

METROPOLITAN NASHVILLE-DAVIDSON COUNTY, TENNESSEE

SUBSTANTIAL AMENDMENT 1

TO THE

2020-2021 ANNUAL UPDATE

TO THE

2018-2023 CONSOLIDATED PLAN

(2020 ACTION PLAN – PROGRAM YEAR 3)

TO INCORPORATE FUNDING

Through the

DECLARED DISASTER RECOVERY FUND

VIA

DISASTER DECLARATIONS (DR-4476-TN and DR-4550-TN)

Issued by the

Federal Emergency Management Agency

on

March 5, 2020, and July 9, 2020.

Prepared by:

Metropolitan Development and Housing Agency

701 South Sixth Street

Nashville, Tennessee 37206



On Behalf of:

The Metropolitan Government of
Nashville and Davidson County

October 19, 2020



Substantial Amendment 1
To the
2020-2021 Annual Update
To the
2018-2023 Consolidated Plan
(2020 Action Plan – Program Year 3)

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Action Plan	AP1
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Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The Mayor and the Metropolitan Development and Housing Agency (MDHA) received notification on September 22, 2020 that the United States Department of Housing and Urban Development (HUD) had allocated \$3,240,899 to Nashville-Davidson County to address emergency community development needs resulting from tornados, wind damage and the flooding that impacted multiple communities in Nashville-Davidson County in March and May 2020. Two major disaster declarations (DR-4476-TN and DR-4550-TN) pursuant to the Stafford Act were initially issued for this event by the Federal Emergency Management Agency on March 5, 2020, and July 9, 2020.

Funding for this award was made available through the Declared Disaster Recovery Fund (DDRF), authorized under section 106(c)(4) of the Housing and Community Development Act of 1974, which enables the Secretary to use recaptured Community Development Block Grant (CDBG) funds for the purpose of furthering recovery efforts in the wake of presidentially-declared major disasters. Such funds may only be made available to metropolitan cities and urban counties in areas affected by such disasters to meet emergency community development needs not met with other sources of assistance.

The Metropolitan Development and Housing Agency (MDHA) is designated as the lead agency for the development and administration of the Consolidated Plan and its' related programs, including funds provided via the DDRF. Within MDHA, these functions are undertaken by the Community Development Department.

To expedite access to these funds, HUD directed MDHA to immediately amend our 2020 Action Plan to allocate the funds to activities to tie back to the Disaster and provide a description of the activities being funded. This substantial amendment 1 to the 2020-2021, Program Year (PY) 3, Action Plan (AP) incorporates the DDRF funds being received, describes the projects/activities for use of the funds, methods to distribute the funds, and serves as Metro Nashville's application to access the funds.

The DDRF funds are being allocated to housing rehabilitation and ancillary activities including reconstruction activities for properties determined not-feasible for rehabilitation, acquisition/rehab to preserve affordable housing, relocation, as applicable and delivery costs along with project management. All activities will benefit households whose homes were damaged from the storms (a minimum of 51% which will be LMI) that

hit Metro Nashville-Davidson County identified in Presidential disaster declarations (DR-4476-TN and DR-4550-TN).

2. Summary of the objectives and outcomes identified in the Plan

Goals identified in the 2018 – 2023 Consolidated Plan are:

1. New Affordable Housing Opportunities
2. Affordable Housing Preservation
3. Support for Homeless and Persons with HIV/AIDS.
4. Self-sufficiency opportunities
5. Neighborhood Revitalization
6. Administration and Planning

The detailed projects and activities funded via the CDBG-DDRF are shown in the AP 20, AP 35, and AP 38 sections of this substantial amendment and tie back to disaster declarations (DR-4476-TN and DR-4550-TN) and will have outcomes related to goal 2, Affordable Housing Preservation and goal 6, Administration and Planning.

Specific objectives as they relate to the disaster and each goal are discussed in Section AP 20 of this substantial amendment.

3. Summary of citizen participation process and consultation process

Given the need to expedite the completion of the action plan amendment to respond to the disaster, HUD granted the city a waiver of the 30-day public comment requirement of 24 CFR 91.105(c)(2) and (k), to reduce the public comment period to five days.

To ensure the use of DDRF funds best align with the needs of the community, considering resources made available from other sources, MDHA consulted with representatives of the Mayor's Office, the Long Term Recovery Group (LTRG), made up of community organizations that formed to coordinate assistance to the March 2020 tornado victims and nonprofit housing development organizations working in affected neighborhoods assisting in the recovery efforts. Additionally, MDHA staff have been actively participating in meetings of the LTRG since it was formed.

Additionally, comments on the draft substantial amendment 1 to the 2020 Action Plan were obtained during the public comment period (October 9 through October 16, 2020) and at the virtual public hearing that was held on October 15, 2020. Details about the

public hearing are provided in the Public Notice provided in Appendix B of this substantial amendment.

Information on how persons with disabilities or sensory impairments or those in need of translation services can request accommodation is provided in all Public Notices, in emails advertising community meetings/public input sessions, and posted on the Consolidated Plan webpage in Spanish, Chinese, Vietnamese, Arabic, and Somali. MDHA will make every effort to accommodate reasonable requests.

Following the conclusion of the Public Comment Period, substantial amendment 1 to the 2020 Action Plan incorporating the DDRF funding will be presented to the MDHA Board of Commissioners and Metropolitan Council for approval, prior to submittal to HUD.

4. Summary of public comments

A summary of comments received from stakeholders during the consultation process is provided in Appendix A.

A summary of public comments on draft substantial amendment 1 to the 2020 Action Plan received at the virtual public hearing held on October 15, 2020 is provided in Appendix C.

5. Summary of comments or views not accepted and the reasons for not accepting them

A summary of public comments or views received during the public hearing that were not accepted and the reasons for not accepting them is included in summary of public comments (Appendix C).

6. Summary

While Nashville slept on the night of March 3rd, a category EF-3 tornado touched down in Bells' Bend and cut through Tune Airport, North Nashville, Germantown, East Nashville, Donelson and Hermitage, resulting in two deaths, 2,242 destroyed or damaged structures, including 3 metro schools. Additional damage occurred as a result of May 2020 storms.

MDHA was in the process of finalizing the 2020-2021 annual action plan when the March tornados hit. Realizing the additional need for housing rehabilitation resulting from the storms, MDHA included language in the plan to allow priority for rehabilitation activities to be provided to homeowners whose properties were damages by the storms and allow

funds to be used for reconstruction of properties determined non-feasible for rehabilitation. Additionally, when the substantial amendment to the 2019 action plan to incorporate CARES Act funds was prepared, this same language was included in it. As the May 2020 storms also caused additional damage, the additional DDRF funds are a welcome, much needed resource to support the recovery efforts.

PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

MDHA is responsible for preparing the Consolidated Plan and amendments thereto and the administration of each grant program and funding source, including the funding provided via the CARES Act.

Agency Role	Name	Department/Agency
CDBG-DDRF Administrator	NASHVILLE-DAVIDSON	MDHA Community Development Department

Table 1 – Responsible Agencies

Narrative

By Resolution R94-1326, the Metropolitan Council designated MDHA as the lead agency responsible for the development and administration of the Consolidated Plan and its related grant programs. These functions are undertaken by MDHA’s Community Development Department.

Consolidated Plan Public Contact Information

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 712 South 6th Street
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 (Phone) 615-252-8507
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 Nashville, Tennessee 37206

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(Email) tjilligan@nashville-mdha.org

For comments and general inquiries:

consolidatedplan@nashville-mdha.org

PR-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

See number 1. In the ES-05, Executive Summary section of this substantial amendment 1 to the 2020-2021 AP.

PR-15 Citizen Participation

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

Given the need to expedite the completion of the action plan amendment to respond to the disaster, HUD granted the city a waiver of the 30-day public comment requirement of 24 CFR 91.105(c)(2) and (k), to reduce the public comment period to five days.

To ensure the use of DDRF funds best align with the needs of the community, considering resources made available from other sources, MDHA consulted with representatives of the Mayor's Office, the Long Term Recovery Group (LTRG), made up of community organizations that formed to coordinate assistance to the March 2020 tornado victims and nonprofit housing development organizations working in affected neighborhoods assisting in the recovery efforts. Additionally, MDHA staff have been actively participating in meetings of the LTRG since it was formed.

Additionally, comments on the draft substantial amendment 1 to the 2020-2021 Action Plan were obtained during the public comment period (October 9 through October 16, 2020) and at the virtual public hearing that was held on October 15, 2020. Details about the public hearing are provided in the Public Notice provided in Appendix B of this substantial amendment.

The Public Notice was advertised in *The Tennessean*, *The Tribune*, and *El Crucero* (a Spanish newspaper). In addition, the Notice was posted at MDHA's website (www.nashville-mdha.org). A copy of the notice is provided in Appendix B. The Notice was widely distributed via email to over 800 partners, government officials, nonprofit organizations, businesses, neighborhood groups, and citizens, whose email addresses have been provided to MDHA, and was sent to the Mayor's Office, and Members of

the Metro Council. The public comment period, public hearing and reminders were publicized via MDHA's social media outlets.

Comments on the draft substantial amendment to the 2020-2021 Action Plan obtained during the public comment period are provided in Appendix C.

Reasonable Accommodation

Information on how persons with disabilities or sensory impairments or in need of translation services could request accommodation was provided in the Public Notice and posted on the Consolidated Plan webpage in Spanish, Chinese, Vietnamese, Arabic, and Somali. MDHA will make every effort to accommodate reasonable requests.

The results of these outreach efforts are summarized in the following Table.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad (The Tennessean)	Non-targeted/broad Community	N/A	N/A	N/A	
2	Newspaper Ad (The Tribune)	Minorities	N/A	N/A	N/A	
3	Newspaper Ad (El Crucero)	Non-English Speaking (Spanish)	N/A	N/A	N/A	
4	Internet Outreach (MDHA Website)	Non-targeted/broad Community	N/A	N/A	N/A	www.nashville-mdha.org
5	Internet Outreach (Social Media)	Non-targeted/broad Community	N/A	N/A	N/A	
9	Virtual Public Hearing October 15, 2020	Non-targeted/broad community	See Appendix C	See Appendix C	See Appendix C	

Table 4 – Citizen Participation Outreach

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

HUD notified MDHA on September 22, 2020 that Metro-Nashville Davidson County would be receiving \$3,240,899 to address emergency community development needs resulting from tornados, wind damage and the flooding that impacted multiple communities in Nashville-Davidson County in March and May 2020. Two major disaster declarations (DR-4476-TN and DR-4550-TN) pursuant to the Stafford Act were initially issued for this event by the Federal Emergency Management Agency on March 5, 2020, and July 9, 2020. