

STATE OF TENNESSEE

ANNUAL PERFORMANCE REPORT  
ON THE  
HOUSING AND COMMUNITY  
DEVELOPMENT  
CONSOLIDATED PLAN

FISCAL YEAR 2007-2008

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# FY 2007-2008 Annual Performance Report on the Consolidated Plan

## Part I

### Introduction

On January 5, 1995, a final rule titled Consolidated Submission for Community Planning and Development Programs was published in the Federal Register under the U.S. Department of Housing and Urban Development (HUD). The rule became effective February 5, 1995, and amended HUD's existing regulations to completely replace regulations for Comprehensive Housing Affordability Strategies (CHAS) with a single rule that consolidated into a single submission the planning, application, and reporting aspects of the following formula programs:

<u>Name of Formula Program</u>	<u>Acronym</u>	<u>Administering State Agency</u>	<u>Acronym</u>
Community Development Block Grant	CDBG	Tennessee Department of Economic and Community Development	TECD
HOME Investment Partnership	HOME	Tennessee Housing Development Agency	THDA
Emergency Shelter Grants	ESG	Tennessee Department of Human Services	TDHS
Housing Opportunities for Persons with AIDS	HOPWA	Tennessee Department of Health	TDOH

This new consolidated submission replaced the CHAS, the HOME program description, the Community Development Plan and CDBG final statement, and the ESG and HOPWA applications. The consolidated submission is known as the Consolidated Plan and will be referred to as such throughout this document. The rule also consolidated the reporting requirements for these programs, replacing five general performance reports with one performance report, forcing the four state agencies to decide on a coinciding fiscal year. For this year, the annual reports for each program as prepared by each agency in prior years are included as Exhibits to this document. The annual planning and reporting period for this Consolidated Annual Performance Evaluation Report for the State of Tennessee is July 1, 2007 – June 30, 2008.

This document discusses performance by the State of Tennessee utilizing the four HUD programs mentioned above in meeting the policy initiatives contained in the Consolidated Plan. In addition, other resources were made available that also played a role in, or had an impact on, the State's performance. This report is divided into sections which describe the resources made available, the investment of those resources, the geographic distribution of those resources by grand division of the state, and the persons and families who benefit from these programs, including information on race and ethnicity. Each section concludes with a table summarizing the data presented in that section. In addition, this report discusses actions taken to affirmatively further fair housing, and other actions taken toward achieving the goals of the Consolidated Plan. Finally, an assessment of accomplishments is discussed.

### Amendments

No amendments were made to the Consolidated Plan during the fiscal year.

## **A) A DESCRIPTION OF THE RESOURCES MADE AVAILABLE**

### **HUD Resources Required Under Consolidating Planning**

#### **1. Community Development Block Grant (CDBG) Small Cities Program**

The Community Development Block Grant program is a multi-faceted federal program that allows numerous activities. Each activity conducted must address, at a minimum, one of three national objectives: 1) Benefit to Low and Moderate Income Persons, 2) Prevention or Elimination of Slum and Blight, or 3) Urgent Need. The State, through the Department of Economic and Community Development, administers the Small Cities CDBG program for all jurisdictions in the state except for the thirteen Entitlement areas. The CDBG Small Cities program received a \$26,736,998 allocation from HUD for Fiscal Year 2007-2008. In addition to administering the program, TECD prepares the State Grant Performance/Evaluation Report (PER) each year. TECD prepared this report as in past years and said report is included in this document as Exhibit A.

#### **2. HOME Investments Partnership (HOME)**

The HOME program is an affordable housing program that provides federal funds to states and local participating jurisdictions (PJs) to carry out multi-year housing strategies. The purpose of the program is to expand the supply of decent, safe, sanitary, and affordable housing for low-and very-low-income households. In Tennessee, eight (8) local PJs and one consortium receive direct HUD funding for this program, and THDA administers the program for the remainder of the State. For Fiscal Year 2007-2008, the state received \$16,158,053 HOME allocation to use in the competitive annual grant program and for administration. Local governments, public agencies, and private, nonprofit organizations are all eligible applicants for HOME funds.

This fiscal year marked the fourth year of the new American Dream Downpayment Initiative (ADDI), administered as part of the HOME Program and designed to promote homeownership. In this fourth year of the program, the state received \$234,005 in ADDI funds.

As in past years, THDA prepared the HOME annual report which is included in this document as Exhibit B.

#### **3. Housing Opportunities for Persons with AIDS (HOPWA)**

The HOPWA program provides funding to nonprofit service providers to assist HIV infected individuals and their family members threatened with homelessness. The Tennessee Department of Health (TDOH) administers the program, and funds are awarded through a competitive application process. HOPWA funds are used to provide funding in five (5) categories. These categories are:

- 1) Housing Information Services
- 2) Housing Assistance
- 3) Supportive Services
- 4) Grantee Administrative Costs
- 5) Project Sponsor Administrative Costs

During the reporting period, HUD made available \$756,000 for the program. TDOH prepared the annual HOPWA report as in past years and said report is included in this document as Exhibit C.

#### **4. Emergency Shelter Grants (ESG) Program**

The Emergency Shelter Grants Program provides funding to local governments and private, non-profit service providers to assist homeless persons in Tennessee. The program is administered by the Tennessee Department of Human Services (TDHS) and makes awards on a competitive basis to entities throughout the State. During the reporting period, \$1,428,306 was made available for homeless shelters, service providers, and program administrative costs. TDHS Community Services Section prepared the ESGP report as in past years and said report is included in this document as Exhibit D.

#### **Other Resources Made Available**

#### **5. HUD Section 8 Tenant-Based and Project-Based Rental Assistance Program**

The Section 8 Tenant-Based Rental Assistance Program is administered by THDA and is authorized to operate in all 95 counties in Tennessee. Currently, Tenant-Based Section 8 operates in 74 of the 95 counties. During the reporting period \$30,000,000 was made available for the Section 8 Tenant Based program.

The Contract Administration Division of THDA administers Section 8 Project Based contracts and is responsible for the monthly Housing Assistance Payments (HAP) to Section 8 properties throughout the state. At the end of the reporting period 29,059 units of affordable housing were provided. Housing Assistance Payments for the year were \$128,887,654.

#### **6. THDA Homeownership Programs**

The Great Rate, Great Start, Great Advantage and New Start homeownership programs provide opportunities for low- and moderate-income persons to purchase their first home. Great Rate is the basic homeownership program. Great Start provides four percent of the purchase price in down payment or closing cost assistance in exchange for a slightly higher interest rate. Great Advantage offers a below market interest rate set at one half (1/2) of a percentage point above Great Rate, and borrowers receive two (2) percent of the mortgage amount to be used for downpayment and/or closing costs. The New Start 0% Mortgage Loan Program is delivered through non-profit organizations that have established programs for the construction of single family housing for low- and very-low income households. It is designed to promote single family construction for very low income families. All four programs include limitations on eligibility based on household income and acquisition costs.

THDA is not a direct lender to borrowers, but works with approximately 90 approved mortgage lenders across the State to originate the loans. THDA either provides funds to approved mortgage lenders to close pre-approved THDA loans, or purchases pre-approved loans from the lenders after the loans are closed.

At the end of the reporting period, THDA mortgage loans totaled \$433,254,673.

#### **7. THDA House Repair Program**

During the fiscal year, THDA continued to partner with the Rural Housing Service (RHS) of U. S. Department of Agriculture to provide funds for the Rural Repair Program. During the reporting period, THDA provided \$920,142 to the program to be used with RHS Section 504 program funds. The THDA grant is restricted to 30% of the RHS approved repair costs and cannot exceed \$5,000 per non-elderly or non-disabled household. For elderly or disabled households, the THDA grant is restricted to 50% of the RHS approved repair costs and cannot exceed \$7,500.

## 8. Low Income Housing Tax Credit Program (LIHTC)

The Low-Income Housing Tax Credit (LIHTC) program is authorized under Section 42 of the Internal Revenue Code, as amended, and is administered by THDA. The program offers owners of and investors in low-income rental housing a reduction in federal income tax liability over a period of ten years. The Internal Revenue Service allocates tax credit authority to states on a calendar year basis. The State of Tennessee does not receive actual dollars but rather receives tax credit authority. In calendar year 2007, the state had tax credit authority in the amount of \$13,307,343 to be issued to for-profit developers of low-income housing. In addition the state had \$6,530,846 available for non-profit developers. The total allocation for the year was \$19,838,189.

## 9. Multi-Family Bond Authority

THDA authorizes allocation of tax-exempt bond authority to local issuers for permanent financing of multi-family housing units in the state. The authority can be used to provide permanent financing for new construction of affordable rental housing units, conversion of existing properties through adaptive reuse, or acquisition and rehabilitation of rental units. Applications are scored and points are awarded based on certain conditions. In addition, some units must be rented to persons of low income. In calendar year 2007, THDA made \$150,000,000 million of authority available to local issuers.

### Summary

As the following Table 1 demonstrates, the State of Tennessee had over \$808 million available to assist its low- and moderate-income citizens in housing and community development. Federal assistance through the Consolidated Plan programs amounted to over \$45 million. Other resources totaled nearly \$763 million. The following sections of this report will demonstrate how these programs assist low and moderate income citizens in Tennessee.

**Table 1. Recap of Resources Made Available  
All Programs: FY 2007-2008**

PROGRAM	FUNDS MADE AVAILABLE	
<b>HUD RESOURCES REQUIRED IN THE CONSOLIDATED PLAN</b>		
CDBG	\$26,736,998	
HOME	\$16,158,053	
ADDI	\$234,005	
HOPWA	\$756,000	
ESG	\$1,428,306	
<i>Subtotal of HUD Resources Required</i>		<b>\$45,313,362</b>
<b>OTHER RESOURCES MADE AVAILABLE</b>		
Section 8 Rental Assistance	\$30,000,000	
Section 8 Contract Administration	\$128,887,654	
Homeownership	\$433,254,673	
THDA Rural Repair Program	\$920,142	
LIHTC	\$19,838,189	
Multi-Family Bond Authority	\$150,000,000	
<i>Subtotal Other Resources</i>		<b>\$762,900,658</b>
<b>Grand Total</b>		<b>\$808,214,020</b>

## B) INVESTMENT OF AVAILABLE RESOURCES

### 1. Community Development Block Grant (CDBG) Small Cities Program

During the reporting period, 52 awards were made to new recipients, city or county governments, totaling \$21,341,642. Proposed activities of new recipients are summarized in Table 2 below. Each number in the Frequency column represents a local government recipient carrying out said activity, and each local government may carry out multiple activities. More detailed information is contained in the PER (Exhibit A).

The CDBG program allows contracts between TECD and local governments to vary in term, and many contracts continue into subsequent fiscal years.

**Table 2. CDBG Awards by Type of Activity: FY 2007-2008**

	<b>Activity</b>	<b>Frequency</b>	<b>Funds Awarded</b>	<b>% of Total</b>
Public Facilities - Other	6	7	\$ 1,390,617	6.52%
Relocation	8	1	\$ 110,000	0.52%
Administration, Planning, & Management	13, 13(P)	52	\$ 1,819,313	8.52%
Economic Development Activities to For-Profit Entities	14B(P)	2	\$ 1,257,836	5.89%
Public Facilities: Water/Sewer	4A, 4B, 4C	54	\$ 15,643,347	73.30%
Rehabilitation: Residential	9A	3	\$ 1,120,500	5.25%
		104	\$ 21,341,612	100.00%

As was the case in previous years, the largest portion of CDBG funds awarded, 79.82% was designated for public facilities improvements.

### 2. HOME Investments Partnership (HOME)

With the HOME Program, the State may spend up to ten percent of its allocation for administrative and planning expenses. The State will use three percent of these funds for its own administrative expenses. The remaining seven percent is available to pay the administrative cost of local governments and non-profit grant recipients. The State will also allow CHDOs to request up to seven percent for operating expenses. The balance of the State HOME allocation was divided programmatically as follows:

With the addition of reallocated funds from previous years, the HOME program provided \$16,209,945 to fund 42 applicants and to provide or preserve 353 units of affordable housing. The majority of those units, 77%, will be rehabilitated owner occupied units. The following table provides a breakdown by activity of the awards made from 2007 HOME Program funds.

**Table 3. HOME Awards by Type of Activity: FY 2007-2008**

Type of Activity (1 Activity Per Application)	Total Applications Awarded = 42		
	Apps.	Units	Total \$
Homeownership*	6	51	\$2,547,493
New Construction Rental	4	22	\$1,523,055
Owner-Occupied Rehab	31	273	\$11,639,397
<b>Type of Activity (&gt;1 Activity Per Application)</b>	1		
Acquisition & Rental Rehab		5	\$324,500
New Construction Rental		2	\$175,500
<b>Total</b>		<b>353</b>	<b>\$16,209,945</b>

\*Homeownership activities may include acquisition and rehabilitation of single family homes for homeownership, new construction, and/or homeownership down payment assistance.

The new American Dream Downpayment Initiative (ADDI) is funded by HUD as part of the HOME Program and administered by THDA. During the reporting period, THDA provided \$995 in additional funding plus used \$10,000 from FY 06-07 allocations and loaned a total of \$245,000 to assist 49 first time homebuyers with downpayment and closing cost assistance. Provided the family remains in the home for at least five years, the ADDI loan is forgiven at a rate of 20% per year.

### 3. Housing Opportunities for Persons with AIDS (HOPWA)

For the Fiscal Year 2007-2008 the State Department of Health awarded \$756,000 to seven nonprofit project sponsors, and retained \$0 for state administration. Contracts between the Department of Health and the project sponsors are for one-year terms and coincide with the state's fiscal year. Table 4 which presents the amount awarded to each sponsor.

**Table 4. HOPWA Awards FY 2007-2008  
by Grand Division**

Grand Division	Awarded
<b>East</b>	
Chattanooga Cares	\$184,400
East TN Human Resource Agency	\$212,800
Project HOPE	\$78,000
<b>Total East</b>	<b>\$475,200</b>
<b>Middle</b>	
Columbia CARES	\$62,200
Nashville CARES	\$28,400
Upper Cumberland Human Resource Agency	\$55,100
<b>Total Middle</b>	<b>\$145,700</b>
<b>West</b>	
West TN Legal Services	\$135,100
<b>Total West</b>	<b>\$135,100</b>
<b>Grand Total</b>	<b>\$756,000</b>

#### 4. Emergency Shelter Grants (ESG)

The State was allocated \$1,428,306 in the FY 2007-2008 for the ESG Program. This amount was subdivided as follows:

ESG Regular Program	\$822,489
Small Cities Set-A-Side	\$343,000
Prevention Discretionary	\$99,995
<b>Program Total</b>	<b>\$1,265,484</b>
State Administration	\$71,415
<b>Sub-total</b>	<b>\$1,336,899</b>
Unobligated This Contract Period	\$91,407
<b>Total FY 2007-2008</b>	<b>\$1,428,306</b>

Contracts between TDHS and eligible entities are for one-year terms and coincides with the State's fiscal year. The State received a total of 49 applications for this fiscal year with requests totaling \$1,962,183. A total of 26 applications were received from the East Region of the State, 16 from the Middle Region of the State and 7 from the West Region. The State completed a total of 40 contracts with 26 private, non profit agencies both providing homeless assistance services through shelter and non-shelter based programs. Each of the seven local government agencies sub-contracted with local non profit agencies. Prevention discretionary funds of \$99,995 (HUD does not require a match) was used for a statewide Homeless Prevention Project through the contracts with 7 Regional Housing Agencies providing housing assistance for persons with mental health issues. This activity will meet HUD's Discharge Planning requirement to ensure that persons being released from hospitals, prisons and mental health facilities are not discharged with no place to go.

There was 1 bed added during the year, leading to a total of 651 beds available at the end of the reporting period. More detailed information can be found in the ESGP Annual Report (Exhibit D).

#### 5. HUD Section 8 Tenant-Based and Project-Based Rental Assistance Programs

The THDA Rental Assistance Division administers the Section 8 Tenant-Based assistance program through nine (9) field offices throughout the State with staff who provide services to families participating in the tenant-based program. In Fiscal Year 2007-2008, the Rental Assistance Division had \$27,926,082 for tenant based assistance.

The THDA Contract Administration division continued administration of project based units during this fiscal year. At the end of the year, the Housing Assistance Payments (HAP) totaled \$128,887,654.

#### 6. THDA Homeownership Programs

During the reporting period, there were 3,954 loans made through the THDA homeownership programs totaling \$433,254,673. The basic homeownership program is known as Great Rate. Great Start offers borrowers an amount equal to 4% of the loan amount for down payment and closing cost, with a higher interest rate applied to the loan. Great Advantage offers a rate set at one half (1/2) of a percentage point above Great Rate and two (2) percent of the



mortgage amount to be used for downpayment and/or closing costs. The New Start program, delivered through non-profit organizations, promotes construction of new homes for very low income Tennesseans. Loans are available to first-time homebuyers for primary residences only, and limits on household income and acquisition price varies by county.

**Table 5. THDA Single Family Loans  
FY 2007-2008**

Program	Mortgages			Average
	#	%	\$	\$
Great Start	668	16.9%	\$67,837,369	\$101,553
Great Advantage	224	5.7%	\$24,460,864	\$109,200
Great Rate	2,957	74.8%	\$332,959,353	\$112,600
New Start	105	2.7%	\$7,997,087	\$76,163
<b>All</b>	<b>3,954</b>	<b>100.0%</b>	<b>\$433,254,673</b>	<b>\$109,574</b>

### 7. THDA Rural Repair Program

The THDA Rural Repair Program continued in partnership with the Rural Housing Service (RHS) of the U. S. Department of Agriculture. The program provides funds for the repair of the homes of low-income people. The THDA grant is restricted to 30% of the RHS approved repair costs and cannot exceed \$5,000 per non-elderly or non-disabled household. For elderly or disabled households, the THDA grant is restricted to 50% of the RHS approved repair costs and cannot exceed \$7,500. Provided the family remains in the home, the THDA loan is forgiven at the rate of one-third per year. During the fiscal year, THDA made 197 loans totaling \$920,142.

### 8. Low Income Housing Tax Credit Program (LIHTC)

The State of Tennessee received tax credit authority (not actual dollars) in calendar year 2007 in the amount of \$13,307,343 to be allocated to for-profit and non-profit developers of low-income housing. Applications were received from throughout the State requesting \$35,837,403 in tax credit authority. The State's tax credit authority covered 37% of the requests, based on dollars. In addition the state allocated a total of \$6,530,846 in non-competitive tax credits. The competitive and non-competitive LIHTCs totaled \$19,838,189.

### 9. Multi-Family Bond Authority

THDA allocates a maximum of \$11,500,000 of tax-exempt bond authority to a development. The cost per unit must not exceed \$126,500. Points are awarded to applications demonstrating that developments address certain conditions – meeting housing needs, meeting energy/maintenance standards, serving special populations, and increasing housing stock. In calendar year 2007, a total of \$120,554,922 was allocated.

## Summary – All Programs

For Fiscal Year 2007-2008, the State expended a total of \$771,362,525 in funds for community development and housing programs in Tennessee.

**Table 6. Recap of Investments  
All Programs: FY 2007-2008**

PROGRAM	FUNDS AWARDED/GRANTED/LOANED
<b>INVESTMENT OF HUD RESOURCES REQUIRED IN THE CONSOLIDATED PLAN</b>	
CDBG	\$21,341,612
HOME	\$16,209,945
ADDI	\$245,000
HOPWA	\$756,000
ESG	\$1,428,306
<i>Subtotal</i>	<b>\$39,980,863</b>
<b>INVESTMENT OF OTHER RESOURCES MADE AVAILABLE</b>	
Section 8 Rental Assistance	\$27,926,082
Section 8 Contract Administration	\$128,887,654
Homeownership	\$433,254,673
THDA House Repair Program	\$920,142
LIHTC	\$19,838,189
Multi-Family Bond Authority	\$120,554,922
<i>Subtotal</i>	<b>\$731,381,662</b>
<b>Grand Total</b>	<b>\$771,362,525</b>

## C) GEOGRAPHIC DISTRIBUTION AND LOCATION OF INVESTMENTS

### 1. Community Development Block Grant (CDBG) Small Cities Program

ECD administers the CDBG program and prepared the state PER which is presented in Exhibit A. The following table, derived from the PER, summarizes information on the location of new recipients and on funding amounts by grand division. An expanded version of this table is presented in Exhibit A.

**Table 7. CDBG Funding By Grand Divisions: FY 2007-2008**

<b>Grand Division</b>	<b>New Recipients</b>	<b>Total Dollars</b>	<b>%</b>
<i>Total East</i>	<i>17</i>	<i>\$7,109,668</i>	<i>33.3%</i>
<i>Total Middle</i>	<i>19</i>	<i>\$8,185,183</i>	<i>38.4%</i>
<i>Total West</i>	<i>16</i>	<i>\$6,046,761</i>	<i>28.3%</i>
<b>GRAND TOTAL</b>	<b>52</b>	<b>\$21,341,612</b>	<b>100.00%</b>

### 2. HOME Investments Partnership (HOME)

During the reporting period, THDA awarded HOME funds in the amount of \$16,209,945 to 42 grantees which propose to construct or improve 353 housing units. The following table presents the geographic distribution of HOME awards for the CHDO, Special Needs (SN), and Regional categories. The total award to CHDOs was \$2,935,150, the total award to Special Needs was \$1,635,398, and the total of the Regional award was \$11,639,397.

**Table 8. HOME Awards FY 2007-2008  
Type of Activity & Dollar Amount by Grand Division**

<b>Grand Division</b>	<b>Program</b>	<b>Activity</b>	<b># of Apps Funded</b>	<b>Total Units</b>	<b>Total \$</b>
<b>East</b>	CHDO	Acq/Rehab Rental, Homeownership, NC Rental	4	26	\$1,961,800
	SN	NC Rental	2	10	\$798,168
	Regional	Owner Rehab	15	118	\$4,862,121
	<b>Total</b>		<b>21</b>	<b>154</b>	<b>\$7,622,089</b>
<b>Middle</b>	CHDO	Homeownership	2	25	\$973,350
	SN	NC Rental	1	8	\$439,176
	Regional	Owner Rehab	12	120	\$4,777,276
	<b>Total</b>		<b>15</b>	<b>153</b>	<b>\$6,189,802</b>
<b>West</b>	CHDO		0	0	\$0
	SN	Homeownership, NC Rental	2	11	\$398,054
	Regional	Owner Rehab	4	35	\$2,000,000
	<b>Total</b>		<b>6</b>	<b>46</b>	<b>\$2,398,054</b>
<b>Funded Apps Total</b>			<b>42</b>	<b>353</b>	<b>\$16,209,945</b>

The American Dream Downpayment Initiative (ADDI) program makes funds available for downpayment and closing cost assistance to first time homebuyers. The following table presents program activity at the end of the reporting period. Loans were made in 21 of the 95 counties in the State with the greatest number of loans, 59%, made in Middle Tennessee. An expanded version of this table is presented in Exhibit B.

**Table 9. ADDI Program Activity  
by Grand Division FY 2007-2008**

<b>County</b>	<b># of Loans</b>	<b>Total \$</b>
Total East	17	\$85,000
Total Middle	29	\$145,000
Total West	3	\$15,000
<b>Grand Total</b>	<b>49</b>	<b>\$245,000</b>

### 3. Housing Opportunities for Persons with AIDS (HOPWA)

The State Department of Health provided \$756,000 to seven project sponsors covering 77 counties in Tennessee. At the end of the reporting period, the project sponsors had expended \$756,000 with the majority of funds, 54.29%, on Supportive Services, and 35.79% of the funds for Housing Assistance. Awards are made to sponsors in each of the three grand divisions, based on the number of clients to be served. East Tennessee received 62.86%, Middle Tennessee, 19.27%, and West Tennessee, 17.87%. The following table presents, by grand division, the amount expended by each project sponsor in each service category.

**Table 10. HOPWA Program – FY 2007-2008  
Types of Services by Grand Division**

<b>Grand Division</b>	<b>Housing Info</b>	<b>Housing Assistance</b>	<b>Supportive Services</b>	<b>Sponsor Admin.</b>	<b>Total</b>
<b>EAST</b>					
Chattanooga Cares	\$0	\$34,402	\$139,548	\$10,450	\$184,400
ETHRA / PL	\$0	\$83,900	\$100,779	\$28,121	\$212,800
Project HOPE	\$0	\$37,700	\$35,200	\$5,100	\$78,000
<b>Total East</b>	<b>\$0</b>	<b>\$156,002</b>	<b>\$275,527</b>	<b>\$43,671</b>	<b>\$475,200</b>
<b>MIDDLE</b>					
Columbia CARES	\$0	\$21,742	\$36,590	\$3,868	\$62,200
Nashville CARES	\$0	\$17,901	\$9,228	\$1,271	\$28,400
UCHRA	\$0	\$17,700	\$33,600	\$3,800	\$55,100
<b>Total Middle</b>	<b>\$0</b>	<b>\$57,343</b>	<b>\$79,418</b>	<b>\$8,939</b>	<b>\$145,700</b>
<b>WEST</b>					
West TN Legal Services	\$0	\$57,200	\$55,500	\$22,400	\$135,100
<b>Total West</b>	<b>\$0</b>	<b>\$57,200</b>	<b>\$55,500</b>	<b>\$22,400</b>	<b>\$135,100</b>
<b>Grand Total</b>	<b>\$0</b>	<b>\$270,545</b>	<b>\$410,445</b>	<b>\$75,010</b>	<b>\$756,000</b>

\*These expended amounts may not match the awarded amounts depending upon whether the grantee spent the entire amount awarded.

### 4. Emergency Shelter Grants (ESG)

During the reporting period, there were 40 contracts completed for the ESG Program. Of these, twenty (20) were located in East Tennessee; fourteen (14) were in Middle Tennessee and six (6) in the West Tennessee Region. Of the total amount of ESG funds, 48% were awarded in East Tennessee, 38% were in Middle Tennessee and 14% in West Tennessee. Table 11 shows amounts and location of awards. Greater detail is provided in Exhibit D.

**Table 11. ESG Recipients by Grand Division: FY 2007-2008**

<b>East Tennessee</b>	<b>Amount of Award</b>
AIM	\$ 14,285
Catholic Charities of East TN	\$ 38,842
CEASE	\$ 36,210
Cleveland Emergency Shelter	\$ 30,256
Family Resource Agency	\$ 21,289
Frontier Health	\$ 14,285
Genesis House	\$ 14,577
Greeneville Greene County Ministries	\$ 22,500
H.O.P.E. Center	\$ 10,584
Interfaith Hospitality	\$ 39,434
Johnson County Safe Haven	\$ 42,716
M.A.T.S., Inc	\$ 59,587
Partnership for Adults, Families & Children	\$ 26,661
REACHES	\$ 21,000
Ridgeview	\$ 14,285
Youth Emergency Shelter	\$ 50,631
City of Bristol	\$ 37,000
City of Johnson City	\$ 48,000
City of Kingsport	\$ 43,000
City of Oak Ridge	\$ 24,000
<b>Total For East Tennessee</b>	<b>\$ 609,142</b>

<b>Middle Tennessee</b>	<b>Amount of Award</b>
Avalon	\$ 41,587
Bridges of Williamson County	\$ 15,048
Buffalo Valley	\$ 45,155
Centerstone	\$ 14,285
Good Neighbor Mission	\$ 19,094
Gracemoor, Inc.	\$ 10,000
Haven of Hope	\$ 22,977
HomeSafe, Inc.	\$ 36,105
Park Center	\$ 14,285
The Next Door, Inc.	\$ 56,621
The Shelter	\$ 27,398
Upper Cumberland Dismas House	\$ 48,116
The City of Clarksville	\$ 78,000
The City of Murfreesboro	\$ 46,000
<b>Total For Middle Tennessee</b>	<b>\$ 474,671</b>

<b>West Tennessee</b>	<b>Amount of Award</b>
Behavioral Health Initiative (BHI)	\$ 14,285
Carey Counseling	\$ 14,285
Damascus Road Inc	\$ 50,470
Matthew 25:40	\$ 20,157
Northwest Safeline	\$ 15,474
City of Jackson	\$ 67,000
<b>Total For West Tennessee</b>	<b>\$ 181,671</b>
<b>TOTAL FOR ALL GRANTS</b>	<b>\$ 1,265,484</b>
<b>State Administration Funds</b>	<b>\$ 71,415</b>
<b>Unobligated This Contract Period</b>	<b>\$ 91,407</b>
<b>TOTAL FUNDS ALLOCATED</b>	<b>\$ 1,428,306</b>

## 5. HUD Section 8 Tenant-Based Rental Assistance and Section 8 Contract Administration

During the reporting period, \$27,926,082 was made available for the Section 8 Tenant Based program.

THDA Contract Administration Division has the responsibility for the administration of Section 8 Project Based contracts throughout the state. At the end of the fiscal year, the Division reported 29,059 units under contract, 36% in East Tennessee, 33% in Middle Tennessee, and 31% in West Tennessee. Table 12 presents the location of these units. HAPs by grand division are not available.

**Table 12. Section 8 Contract Administration Units  
By Grand Division and County FY 2007-2008**

<b>East TN Counties</b>	<b>Contract Units</b>	<b>Middle TN Counties</b>	<b>Contract Units</b>	<b>West TN Counties</b>	<b>Contract Units</b>
Anderson	415	Bedford	108	Benton	60
Bledsoe	119	Coffee	396	Carroll	40
Blount	310	Davidson	5,382	Chester	195
Bradley	430	DeKalb	72	Crockett	24
Campbell	286	Dickson	131	Decatur	50
Carter	316	Franklin	152	Dyer	335
Claiborne	30	Giles	181	Fayette	217
Cocke	144	Grundy	30	Gibson	199
Cumberland	66	Hickman	75	Hardeman	47
Grainger	24	Humphreys	92	Hardin	50
Greene	314	Lewis	36	Haywood	50
Hamblen	266	Lincoln	53	Henderson	110
Hamilton	1,467	Marshall	203	Henry	244
Hancock	50	Maury	155	Lake	227
Hawkins	119	Montgomery	334	Lauderdale	145
Jefferson	45	Overton	50	Madison	408
Johnson	123	Perry	24	McNairy	105
Knox	3,170	Pickett	24	Obion	316
Loudon	250	Putnam	80	Shelby	6,061
Marion	60	Robertson	99	Tipton	237
McMinn	218	Rutherford	786	Weakley	28
Meigs	24	Sequatchie	50	<b>TOTAL</b>	<b>9,148</b>
Monroe	139	Stewart	17		
Morgan	54	Sumner	419		
Polk	24	Van Buren	25		
Rhea	0	Warren	252		
Roane	321	White	48		
Scott	39	Williamson	50		
Sevier	87	<b>TOTAL</b>	<b>9,450</b>	<b>GRAND TOTAL</b>	<b>29,059</b>
Sullivan	784				
<b>TOTAL</b>	<b>10,461</b>				



## 6. THDA Homeownership Programs

Loans were made in 90 of the 95 counties in the State with the greatest number of loans, 49.5%, made in Middle Tennessee. The breakdown by Grand Division is shown in Table 13.

**Table 13. THDA Homeownership  
By Grand Division – FY 2007-2008**

<b>Grand Division</b>	<b>% of Loans</b>	<b># of Loans</b>	<b>Amount of Loans</b>
East	28.7%	1,137	\$114,725,637
Middle	49.5%	1,959	\$233,814,169
West	21.7%	858	\$84,714,867
<b>Total</b>	<b>100.0%</b>	<b>3,954</b>	<b>\$433,254,673</b>

## 7. THDA Rural Repair Program

The THDA Rural Repair Program is a partnership with the Rural Housing Service (RHS) of the U. S. Department of Agriculture to provide forgivable loans for the repair of the homes of low-income people. The following table presents program activity by grand division at the end of the reporting period.

**Table 14. FY 2007-2008 Rural Repair Program Activity by Grand Division**

EAST			MIDDLE			WEST		
County	# Loan	Total \$	County	# Loan	Total \$	County	# Loan	Total \$
Anderson	1	\$4,040	Cannon	1	\$5,414	Benton	1	\$6,566
Bledsoe	2	\$2,950	Clay	2	\$15,000	Carroll	5	\$24,069
Blount	1	\$5,240	Coffee	2	\$10,441	Chester	3	\$10,467
Bradley	1	\$510	Cumberland	3	\$14,135	Crockett	2	\$5,592
Campbell	1	\$7,050	Dekalb	1	\$4,440	Fayette	4	\$17,326
Carter	2	\$6,525	Fentress	1	\$4,475	Gibson	4	\$27,159
Claiborne	19	\$97,828	Franklin	2	\$9,040	Hardeman	3	\$13,125
Cocke	1	\$1,150	Giles	3	\$12,722	Haywood	9	\$32,384
Grainger	4	\$13,586	Hickman	1	\$7,500	Henderson	2	\$8,800
Greene	3	\$10,010	Jackson	1	\$6,047	Henry	2	\$8,907
Grundy	6	\$25,179	Lawrence	2	\$5,856	Lake	1	\$5,000
Hamblen	6	\$27,517	Lewis	2	\$3,288	Lauderdale	4	\$15,685
Hamilton	3	\$12,150	Macon	2	\$1,950	Madison	3	\$13,410
Hancock	5	\$17,548	Marshall	1	\$6,229	Obion	2	\$9,362
Hawkins	3	\$16,396	Maurry	4	\$22,655	Tipton	6	\$39,337
Jefferson	3	\$11,300	Overton	2	\$13,499	Weakley	5	\$16,605
Johnson	1	\$3,915	Perry	1	\$3,118	<i>Total West</i>	<i>56</i>	<i>\$253,794</i>
Loudon	2	\$9,240	Pickett	5	\$29,077	<b>GRAND TOTAL</b>	<b>197</b>	<b>\$920,142</b>
Marion	3	\$12,312	Putnam	4	\$20,020			
McMinn	9	\$36,695	Smith	2	\$14,328			
Monroe	4	\$25,850	Van Buren	2	\$12,399			
Rhea	2	\$12,397	Warren	1	\$5,000			
Scott	3	\$19,630	White	2	\$10,147			
Sullivan	2	\$10,684	Williamson	1	\$3,082			
Unicoi	1	\$4,074	<i>Total Middle</i>	<i>48</i>	<i>\$239,862</i>			
Union	5	\$32,710						
<i>Total East</i>	<i>93</i>	<i>\$426,486</i>						

**8. Low Income Housing Tax Credit Program (LIHTC)**

Low Income Housing Tax Credits are allocated on a calendar year basis. During CY 2007, projects in 13 Tennessee counties received allocations for LIHTC, creating 4,867 units of affordable housing. Geographically, allocations were made in 5 East Tennessee counties, utilizing 14.75% of the total dollar allocation. In Middle Tennessee, allocations were made in 5 counties, utilizing 46.61% of the total dollar allocation, and in West Tennessee, allocations were made in 3 counties, utilizing 38.64% of the total allocations.

The following table presents additional information. It should be noted that a portion of the projects represented below will include Multi-Family Bond Authority allocation as well as LIHTC and that 3,277 units are also included in the subsequent Multi-Family Bond Authority section which follows.

**Table 15. Low Income Housing Tax Credit Allocations  
by Grand Division: CY 2007**

<b>Grand Division</b>	<b>County</b>	<b>Units</b>	<b>\$ Allocation</b>
East	Anderson	60	\$402,900
	Hamblen	80	\$111,054
	Hamilton	95	\$227,605
	Knox	216	\$1,114,409
	Sullivan	108	\$1,069,837
	<b>Total East</b>	<b>559</b>	<b>\$2,925,805</b>
Middle	Coffee	48	\$371,032
	Davidson	1,295	\$4,588,540
	Lawrence	99	\$1,002,497
	Putnam	76	\$692,436
	Rutherford	396	\$2,591,618
	<b>Total Middle</b>	<b>1,914</b>	<b>\$9,246,123</b>
West	Haywood	60	\$618,000
	Madison	124	\$575,565
	Shelby	2,210	\$6,472,596
		<b>Total West</b>	<b>2,394</b>
	<b>GRAND TOTAL</b>	<b>4,867</b>	<b>\$19,838,089</b>

**9. THDA Tax-Exempt Multi-Family Bond Authority**

In calendar year 2007, tax-exempt bond authority was reallocated to provide permanent financing for developments in 6 counties, which will result in a total of 3,277 units. Allocations were made in 3 East Tennessee counties, 1 Middle Tennessee county, and 2 West Tennessee counties. The following table presents additional data.

**Table 16. Tax-Exempt Multi-Family Bond Authority  
by Grand Division: CY 2007**

<b>Grand Division</b>	<b>County</b>	<b># of Units</b>	<b>Amount Allocated</b>
East	Hamblen	80	\$2,368,000
	Hamilton	95	\$5,340,000
	Knox	144	\$5,920,000
	<b>Total East</b>	<b>319</b>	<b>\$13,628,000</b>
Middle	Davidson	1,008	\$41,320,000
		<b>Total Middle</b>	<b>1,008</b>
West	Madison	124	\$6,702,249
	Shelby	1,826	\$58,904,673
	<b>Total West</b>	<b>1,950</b>	<b>\$65,606,922</b>
<b>Total Awarded</b>		<b>3,277</b>	<b>\$120,554,922</b>

## Summary

Overall, Middle Tennessee received the largest portion of funds largely because of THDA's homeownership program. Table 17 provides greater details of the amount of funds awarded in each program.

**Table 17. Recap of Geographic Distribution - All Programs: FY 2007-2008**

PROGRAM	EAST TN	MIDDLE TN	WEST TN	TOTAL
<b>GEOGRAPHIC DISTRIBUTION OF HUD INVESTMENTS REQUIRED IN THE CONSOLIDATED PLAN</b>				
CDBG	\$7,109,668	\$8,185,183	\$6,046,761	\$21,341,612
HOME	\$7,622,089	\$6,189,802	\$2,398,054	\$16,209,945
ADDI	\$85,000	\$145,000	\$15,000	\$245,000
HOPWA	\$475,200	\$145,700	\$135,100	\$756,000
ESG*	\$609,142	\$474,671	\$181,671	\$1,265,484
<b>Total</b>	<b>\$15,901,099</b>	<b>\$15,140,356</b>	<b>\$8,776,586</b>	<b>\$39,818,041</b>
% of Total	40%	38%	22%	100%
<b>GEOGRAPHIC DISTRIBUTION OF OTHER INVESTMENTS</b>				
Section 8 Tenant Based**				\$27,926,082
Section 8 Project Based**				\$128,887,654
Homeownership	\$114,725,63	\$233,814,169	\$84,714,867	\$433,254,673
THDA Rural Repair Program	\$426,486	\$239,862	\$253,794	\$920,142
LIHTC	\$2,925,805	\$9,246,123	\$7,666,161	\$19,838,089
Multi-Family Bond	\$13,628,000	\$41,320,000	\$65,606,922	\$120,554,922
<b>Total-(GD Not Including Sec. 8)</b>	<b>\$131,705,92</b>	<b>\$284,620,154</b>	<b>\$158,241,744</b>	<b>\$731,381,562</b>
% of Total (GD Not Including Sec. 8)	18%	39%	22%	
<b>Grand Total-(GD Not Including Sec. 8)</b>	<b>\$147,607,02</b>	<b>\$299,760,510</b>	<b>\$167,018,330</b>	<b>\$771,199,603</b>
% of Total	19%	39%	22%	

\*There is an additional \$162,822 that has either been used for State administrative fees or has remained unobligated. When added, the new total is \$1,428,306.

\*\*Payment information by Grand Division is not available.

## D) FAMILIES AND PERSONS ASSISTED INCLUDING RACIAL AND ETHNIC STATUS

### 1. Community Development Block Grant (CDBG) Small Cities Program

The following table summarizes the data from the 2007 PER Part III: Civil Rights which reports on the CDBG Applicants and Beneficiaries, by race and gender characteristics. (Exhibit A) The racial categories are those reported in the PER. For the reporting period, the total for Applicants and Beneficiaries is 245,212 persons, with 26,399 minorities and 44,624 female heads of household.

**Table 18. CDBG Program Demographics by Grant Year: FY 2007-2008**

<b>Racial Category</b>	<b>Total Served</b>	<b>%</b>
White	<b>218,813</b>	89.23%
Black/African American	<b>22,171</b>	9.04%
Asian	<b>106</b>	0.04%
American Indian/Alaskan Native	<b>244</b>	0.10%
Native Hawaiian/Other Pacific Islander	<b>14</b>	0.01%
American Indian/Alaskan Native & White	<b>312</b>	0.13%
Asian & White	<b>345</b>	0.14%
Black/African American & White	<b>207</b>	0.08%
American Indian/Alaskan Native & Black/African American	<b>15</b>	0.01%
Other Multi-Racial	<b>2,985</b>	1.22%
<b>Total</b>	<b>245,212</b>	100.00%
<b>Gender Characteristics</b>		
Female Head of Household	<b>44,624</b>	18.20%

Information on benefit to low- and moderate-income persons is also reported in the PER. The following table presents a summary of that information derived from CDBG contract closeouts. An expanded table is presented in Exhibit A. Based on that information, 3,065,677 persons are reported as beneficiaries, and of that number, 2,249,139 or 74% are low- and moderate-income persons.

**Table 19. CDBG Benefit to Low and Moderate Income Persons  
By Projects Pending Final Audit: FY 2007-2008**

<b>Purpose</b>	<b>Total # of Persons</b>	<b>Total # of LMI Persons</b>	<b>% of LMI</b>
Total Economic Development	9,607	5,661	59%
Total Housing	5,363	5,047	94%
Total Public Facilities	3,050,707	2,249,139	74%
<b>GRAND TOTAL</b>	<b>3,065,677</b>	<b>2,259,847</b>	<b>74%</b>

## **2. HOME Investments Partnership (HOME)**

For the HOME and ADDI programs, beneficiary information is obtained when the project completion report is entered into IDIS. During the reporting period, the HOME program assisted 471 units, with East Tennessee and Middle Tennessee each having 268 and 132 beneficiaries, respectively. Sixty percent of the households were very low income. Through the ADDI program, 49 first time homebuyers received downpayment and closing cost assistance. The majority of ADDI households, 78%, were classified as low income.

The following two tables provide further information, by program and income categories.

**Table 20. Income Characteristics of HOME Beneficiaries: FY 2007-2008**

% of Median	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
0%-30%	128	0	31	0	17	0	176	0	176	34%
31%-50%	76	5	35	5	15	1	126	11	137	26%
51%-60%	31	2	22	5	8	1	61	8	69	13%
61%-80%	30	10	44	19	31	1	105	30	135	26%
Vacant	3	0	0	0	0	0	3	0	3	1%
<b>Totals</b>	<b>268</b>	<b>17</b>	<b>132</b>	<b>29</b>	<b>71</b>	<b>3</b>	<b>471</b>	<b>49</b>	<b>520</b>	<b>100%</b>
<b>Grand Totals</b>	<b>285</b>		<b>161</b>		<b>74</b>		<b>520</b>			

**Table 21. Household Income of HOME Beneficiaries: FY 2007-2008**

% of Median	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
Very Low-0-50%	204	5	66	5	32	1	302	11	313	60%
Low-51-80%	61	12	66	24	39	2	166	38	204	39%
Vacant	3	0	0	0	0	0	3	0	3	1%
<b>Totals</b>	<b>268</b>	<b>17</b>	<b>132</b>	<b>29</b>	<b>71</b>	<b>3</b>	<b>471</b>	<b>49</b>	<b>520</b>	<b>100%</b>
<b>Grand Totals</b>	<b>285</b>		<b>161</b>		<b>74</b>		<b>520</b>			

Of the households served by the HOME program, 16% were minority; while in the ADDI program, 14% were minority. Table 22 reflects this information.

**Table 22. Race/Ethnicity Characteristics of HOME Beneficiaries: FY 2007-2008**

Race	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
White	249	17	97	24	40	1	386	42	428	82.3%
Black	16	0	34	4	31	2	81	6	87	16.7%
Asian	0	0	0	1	0	0	0	1	1	0.2%
American Indian/Alaskan & White	0	0	1	0	0	0	1	0	1	0.2%
Hawaiian/Pacific Islander	0	0	0	0	0	0	0	0	0	0%
Other Multi Racial	0	0	0	0	0	0	0	0	0	0%
Vacant	3	0	0	0	0	0	3	0	3	0.6%
<b>Totals</b>	<b>268</b>	<b>17</b>	<b>132</b>	<b>29</b>	<b>71</b>	<b>3</b>	<b>471</b>	<b>49</b>	<b>520</b>	<b>100%</b>
<b>Grand Totals</b>										
Ethnicity	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
Hispanic	2	2	1	3	0	0	3	5	8	1.5%
<b>Totals</b>	<b>4</b>		<b>4</b>		<b>0</b>		<b>8</b>			

The following two tables present household size and household type of HOME and ADDI beneficiaries. Fifty-three percent of households assisted with HOME funds were one-person households. In the ADDI program, 35% were one-person households.

**Table 23. Household Size of HOME Beneficiaries: FY 2007-2008**

HH Size	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
1	169	5	58	11	24	1	251	17	268	51.5%
2	50	6	20	7	22	2	92	15	107	20.6%
3	21	4	18	7	14	0	53	11	64	12.3%
4	16	1	19	2	7	0	42	3	45	8.6%
5	5	0	13	1	3	0	21	1	22	4.2%
6	3	0	2	0	1	0	6	0	6	1.2%
7	1	1	2	0	0	0	3	1	4	0.8%
8	0	0	0	0	0	0	0	0	0	0%
9	0	0	0	1	0	0	0	1	1	0.2%
Vacant	3	0	0	0	0	0	3	0	3	0.6%
<b>Totals</b>	<b>268</b>	<b>17</b>	<b>132</b>	<b>29</b>	<b>71</b>	<b>3</b>	<b>471</b>	<b>49</b>	<b>520</b>	<b>100%</b>
<b>Grand Totals</b>	<b>285</b>		<b>161</b>		<b>74</b>		<b>520</b>			

Household Type also differs between the HOME and the ADDI programs. However, the most frequent household type of HOME beneficiaries as well as ADDI was Single/Non-Elderly with each having 34% and 35%, respectively.

**Table 24. Type of HOME Beneficiary Households: FY 2007-2008**

HH Type	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
Single/Non-Elderly	115	5	39	11	21	1	175	17	192	37%
Elderly	99	1	41	0	20	0	160	1	161	31%
Related/Single Parent	21	4	18	7	9	2	48	13	61	12%
Related/Two Parent	20	0	21	5	15	0	56	5	61	12%
Other	10	8	13	5	16	0	29	13	42	8%
Vacant	3	0	0	0	0	0	3	0	3	1%
<b>Totals</b>	<b>268</b>	<b>18</b>	<b>132</b>	<b>28</b>	<b>71</b>	<b>3</b>	<b>471</b>	<b>49</b>	<b>520</b>	<b>100%</b>
<b>Grand Totals</b>	<b>285</b>		<b>161</b>		<b>74</b>		<b>520</b>			

### 3. Housing Opportunities for Persons with AIDS (HOPWA)

During the grant year, the HOPWA program reported 362 individuals with HIV/AIDS and 290 affected family members' as beneficiaries of Short Term Rent, Mortgage and Utility payments.

The race/ethnicity of the beneficiaries is as follows:

Caucasian	60.59% of which 5.45% are Hispanic
Black/African American	32.84% of which 0.08% are Hispanic
American Indian/Alaskan Native	0.02%
Black/African American & Caucasian	4.29%
Native Hawaiian/Other Pacific Islander	0.0%
Other Multi Racial	2.26% of which 100% are Hispanic

Hispanic comprises 0.04% of the total number served through Short Term, Rent, Mortgage and Utility payments.

Of the 652 persons who received housing assistance, 71.32% were male and 28.68% were female. The majority were between 31 and 50 years old, equaling 62.57%.

#### **4. Emergency Shelter Grants (ESG)**

Information contained in Exhibit D was summarized into Table 25 to show demographic information on Emergency Shelter Grant Activity. Overall numbers indicate that more females than males received assistance across the state. This is probably reflective of the number of domestic violence programs receiving funding through the grant. Agencies continue to report the increasing incidents of families with young children becoming homeless. The increasingly diverse population is also becoming a part of the homeless population as the immigrant population in the State continues to grow. Most of the shelters in Tennessee cannot accommodate family units and thus the families continue to encounter further disruption when fathers/ husbands must be sheltered apart from the wives and children. Agencies also report increasing numbers of homeless persons with physical disabilities, mental illness and drug/ alcohol problems for which placement options are limited.



**Table 25. Emergency Shelter Grant Program Participants by Gender - FY 2007-2008**

<b>EAST</b>				
<b>Agency</b>	<b>Male</b>	<b>Female</b>	<b>Unavailable</b>	<b>Total</b>
AIM Center	23	28	0	51
Catholic Charities	23	32	0	55
CEASE	145	1,130	0	1,275
Cleveland Emergency Shelter	1,530	1,115	0	2,645
Family Resource Agency	105	447	0	552
Frontier Health	18	26	0	44
Genesis House	31	170	0	201
Greeneville Green Co Ministries	112	164	0	276
H.O.P.E. Center	324	830	0	1,154
Interfaith Hospitality, Inc.	148	200	0	348
Johnson County Safe Haven	88	262	0	350
M.A.T.S.	187	146	0	333
Partnership for Adults,Family,Children	44	133	0	177
REACHS	142	342	0	484
Ridgeview, Inc.	12	20	0	32
Youth Emergency Shelter	271	182	0	453
City of Bristol	4,637	5,270	0	9,907
City of Johnson City	765	380	677	1,822
City of Kingsport*	0	0	0	0
City of Oak Ridge	424	629	0	1,053
<b>Total For East Tennessee</b>	<b>9,029</b>	<b>11,506</b>	<b>677</b>	<b>21,212</b>
<b>MIDDLE</b>				
Avalon	38	119	0	157
Bridges of Williamson County	484	987	0	1,471
Buffalo Valley	295	0	0	295
Centerstone	20	35	0	55
Good Neighbor Mission	23	31	0	54
Gracemoor, Inc.	5	29	0	34
Haven of Hope	8	77	0	85
Home Safe Inc	46	127	0	173
Park Center	20	1	0	21
The Next Door	0	125	0	125
The Shelter	132	635	41	808
Upper Cumberland Dismas House	48	4	0	52
The City of Clarksville	517	1,350	0	1,867
The City of Murfreesboro	808	494	5	1,307
<b>Total for Middle Tennessee</b>	<b>2,444</b>	<b>4,014</b>	<b>46</b>	<b>6,504</b>
<b>WEST</b>				
Behavioral Health Initiatives	17	14	0	31
Carey Counseling, Inc.	22	37	0	59
Damascus Road Inc	242	300	0	542
Matthew 25:40	303	365	0	668
Northwest Safeline	317	719	0	1,036
City of Jackson	392	2,297	0	2,689
<b>Total For West Tennessee</b>	<b>1,293</b>	<b>3,732</b>	<b>0</b>	<b>5,052</b>
<b>Grand Total</b>	<b>12,766</b>	<b>19,252</b>	<b>723</b>	<b>32,741</b>

**Table 26. Emergency Shelter Grant Program Participants by Race/Ethnicity, FY 2007-2008**

Agency	White	Black African American	Black African American /White	Native Hawaiian Pacific Islander	Asian	Asian & White	American Indian Alaskan Native	American Indian Alaskan Native White	American Indian/ Alaskan Native/ Black/ Af. American	Balance/ Other	Total
<b>Grand Division: East</b>											
Aim	24	23	0	0	0	0	0	0	0	4	51
Catholic Charities	49	6	0	0	0	0	0	0	0	0	55
CEASE	1,129	36	0	0	0	0	2	1	0	107	1,275
Cleveland Emergency Shelter	2,370	123	47	0	0	0	9	4	6	86	2,645
Family Resource Agency	482	53	0	0	3	0	5	0	0	9	552
Fronter Health	42	2	0	0	0	0	0	0	0	0	44
Genesis House	179	12	0	0	0	0	0	0	0	10	201
Greenville Greene Co Ministries	230	29	2	0	0	0	0	0	0	15	276
H.O.P.E. Center	1,076	49	0	0	8	0	3	0	0	18	1,154
Interfaith Hospitality Network	316	13	7	0	0	0	4	0	0	8	348
Johnson County Safe Haven	338	2	0	2	0	0	2	0	0	6	350
M.A.T.S.	302	11	0	0	0	0	1	1	0	19	333
Partnership for Adults,Fam, Child	55	110	0	0	2	0	6	0	0	4	177
REACHES	474	5	0	0	0	0	1	0	0	3	484
Ridgeview, Inc.	31	1	0	0	0	0	0	0	0	0	32
Youth Emergency Shelter	363	29	11	0	0	0	0	0	0	50	453
City of Bristol	9,091	638	101	0	11	0	18	0	0	48	9,907
City of Johnson City	556	466	0	0	0	0	0	0	0	800	1,822
City of Kingsport*	0	0	0	0	0	0	0	0	0	0	0
City of Oak Ridge	601	407	0	0	0	0	8	0	0	37	1,053
<b>Total For East Tennessee</b>	<b>17,708</b>	<b>2,015</b>	<b>168</b>	<b>2</b>	<b>24</b>	<b>0</b>	<b>59</b>	<b>6</b>	<b>6</b>	<b>1,224</b>	<b>21,212</b>

\*Data not available.

<b>Grand Division: Middle</b>											
Avalon	152	3	0	0	0	0	1	0	0	1	157
Bridges of Williamson County	1,142	203	0	9	21	0	1	0	0	95	1,471
Buffalo Valley	187	104	0	0	0	0	0	0	0	4	295
Centerstone	31	24	0	0	0	0	0	0	0	0	55
Good Neighbor Mission	24	29	1	0	0	0	0	0	0	0	54
Gracemoor, Inc.	34	0	0	0	0	0	0	0	0	0	34
Haven of Hope	74	9	0	0	0	0	0	0	1	1	85
Home Safe Inc	112	17	0	0	0	0	0	0	0	44	173
Park Center	3	16	0	0	0	0	2	0	0	0	21
The Next Door	81	41	0	0	0	0	0	0	0	3	125
The Shelter	765	26	9	5	0	0	0	0	0	3	808
Upper Cumberland Dismas House	34	17	1	0	0	0	0	0	0	0	52
The City of Clarksville	1,087	745	0	4	4	0	6	0	0	21	1,867
The City of Murfreesboro	745	353	50	0	13	0	10	11	7	118	1,307
<b>Total for Middle Tennessee</b>	<b>4,471</b>	<b>1,587</b>	<b>61</b>	<b>18</b>	<b>38</b>	<b>0</b>	<b>20</b>	<b>11</b>	<b>8</b>	<b>290</b>	<b>6,504</b>

Agency	White	Black African American	Black African American /White	Native Hawaiian Pacific Islander	Asian	Asian & White	American Indian Alaskan Native	American Indian Alaskan Native White	American Indian/ Alaskan Native/ Black/ Af. American	Balance/ Other	Total
<b>Grand Division: West</b>											
Behavioral Health Initiatives	6	25	0	0	0	0	0	0	0	0	31
Carey Counseling	41	15	3	0	0	0	0	0	0	0	59
Damascus Road Inc	278	189	53	0	0	0	6	0	0	16	542
Matthew 25:40	449	203	12	0	0	0	0	0	0	4	668
Northwest Safe line	839	185	0	0	4	0	0	0	0	8	1,036
City of Jackson	1,308	1,229	8	1	2	1	0	0	0	140	2,689
<b>Total For West Tennessee</b>	<b>2,921</b>	<b>1,846</b>	<b>76</b>	<b>1</b>	<b>6</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>168</b>	<b>5,025</b>
<b>Grand Total</b>	<b>25,100</b>	<b>5,448</b>	<b>305</b>	<b>21</b>	<b>68</b>	<b>1</b>	<b>85</b>	<b>17</b>	<b>14</b>	<b>1,682</b>	<b>32,741</b>

Because clients may indicate more than one race/ethnicity category, the totals do not agree with gender totals and are not representative of totals of individuals.

**5. HUD Section 8 Tenant-Based and Project-Based Rental Assistance Program**

In the fiscal year, THDA managed both Tenant-Based and Project-Based Section 8 programs through the Divisions of Rental Assistance and Contract Administration, respectively. The following two tables present various demographic information about the tenants assisted in the programs.

**Table 27. Section 8 Tenant Based Rental Assistance Program  
Selected Demographic Information FY 2007-2008**

<b>Total Participants for Fiscal Year</b>	7,002
<b>Household Income*</b>	
With any wages	36.30%
With any TANF	21.09%
With any SS/SSI	47.33%
With any Child Support	26.95%
With any Other Income	21.08%
<b>Section 8 Rental Assistance</b>	
<b>Annual Income*</b>	
\$0	1.30%
\$1 to \$5,000	17.10%
\$5,001 to \$10,000	38.00%
\$10,001 to \$15,000	20.00%
\$15,001 to \$20,000	12.30%
\$20,001 to \$25,000	6.00%
>\$25,000	5.30%
<b>Family Type**</b>	
Age 62+	11.18%
Age<62, with Disability	28.39%
Families with Dependents	64.45%
<b>Race/Ethnicity</b>	
Minority	58.03%
Non-Minority	41.97%
<b>Household Size</b>	
0 Bedroom	2.46%
1 Bedroom	10.35%
2 Bedrooms	37.38%
3 Bedrooms	43.70%
4 Bedrooms	5.71%
> 4 Bedrooms	0.41%

\* Household income includes the income for all household members.

\*\*The family type categories of age 62 and over and less than age 62 with a disability include only those families where the head of household or spouse is either age 62 or over or has a disability.

The following tables present Section 8 Project-Based tenant information which encompasses all households benefiting from this program throughout the fiscal year, including move-ins and move-outs. Note that the total may vary from the previous section which presented the location of units by county, whereas the following tables are based upon actual participants. Table 29 represents those units financed with THDA mortgages.

**Table 28. Non-THDA Financed Section 8 Project-Based Tenant Characteristics  
FY 2007-2008 by Grand Division**

	Grand Division			TOTAL
	East	Middle	West	
<b>Total Project-based Section 8 Participants</b>	9,965	9,186	9,405	28,556
<b>Income Category</b>				
< 30.1% of median	70.6%	72.9%	75.3%	72.9%
30.1% - 50% of median	24.0%	21.4%	19.4%	21.6%
50.1% - 80% of median	5.4%	5.7%	5.3%	5.5%
> 80% of median	0.0%	0.0%	0.0%	0.0%
<b>Elderly</b>	39.0%	41.5%	33.9%	38.2%
<b>Race</b>				
White	79.2%	60.5%	29.3%	56.3%
Black	20.1%	35.5%	70.2%	41.9%
Other	0.7%	4.0%	0.6%	1.8%
<b>Ethnicity</b>				
Hispanic	0.8%	1.2%	0.7%	0.9%
<b>Metro / Non-Metro Areas</b>				
Metro	72.9%	77.8%	80.6%	77.1%
Non-Metro	27.1%	22.2%	19.4%	22.9%

**Table 29. THDA Financed Section 8 Project-Based Tenant Characteristics  
FY 2007-2008 by Grand Division**

	<b>TOTAL</b>
<b>Total Project-based Section 8 Participants</b>	1,394
<b>Income Category</b>	
< 30.1% of median	93.90%
30.1% - 50% of median	5.67%
50.1% - 80% of median	0.43%
> 80% of median	0.00%
<b>Disabled</b>	
	30.77%
<b>Elderly</b>	
	20.37%
<b>Race</b>	
White	72.53%
Black	26.40%
Other	1.08%
<b>Ethnicity</b>	
Hispanic	1.15%

**6. THDA Homeownership Programs**

Demographics for the Homeownership programs are as follows: The largest number of Great Start loans was made to single male households, followed by single female and married with child households. The largest number of Great Advantage loans was made to single female households, followed by married with child and single male households. The largest number of Great Rate loans was made to single female households, followed by single male and married with child households. The majority of New Start loans were made to female with child households. Additional information is presented in Table 30.

**Table 30. THDA Mortgage Programs  
by Household Type  
FY 2007-2008**

<b>Household Size Type</b>	<b>Great Start</b>					<b>Great Advantage</b>					<b>Great Rate</b>					<b>New Start</b>				
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4+</b>	<b>All</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4+</b>	<b>All</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4+</b>	<b>All</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4+</b>	<b>All</b>
Married Couple	5	74	0	0	<b>79</b>	0	29		0	<b>29</b>	8	401	2	0	<b>411</b>	0	6	0	0	<b>6</b>
Single Male	123	29	9	4	<b>165</b>	47	8	4	2	<b>61</b>	748	108	16	10	<b>882</b>	6	0	0	0	<b>6</b>
Single Female	125	22	9	3	<b>159</b>	58	6	3	1	<b>68</b>	731	84	27	6	<b>848</b>	10	5	6	1	<b>22</b>
Other	1	0	0	0	<b>1</b>	0	1	0	0	<b>1</b>	3	2	1	2	<b>8</b>	0	0		0	<b>0</b>
Male w/ child	3	3	8	4	<b>18</b>	0	3	1	1	<b>5</b>	10	24	24	8	<b>66</b>	0	3	1	0	<b>4</b>
Female w/ child	0	46	32	15	<b>93</b>	2	11	10	3	<b>26</b>	8	131	73	26	<b>238</b>	0	19	14	17	<b>50</b>
Married w/ child	0	0	67	86	<b>153</b>	0		18	16	<b>34</b>	0	0	256	248	<b>504</b>	0	0	6	11	<b>17</b>
<b>All</b>	<b>257</b>	<b>174</b>	<b>125</b>	<b>112</b>	<b>668</b>	<b>107</b>	<b>58</b>	<b>36</b>	<b>23</b>	<b>224</b>	<b>1,508</b>	<b>750</b>	<b>399</b>	<b>300</b>	<b>2,957</b>	<b>16</b>	<b>33</b>	<b>27</b>	<b>29</b>	<b>105</b>

Income levels averaged \$41,923 for the Great Start program, \$41,591 for the Great Advantage program and \$40,675 for the Great Rate program. Both Great Rate and Great Start are slightly higher compared with last year. The highest average income in the Great Start, Great Rate and Great Advantage programs is married couple with child. The highest average income in the New Start program is female with child.

**Table 31. THDA Mortgage Programs  
Average Income by Household Type - FY 2007-2008**

Household Type	Great Start		Great Advantage		Great Rate		New Start	
	Total # Households	Average Income	Total # Households	Average Income	Total # Households	Average Income	Total # Households	Average Income
Married Couple	79	\$45,377	29	\$43,453	411	\$43,997	6	\$21,541
Single Male	165	\$38,575	61	\$40,179	882	\$38,886	6	\$10,820
Single Female	159	\$38,081	68	\$40,460	848	\$38,272	22	\$21,298
Other	1	\$45,180	1	\$40,613	8	\$39,826	0	\$0
Male w/ child	18	\$41,138	5	\$42,135	66	\$43,454	4	\$23,032
Female w/child	93	\$39,184	26	\$42,394	238	\$37,577	50	\$24,778
Married w/ child	153	\$49,480	34	\$44,133	504	\$46,250	17	\$22,838
<b>All</b>	<b>668</b>	<b>\$41,923</b>	<b>224</b>	<b>\$41,591</b>	<b>2,957</b>	<b>\$40,675</b>	<b>105</b>	<b>\$22,686</b>

The following two tables present mortgage program data by race/ethnicity and age. During the reporting period, 82.3% of all mortgages were made to non-minorities and 17.7% were made to minorities. Households age 29 and younger accounted for 56.9% of all mortgages.

**Table 32. THDA Mortgage Programs by Race/Ethnicity FY 2007-2008**

Race	# Served	% Served
White	3,253	82.3%
Black	635	16.1%
Asian/Pacific Islander	28	0.7%
Amer. Indian/Alaskan Native	5	0.1%
Native American	12	0.3%
Other	21	0.5%
<b>All</b>	<b>3,954</b>	<b>100.0%</b>
<b>Ethnicity</b>		
Hispanic	74	1.9%

**Table 33. THDA Mortgage Programs by Age FY 2007-2008**

Age Group	# Served	% Served
<25	1,054	26.7%
25-29	1,194	30.2%
30-34	589	14.9%
35-39	349	8.8%
40-44	221	5.6%
45 +	547	13.8%
<b>All</b>	<b>3,954</b>	<b>100.0%</b>

## 7. THDA Rural Repair Program

The THDA Rural Repair Grant program, a partnership with Rural Housing Services of the USDA, continued into this reporting period. Presented below is summary beneficiary data by grand division.

**Table 34. THDA Rural Repair Grant Program Selected Household Characteristics by Grand Division  
FY 2007-2008**

	<b>EAST</b>	<b>MIDDLE</b>	<b>WEST</b>	<b>TOTAL</b>	<b>%</b>
<b>INCOME</b>					
VERY LOW	93	48	56	197	100%
<b>TOTALS</b>	<b>93</b>	<b>48</b>	<b>56</b>	<b>197</b>	<b>100%</b>
<b>RACE</b>					
WHITE	76	23	44	143	73%
BLACK	14	17	12	43	22%
ASIAN	3	8	0	11	5%
<b>TOTALS</b>	<b>93</b>	<b>48</b>	<b>56</b>	<b>197</b>	<b>100%</b>
<b>ETHNICITY</b>					
HISPANIC	0	0	0	0	0%
<b>TOTALS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>HH SIZE</b>					
1	51	33	37	121	61%
2	33	13	16	62	31%
3	2	2	1	5	3%
4	3	0	2	5	3%
5	2	0	0	2	1%
6	2	0	0	2	1%
<b>TOTALS</b>	<b>93</b>	<b>48</b>	<b>56</b>	<b>197</b>	<b>100%</b>
<b>HH TYPE</b>					
SINGLE/NON-ELDERLY	1	1	0	2	1.0%
ELDERLY	75	40	53	168	85.3%
SINGLE PARENT	1	0	0	1	0.5%
TWO PARENT	1	0	0	1	0.5%
OTHER	1	0	0	1	0.5%
DISABLED	14	7	3	24	12.2%
<b>TOTALS</b>	<b>93</b>	<b>48</b>	<b>56</b>	<b>197</b>	<b>100%</b>



**8. Low Income Housing Tax Credit Program (LIHTC)**

Demographic information on actual tenants is not collected under this program. However, certain information is available from applications concerning size of units to be built/rehabilitated and percentage of units to be reserved for certain population groups. The following table is based on that information.

**Table 35. LIHTC Units Authorized, CY 2007  
Selected Information**

<b>Total Units</b>	<b>4,867</b>
<b>Household Size</b>	<b>Percent of Total</b>
0 Bedroom	0%
1 Bedroom	12%
2 Bedrooms	44%
3+ Bedrooms	44%
<b>Units Reserved for Income Groups</b>	
≤60% Area Median Income (AMI)	100%
<b>Units Reserved for Special Needs</b>	
Elderly	20%
Physically Disabled	10%

**9. Tax-Exempt Multi-Family Bond Authority**

No demographic information is compiled for this program.

## Summary

Information on the numbers of families and persons assisted is maintained in different forms. Information for CDBG, and ESG is in the form of persons. HOPWA provided information both on individual beneficiaries and on family beneficiaries. Information on the remaining programs was in the form of households. Table 36 reflects these separately.

**Table 36. 2007-2008 Recap of Families and Persons Assisted  
All Programs**

<b>PROGRAM</b>	<b>NON-MIN</b>	<b>MIN</b>	<b>HHS</b>	<b>PERSONS</b>	<b>FEMALE HH</b>
<b>PROGRAMS REQUIRED BY CONSOLIDATED PLAN</b>					
CDBG	218,813	26,399	-	245,212	44,624
HOME (1)	384	87	471	-	-
ADDI	42	7	49	-	-
ESG	25,100	7,641	-	32,741	-
HOPWA (2)	422	230	-	652	-
<i><b>Total</b></i>	<b>244,761</b>	<b>34,364</b>			-
<b>OTHER PROGRAMS</b>					
Section 8 RA	2,939	4,063	7,002	-	-
Section 8 CA	15,585	14,365	29,950	-	-
Homeownership	3,253	701	3,954	-	-
Rural Repair Program	143	54	197	-	-
LIHTC	n/a	n/a	4,867	-	-
Multifamily Bond Authority (3)	n/a	n/a	0	-	-
<i><b>Total</b></i>	<b>21,920</b>	<b>19,183</b>		-	-
<i><b>Grand Total</b></i>	<b>266,681</b>	<b>53,547</b>	<b>46,490</b>	<b>278,605</b>	<b>44,624</b>

(1) The HOME program reported 3 vacant units which are not included in this summary.

(2) HOPWA includes 290 beneficiary families and 362 individuals.

(3) To avoid double counting, 3,277 units are included with LIHTC.

Because the Non-minority and Minority columns may represent either households or persons, depending on the program, totals are not given.

## **E) ACTIONS TAKEN TO AFFIRMATIVELY FURTHER FAIR HOUSING**

The State of Tennessee carried out a variety of activities to affirmatively further fair housing as described below.

The *Tennessee Fair Housing Matters* conference, held in April, was the fifth year of the partnership involving Tennessee Housing Development Agency, Tennessee Department of Economic and Community Development, Tennessee Human Rights Commission, The City of Murfreesboro, Community Development Department, and two Metropolitan Nashville-Davidson County agencies: Metropolitan Development and Housing Agency (MDHA) and Metropolitan Human Relations Commission. Over 150 housing practitioners, advocates, and consumers from across the state gathered to hear presentations on a variety of issues and to participate in discussions of fair housing issues. Through the partnering process, the results of state and local agency activities to affirmatively further fair housing are amplified, and duplicative efforts are avoided.

The *Quad State Fair Housing & Equal Opportunity Conference* was established fifteen years ago with the purpose of bringing together civil rights practitioners and advocates related to housing equality, equal employment opportunity, diversity and inclusion and civil rights. A representative from Tennessee Housing Development Agency sat on the planning committee and made a presentation during the conference held in June, 2008.

The Department of Economic and Community Development continues to work with recipients of CDBG funds to update the Analysis of Impediments. At this time 57 counties have completed updates, and 17 are working toward completion. This process will continue.

The THDA Tennessee Homebuyer Education Initiative continued in this reporting period. West Tennessee Legal Services conducted the initial fair housing component of this effort and developed training materials for the trainers to use in their homebuyer education sessions. Homebuyer Education participants receive a manual that includes fair housing information. A Spanish language manual is also available.

The HOME program continues to distribute a guide to the Fair Housing Act to every grantee and every beneficiary of the program. In addition, HOME grantees were given fair housing information, written in Spanish, for beneficiaries. Both HOME and CDBG programs provide all grantees with the State list of minority and female contractors.

The Section 8 Rental Assistance Division works on a continuing basis with West Tennessee Legal Services to provide Fair Housing Training for staff and landlords.

THDA worked with the Office of the Governor to have April declared Fair Housing Month.

Through the Homeownership program, the State continued to target first time homebuyers, including minorities and women, in order to make homeownership available and to encourage non-concentration of minorities in certain census tracts. During the reporting period, 17.7% of loan recipients were minorities.

As a part of its ESG program, the State continues to give funding priority to those shelter grantees that make their facilities accessible to persons with physical disabilities. The program also required its grantees to do a self-study of Section 504 compliance to assure accessibility for persons with disabilities.

## **F) OTHER ACTIONS INDICATED IN THE STRATEGIC PLAN AND ACTION PLAN**

### **Section 8 Family Self Sufficiency Program**

Family Self Sufficiency (FSS) is a requirement of the HUD Section 8 Housing Choice Voucher Program which began in 1990 as an effort to enable Section 8 participants to become self sufficient or independent of welfare assistance. The program is administered by the Rental Assistance Division of THDA with additional federal funds to support FSS staff.

Participants sign a five-year contract in which they agree to find employment and identify goals which they must reach for achieving financial independence. Staff assists participants in identifying goals and provides referrals for resources in the community. Participants are eligible for the establishment of an escrow account which is based on increased income as a result of employment. The funds in the escrow account may be accessed by the participant once the contract is fulfilled or the family is paying all their rent.

There are currently 214 families participating in the program across the state. Already 138 families have completed the program. Of the 138 who completed the program, 128 received escrow funds. At least 30 families used the escrow fund toward the purchase of a home.

### **Section 8 to Homeownership Program**

The THDA Section 8 to Homeownership Program offers a mortgage subsidy to low-income families who are not able to afford to purchase a home through traditional financing. In the Housing Choice Voucher program, families typically pay 30% of their monthly-adjusted income (or the family's Total Tenant Payment) toward homeownership expenses, and THDA pays the difference between the family's Total Tenant Payment and the actual monthly mortgage payment. The mortgage assistance payment must be paid directly to the lender or loan servicing company, and not to the family. At the end of the reporting period, June 30, 2008, 51 home closings had occurred using this program.

### **Lead-Based Paint**

Title X of the Federal Lead-Based Paint regulation became effective on September 15, 2000, and, on September 26, 2000, the Tennessee Department of Environment and Conservation (TDEC) developed a certification program and compiled a registry of certified lead inspectors, testing laboratories, contractors and training facilitators. In April 2001, HUD and EPA issued a joint memorandum to clarify Title X requirements for rehabilitation of housing to clarify the definition of abatement under regulations issued by EPA and HUD and to assert that HUD and EPA regulations are complementary. On May 2, 2001, THDA and TDEC issued a joint memorandum that allows for the use of HUD regulations in rehabilitation projects. TDEC certified lead-based paint professionals must be used. These joint efforts have enabled rehabilitation efforts to resume.

THDA distributes to all grantees the Lead Chapter of the HOME operations manual, providing further guidance for compliance with HUD regulations.

## **Part II**

### **Assessment of Annual Performance**

The Consolidated Plan established two priorities:

1. Housing Priority: Low-and Moderate-Income Households

Tennessee will encourage that funding priority be given for housing that serves low- and moderate-income households. These are households whose income is 80 percent or less of the median family income for the particular area.

2. Community Development Priority: Serious and Resolvable Community Development Problems

Tennessee will encourage that funding priority be given to programs and projects that address serious and resolvable community development problems.

To address these priorities, the Consolidated Plan established four foundational goals and eleven policy initiatives, all of which are broad in scope and not easily measured. For purposes of discussion and assessment of annual performance, the focus will be on the four foundational goals. The foundation goals and policy initiatives are as follows:

#### **Foundation Goals:**

- 1) Provide Decent Housing
- 2) Provide a Suitable Living Environment
- 3) Provide Expanded Economic Opportunities
- 4) Improve the Effectiveness of Programs

#### **Policy Initiatives:**

- 1) Increase the availability of affordable housing and preserve the affordable housing stock.
- 2) Help homeless persons and persons at risk of becoming homeless to obtain appropriate housing.
- 3) Increase the supply of supportive housing for persons with special needs.
- 4) Revitalize deteriorating or deteriorated neighborhoods and improve the safety and livability of neighborhoods and communities.
- 5) Reduce the isolation of persons by income or race within a community or area and increase the fair access to quality public and private facilities and services.
- 6) Restore and preserve properties of an historic, aesthetic, or architectural value and conserve energy resources.
- 7) Make mortgage financing available to low and moderate income persons at reasonable rates using nondiscriminatory lending practices.

- 8) Increase the access to capital and credit for community, economic, small business, and entrepreneurial development.
- 9) Increase the accessibility of jobs in relation to housing that is affordable to low-income persons.
- 10) Increase job training, skill development, education, empowerment, and self-sufficiency opportunities for low-income persons to reduce generational poverty.
- 11) Strengthen and extend the effectiveness of programs and public/private partnerships.

### **Assessment of Annual Performance**

#### **1. Provide Decent Housing**

The State of Tennessee showed significant performance in this area. The State increased the availability of affordable housing by making below market-rate mortgage loans to 3,954 low- to moderate-income first-time homebuyers. This was accomplished through the THDA homeownership programs. The ADDI program assisted 49 first-time homebuyers.

An increase in the availability of affordable rental housing was accomplished through the rehabilitation or new construction of rental housing utilizing the HOME and LIHTC funded programs. Grant awards and tax credit allocations were made in these programs that are expected to create 4,874 new or improved rental units, which include those units created through the Multi-Family Bond Authority program. No data was available on the number of new units actually completed during the reporting period. The HOME Special Needs set aside funded 29 units of housing.

The State preserved the affordable housing stock by utilizing the CDBG and HOME programs for owner-occupied rehabilitation projects. Information was available for HOME on the number of units funded, of which there were 273. Through the CDBG housing rehabilitation program, 215 low and moderate income home owners now live in safe, decent housing. Through the THDA Rural Repair Program 197 households received housing rehabilitation assistance.

This foundational goal also encompasses assisting homeless persons and persons at risk of becoming homeless. Through the State-administered ESG and HOPWA programs, 33,103 persons and 290 families were assisted. This number includes all persons reported as being served under the ESG program and those persons receiving assistance under HOPWA.

## 2. Provide a Suitable Living Environment

The HOME program provides funds for single family construction and rehabilitation which, when coupled with local neighborhood community programs, contribute to sustaining and building quality neighborhoods and communities. The American Dream Downpayment Initiative (ADDI), Home Buyer Education, Rental Assistance Section 8 to Homeownership, and Family Self Sufficiency (FSS) all help families and individuals invest in their personal futures and their communities.

The majority of CDBG program funding goes to public facility projects which improve or expand water, wastewater, and drainage and flood control systems, all of which contribute to the sustainability of a suitable living environment.

## 3. Provide Expanded Economic Opportunities

Under this foundational goal in the Consolidated Plan, it was mentioned that mortgages should be offered at below market rates in every area of the State. THDA's homeownership programs continue to do this, and the ADDI program also addresses this goal.

Through ECD, the economic development component of the CDBG program resulted in new jobs for 6,116 who were determined to be low and moderate income persons prior to hiring.

Relative to increased accessibility to jobs, job training, etc., the THDA Rental Assistance Division continues to administer the Family Self Sufficiency Program.

Having a safe, affordable, decent place to call home is the foundation of economic well being for a family and is essential for community sustainability.

## 4. Improve the Effectiveness of Programs

This year the representatives of the Consolidated Plan programs continued discussions and meetings in which the common visions and goals are established. The effectiveness of the programs should continue to improve.

This fiscal year represents a continuation of the 2005-2010 Consolidated Plan and we continue to work towards achieving implementation of performance measure systems.

## **Future Actions**

The State of Tennessee will continue its efforts to implement the Consolidated Plan. We will continue working on implementing our current five-year plan; continue to work with public housing authorities as they adopt their long-term plans, and work to improve reporting in uniform ways. We will continue to work toward a truly consolidated program by exploring ways to make it easier for eligible entities to access federal and state funds to meet the housing needs of low- and moderate-income citizens throughout Tennessee. We will continue to report on the amount of dollars awarded, and activities funded in the CDBG, HOME, ESG and HOPWA programs. We also report on the ways in which the programs provide decent housing, a suitable living environment, and expanded economic opportunity. The state does not carry out these programs nor provide direct services, rather we make funds available to local governments as well as non-profit agencies who deliver services to local communities and individuals in need. We will continue our efforts toward utilization of performance measurement systems.

As we complete the report, officials of THDA and ECD have met to begin discussions of the implementation of the Neighborhood Stabilization Program (NSP) authorized by the Housing & Economic Recovery Act of 2008.



## **A) EVALUATION OF THE JURISDICTION'S PROGRESS IN MEETING ITS SPECIFIC OBJECTIVE OF PROVIDING AFFORDABLE HOUSING**

### **Affordable Housing**

The State of Tennessee made considerable progress in providing affordable housing during this reporting period. Several policy initiatives stated in the Consolidated Plan were addressed through the housing activities discussed in this document. A brief evaluation of each program and the particular objective addressed appears below. A full evaluation of the State's progress in providing affordable housing is in Exhibit E, the CHAS Annual Performance Report.

#### **1. Community Development Block Grant (CDBG) Small Cities Program**

Information provided in the PER showed the CDBG program assisting 215 low- and moderate-income homeowners with housing rehabilitation. This activity specifically addressed Policy Initiatives 1 and 4.

#### **2. HOME Investments Partnership (HOME)**

The HOME program addressed affordable housing units through homeowner rehabilitation, rental rehabilitation, homeownership, and new construction, assisting 353 low-income households. The percentage of benefit to low-and moderate-income households is 100%. This activity specifically addressed Policy Initiatives 1, 3, and 4.

#### **3. Housing Opportunities for Persons with AIDS (HOPWA)**

The HOPWA program provided housing assistance to 362 individuals plus 290 families. This activity specifically addressed Policy Initiatives 2 and 3.

#### **4. Emergency Shelter Grants (ESG)**

The ESG program contributed to the addition of 1 shelter bed. This activity is specifically addressed in the Policy Initiatives 2, 3, and 5.

#### **5. HUD Section 8 Tenant-Based and Project-Based Rental Assistance Program**

At the end of the reporting period, the Section 8 Tenant Based program provided rental assistance to 7,002 households and the Section 8 Project-Based program provided 29,059 rental units. In addition, the Family Self-Sufficiency Program continued. These activities specifically addressed Policy Initiatives 1, 2, 3, 9, and 10.

#### **6. THDA Homeownership Programs**

THDA Homeownership program assisted 3,954 low- and moderate-income households in the purchase of their first home. The ADDI program assisted 49 first-time low- and moderate-income homebuyers. These activities specifically addressed Policy Initiatives 1 and 7.

#### **7. THDA Rural Repair**

The Rural Repair program provided a total of 197 units of affordable housing; of these, 27% will assist minority households. These activities specifically addressed Policy Initiatives 1 and 4.

**8. Low Income Housing Tax Credit Program (LIHTC)**

During calendar year 2007, LIHTCs were allocated in 13 counties to be used to develop 4,867 units of affordable housing. This activity specifically addressed Policy Initiatives 1, 4, 9, and 11.

**9. Multi-Family Bond Authority Program**

In CY 2007, the Multi-Family Bond Authority program allocation to local issuers will be used for the development of 3,277 units of multi-family rental housing, with units also receiving LIHTC allocations. This activity specifically addressed Policy Initiatives 1, 4, 9, and 11.

**Summary - All Programs**

The numbers, demographics, and types of families assisted can be seen in various tables contained in Section D. Families and Persons Assisted Including Racial and Ethnic Status.

## **B) ADDITIONAL INFORMATION**

### **1. Community Development Block Grant (CDBG) Small Cities Program**

Table 2 shows that under the CDBG program, the majority of funds, or 79.82%, were awarded for public facility activities. Installation and/or rehabilitation of water sewer systems were the primary use of funds in the public facilities category. Other activities included economic development, residential rehabilitation, acquisition/demolition, and relocation. These activities specifically addressed Policy Initiatives 1, 4, 5, 8, and 9.

### **2. HOME Investments Partnership (HOME)**

The HOME program awarded 42 grants assisting 353 housing units for low-income households. Results from on-site inspections and an assessment of jurisdiction's affirmative marketing actions and outreach to minority-owned and women-owned businesses are explained in Exhibit B. Owner and tenant characteristics are provided in Tables 20 through 24.

### **Public Comments**

The State of Tennessee published a notice in seven newspapers in the State inviting public comments on the Summary Annual Performance Report. The notice was published on September 8, 2008, allowing a 15-day comment period and instructing interested citizens on locations where they could review the Annual Performance Report as well as make comments. The notice appeared in the following publications:

Memphis Commercial Appeal  
Jackson Sun  
Nashville Tennessean  
Clarksville Leaf-Chronicle  
Chattanooga Free Press  
Knoxville News-Sentinel  
Johnson City Press

Copies of the Summary Annual Performance Report were distributed to the nine Development District offices throughout the State and posted to the THDA website. At the end of the public comment period, September 24, 2008, no public comments were received.

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