes.

THDA utilizes funding from the *HOME Investment Partnership* program, which is a formula grant program funded by the Department of Housing and Urban Development (HUD), to promote the production, preservation and rehabilitation of single-family housing for low-income households. HOME funds are awarded through a competitive application process to cities, counties and non-profit organizations outside local participating jurisdictions or those local governments in Tennessee that receive HOME funds directly from HUD[1].

B. Development & Preservation of Affordable Rental Units

THDA strives to increase the supply of affordable rental units in Tennessee and to help extremely-, very- and low-income households afford rental units through numerous programs. THDA works with developers that build or rehabilitate housing affordable to households at various lower income levels through the *Tax Exempt Multi-Family Bond Authority Program (MTBA)*, the *Low Income Housing Tax Credit (LIHC)* program and the *Tennessee and National Housing Trust Funds*. Through the *MTBA* program, THDA allocates authority for local entities to issue tax-exempt multifamily bonds to provide financing for affordable multifamily rental developments. As the state's administrator for the *LIHC*, THDA competitively awards credits to project sponsors/ developers who raise capital to build affordable rental housing projects affordable for low-income households by selling the credits to investors. THDA also administers the *Community Investment Tax Credit* program in cooperation with the Tennessee Department of Revenue. Through the CITC, financial institutions may obtain a credit against the sum total of taxes imposed by the Franchise and Excise Tax Laws when qualified loans, qualified investments, grants, or contributions are extended to eligible housing entities for engaging in eligible low-income housing activities.

THDA funds several rental development programs through the *Tennessee Housing Trust Fund (THTF)* described above. The *Competitive Grants* program competitively grants funding to local communities, non-profits, PHAS and development districts to develop and/or preserve affordable rental housing for the elderly and those with special needs, including persons with mental, physical, or developmental disabilities, individuals recovering from substance addiction, victims of domestic violence, veterans with multiple needs, youth aging out of foster care and ex-offenders re-entering society. THDA partners with the Department of Mental Health and Substance Abuse Services to expand permanent recovery housing options for individuals recovering from an Opioid Use Disorder (OUD) through the *Creating Homes Initiative (CHI) 2 program*.

The *National Housing Trust Fund (NHTF)* is a HUD funded formula grant program. THDA competitively grants NHTF to non-profit organizations and PHAs for the production, preservation, rehabilitation, and operation of affordable rental housing for extremely low-income households (those earning 30 percent or less AMI).

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[1] The Local PJs are Clarksville, Chattanooga, Jackson, Knoxville, Memphis, Nashville-Davidson County, Knox County, Shelby County, and the Northeast Tennessee/Virginia Consortium (the cities of Bristol, Kingsport, Johnson City, Bluff City, Sullivan County, and Washington County, excluding the Town of Jonesborough).

C. Rental Assistance

In addition to rental development programs, THDA administers programs funded by HUD that help extremely-, very- and low-income households afford rent payments in both privately owned rental housing and housing complexes with a HUD project based rental assistance contract. THDA directly administers the *Housing Choice Voucher (HCV) Program*, which provides rental and utility assistance payments for extremely-, very-, and low-income households across the state. In the HCV program, the participant pays up to 30 percent of their monthly-adjusted income for rent and utilities in a privately owned property. THDA pays the remainder directly to the property owner with qualifying participants also receiving a utility assistance payment. Additionally, THDA monitors *HUD project based Section 8 properties* across the state for compliance with federal regulations and guidance and makes qualifying housing and utility assistance payments to the properties through a performance based Annual Contributions Contract (ACC) with HUD.

D. Homelessness Prevention & Solutions

The *Emergency Solutions Grant (ESG)* program is a federally funded (HUD) formula grant program designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help those persons to regain stability quickly in permanent housing after experiencing a housing crisis and/or homelessness. THDA is the state administrator for ESG and competitively awards ESG funds across the state to local governments and non-profit organizations outside of "entitlement communities" that receive their own ESG funding directly from HUD[2].

E. Rehabilitation, Repair, Weatherization & Energy Assistance

THDA administers several programs that help very- and low-income households with home rehabilitation, repair, weatherization and assistance with energy bills (heating and cooling). In all of the programs, THDA grants funds to sub-recipient agencies (Community Action Agencies, Community Housing Development Organizations, Economic Development Councils, and Human Resource Agencies), who serve local or regional areas and work directly with eligible households.

THDA's federally funded *HOME* program funds the preservation and rehabilitation of single-family housing for low-income households outside local participating jurisdictions through grants to cities, counties and non-profit organizations, who directly administer the funds at the local level.

[2] Entitlement communities that receive their own allocation of ESG funds in Tennessee are Chattanooga, Memphis, and Nashville-Davidson County.

The *Low Income Home Energy Assistance (LIHEAP)* Program is funded through the Department of Health and Human Services (DHHS) and provides one time and crisis assistance with home energy bills (for renters and homeowners). LIHEAP also includes a weatherization component (*LIHEAP Wx*) for activities that increase the energy efficiency, health, and safety of eligible low-income individual's dwellings. The *Weatherization Assistance Program (WAP)* is funded through the Department of Energy (DOE) and assists low-income households by improving the thermal efficiency of housing units through activities such as weather stripping, caulking, and adding of insulation to attics, walls and floors, which leads to reduced fuel costs. Households with young children, elderly or disabled members are prioritized in the WAP.

THDA's THTF provides funding for several home repair or rebuild programs. The *Emergency Repair Program* allocates funds statewide to development districts and/or human resource agencies to help elderly or disabled homeowners make essential home repairs. The *Home Modification and Ramp Program*, also funded through THTF and administered statewide through the United Cerebral Palsy of Middle Tennessee, provides funding to construct ramps and make other home modifications to assist persons with disabilities gain better access to their homes. The *THTF Rebuild & Recover* program provides funds to assist eligible communities recover from a natural disaster. Grants are made to the city or county.

THDA also administers two programs funded through the Department of Treasury's temporary Hardest Hit Fund (HHF) through grants to locally situated sub-recipient partners. The *Tennessee Renovation Loan Program (TRLP)* helps low- income veterans, seniors and homeowners with special needs through loans for repairs or improvement. The *HHF Blight Elimination (BEP) Program* assists with funding the removal of blighted properties in targeted areas within Tennessee.

F. Other Housing Related Initiatives

THDA's *THTF* supports several special initiatives designed to ensure long-term stability of local affordable housing efforts through capacity building or leveraging of funds. The *Challenge Grant* program provides initial seed funding to support the fundraising efforts of nonprofit organizations related to housing activities that represent unique milestones, are part of a broad community initiative, or are part of a significant expansion of work outside the normal day-to-day activities of the organization. The *Capacity Building* grant program supports the development and strengthening of the operations, processes and resources that nonprofit organizations need to effectively ensure affordable housing in Tennessee.

G. Governance/Board of Directors

A fifteen-member board of directors governs THDA. The Governor appoints six board members, who are citizens of the state; do not hold public office, and represent the following groups: retail building, material supply, manufactured housing, home building, mortgage banking, licensed real estate brokers, local public housing authorities, local government and qualifying

non-profits. The Governor also appoints one Board member from the public at large who is knowledgeable about the problems of inadequate housing conditions in Tennessee, and one participant in the Section 8 Housing Choice Voucher Program. The Speaker of the State Senate and the Speaker of the State House of Representatives each appoints one Board member, each of whom must be a citizen of the state, not hold public office and be knowledgeable about the problems of inadequate housing conditions in Tennessee. The Comptroller of the Treasury, the Secretary of State, the State Treasurer, the Commissioner of the Department of Finance and Administration, and a Staff Assistant to the Governor serve ex officio. As of June 30, 2020, 14 of the 15 positions were filled, and the board was composed of three (21 percent) minority members and four (29 percent) female members. See Appendix A for detailed information on the members of THDA's Board of Directors, their representation, their committee assignments and their race and gender. Appendix B contains an organizational chart of the THDA Executive Team and the reporting structure.

II. RESPONSIBLE OFFICIALS

The Executive Team is comprised of the Executive Director (Department Head), Ralph Perrey, and four Executive Officers. More information regarding THDA, its Board of Directors, program operating policies and organizational structure are located on THDA's website at *www.thda.org*. Appendix B contains an organizational chart of the THDA Executive Team and the reporting structure. The Executive Director and Title VI Coordinator, Laura Swanson, are the responsible officials for the Plan, with guidance from the THDA Office of Legal Counsel. The address of the responsible officials is Andrew Jackson Building, Third Floor, 502 Deaderick St., Nashville, TN 37243.

Signatures of Responsible Officials:

Ralph M. Perrey
Executive Director
Tennessee Housing Development Agency
502 Deaderick St., Andrew Jackson Bldg.
Nashville, TN 37243

Laura Swanson
Civil Rights Compliance/Title VI Coordinator
Tennessee Housing Development Agency
502 Deaderick St., Andrew Jackson Bldg.
Nashville, TN 37243

III. DEFINITIONS

The below table defines common abbreviations and terms used in this report and in programs administered by THDA. The purpose of presenting these definitions is to ensure agency staff, recipients and beneficiaries have access to consistent and applicable definitions.

Table 1- Acronyms and Definitions

ACS	**American Community Survey** – An ongoing statistical survey that samples a small percentage of the population every year -- giving communities the information they need to plan investments and services.
AMI	**Area Median Income -** is the midpoint of a region's income distribution – half of families in a region earn more than the median and half earn less than the median. Housing programs utilize AMI to identify households eligible to live in income-restricted housing units and to calculate the affordability of housing units to low-income households.
ARRA	Commonly referred to as the **Stimulus or The Recovery Act**, was an economic stimulus package signed into law on February 17, 2009 to respond to the Great Recession by providing temporary relief programs for those most impacted by the recession and invest in infrastructure, education, health, and renewable energy.
CAPER	**Consolidated Annual Performance Evaluation Report** – The CAPER is an evaluation and performance report required by the Department of Housing and Urban Development (HUD) and completed by recipients of formula grant funding.
CDBG	**Community Development Block Grant** – A HUD formula grant program that provides communities with resources to address a wide range of unique community development needs.
CHAS	**Comprehensive Housing Affordability Strategy** – A custom tabulation of ACS data on the conditions and characteristics of housing units and households across the United States provided to HUD grantees for planning and analysis.
CHDO	**Community Housing Development Organization** – A private nonprofit, community-based service organization whose primary purpose is to provide and develop decent, affordable housing for the community it serves.
CoC	**Continuum of Care** – is a regional or local planning body that coordinates housing and services funding for homeless families and individuals.
COVID-19	**Covid-19** is a disease caused by a new strain of coronavirus. 'CO' stands for corona, 'VI' for virus, and 'D' for disease.
CP	**Community Programs** – A THDA division that administers a variety of housing programs supported through +-, state and THDA funding. The Division awards grants to local governments and non-profit agencies to meet the housing needs of low income Tennesseans.
DOE	**US Department of Energy-** A cabinet department in the Executive branch of the U.S. federal government that sets policies regarding energy and safety in handling nuclear material and funds the Weatherization program.
ESG	**Emergency Shelter Grant-** A HUD formula grant program that provides funds to engage homeless individuals and families living on the street; improve the number and quality of emergency shelters for the homeless; provide essential services to shelter residents and rapidly re-house homeless individuals and families.

