

Amendment to the 2010-2015 Consolidated Plan and 2010-2011 Annual Action Plan to allow for Disaster Recovery Assistance in Distressed Areas Related to the Consequences of Flooding

In light of the May 2010 flooding and subsequent declaration of this incident as a Federally declared major disaster area, Metropolitan Nashville-Davidson County proposes to amend the 2010-2015 HUD approved Consolidated Plan and 2010-2011 Annual Action Plan to address disaster recovery activities. Metro has identified critical needs within our neighborhoods, specifically for low-moderate income households earning 80% or less of the Area Median Income (AMI).

Metropolitan Nashville-Davidson County receives Community Development Block Grant (CDBG) and Housing Investment Partnership (HOME) funds that are allocated on an annual basis from the U.S. Department of Housing and Urban Development. The purpose of the funds is to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low and moderate-income persons.

Both programs give Metropolitan Nashville-Davidson County the flexibility to reprogram previously awarded grants and redirect their focus toward disaster recovery activities to address critical needs and conditions posing serious and immediate threats to the public. Both of the federal programs can be utilized to expedite the repair and replacement of damaged housing and assist with the demolition and clearance of unsafe structures.

The proposed amendments alter the funding amounts of projects previously published and approved in support of activities to address disaster recovery efforts. Activities include infrastructure improvements, demolition and clearance, down payment assistance, interim assistance, emergency grant payments, housing repairs, rental rehabilitation and other eligible activities to assist with disaster recovery as required.

Under this amendment, Metro Nashville-Davidson County will utilize a total of \$2,963,336 in reprogrammed CDBG funds and \$ 2,937,600 in HOME Investment Partnership funds towards activities designed to assist in the rebuilding and recovery of our community.

ANTICIPATED ACCOMPLISHMENTS

Accomplishments resulting from this amended Action Plan will include the provision of safe, decent and affordable housing and neighborhood preservation and stability. Primary beneficiaries that will benefit from the programs outlined above will be low to moderate income (LMI) individuals and households. Priority will be placed on those earning less than 50 percent of the AMI for Nashville-Davidson County.

NATIONAL OBJECTIVE

Under the Action Plan, all eligible activities must meet one of the three national objectives set out in the Housing and Community Development Act (address slum and blight, urgent need, primarily benefit LMI persons). The primary objective of Title I of the Housing and Community Development Act and of the funding program of each grantee is the “development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.” The National Objective met with this spending will be slum/blight on spot basis, as well as benefits accruing to low- to moderate- income persons making less than 80% of Area Median Income.

Interested citizens and organizations should address comments about the proposed changes in writing by 4:00 P.M. on July 2, 2010 to Consolidated Plan, Development Department, P.O. Box 846, Nashville, TN 37202. Comments may also be sent by the deadline via electronic mail to conplan@nashville-mdha.org . Copies of the proposed amendments are also available at the MDHA offices located at 701 South Sixth Avenue, Nashville, TN.

A public hearing will be conducted on the proposed amendments at the Federal Grants Committee Meeting at the Metropolitan Courthouse scheduled for June 14, 2010 at 5:30 P.M. All public comments will be considered before these changes to the 2010-2015 Consolidated Plan and 2010-2011 Annual Action Plan and budget are implemented, subject to City Council and HUD approval.

Hearing and speech impaired persons may call TDD at 615-252-8555.

2010-2011 Community Development Block Grant & HOME Investment Partnerships Fund Statement

CDBG REVENUES AVAILABLE 2010-2011	ACTUAL APPROVED BUDGET	2010-2011 REVISED BUDGET TO INCLUDE DISASTER RECOVERY
CDBG AWARD	\$ 5,393,336	
CDBG PROGRAM INCOME	\$ 471,917	
TOTAL REVENUE	<u>\$ 5,865,253</u>	
DESCRIPTION OF ACTIVITIES	BUDGETED	OBLIGATED
Neighborhood Improvement Program	\$ 1,350,000	\$ -0-
Community Economic Development Program	\$ 440,000	\$ 100,000
Community Services	\$ 815,000	\$ 500,000
Homeowner Emergency Rehabilitation	\$ 1,258,336	\$ 300,000
Section 108 Loan Repayment	\$ 445,000	\$ 445,000
General Program Administration	\$ 600,000	\$ 600,000
Planning	\$ 375,000	\$ 375,000
Non-Profit Planning & Capacity Building	\$ 110,000	\$ 110,000
Disaster Recovery Activities		\$2,963,336
Total Funding	\$ 5,393,336	\$ 5,393,336
Estimated Program Income*	471,917	\$ 225,000
HOME INVESTMENT PARTNERSHIPS FUND REVENUES AVAILABLE	ACTUAL APPROVED 2010-2011 BUDGET	2010-2011 REVISED BUDGET TO INCLUDE DISASTER RECOVERY
HOME AWARD	\$ 3,263,718	
HOME PROGRAM INCOME	\$ 277,416	
TOTAL REVENUE	<u>\$ 3,541,134</u>	\$ 3,263,716
DESCRIPTION OF ACTIVITY	BUDGETED	OBLIGATED
Downpayment Assistance	\$ 510,000	\$ -0-
Homeowner Rehabilitation	\$ 550,800	\$ -0-
Rental Rehabilitation	\$ 306,000	\$ -0-
Affordable Housing Program Community Housing Development Organization Set-Aside (CHDO)	\$ 1,407,600 - (\$489,000)	\$ -0-
CHDO Operating Support	\$ 163,200	\$ -0-
Administration	\$ 326,116	\$ 326,116
Disaster Recovery Activities		\$ 2,937,600
Total Funding	\$ 3,263,716	\$ 3,263,716
Estimated Program Income*	\$ 277,416	\$ 200,000

*Program Income is gross income earned from grant supported activities and is an estimate of expected earnings only. Projected Program Income is reduced due to change in program design.

A complete description of activities may be requested by contacting MDHA at (615) 252-8503.