FSS	The **Family Self-Sufficiency Program** is a HUD funded program that facilitates access to the supportive services families need to become free of public assistance. The program is offered to recipients of the Housing Choice Voucher (HCV) program for a period not to exceed five years.
Great Choice	**Great Choice Home Loan Programs-** The Great Choice Mortgage Loan Program offers 30-year, fixed rate mortgages to qualified first-time, repeat and military veteran homebuyers in Tennessee. The Great Choice Plus Program Great Choice Plus is a 0% interest, deferred, second mortgage to provide homebuyers with down payment assistance up to 5% of the purchase price of the home. Both programs are funded through the sale of Mortgage Revenue Bonds (MRB).
HAP	**Housing Assistance Payment** – HUD funded rental assistance payment, which may be paid on the behalf of an individual tenant through the HUD-funded Housing Choice Voucher Program (HCV) or through a project-based contract through the Section 8 Project Based Rental Assistance program.
HBEI	**Homebuyer Education Initiative** – THDA's initiative to create better-prepared first-time homebuyers.
HCV	**Housing Choice Voucher Program** – The HCV program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.
HFA	**Housing Finance Agency** – State Housing Finance Agencies are state-chartered authorities established to help meet the affordable housing needs of their states' residents. Through partnerships with the private and public sector, the agencies provide housing for people of low or moderate means.
HHF	The federal government created the **Hardest Hit Fund** to help homeowners in certain states affected by the most recent housing and economic downturns. The temporary program is funded through ARRA (Stimulus or The Recovery Act).
HHF BEP, PRPLE, ROP	The **Hardest Hit Fund Blight Elimination Program** assists with the removal of blighted properties in targeted areas within Tennessee through strategic partnerships with approved non-profit agencies. The **HHF Principal Reduction with Recast Program or Lien Extinguishment (PRPLE)** lowers monthly mortgage payments to affordable levels for eligible homeowners by providing (i) a reduction in the principal balance of their first mortgage loan, combined with a loan recast or modification, or (ii) principal reduction, which results in a full lien extinguishment. The **HHF Reinstatement Only Program (ROP)** assists homeowners who have fallen behind on their mortgage loans and are in imminent danger of losing their home to foreclosure due to a qualified hardship that occurred after they acquired their home. The PRPLE & ROP programs ended in 2019 or 2020.
HHS	**US Department of Health & Human Services** – A cabinet department in the Executive branch of the United States federal government with the goal of protecting the health of all Americans and providing essential human services.
HRA	**Human Resource Agency** – Agencies that provide services for improving the health, well-being, and economic opportunities of people needing critical support or of those who may have an immediate need.

TN HTF	**Tennessee's Housing Trust Fund Program (HTF)** is financed by revenue from the mortgage loan proceeds and funds or supports housing-related activities for persons of low and very low income through a number of initiatives.
HUD	**US Department of Housing and Urban Development** – A cabinet department in the Executive branch of the United States federal government. HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD helps people by administering a variety of programs that develop and support affordable housing, including public housing programs and homeownership programs. HUD also seeks to protect consumers through education, Fair Housing Laws, and housing rehabilitation initiatives.
IRS	**Internal Revenue Service** – the U.S. government agency responsible for tax collection and tax law enforcement.
LIHC	The **Low Income Housing Tax Credit Program** offers owners and investors of affordable rental housing a reduction in federal income tax liability over a period of 10 years. The IRS allocates tax credit authority to states on a calendar year basis. Tennessee does not receive actual dollars, but instead receives tax credit authority that is allocated in both competitive (9% credit) and non-competitive (4%) awards.
MRB	THDA sells tax-exempt **mortgage revenue bonds** in the private market to raise capital to finance the mortgage loan program, which in turn allows low- and moderate-income households to purchase their first home with below-market interest rates making the homeowners' monthly payments more affordable.
MFTBA	THDA authorizes the allocation of **Multifamily Tax-Exempt Bond Authority** to local issuers for multifamily developments. A local board or other issuing entity with jurisdiction in the area of the proposed development must issue bonds.
NHTF	The **National Housing Trust Fund** is a HUD formula grant program that provides funding for the rehabilitation and new construction of rental housing for extremely low income households.
PHA	**Public Housing Agency** – Any state, county, municipality or other governmental entity or public body, or agency or instrumentality of these entities authorized to engage or assist in the development or operation of low-income housing under the U.S. Housing Act of 1937. PHAs may own and manage public housing properties, administer other HUD programs, such as the HCV program, and own other types of affordable housing.
RP	**Research and Planning –** THDA's Research and Planning division.
S8CA	**Section 8 Contract Administration** – A THDA division that monitors compliance with federal regulations through a performance based contract with HUD for properties with a Section 8 Project Based Rental Assistance contract.
S8RA	**Section 8 Rental Assistance** – A THDA division that administers the Section 8 Housing Choice Voucher, Homeownership Voucher and Family Self Sufficiency programs.

IV. NON-DISCRIMINATION POLICY

THDA has adopted the "Tennessee Housing Development Agency (THDA) Non-Discrimination in Provision of Services Policy," which is included as Appendix C of this document. This agency-wide policy governs the activities of all program divisions, sub-recipients and contractors when providing services to the public with THDA funding. The policy states: "THDA is committed to providing equal access to its programs, services, and activities and complies with all applicable federal and state civil rights laws and enabling regulations. THDA does not discriminate on the basis of race, color, national origin, religion, familial status, sex, disability or any other protected class in admission to its programs, services, or activities; in access to them; in the provision of benefits, or in any aspect of operations." An employee who fails to comply with the policy or encourages such conduct by others is subject to corrective action in accordance with THDA's Progressive Discipline Policy.

The policy also provides guidance in regards to contracts between THDA and sub-recipients of THDA's Federal Financial Assistance. It states, "Every contract to provide funding for services through THDA partners shall include language in the contract that establishes an affirmative obligation to not discriminate against any individual on the basis of that individual's membership in a class that is protected by the policy. Any sub-recipient or partner who fails to comply with contractual obligations not to discriminate may face loss of funding or other consequences as outlined in the THDA contract.

The authority for THDA to conduct non-discrimination compliance reviews for programs that receive Federal Financial Assistance is derived from Title VI of the Civil Rights Act of 1964 and its' implementing regulations. Additionally, the majority of THDA's programs involve housing activities subject to Title VIII of the Civil Rights Act of 1968 (the "Fair Housing Act"), which makes it unlawful to refuse to sell, rent to, or negotiate with any person because of that person's inclusion in a protected class (race, color, disability, religion, sex, familial status, or national origin). THDA also has authority to conduct compliance monitoring for some federal programs under the Fair Housing Act. Programs with Federal Financial Assistance may be subject to both Title VI and Fair Housing Act compliance monitoring.

THDA, along with its sub-recipients, shall make available any Title VI compliance report to THRC upon request.

V. ORGANIZATION OF THE CIVIL RIGHTS OFFICE

Two THDA staff members are responsible for the oversight of Title VI compliance with one employee primarily responsible for researching and compiling the Title VI Implementation Plan. The two staff members' duties, as they relate to Title VI compliance, are described below.

Laura Swanson, Civil Rights Compliance and Housing Strategy Advisor, is the Title VI Coordinator for THDA. Ms. Swanson is responsible for providing agency leadership to meet our civil rights obligations in relation to Title VI and Title VIII ("Fair Housing Act") of the U.S. Civil Rights Acts. In addition to working with THDA divisions to gather information, research statistical information, compile and submit the THDA's Title VI compliance procedures and plan, her duties relating to Title VI and Fair Housing including the following:

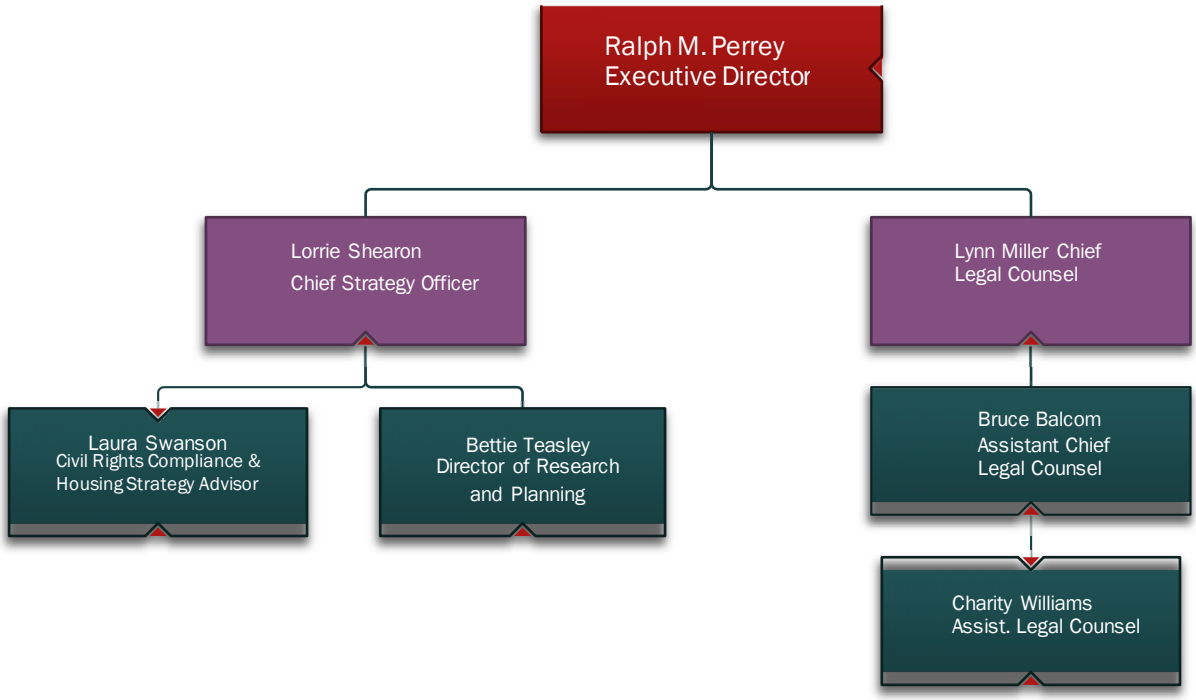
- Review fair housing and civil rights related activities conducted by the staff for compliance and report to program divisions and THDA's Executive team for further implementation of changes in processes and policies.
- Prepare and/or coordinate Title VI and Fair Housing training opportunities for THDA staff on an annual basis.
- Prepare and/or coordinate Title VI and Fair Housing training opportunities for THDA sub-recipients and partner agencies, along with establishment and oversight of an annual Title VI self-assessment process.
- Work internally with Legal and Internal Audit and externally with THRC and HUD to manage discrimination complaints under Title VI, Fair Housing and Section 504 in accordance with THDA procedures.
- Cultivate relationships with existing partners through participation in fair housing organizations, THDA advisory boards and the Tennessee Affordable Housing Coalition.
- Work with the division of Research and Planning to complete an Analysis of Impediments to Fair Housing Choice and a five-year Fair Housing Action Plan as part of the agency's Consolidated Planning activities and coordinate, track and report the fair housing activities associated with the Consolidated Plan.

Charity Williams, Assistant Legal Counsel for THDA, is responsible for legal services related to Title VI and Fair Housing and is the agency's Section 504 Coordinator. In addition, she serves under the supervision of THDA's Assistant Chief Legal Counsel, as the primary legal counsel for the Rental Assistance and Section 8 Contract Administration divisions. Her primary duties that may involve Title VI or Fair Housing compliance include:

- Interpreting federal and state legislation and regulations relating to the organization.
- Counseling the organization regarding legal rights and responsibilities, including working with the Title VI Coordinator to appropriately review and refer or respond to Title VI and Fair Housing complaints.
- Drafting and reviewing documents used with the organization's programs.
- Advising on questions of law involved in the operation of the organization.
- Working with the Attorney General's office and private attorneys on litigation.
- Representing the organization in administrative hearings and certain trial courts.

In addition to the two staff members directly involved with Title VI and Fair Housing activities on a daily basis, THDA's Internal Audit division assists with the investigation of Title VI and Fair Housing complaints.

The organizational chart below shows the position of each THDA staff person associated with Title VI Compliance.



VI. DISCRIMINATORY PRACTICES

Compliance with non-discrimination laws is integral to the housing activities carried out by THDA as an affordable housing finance agency. While only those programs funded through Federal Financial Assistance are subject to enforcement under Title VI of the Civil Rights Act of 1964, most of THDA's programs and activities are subject to Title VIII of the Civil Rights Act of 1968, also known as the Fair Housing Act. Examples of possible discriminatory practices relating to housing activities are listed below.

- Refusing to sell, rent or lease housing to an interested tenant or buyer
- Applying different sale, rental or occupancy terms for different people
- Lying about or misrepresenting the availability of housing
- Providing inferior conditions, terms, facilities or privileges in connection with housing
- "Blockbusting" or encouraging people to leave an area based on their protected class
- Steering clients to a certain neighborhood, refusal to serve certain clients
- Redlining or limiting lending in a particular area because of the demographics of that area or imposing different conditions on a loan
- Harassing tenants and homeowners in connection with housing accommodations
- Zoning laws that have an unfair effect on protected classes

Examples of potential discriminatory practices by a THDA employee or sub-recipient include:

<u>Example 1</u>: <u>Housing Choice Voucher Program, THDA direct program administrator</u>
A person with a disability participating in the HCV program may request a reasonable accommodation necessary to allow that person reasonable and equal opportunity to use and enjoy an assisted dwelling unit. If a request for an accommodation were denied without appropriate review or cause, it would represent a possible discriminatory practice.

<u>Example 2</u>: <u>HOME Program (homeowner rehabilitation), THDA grants federal funds to sub-recipient grantee</u>
If several families receive homeownership rehabilitation services from a THDA grantee, all should receive the same quality of rehabilitation regardless of race/ethnicity. If a beneficiary belonging to a protected class receives sub-standard repairs below specifications and the non-minority homeowners all receive standard repairs at specification, discrimination on the basis of Title VI could be alleged.

VII. FEDERAL PROGRAMS OR ACTIVITIES

During FY 2019-2020, $335,966,743 in Federal Financial Assistance was available for federal programs administered by THDA. Table 2 details the Federal Financial Assistance available by program and source, along with a description of program activities supported by the federal funding. The funds for the HUD formula grant programs (HOME, ESG, NHTF) represent the portion of a multi-year grant drawn down and expended during FY2019-2020. The funds included for the HHF program were received in a prior fiscal year but available and expended during FYE2020.

Table 2- Program Description & Federal Financial Assistance, FY 2019-2020

Program	Program Description	Source	Federal Funds
Federally Funded Programs; THDA Direct Administrator			
Section 8 Tenant Based Housing Choice Voucher (HCV), includes Mainstream Voucher Program	The HCV program is a rental assistance program where very low-income households receive rental assistance to rent privately owned rental housing that meets quality standards. Qualifying families may also receive a utility assistance payment.	Department of Housing & Urban Development (HUD)	$46,436,379
Family Self Sufficiency (FSS) Program	The FSS program facilitates access to the supportive services that participating HCV participants need to become free of public assistance in a five-year time period.	HUD	$256,423
Federally Funded Programs; Sub-recipient Administrator(s)			
HOME Investment Partnership	The HOME Program supports multi-year housing strategies by local governments, public agencies and non-profits that promote the production, preservation and rehabilitation of single-family housing for low-income households.	HUD	$8,950,701 * Represents the portion of a multi-year grant expended during this fiscal year.
Emergency Solutions Grant (ESG)	ESG provides funding to local governments and non-profit service providers to assist individuals and families regain stability in permanent housing after experiencing a housing crisis or homelessness.	HUD	$2,667,201 * Represents the portion of a multi-year grant expended during this fiscal year.
National Housing Trust Fund (NHTF)	The NHTF program supports local governments, public housing agencies and non-profits to increase and preserve the supply of quality affordable housing for extremely low-income households, including homeless families.	HUD	$2,405,186 * Represents the portion of a multi-year grant expended during this fiscal year.
Weatherization Assistance Program (WAP)	WAP assists low-income households to reduce their fuel costs while contributing to energy conservation through increased energy efficiency and consumer education.	Department of Energy (DOE)	$2,377,048

Low Income Home Energy Assistance Program (LIHEAP & LIHEAP Wx)	LIHEAP provides energy assistance to low income households, primarily those who pay a high proportion of their income on home energy. LIHEAP weatherization (Wx) program funds activities that increase the energy efficiency, health, and safety of eligible low-income individual's dwellings.	Department of Health & Human Services (HHS)	$63,784,551
Homebuyer Education (HBEI)	THDA encourages homebuyer education for all homebuyers and requires it for all of the THDA mortgage loan programs. Homebuyer education may be completed online through e-Home America or by attending an in-person class through an approved THDA Homebuyer Education counseling agency.	HUD	$120,923
Tennessee's Hardest Hit Fund: DPA (Down payment Assistance); Blight Elimination (BEP; Principal Reduction Recast Program Lien Extinguishment (PRRPLE) & Reinstatement Only (ROP)	The HHF DPA program provides downpayment assistance in the form of a grant to qualified Great Choice loan participants. The HHF BEP helps fund approved non-profits and land banks to remove blighted properties in targeted areas. The HHF PRPLE program lowers mortgage payments to affordable levels for homeowners with a financial hardship due to the death of a spouse, divorce, or underemployment. The HHF ROP assists homeowners who have fallen behind on their mortgage loans and are in imminent danger of losing their home to foreclosure due to a qualified hardship.	Treasury	$6,568,078 *Represents the portion of a prior year temporary stimulus grant expended during this fiscal year.
Federally Funded Programs; Contract Administrator			
Section 8 Project Based Contract Administration	THDA provides oversight and makes housing and utility assistance payments to Tennessee properties with a HUD Project Based Section 8 Housing Assistance Payment Contract.	HUD	$202,400,253
Total Federal Funds Available[1]			**$335,966,743**

[1]Total federal funds available includes administrative funding provided to cover the expenses, including salaries and benefits, of administering the federal programs.

The programs with Federal Financial Assistance for which dollar amounts may be projected for FY 2020-2021 are presented in Table 3 below.

Table 3- Estimated Federal Financial Assistance, FY 2020-21

Federal Program	FY 2020-2021 Expected Revenue
Ongoing Federal Programs	
Emergency Solutions Grant (ESG)	$2,768,800
ESG, Cares Act Funding	$33,587,000
HOME Investment Partnership	$8,318,300
Homebuyer Education	$160,712
Housing Choice Voucher/Mainstream/FSS Programs	$ 49,845,900
Housing Choice Voucher Cares Act Funding	$10,555,800
Low income Home Energy Assistance Program (LIHEAP)	$55,797,400
LIHEAP Cares Act Funding	$18,061,000
Weatherization Assistance Program	$2,753,200
National Housing Trust Fund	$2,500,000
Section 8 Project Based Contract Program	$228,771,400
Total of All Resources Available	**$413,119,512**

As of this report, no applications for new allocations of Federal Financial Assistance are pending. A Substantial Amendment for Part II of the ESG Cares Act funding is in process. HUD must receive the Substantial Amendment prior to allocating the funding under Part II. The pending Substantial Amendment represents $22 million of the $33,587,000 expected Federal Financial Assistance for the ESG, Cares Act funding.

Copies of any and all assurances for Federal Financial Assistance received as of the date of this report may be found in Appendix D of this document.

VIII. DATA COLLECTION & ANALYSIS

A. Description of Data Collection

THDA maintains databases of beneficiary information updated throughout the year at intervals determined by the program requirements or governing agency. Sub-recipients or grantees under contract with THDA to administer a housing program also maintain databases of beneficiary information and are required to report to THDA annually or periodically. Information from these databases is the primary source of information used in the reporting for Title VI and other purposes.

Extracts of data from the most recent HUD Comprehensive Housing Affordability Strategy (CHAS) dataset are the basis of determining the universe of income eligible Tennessee households for THDA's programs. CHAS data are custom tabulations based on the U.S. Census Bureau's 2013-2017 American Community Survey (ACS) and demonstrate housing problems and housing needs for households by income (based upon area median income) and race/ethnicity.

B. Minority Representation of Beneficiaries of THDA Programs

For purposes of Title VI, THDA gathers, examines and reports on the race and ethnicity of all beneficiaries of THDA's programs, including those not funded through Federal Financial Assistance. Each of the programs that THDA administers has eligibility requirements for participation. While specific eligibility requirements vary by program, the majority of THDA's federally funded programs have income limits at or below 80 percent of HUD's area median income (AMI). During FYE2020, THDA assisted 299,805 households or individuals[3] through all federally funded programs. THDA Homeownership programs assist both low and moderate-income borrowers. The THDA Board sets the income limits for the homeownership programs based upon HUD's median family income (MFI).

When comparing the data for income eligible Tennessee households (CHAS data) by race and ethnicity to the data for race and ethnicity of THDA program beneficiaries, the analysis shows that black and other minority households are equitably served through THDA's federal and non-federal programs. However, while THDA is reaching Hispanic households through our mortgage programs, low-income Hispanic households are underserved in rental assistance programs, home energy assistance, weatherization and repair programs and activities funded through the HOME program. Black households are overrepresented statistically in the rental assistance and home energy assistance programs, most significantly in the HCV rental assistance program.

[3] ESG is an emergency shelter program, and reporting is by each sheltered individual, including children, rather than by household. LIHEAP reporting includes all members of every beneficiary household. The number of "households" for the HOME program is represented by the number of housing units completed and ready for occupancy during the fiscal year with funding from multiple grant years.

The disclosure of race and ethnicity information for most programs administered by THDA is voluntary, and thus, underreporting may occur.

Table 4- Demographic Comparison of Potential Eligible Population & THDA Beneficiaries

2013-2017 CHAS Data[1] for Tennessee Owner Occupied & Renter Occupied Households		Race			Ethnicity
		White, Non-Hispanic	Black, Non-Hispanic	Other, Non-Hispanic	Hispanic
Owner Households earning <30% AMI		78.4%	16.3%	2.7%	2.6%
Renter Households earning <30% AMI		55.8%	34.9%	3.7%	5.6%
Owner Households earning >30% <50% AMI		80.5%	13.7%	2.8%	3.0%
Renter Households earning >30% <50% AMI		60.3%	28.5%	3.0%	8.2%
Owner Households earning >50% <80% AMI		82.7%	12.6%	2.2%	2.5%
Renter Households earning >50% <80% AMI		63.8%	25.9%	3.6%	6.7%
Owner Households earning >80% <100% AMI		83.3%	12.0%	2.3%	2.4%
Renter Households earning >80% <100% AMI		67.1%	23.4%	3.4%	6.2%
Total Owner/Renter Households 100% AMI or less		63.8%	28.3%	3.3%	4.5%
THDA Federal Programs (FYE2020)	**Total Beneficiaries**	**White, Non-Hispanic**	**Black, Non-Hispanic**	**Other/ Not Reported**	**Hispanic**
HOME Investment Partnership	135	74.1%	25.9%	0%	<1 %
National Housing Trust Fund[3]	0	0%	0%	0%	0%
Emergency Solutions Grant[2]	6,160	67.9%	25.5%	6.6%	4.1%
Low Income Energy Assistance[2]	257,478	48.5%	46.6%	4.9%	1.9%
Weatherization Assistance	466	62.2%	29.8%	7.9%	2.4%
Housing Choice Voucher rental assistance	6,978	29.8%	69.8%	<1%	2.1%
Section 8 Project Based rental assistance	28,209	54.2%	42.2%	1.2%	2.3%
HHF (Downpayment Assistance)[4]	369	66.1%	29.8%	4.1%	7.6%
HHF (ROP & PRPLE)	10	83.3%	16.7%	0.0%	0.0%
Total Federal Programs[5]	299,805	49.2%	46.3%	4.5%	2.0%
Other THDA Programs (FYE2020)	**Total Beneficiaries**	**White, Non-Hispanic**	**Black, Non-Hispanic**	**Other/ Not Reported**	**Hispanic**
TN Housing Trust Fund Programs[6]	351	60.1%	32.8%	7.1%	0%
TN Renovation Loan Program	63	25.4%	74.6%	0%	0%
THDA Great Choice Homeownership	3,571	78.0%	18.0%	4.0%	5.5%
LIHC/MTFBA Programs	57,302	38.8%	50.1%	11.1%	1.0%
Total Other Programs	61,287	41.2%	48.2%	10.6%	1.2%

[1]The 2013-2017 CHAS data is the most current data available through HUD's Consolidated Planning system.
[2]ESG is an emergency shelter program. Reporting is by each sheltered individual, including children, rather than by household. Beneficiary numbers for LIHEAP also include all member of the assisted household and are not by household.
[3]Grants in the National Housing Trust Fund build/develop housing units; no units were occupied during FYE2020.
[4]All beneficiaries of THDA's HHF Downpayment Assistance Program also participate in the Great Choice Homeownership Program. To reduce duplication, those beneficiaries are excluded from the data under THDA Great Choice Homeownership.
[5]Total beneficiaries may contain duplicates. An individual or household may benefit from more than one of THDA's programs in a fiscal year, which may cause inflation in the totals.
[6]Beneficiary data for the Competitive Grants program was not available. Thus, the THTF programs where beneficiary information is included are the Emergency Repair, Home Modification & Ramps and Habitat programs.

C. Minority Representation of THDA Staff

THDA employed 260 individuals as of June 30, 2020. All staff are classified executive service. Table 5 shows the breakdown of THDA staff by race, ethnicity and gender.

Table 5- Demographics of THDA Staff

Demographics	Number of Staff	Percent of Total Staff
Race (Non-Hispanic or Latino)		
White	151	58.1%
Black/African American	93	35.7%
Other (not specified or two or more)	9	3.5%
Ethnicity		
Hispanic/Latino	7	2.7%
Gender		
Female	189	72.7%
Male	71	27.3%

*Note: The data in the table above is from THDA's Affirmative Action Plan. The Plan includes only the racial reporting categories of White, Black/African American, Asian/Pacific Islander, and Other. Additionally, race information is not collected for persons who are Hispanic or Latino.

IX. Limited English Proficiency (LEP)

A. Policy and Language Access Plan

THDA's policies and procedures for providing meaningful access by persons with Limited English Proficiency (LEP) were updated during 2019 and 2020. THDA's Policy Review Committee approved both an updated LEP policy and a new Language Access Plan in October 2019. A copy of THDA's policy for Providing Meaningful Access to LEP Persons is located in Appendix E and the Language Access Plan in Appendix F.

THDA's LEP policy requires all THDA employees to ensure that LEP persons have meaningful access to apply and if otherwise eligible, participate in the services, activities and programs offered by THDA. Procedures for THDA employees when an LEP encounter occurs include the use of a Language Identification Guide to determine the language spoken, obtaining a qualified interpreter for oral interpretation through AVAZA Language Services and tracking LEP encounters through an online survey. The policy also addresses written translation of vital documents and requires disseminating public notices in languages most commonly spoken in Tennessee other than English.[4]

B. Oral Interpretation

THDA employees follow the procedures outlined in the LEP Policy (Appendix E) when working with an LEP person. THDA conducts internal LEP procedural training on an as needed basis, in particular with public facing employees. THDA employees are required to connect all LEP persons with a qualified interpreter through our contract with AVAZA language services. Avaza Language Identification Guides ("I Speak Cards") are posted in the lobby or reception area of each of THDA's offices. THDA staff who are proficient in a language other than English may assist LEP persons with limited interpretation activities, such as determining the program/issue for which the LEP person needs assistance or updating phone messages. Staff document LEP encounters through an online fillable survey that details telephone, on-site or written communications. The survey requests the date of the encounter, the type of communication (in person or by phone), the language spoken, referral information (AVAZA, staff member, etc.) and any additional information or notes regarding the encounter.

A list of bi-lingual THDA employees by language spoken is in Appendix G. Avaza Language Services contact information is 5209 Linbar Drive, Suite 603, Nashville, TN 37211, (615) 534-3404.

[4] The most common languages spoken across Tennessee, other than English are Spanish, Arabic, Chinese, Vietnamese, Korean, Laotian, Kurdish (Behdini & Sorani) and Somali languages.

C. Written Document Translation

A list of translated documents available in THDA's federal programs is in Appendix H. For federal programs, THDA utilizes translated written resources and materials made available through Federal oversight agencies. HUD provides funding for many of THDA's federally funded programs and has the largest array of translated program documents, which may be accessed at: hud.gov/program_offices/fair_housing_equal_opp/17lep. The HUD website provides a range of vital documents in a number of languages such as, brochures, booklets, fact sheets, forms, posters and public service announcements.

Through its Language Access Plan, THDA has identified vital documents in all federal programs. A four-factor analysis shows that Spanish is the most common language spoken, other than English, in THDA's service areas. Vital THDA program documents, where translations are not available through the funding agency, are currently being translated into the Spanish language. A copy of the THDA documents translated into Spanish during FYE2020 is available in Appendix H. Spanish language versions of all vital documents will be available by the end of FY2021. Vital documents not translated into Spanish will include a tagline notice in the languages most commonly spoken in Tennessee other than English notifying recipients of the availability of free language assistance. Vital documents in THDA's loan servicing division, which is not a federally funded program, but has a high number of Spanish language encounters; include a notice of free language assistance in Spanish.

During FY 2019-2020, THDA translated public notices and documents for public comment into Spanish, Arabic, Behdini, Chinese, Korean, Laotian, Somali, Sorani and Vietnamese languages to improve the effectiveness of citizen participation requests. Examples of these notices are in Appendix I. THDA utilizes the Tennessee Language Center (University of Tennessee) and ASTA-USA for written translation of vital documents, not available through federal agencies or other legitimate sources, and for public notices and summaries in federally funded programs.

D. Language Encounters

During FY 2019-20, Spanish was the predominant language group, other than English, encountered by the agency. 419 LEP encounters requiring interpretation occurred during the fiscal year with 384 (92 percent) involving Spanish language speakers. Individuals speaking Arabic represent the second largest language group in need of interpretation services. Table 6 highlights all of the agency's LEP encounters during FY2019-2020.

Table 6- LEP Encounters, FY 2019-20

Month	Spanish	Arabic	Burmese	Somali	Vietnamese	Amharic	Total
July 2019	30	5	-	-	-	-	35
August 2019	49	-	-	-	-	-	49
September 2019	46	1	1	-	-	-	48
October 2019	26	3	-	1	-	-	30
November 2019	35	1	-	-	-	-	36
December 2019	25	4	-	-	1		30
January 2019	26	5	-	-	-	-	31
February 2019	25	2	-	1	-	1	29
March 2019	32	3	-	-	-	-	35
April 2019	22	1	-	-	-	-	23
May 2019	28	5	-	-	-	-	33
June 2019	40	-	-	-	-	-	40
Total	**384**	**30**	**1**	**2**	**1**	**1**	**419**

Source: Avaza Language Line invoices & internal THDA survey.

Sub-recipients of THDA's federal funding are also surveyed for information on LEP encounters through the Non-Discrimination in Services Survey each year. The language group most frequently encountered by THDA sub-recipients was Spanish. Arabic and Mandarin are the next most common languages encountered by THDA sub-recipient agencies.

E. Efforts to Break Down Barriers with LEP Population

THDA continued to conduct outreach efforts to reach all citizens, including those in a protected class, for public comments on programs with Federal Financial Assistance during appropriate time periods. In accordance with the State of Tennessee Citizen Participation Plan, THDA solicits citizen participation using email invitations, newsletters, flyers, and postings to state websites, development district websites, and social media (Facebook and Twitter).

Public notices are announced annually on the Annual Action Plan and Consolidated Annual Performance and Evaluation Report (CAPER), which primarily involve activities for the HUD formula grants programs (ESG, HOME, and the National Housing Trust Fund). In 2019-2020, public notices were also utilized to gather responses to a survey for the Analysis of Impediments to Fair Housing Choice (AI) and to get feedback on the State of Tennessee Consolidated Plan, which also includes the first year Annual Action Plan. Public notices on the public comment period were published in 13 major publications throughout the state. Notices were translated into Spanish, Arabic, Behdini, Chinese, Korean, Laotian, Somali, Sorani and Vietnamese. Copies of all translated public notices from FY2019-2020 are located in Appendix I.

THDA publishes public notices in three Spanish language newspapers, available in West and Middle Tennessee, to promote participation among Spanish speaking persons. The AI survey was available in English and Spanish. THDA also translated the Executive Summary for the 2020-2024 Consolidated Plan and the FY 2019-2020 CAPER into Spanish. Copies of the translations

may be found in Appendix I. All grant and contract notices are placed in major newspapers across the state, including the three Spanish languages papers, and on THDA's website.

THDA maintains a Constant Contact email group that consists of protected class advocates and Spanish speaking organizations and sends the group email blasts about public notices, particularly those for the Consolidated Planning notices. THDA's website is in the process of an update that once completed will include a notice of free language assistance in the languages most commonly spoken in Tennessee other than English on the front screen.

THDA publishes Housing Choice Voucher (HCV) waiting list openings on the website and on TNHousingSearch.org, a free online housing locator funded by THDA. THDA and TNHousingSearch.org website content is convertible to over 100 languages using Google Translator technology. TNHousingSearch.org serves as the THDA HCV landlord listing to assist voucher holders with finding an available unit. It is also available to the public for rental housing searches. THDA rental development programs (LIHC, MTBA, Trust Fund) require THDA-funded properties to list in TNHousingSearch.org. Anyone searching for a unit using TNHousingSearch.org, including THDA's HCV program participants, may search in the language of their choice. TNHousingSearch.org is also supported by a toll free bi-lingual (English/Spanish) call center that is available to the public from 8 am to 7 pm central time, Monday to Friday.

X. COMPLAINT PROCEDURES

A. Written Procedures

THDA provides benefits to the public in a manner that ensures non-discrimination on the basis of race, color, national origin, sex/gender, disability, religion, creed, familial status, and any other class protected under state and federal law. Any person alleging discrimination based on race, color, national origin, sex/gender, disability, religion, creed, or familial status has the right to file a complaint no later than 180 days after the alleged discrimination, unless the time for filing is extended by the responsible department official or his/her designee. At the complainant's discretion, the complaint can be filed with the federal department (typically, the Department of Housing and Urban Development), the Tennessee Human Rights Commission (THRC), the state recipient (THDA) or the agency providing the service (sub-recipients). THDA requests sub-recipients maintain a complaint log and include information on discrimination complaints in annual reporting to THDA.

All complaints, written or verbal, are accepted. It is not necessary to know the identity of the complainant, so long as the information is sufficient to determine the identity of the recipient and to indicate the possibility of a violation. THDA has developed a discrimination complaint form, which is available on THDA's website. Allegations submitted verbally without a written, signed complaint form are still investigated by the appropriate division at THDA and filed, but are not accepted by the THRC for further investigation. THDA's investigation and actions may be limited when a complaint is submitted verbally only. In the event that the complaint is oral or in a format other than the discrimination complaint form, the complaint should contain the following information:

1. Name, address and telephone number of the complainant.
2. The location and name of the entity delivering the service.
3. The nature of the incident that led the complainant to feel discrimination was a factor.
4. The basis of the complaint, e.g., race, color or national origin.
5. Names, addresses and phone numbers of people who may have knowledge of the event.
6. The date or dates on which the alleged discriminatory event or events occurred. Forms may be developed to aid a complainant in filing the complaint, but the use of such forms is not required for acceptance of a complaint.

In handling discrimination complaints, THDA uses the following process:

1. Upon receipt of a complaint alleging discrimination under Title VI, Title VIII (Fair Housing) or Section 504 (verbal or written), the complaint must be forwarded to the Civil Rights Compliance Advisor. If the complaint is verbal, the THDA staff member may forward the complaint information via email to the Civil Rights Compliance Advisor.
2. The Civil Rights Compliance Advisor will enter an entry into a Discrimination Complaint Log. A complaint log will be maintained for records and submission to the proper state

and federal authorities. The Discrimination Complaint Log will be updated at various points noting the progress of the complaint through transfer or resolution.

3. The Civil Rights Compliance Advisor will send the complainant a written acknowledgement of receipt of the complaint within 10 business days. The acknowledgement may be sent via email or electronic communication when that is the original form of communication used by the complainant.
4. A preliminary review based on the information provided will be conducted by the Civil Rights Compliance Advisor within ten (10) business days to determine if the complaint involves alleged discrimination that would violate THDA's non-discrimination policy.
    a. If it is determined that the complaint does not involve alleged activities that violate THDA's non-discrimination policy:
        i. The Civil Rights Compliance Advisor will make a notation in the log that the complaint was reviewed and determined not to violate THDA's non-discrimination policy.
        ii. The complaint will be forwarded to the program division for response.
        iii. The acknowledgement of receipt sent to the complainant will include an explanation that it has been determined that the activities reported do not violate THDA's non-discrimination policy, and the complaint has been forwarded to the program division for further investigation and response.
    b. If it is determined that the complaint involves alleged activities that violate THDA's non-discrimination policy:
        i. The acknowledgement of receipt sent to the complainant will include the time frame and basic process for investigation.
        ii. If the complaint alleges a violation of Title VI, the Civil Rights Compliance Advisor will notify the THRC through the THRC notification form
        iii. The Civil Rights Compliance Advisor will forward the complaint and all relevant documents to THDA's Internal Audit division. IA will perform the investigation and issue a preliminary report of findings within 60 business days of the initial complaint. The preliminary report of findings will be given to THDA's Civil Rights Compliance Advisor.
            1. If the complaint alleges a violation of Title VI, the Civil Rights Compliance Advisor will forward a copy of the preliminary report of findings to the THRC.
            2. If the complaint of discrimination is found to be substantiated, THDA's Civil Rights Compliance Advisor will work with THDA's Assistant General Counsel and the program division to make recommendations on appropriate remedial actions based on IA's report of findings and submit recommendations to THDA's Executive Director.
                a. Once a decision is made on final actions, a letter will be issued to the complainant that documents the actions THDA has taken to remedy the alleged discrimination.

3. If the complaint of discrimination is found not to be substantiated, the Civil Rights Compliance Advisor will issue a letter to the complainant that summarizes the basis for the determination that no discriminatory action was found.

iv. If the complaint alleges a Title VI violation, the Civil Rights Compliance Advisor will forward a copy of the final response letter to THRC.

v. If the THRC notifies THDA that further action is warranted, the Civil Rights Compliance Advisor will coordinate the actions.

5. Complaint investigations and responses handled by THDA should be concluded within 90 days of their receipt.
6. Complainants may file an appeal with THDA's Executive Director or THRC directly. THDA's Executive Director will assign a review of the complaint, investigation, remedial actions and the appeal to THDA's Assistant General Counsel for consideration and consultation. THDA's Executive Director will make a determination within 30 days of the appeal and that decision will be final within THDA.

   Note: If a complaint received involves a program or activity that is outside of THDA's jurisdiction, the Civil Rights Compliance Advisor will forward the complaint to the appropriate jurisdictional agency. Discrimination complaints received from residents of Section 8 project based apartments will be logged in THDA's discrimination complaint log, and then forwarded to HUD FHEO for investigation and response as per THDA's contract with HUD. The complainant is informed of this process at the time a complaint is received.

7. Sub-recipients of THDA Federal Funds

   At the complainant's discretion, a discrimination complaint may be filed with the agency providing the service ("sub-recipient" of Federal funds), the recipient of Federal funds (Tennessee Housing Development Agency), the Federal department issuing the Federal funds (typically, the Department of Housing and Urban Development) or the state agency with jurisdictional authority, the Tennessee Human Rights Commission (THRC).

   In handling discrimination complaints, sub-recipients of THDA federal funds are required to:

   a. Maintain written grievance procedures.
   b. Ensure their beneficiaries are notified of how to file a discrimination complaint with the sub-recipient, or alternately with THDA, THRC or the governing Federal agency (i.e. HUD, DOE).
   c. Investigate all complaints and respond to complainant within 90 days. Include information on how to file an appeal of the sub-recipient agency's decision to THDA or THRC.
   d. Submit copies of all discrimination complaints, investigative materials and communication with applicants or beneficiaries of programs funded with THDA

Federal funds to the THDA Civil Rights Compliance Advisor within 90 days of the date a complaint is filed with the sub-recipient agency.

THDA's Contract with HUD for Contract Administration of the Section 8 project based ("low rent") apartments does not include managing discrimination complaints. Complaints of discrimination for this program are forwarded to HUD Office of Fair Housing and Equal Opportunity (FHEO) for investigation.

B. Complaint Form

A copy of the THDA Discrimination Complaint form is located in Appendix J.

C. Complaints & Lawsuits

During FY 2019-20, THDA received one (1) complaint alleging discrimination on the basis of race, color or national origin when administering THDA federally funded programs or activities. The complaint alleged discriminatory actions based upon race (protected under Title VI) and disability. The claim of discriminatory conduct, which was investigated by THDA Internal Audit, could not be substantiated. The complainant was offered benefits/assistance on the same day as their application. THDA received several additional complaints related to protected classes (disability and religion) under the Fair Housing Act during FY2019-2020. THDA maintains records for both Title VI and Title VIII (Fair Housing Act) complaints, investigations and resolution.

THDA did not have any lawsuits alleging discrimination on the basis of race, color or national origin filed against the agency in FY 2019-2020.

XI. Title VI Training Plan

A. Staff Training

THDA ensures all new employees complete comprehensive online Title VI and Fair Housing training within the first six months of employment. Forty-two (42) new employees (100 percent) completed training in FY2019-2020 during their probationary period. Existing employees who have completed the comprehensive non-discrimination training module complete shorter, update training annually. Due to Covid-19 risks, most THDA employees began working from home in March 2020, and an online an online non-discrimination training presentation was made available in April 2020. Ninety-nine percent (259 employees) completed the annual non-discrimination training before the end of the fiscal year. Several employees were not able to complete the training due to long-term medical leave. A copy of THDA training materials presented in FY2019-2020, and the new employee quiz is located in Appendix K.

THDA staff members typically attend or present material at numerous fair housing or non-discrimination training events hosted by external partners or vendors throughout the year. A number of different organizations provide non-discrimination training including: HUD, West Tennessee Legal Services, the Tennessee Fair Housing Council, Tennessee Human Rights Commission, Tennessee Association of Housing and Redevelopment Agencies (TAHRA), National Council on State Housing Agencies (NCSHA), Southeastern Affordable Housing Management Association (SAHMA), and the Tennessee Association of Affordable Housing Providers (TAAH).

Most of the fair housing training events occur during the spring, and during spring 2020, Covid-19 risks caused almost all organizations to cancel training events. Thus, THDA's participation in external non-discrimination training activities was lower than usual during FYE2020. Table 7 includes examples of training and events with non-discrimination topics presented or attended by THDA staff members. Resources to attend or offer non-discrimination training comes from THDA's training budget, which includes Federal administrative funding.

Table 7- Nondiscrimination Training, FY2019-2020

Event/Host, Location and Date	Number & % of THDA Participants	
Analysis of Impediments to Fair Housing Choice training/consulting activities with ABT Associates, January 2019 to March 2020	6	2.3%
Fair Housing Webinar, Investigating and Responding to Resident Complaints, Angelita E. Fisher Law, May 13, 2020	11	4%
THDA Web based New Employee Non-Discrimination Training (probationary period)	59	100%
THDA Web based Non-Discrimination All Employee Annual Training, April 2020	259	99%
THDA Web based Homebuyer Education Symposium, Fair Lending Report session by National Community Reinvestment Coalition, July 20, 2020	14	5%

B. Agency Sponsorships of Non-Discrimination Training/Events

THDA regularly sponsors fair housing events/training across the state, either through cash donations or through in kind donations of gifts and supplies, to ensure training is available to THDA staff and other housing professionals. Due to closures and restrictions of gatherings associated with Covid-19, all in person fair housing events/training across the state, typically held in April, were canceled. Prior to the cancellations, THDA had provided $650 in funding for sponsorships or events related to non-discrimination activities in the fiscal year. The sponsorship funding will be applied to events in 2021.

C. Sub-recipient Non-Discrimination Training

THDA typically offers a Title VI/Fair Housing update to sub-recipient agencies during grantee training workshops. Training for formula grant sub-recipients includes fair housing basics, Fair Housing law, how to identify fair housing issues ways to make the public and clients aware of fair housing and ways to affirmatively further fair housing. Grant administrators from organizations throughout the state attend the training. Details on the grantee workshops is located under *Section XII, Sub-recipient Monitoring, Post-Award Procedures*. Table 8 in Section XII provides details on the training workshops, dates and total number of attendees.

Training events for sub-recipient grantees are typically held from January to June. Thus, some training events were canceled or held online in 2020 due to Covid-19 risks. Online training modules covering Title VI and Fair Housing activities are available on THDA's website for sub-recipients and other partner agencies to use as a training resource. THDA reminds sub-recipient grantees periodically of the requirement for non-discrimination training and the need to self-report training activities through the THDA Non-Discrimination in Services Self Survey in 2020 (Appendix L). 85 percent of THDA's sub-recipients of Federal grant funding self-reported that their employees completed Title VI and/or Fair Housing training during FYE2020.

D. Other Training

HUD Section 8 low rent (project based) apartment staff are typically members of SAHMA, as is THDA's project based compliance team. SAHMA provides Fair Housing training opportunities regularly through conferences attended by THDA compliance staff and by Section 8 low rent apartment staff. SAHMA also offers online Fair Housing training specific to Section 8 operations, which is accessible to members. During FYE2020, nine THDA Section 8 Project Based Contract staff attended outside Fair Housing training by vendor Angelita E. Fisher Law.

THDA periodically includes Fair Housing information in developer workshops for LIHC and MFB program developers and on-site managers. LIHC on-site managers also often attend training and conferences provided by affordable housing organizations that incorporate Fair Housing information, such as SAHMA, the Tennessee Association of Affordable Housing Providers (TAAH) and the National Council of State Housing Agencies (NCSHA). Property management staff for THDA funded properties are reminded of THDA's online non-discrimination training resources annually and encouraged to view or attend THDA or other Fair Housing training.

Homebuyer education providers of THDA's HBEI initiative use the *Realizing the American Dream* manual and deliver training to potential homebuyers on the Fair Housing Act through multiple curriculum components. Each potential homebuyer who completes homebuyer education receives a copy of the *Realizing the American Dream* manual. The manual covers the rights of potential borrowers or homeowners and helps them identify fair housing issues through examples. Information is provided regarding the Equal Credit Opportunity Act, Truth in Lending Act, Fair Credit Billing Act, Fair Credit Reporting and the Fair Debt Collection Practices Act.

Homebuyer education is required for THDA loan programs that provide down payment assistance (Great Choice and New Start) and is voluntary, but encouraged, for THDA's other loan programs. The cost of homebuyer education used in conjunction with a THDA loan is paid by THDA. During FY 2019-2020, 3,962 homebuyers received HBEI using the Realizing the American Dream curriculum. Additionally, THDA included a Fair Lending session in the web based Homebuyer Education Symposium that occurred in July 2020 presented by National Community Reinvestment Coalition. Fourteen (14) THDA staff members and 86 homebuyer education providers of THDA's Homebuyer Education Initiative (HBEI) from across the state attended the Symposium.

XII. Sub-recipient Monitoring

The following programs administered by THDA distribute Federal financial assistance to sub-recipients: HOME Investment Partnership, Emergency Solutions Grant (ESG), National Housing Trust Fund (NHTF), Weatherization Assistance Program (WAP), Low Income Home Energy Assistance Program (LIHEAP), HHF Blight Elimination Program, HHF Keep My Tennessee Home (ROP, PRPLE) and Appalachian Renovation Loan Program (ARLP). All programs are described under Table 2 above. The Title VI enforcement activities conducted for each program are based upon the federal guidance from the governing department (HUD, DOE, DHHS, Treasury, ARC).

With the exception of the LIHC awarded through the American Reinvestment and Recovery Act (ARRA) of 2009, the LIHC is not a direct grant to a sub-recipient or contract for funds, but rather is a dollar-for-dollar reduction in federal tax liability (e.g. the tax credit allocation) awarded to developers or investors in exchange for them providing financing to develop affordable rental housing. THDA monitors LIHC properties for required activities under the Fair Housing Act, but does not monitor specifically for Title VI compliance.

THDA also has limited oversight of Project Based Section 8 properties through a performance based Annual Contributions Contract (ACC) with HUD. HUD, not THDA, contracts with the properties to provide housing assistance payments. THDA's role is to monitor the properties for compliance with the HUD requirements (as per the ACC) including conducting Management Occupancy Reviews (MORs). MORs cover certain HUD Fair Housing compliance measures (as directed by HUD). THDA may intake discrimination complaints from residents of the Section 8 properties, but these complaints are forwarded to HUD FHEO for investigation and response as per THDA's contract with HUD.

A. Pre-Award Procedures

THDA does not require pre-assessments, field or on-site compliance reviews of sub-recipients or contractors pre-award because Federal requirements do not require pre-assessment reviews for any of THDA's federally funded programs. All funding applications from sub-recipients or grantees are reviewed by THDA prior to approval. The reviews ensure that applicants or recipients with outstanding findings of non-compliance with Title VI (or Fair Housing where applicable) are not funded or that appropriate conditions are included in the approval to ensure funds are not drawn down or paid until appropriate action is taken by the sub-recipient to ensure compliance.

1. Assurances

Each sub-recipient of federal funds from HUD, HHS and DOE is required to sign a federal "Assurance of Compliance under Title VI of the Civil Rights Act of 1964." Sub-recipients and/or contractors who have signed a "statement of assurance" are noted in Appendix O. Additionally,

THDA policy requires that sub- recipients of formula grant funding make applications for assistance available in accessible locations.

The Department of Treasury does not require an assurance of compliance under Title VI for the Hardest Hit Fund program. Thus, no assurance is received for sub-recipients of this temporary stimulus funding.

2. Training

Sub-recipients are required to follow the same non-discrimination procedures as THDA once funding is awarded (post-award), and as such, must provide annual non-discrimination training to employees. THDA provides online non-discrimination training modules that sub-recipients may use for training located at: https://thda.org/about-thda/fair-housing-know-your-rights. Compliance monitoring for training requirements occurs post-award and not pre-award. THDA collects information from each sub-recipient on training activities through the Non-discrimination in Services Self Survey submitted annually.

3. Contract Compliance Review Prior to Allocation of Payments

Prior to the final allocation of funds for development grants with Federal funding (HOME, NHTF), THDA has procedures to detail inspection, closeout and final payment. All work associated with the grant must be completed in accordance with the contract, which includes requirements established by Title VI (and contained in the "Assurance of Compliance under Title VI of the Civil Rights Act of 1964"), before the allocation award or payments are processed.

For example, prior to beginning a HOME project, grant recipients with projects that consist of five or more dwelling units must adopt affirmative marketing procedures and meet HUD affirmative marketing requirements. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible persons in the housing market area to the available housing without regard to race, color, national origin, sex, religion, familial status or disability. The affirmative marketing plan is reviewed and approved by THDA prior to any federal funds being committed to a project. Requirements and procedures must include:

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

B. Post-Award Procedures

1. Training

Table 8 lists all of the sub-recipient attendees THDA provided grantee training programs during FYE2020, including the Federal formula grant programs, LIHEAP, WAP and THDA's Single Family Special Programs, which includes some Federally funded activities. Many of THDA's training events for sub-recipients/grantees occur in the spring. Some agencies were unable to attend spring and summer training events in 2020 due to Covid-19 impacts. Two hundred thirty eight (238) individuals, representing 65 percent of the grantee/sub-recipient agencies receiving funding in FY2019-2020, attended THDA training in FY2019-2020.

Table 8 - Sub-Recipient Training, FY2019-2020

Division/Program	Training Description & Date	Attendees
Community Programs/ESG	Application Training, 1/28/2020 (Nashville); 1/29/2020 (Knoxville); 1/31/2020 (Jackson)	81
Community Programs/NHTF	Grantee Workshop, 1/20/2020	3
Community Programs/HOME	HOME/CHDO Grantee Virtual Workshop, 6/24/2020	4
	HOME Homeowner Rehabilitation/DPA Grantee Virtual Workshop, 6/25/2020	21
Community Programs/LIHEAP	LIHEAP Statewide Training , August 1, 2019	51
Community Programs/WAP	Weatherization Annual Statewide Training, August 7 & 8, 2019	41
Community Programs/ Single Family Special Programs	THDA online Non-discrimination in Services training module, June 2020	37
Total		**238**

THDA currently includes non-discrimination components in THDA provided grantee/sub-recipient training that cover multiple elements of program administration. For example, during the annual HOME/CHDO training workshop, which is typically held annually at the end of January, training includes fair housing basics, Fair Housing law, how to identify fair housing issues and ways to make the public and clients aware of fair housing and ways to affirmatively further fair housing. HOME/CHDO administrators from throughout the state attend the training.

Each THDA sub-recipient of federal funding is required to provide Title VI and/or Fair Housing training to employees. Online training modules covering Title VI and Fair Housing activities are available on THDA's website for sub-recipients and other partner agencies to use as a training resource (pre- or post-award) (Appendix M). Grantees are also encouraged to have volunteers view the THDA online non-discrimination training module. THDA collects documentation of staff and volunteer non-discrimination training through a required Non-Discrimination in Services Self- Assessment/Survey submitted annually to THDA during the Title VI monitoring

process. Compliance with the Title VI and Fair Housing training requirements also are assessed during required compliance reviews.

The Department of Treasury does not require specific non-discrimination training of sub-recipients of Hardest Hit Funds. However, all sub-recipients are made aware of THDA's online non-discrimination training, including those who provide services supported by THDA's HHF funding.

2. Compliance Reviews

After the allocation of funds (post-award), THDA conducts compliance reviews with sub-recipients in the formula grants programs, LIHEAP and WAP programs, and with on-site property managers of the HUD project based Section 8 properties. The reviews vary based upon federal guidance for each program. Each program director determines the frequency and number of compliance reviews in accordance with federal regulations and program guidance.

The total number of field (on-site) reviews for FY 2019-20 was 168. Due to Covid-19 impacts, compliance reviews scheduled after March 2020 were conducted remotely, or in the case of the ESG program, canceled. The number of compliance reviews and their corresponding programs are in Table 9.

Table 9- Compliance Monitoring Reviews, FY2019-2020

Program	Reviews
HOME Investment Partnership	4
Low Income Home Energy Assistance Program (LIHEAP)	18 (14 remote)
Emergency Solutions Grant (ESG)	1
Weatherization Program (WAP)/LIHEAP Weatherization	12 (all remote)
Section 8 Management Occupancy Reviews (MOR)	133
Total	**168**

Each program division maintains a log of each monitoring report by the type of review. THDA does not maintain an annual compliance report; rather, program directors are responsible for ensuring program documents include assurances of nondiscrimination (Title VI & Fair Housing), where applicable. THDA maintains all records pertaining to Title VI Compliance, and forwards annual reports to appropriate state and federal agencies.

a. Formula Grant Programs Compliance Reviews

THDA Community Programs staff complete a post-award compliance review for HOME and ESG awards. A routine compliance review is possible once the grant completion timeframe is over a year in duration.

HOME & ESG compliance reviews cover at a minimum:

1. Files and records examination.
2. Grantee interviews with beneficiaries, potential beneficiaries and denied applicants.
3. Determine if public notification efforts are adequate in increasing program participation.
4. Determine if complaints are handled in a proper manner.
5. Determine the level of minority concentration and compare it to the number of potentially eligible participants by racial and ethnic category.
6. Determine if equal access of physical facilities is maintained.
7. Determine if location of service delivery point unnecessarily denies access to any person.
8. Determine if there are any lawsuits alleging discrimination on the basis of race, color or national origin filed against the recipient.
9. Determine if the recipient is receiving assistance from other federal agencies.
10. Determine whether any civil rights compliance reviews had been conducted in the last two years.

THDA HOME grantees must comply with each of the federal laws, executive orders and regulations detailed in Chapter 6, Section 2.1 of the HOME Operations Manual and the HOME program requirements detailed in the HOME Program Description, which require non-discrimination in services and activities by grantees to affirmatively further fair housing. Activities to further fair housing include distribution of the *Fair Housing Equal Opportunity for All* HUD pamphlet to each program applicant, Section 3 activities and documentation, Equal Opportunity requirements in construction-generated employment, minority and female solicitation, and Section 504 requirements.

Grantees are required to maintain records of their actions for FHEO monitoring purposes, including advertisements for employment and documentation of subsequent applications and individuals hired. An extensive list of recordkeeping requirements are found in Chapter 6, Section 5 of the HOME Operations Manual. Grantees are monitored during the duration of a project for compliance with Title VI and FHEO. Program monitors use an Equal Opportunity/Fair Housing/Title VI checklist to determine compliance with requirements, responsibilities, activities and recordkeeping. A copy of the HOME Program Evaluation form, including the checklist, and other monitoring forms are in Appendix N.

All ESG recipients must perform and document action in the area of enforcement and promotion to affirmatively further fair housing. During the grant year, recipients must carry out a minimum of one activity to promote fair housing. Non-discrimination and equal opportunity laws are also applicable to ESG programs and recipients. The ESG Program Manual requires all grantees to make facilities and services available to all persons and families on a nondiscriminatory basis. Publicity surrounding the availability of shelter facilities should reach all persons regardless of handicap, race, color, religion, sex, age, familial status or national origin. Grantees must also establish additional procedures to

disseminate information to those interested in handicap accessible services and facilities. Additionally, grantees are required to give each participant a "Fair Housing for All" brochure. Information regarding fair housing requirements and activities can be found in the ESG Program Guidelines and the ESG Program manual, which is available to the public on THDA's website: https://thda.org/business-partners/esg. A copy of the ESG monitoring form is in Appendix N.

b. LIHEAP and Weatherization Program Compliance Reviews

THDA Community Programs staff complete a post-award compliance review for LIHEAP funding. The LIHEAP monitoring tool includes a section on Title VI and Civil Rights compliance. During compliance monitoring, LIHEAP agencies are asked about their nondiscrimination policies in place in relation to both employment practices and beneficiaries, along with their LEP practices. A copy of the LIHEAP and WAP monitoring forms are in Appendix N.

c. Section 8 Project Based Contract Compliance Reviews

THDA's contract with HUD governs the content of the Section 8 Management Occupancy Review (MOR). The current contract with HUD does not include Civil Rights Front End Limited Monitoring or other non-discrimination review. As part of the MOR process, the THDA Program Compliance division monitors Affirmative Fair Housing Marketing Plans, Tenant Selection Plans, recent advertising, and the posting of the Fair Housing Logo and Fair Housing Poster. The THDA MOR review covers at a minimum:

1. Files and records examination.
2. Grantee interviews with beneficiaries, potential beneficiaries and denied applicants.
3. Determine if public notification efforts are adequate in increasing program participation.
4. Determine if complaints are handled in a proper manner.
5. Determine if equal access of physical facilities is maintained.
6. Determine if service delivery point unnecessarily denies access to any person.
7. Determine if the recipient is receiving assistance from other federal agencies.

d. Hardest Hit Fund Sub-recipients

The Department of Treasury does not require Civil Rights compliance monitoring or a non-discrimination review of sub-recipients for the temporary programs related to the foreclosure crisis and specifically the Hardest Hit Fund. However, Treasury has required extensive quarterly reporting that includes beneficiary demographics. These reports may be found online at *http://www.treasury.gov/initiatives/financial-stability/TARP-Programs/housing/Pages/Program-Documents.aspx#TN*. THDA regularly reviews beneficiary reports to ensure programs are serving all intended beneficiaries, without gaps in service. Where gaps in service to a beneficiary group are found, grantees must plan outreach efforts based on the reporting.

C. Procedures for Non-Compliance

If THDA determines there may be a Title VI violation, a full complaint investigation will be initiated. Written correspondence (letter, email) is sent to the complainant explaining that an investigation will be started and their cooperation will be needed in the future. A complaint log is kept for records and submission, and all violations are reported to the appropriate state or federal Agency. THDA does not have enforcement authority. If a violation is reported, any enforcement and/or punitive decisions are made by the appropriate state of federal agency. During this past fiscal year, no sub-recipients, vendors or contractors were found to be noncompliant with Title VI.

D. Sub-recipients & Vendors

1. Sub-recipients

THDA distributes federal funds to sub-recipients in the HOME, ESG, WAP, LIHEAP, National Housing Trust Fund, and HHF programs. All programs are described above under Table 2. A list of all of THDA's FY2019-2020 sub-recipients and vendors, along with the begin/end date of the contract, dollar amount of the contract/funding award, location, type of funding, M/WBE designation (where known), descriptions of services and whether the contract was competitive are contained in Appendix O.

Sub-recipients of THDA's grant programs typically are non-profit, city, county or regional governmental organizations or entities. HOME funds are awarded annually through a competitive application process to cities, counties and non-profit organizations outside a local participating jurisdiction. ESG funds are awarded to Continuum of Care (COC) agencies, which are regional or local planning bodies that coordinate housing and services funding for homeless families and individuals. The COC sub-contractor map may be viewed on the THDA website: https://thda.maps.arcgis.com/apps/MapSeries/index.html?appid=185d64f2079143dfb61067d5ce62e4aa. NHTF grants are awarded through a competitive application process to local Public Housing Authorities, non-profit and for-profit entities. LIHEAP and WAP funds are sub-contracted to a network of local community agencies, such as Human Resource Agencies. The network may be viewed on the THDA website: https://thda.maps.arcgis.com/apps/MapSeries/index.html?appid=d8eaf5603bc14aafa699d08c4d317e8d. For HHF BEP, THDA works in partnership with approved non-profit agencies and land banks in targeted areas.

2. Vendors

THDA also enters into contracts with vendors to support program activities. Table 10 details Minority/Women's Business Enterprise (M/WBE) vendor statistics and shows that 5.6% percent of THDA's vendors in FY2019-2020 were certified as minority and/or women business enterprises. Detailed information on all vendors and sub-recipients are included in Appendix O.

Table 10- Minority/Women's Business Enterprise (M/WBE) Vendor Statistics

Total Number of Vendors	90
Number of M/WBE Vendors	5
Percentage M/WBE Vendors	5.6%
Total Contract Expenditures Awarded to M/WBE Vendors	$3,405,300
Percentage of All Contract Expenditures Awarded to M/WBE Vendors	11.6%

Note: The total number of contracts with minority and women owned businesses may be underreported. Vendors secured through the Request for Proposal (RFP) process and through non-RFP methods (for contracts less than $50,000), or that are sole-source, are asked to voluntarily self-identify as M/WBE if applicable.

XIII. Public Notice and Outreach

A. Information Dissemination

1. Non-discrimination Policy Dissemination

THDA's non-discrimination policy and complaint form is located on the THDA website at: https://thda.org/about-thda/fair-housing-know-your-rights/title-vi-compliance

2. Program Information Dissemination

THDA currently informs the public about its programs and services through the following means:

- THDA website (www.thda.org)
- Social media (Facebook & Twitter)
- Newsletters
- TNHousingSearch.org
- Advertisements- online and print
- News releases
- Industry meetings
- Public meetings
- Training Activities (sub-recipients; housing industry and special interest groups)
- Email blast lists
- Public notification through newspapers
- Radio and television interviews about THDA programs
- Public service announcements
- Public speaking engagements

THDA presents civil rights, non-discrimination and fair housing information through the following means:

- Workshops and training for staff, sub-recipients, partner agencies and program participants
- THDA's Title VI and Fair Housing webpages of the THDA website (https://thda.org/about-thda/fair-housing-know-your-rights)
- Display of nondiscrimination posters in THDA offices (English and Spanish)
- HUD Title VI, Fair Housing and LEP resources and materials
- Fair Housing Booklets from HUD, such as *Fair Housing & Equal Opportunity for All or Fair Housing- It's Your Right*, distributed to beneficiaries (English & Spanish versions).
- Program policies & manuals
- Contract Language

THDA's website contains information on Fair Housing and Title VI. The webpages include information on the Fair Housing Act and Title VI, other non-discrimination laws and regulations, examples of discrimination, non-discrimination resources and the methods for filing a discrimination complaint (under Fair Housing or Title VI). In addition, a copy of the Title VI Implementation Plan is posted on the website and is accessible to the public. The Fair Housing and Title VI webpages may be accessed at https://thda.org/about-thda/fair-housing-know-your-rights.

3. Complaint Information Dissemination

THDA's Complaint Procedures are available on the website at: https://thda.org/about-thda/fair-housing-know-your-rights/title-vi-compliance

4. Sub-recipient Information Dissemination

THDA encourages all of its grantees/sub-recipients to identify those populations who are least likely to apply for assistance and to make outreach to those populations. Recipients of THDA's HUD funds must complete an affirmative marketing plan. THDA recommends that the grantee advertise assistance availability in churches, convenience stores, libraries, senior centers, and local offices of the TN Department of Human Services.

HOME sub-recipients are required to disseminate to all applicants the brochure found at the following link: https://www.hud.gov/sites/documents/FHEO_BOOKLET_ENG.PDF. THDA requires ESG grantees to provide the Fair Housing – It's Your Right! Pamphlet to all beneficiaries: https://www.hud.gov/sites/documents/DOC_12150.PDF. THDA also requires all grantees to use the Fair Housing logo on program materials and to display FHEO posters in their public offices.

THDA requires that each grantee have policies and procedures to assist non-English speaking applicants. Each grantee must also have a process that notifies LEP persons of language assistance available (i.e. notices, signs) and that is accessible to individuals seeking assistance. In areas where more than 5 percent of the population speaks a language other than English and where there is a high percentage of LEP persons, THDA recommends conducting outreach in those languages and to organizations who serve the LEP population in the service area.

3. Minority Participation – Planning/Advisory Boards

Information regarding advisory board members, including how members are selected and a link to the published list of members in FY2019-2020, is in *Public Notice & Outreach*, *Section B, Boards and Advisory Boards* below, and in Table 11 in the same section.

B. Boards & Advisory Bodies

A fifteen-member board of directors appointed by the Governor oversee THDA's operations. As of June 30, 2020, 14 of the 15 positions were filled, and the board was composed of three (21 percent) minority members and four (29 percent) female members. Detailed information on the members of THDA's Board of Directors, their representation, their committee assignments and their race and gender is located in the Overview of this Plan and in Appendix A.

THDA currently has three advisory boards (see Table 11). Advisory board members are not appointed, but rather, THDA staff with leadership for the programs relevant to the particular industry or board, invite individuals to serve on each advisory board. Staff seek to invite persons to the board that represent a range of specialties, geographies (across the state and well as urban/rural), demographics and that work with THDA's programs. While THDA's Advisory Boards do not directly influence agency policy, the boards strengthen THDA's partnerships and assist with the utilization and effectiveness of current programs, as well as make suggestions for the creation and implementation of new initiatives.

The Energy Efficiency and Weatherization Advisory Board consists of 14 members who provide a broad representation of organizations and agencies with expertise to advise THDA on improving policies, procedures, public awareness, and financial assistance to enhance the quality of life to all Tennesseans, with a focus on low- to moderate-income persons.

The Housing Industry Advisory Board had 16 members as of June 30, 2020. Members are selected based on their experience and history in the lending industry. All members are employed by THDA approved lenders or banks and have held or currently hold upper management positions within their organizations or are realtors selected from each of Tennessee's three Grand Divisions. Member selection is based on the realtors' level of involvement in their respective Realtor Associations and/or National Association of Realtors, activity in community projects, leadership in other realtor-related organizations and their advocacy for affordable housing for first-time homebuyers and underserved populations in their respective geographical areas.

The Housing Education Advisory Board consists of 9 to 10 members working as housing and financial educators that serve to advise THDA in promoting sustainable housing choices and building strong communities.

Table 11- THDA Advisory Boards

Advisory Board	Published List of Members (Yes/No)	Link to Published List of Board Members	# Minority	% Minority Members	% Female Members	Total Members
Energy Efficiency & Weatherization Advisory Board	Yes	https://thda.org/about-thda/advisory-boards/energy-efficiency-and-weatherization	1-Af. Am	7%	29%	14
Housing Education Advisory Board	Yes	https://thda.org/about-thda/advisory-boards/housing-education	3-Af. Am	33%	78%	9
Housing Industry Advisory Board	Yes	https://thda.org/about-thda/advisory-boards/housing-industry	1-Af. Am 1-Hispanic	13%	56%	16

C. Minority Input & Bidding Opportunities

1. Minority Input Opportunities

a. In FY2019-2020, THDA continued to conduct outreach efforts to reach all citizens, including those in a protected class, for public comments on programs with Federal financial assistance during appropriate time periods. The State of Tennessee Citizen Participation Plan is the strategy for public participation that incorporates citizen input into the planning, implementation, coordination, and assessment of Tennessee's projects and activities. A copy of the Plan may be found here: https://thda.org/pdf/Updated-Citizen-Participation-Plan-per-09_2014-Sub-Amendment.pdf

In accordance with the Citizen Participation Plan, THDA solicits citizen participation using email invitations, newsletters, flyers, and postings to state websites, development district websites, and social media (Facebook and Twitter). Public notices are placed in major publications throughout the state and in targeted minority newspapers where available, as well as on THDA's website. Public notices and documents soliciting public comment are provided in English and Spanish versions on THDA's website. Notices informing the public of a comment period or a public meeting for formula grant programs are also published in English and Spanish and may be translated into other languages most commonly spoken in Tennessee, such as Arabic, Behdini, Chinese, Korean, Laotian, Somali, Sorani and Vietnamese.

THDA maintains a Constant Contact email group for protected class advocates and Spanish speaking organizations for email blasts about public notices, particularly those for the Consolidated Planning documents. The Constant Contact lists were created to ensure organizations that serve a protected class are specifically notified on public comment periods.

b. THDA's Industry and Government Affairs (IGA) team continued outreach efforts across the state in FY2019-20 with one outreach liaison for each grand division. Each outreach liaison is charged with sharing information with local stakeholders and officials about THDA programs, grants and services that are coming to their community or for which their community could apply. IGA outreach staff are members of the National Association of Real Estate Brokers (Realtists), an organization with the goal of bringing together the nation's minority professionals in the real estate industry to promote the meaningful exchange of ideas, and regularly attend functions and activities of the association to communicate information on THDA's programs.

The THDA IGA outreach team also have relationships or hold memberships in women and minority-centered organizations including, Pathway Women's Business Center, which concentrates on the growth of women entrepreneurs across Tennessee and the Nashville Black Chamber. The Nashville Black Chamber periodically holds joint meetings with the Hispanic and Latino Chambers, and Conexion Americas when discussing common community issues, such as housing or voting rights. THDA IGA staff also hold membership in the Interdenominational Ministerial Fellowship to stay apprised of faith-based issues in the community. THDA has been engaged in planning with the Mortgage Bankers Association in Convergence Memphis with a focus on consumer and industry awareness, accessibility and support for housing services in Shelby County at large and specifically three predominately minority communities in need.

THDA's Real Estate Liaison is a member of and involved with the National Association of Hispanic Real Estate Professionals (NAHREP) and the NAREB, Nashville and Memphis Chapters. THDA's Real Estate Liaison is in the planning stages with NAHREP to provide their members, in conjunction with Great Nashville REALTORS®, a Continuing Education class on THDA Great Choice mortgage products, processes, and guidelines. THDA also has an individual membership in Jackson Madison County African American Chamber of Commerce. A Customer Account Manager in the division presented a session at the Memphis Mortgage Bankers Association on Diversity and Inclusion.

2. Grants and Bids Process

The THDA Operations Division oversees agency contracts with vendors and utilizes the State's Diversity Business Certified Directory (https://tn.diversitysoftware.com/FrontEnd/SearchCertifiedDirectory.asp?XID=7152&TN=tn) to assist in the search for qualified minority and women owned businesses. The appropriate methodologies for ensuring that women and minority vendors have an adequate opportunity to participate in the solicitation is an important part of THDA's procurement strategy.

THDA Invitation to Bid include this standard language:
No person on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal and/or Tennessee State constitutional and/or statutory law shall be excluded from participation in, or denied benefits of, or be otherwise subjected to discrimination in the performance of the Contract or in the employment practices of the Contractor. The Contractor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to employees and applicants, notices of non-discrimination.

THDA Request for Proposals include this standard language (response required):
THDA encourages the participation of women, persons of color, persons with disabilities, ethnic minorities and members of other federally and State-protected classes. Describe your firm's affirmative action program and activities. Include the number and percentage of members of federally and State-protected classes who are either partners or associates in your firm, the number and percentage of members of federally and State-protected classes in your firm who will work on matters referenced in this RFP.

THDA contracts (non-Federal funds) include the following standard contract language:

The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

THDA Contracts with Federal funds include the following standard contract language:

<u>Equal Opportunity</u>. During the performance of this Contract, the Contractor agrees as follows:

a. *The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:*
    (1) *Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising;*
    (2) *Layoff or termination;*
    (3) *Rates of pay or other forms of compensation; and*
    (4) *Selection for training, including apprenticeship.*

The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

b. *The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.*
c. *If the State approves any subcontract, the subcontract shall include paragraphs (a) and (b) above.*

Various THDA programs have different **contractual provisions for sub-recipients** to meet federal requirements. Examples of contractual provisions prohibiting discrimination that apply to sub-recipients of THDA funding include the following:

- *"The (Name of Organization) does not discriminate on the basis of race, color, religion, national origin, sex, age, or handicapped status in the admission or access to, or treatment or employment in, its federally assisted programs or activities."*
- *"Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance."*
- *"The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination."*
- *"NeighborWorks will not permit discrimination by Grantees against clients on the basis of their gender, race, color, religion, national origin, ancestry, creed, pregnancy, marital or parental status, familial status, sexual orientation, or physical, mental, emotional or learning disability. "*
- *"Provider hereby agrees that counseling offices and services will be accessible to persons with disabilities, as well as to homeowners needing translation services. Provider will not discriminate against clients on the basis of their gender, race, color, religion, national origin, ancestry, creed, pregnancy, marital or parental status, familial status, sexual orientation, or physical, mental, emotional or learning disability."*

Only a few sub-recipients of THDA federal funds enter into sub-contracts for THDA-funded activities, primarily those programs that involve construction: HOME, NHTF, WAP, LIHEAP Wx & HHF BEP. As a requirement of receiving HUD grant funds (HOME and ESG), entitlement jurisdictions must submit a certification of affirmatively furthering fair housing (AFFH) to HUD's Office of Community Planning and Development (CPD).

As per HUD requirements, HOME and NHTF grantees receive information regarding the affirmative steps to ensure that women and minority owned businesses are afforded opportunities to bid on service, material, and construction contracts. During monitoring, THDA checks for the Equal Opportunity poster and for solicitation of minority and female contractors within in the county and in the surrounding counties. Each administrator must complete HUD Form-2516, Contractor/Subcontractor Activity form, annually, which includes information on contracts with businesses identified as M/WBE. HOME and NHTF grantees reported entering into contracts with 24 women or minority owned businesses during the most recent Federal reporting period.

While WAP, LIHEAP Wx and HHF BEP sub-recipients may enter into sub-contracts for THDA federal funds, none of the federal governing agencies (DOE, DHHS, Treasury) requires THDA to track or report sub-recipient contracts or sub-contracts for minority, women's business enterprise participation. However, all THDA sub-recipients are encouraged to include women and minority owned businesses in their bid process, and are given instructions on accessing the statewide Diversity Business Enterprise Directory. The link is also posted on THDA's website on the program information page.

XIV. COMPLIANCE REPORTING

With the exception of the Tennessee Human Rights Commission, THDA does not submit Title VI reports to any federal or state agency.

HUD has oversight for the following programs: HOME Investment Partnership, National Housing Trust Fund, Emergency Solutions Grant, Section 8 Housing Choice Voucher Program and Section 8 Project Based Rental Assistance under the following governing legislation for each program:

- HOME: 24 CFR 92
- NHTF: 24 CFR Parts 91 and 93, Interim Rule
- ESG: 24 CFR 576
- Section 8 Rental Assistance: 24 CFR 982
- Section 8 Contract Administration: 24 CFR 983

DHHS has oversight for the Low Income Housing Energy Assistance Program (LIHEAP) under Title 45 (Public Welfare) of the Code of Federal Regulations, Part 96 (Block Grants), Subpart H (LIHEAP), cited as 45 C.F.R. 96.

DOE has oversight for the Weatherization Assistance Program under 10 CFR Part 440.

The Department of Treasury, Internal Revenue Service (IRS) has oversight for the Low-Income Housing Tax Credit (LIHTC) Program, Hardest Hit Fund (HHF) and the Homeownership Programs under the following governing legislation for each program:

- LIHTC: Section 42 of the Internal Revenue Code of 1986, as amended and related Treasury Regulations, found primarily at 26 C.F.R. Section 1.42 et seq.
- HHF: Section 109 of the Emergency Economic Stabilization Act (ESSA), Division A of Pub. L. 110-343, 112 Stat. 3774 (2008)
- Homeownership Programs: Section 143 of the Code pursuant to which tax-exempt bond issues are made for the mortgage program, and volume cap under Section 146 of the Code allocated to THDA and made available to local issuers to permit issuance of tax-exempt bonds for multifamily housing.

THDA did not have any Title VI or related discrimination audits for FY 2019-2020.

XV. EVALUATION PROCEDURES

It is through compliance monitoring described in other sections of this Plan that THDA makes a comparison of the quality of services for programs, where this monitoring is required. In some programs, additional activities are completed for the purposes of evaluation to determine quality and outcome of services. The primary evaluation activities for FY2019-20 are described in the sections below.

A. Compliance Monitoring

THDA ensures compliance with Title VI through its contracts with sub-recipients and contractors, sub-recipient training, pre- and post-award procedures, including an annual non-discrimination self-survey and through monitoring of THDA programs. More information on the monitoring of sub-recipients is in *Section XII, Sub-recipient Monitoring*. THDA evaluates the performance of sub-recipients through annual compliance monitoring. THDA did not report any Title VI or Fair Housing deficiencies during the compliance monitoring process in FY2019-2020.

B. Consolidated Planning

1. Consolidated Plan

The Consolidated Plan combines the planning, application, and reporting processes for all of the HUD formula grant programs (CDBG, HOME, ESG, NHTF and the Housing Opportunities for Persons with Aids (HOPWA)) that support a variety of housing and community development activities throughout Tennessee, primarily for the benefit of low- and moderate-income households. The State is required to prepare and submit a Consolidated Plan to HUD every five years. THDA is lead agency responsible for preparing the Consolidated Plan, and coordinates with the Department of Economic and Community Development (ECD), who oversees the CDBG program in entitlement jurisdictions, along with the Department of Health, who oversees the HOPWA program (the "Consolidated Partners").

The Consolidated Plan examines the current housing situation, explores the housing and community development needs of the State, and sets priorities for spending HUD grant monies. This document serves as a guide in helping the State of Tennessee meet affordable housing, community development, economic development, public service, and fair housing needs over the next five years. The latest Consolidated Plan covers 2020-2024, and is posted here: https://thda.org/pdf/RP_2020-ConPlan_Final_Updated.pdf.

2. Annual Action Plan

The Consolidated Plan is carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. The most recent Annual Action Plan is on the THDA website (https://s3.amazonaws.com/thda.org/Documents/Research-Planning/Consolidated-Planning/Full-AAP-with-appendix-2019.pdf).

3. CAPER

The State of Tennessee reports on accomplishments and progress toward Consolidated Plan goals in the Consolidated Annual Performance and Evaluation Report (CAPER). The most recent CAPER report is published on THDA's website: https://thda.org/pdf/RP_18-19-CAPER-FINAL_with-updated-appendix.pdf. THDA provides periodic updates on progress as requested by FHEO.

4. Analysis of Impediments (AI) to Fair Housing Choice

The Analysis of Impediments to Fair Housing Choice is a review of impediments or barriers that may affect fair housing choice by persons in a protected class. It covers public and private policies, practices, and procedures affecting housing choice. Impediments to fair housing choice are defined as any actions, omissions, or decisions that restrict, or have the effect of restricting, the availability of housing choices, based on race, color, religion, sex/gender, disability, familial status, national origin, or creed.

The Consolidated Partners (THDA, ECD, DOH) use the findings of the AI for five years to serve as a priority list for addressing impediments to fair housing choice, and affirmatively furthering fair housing. THDA led the planning for an updated statewide AI with the Consolidated Partners during 2019 and 2020. The process involved a range of research and planning activities, including: Consulting from Abt Associates through a grant from HUD; a consumer level Fair Housing survey (in English and Spanish); statewide focus group discussions with development districts, local governments, the disability community, black and Latino realtors, and local stakeholders to receive feedback about barriers to fair and affordable housing choices; analysis of racial and/or ethnic segregation in the state and other factors that might affect fair housing choice through PolicyMap and other resources.

Over the past few years, HUD has issued guidance that substantially changes the methods agencies use when completing an AI. HUD terminated the most recent guidance for Affirmatively Furthering Fair Housing published in 2015 and replaced it with a new rule, *Preserving Community and Neighborhood Choice* in July 2020 that substantially amends the prior guidance. The changes in rulemaking have delayed the Consolidated Planning partners' completion of an AI. However, a statewide Fair Housing Action Plan (2020-2024) based upon

conclusions drawn from the 2019-2020 AI research and planning was finalized in FYE2020 as part of the 2020-2024 Consolidated Plan.

5. Fair Housing Action Plan

As part of the Consolidated Planning process, THDA develops a Fair Housing Action Plan, which is the strategy proposed to address or minimize the identified barriers to fair housing choice in the service area (state of Tennessee). The most recent Fair Housing Action Plan is published on the THDA website with the 2020-2024 Consolidated Plan (https://thda.org/pdf/RP_2020-ConPlan_Final_Updated.pdf).

C. Beneficiary Reports

THDA completes an annual report on HOME allocations received by the State of Tennessee, the households served by the HOME Program, and the activities completed during the most recent fiscal year. The most recent report for fiscal year 2018-2019 may be viewed on the THDA website (https://thda.org/pdf/2019-HOME-Beneficiary-Report_FINAL.pdf).

D. Housing Choice Voucher Program Annual & Five Year Plans

In accordance with HUD regulations, THDA submits an annual PHA Plan and a 5-Year Plan once every fifth fiscal year. The Plans are a comprehensive guide to program policies, operations, and strategies for meeting local housing needs and goals, including the assurance that civil rights objectives are met and protected classes equitably served. As part of the annual planning and Section 8 assessment program, THDA creates maps showing the areas of high poverty and minority concentration where Section 8 voucher holders reside. The Plans may be found on the THDA website at https://thda.org/help-for-renters-section-8/housing-choice-voucher-program/hcv-administrative-plans-policy-and-rules.

E. Additional Activities/Deficiencies

THDA has no additional activities or deficiencies to report for FY 2019-2020.

XIV. Appendices A-O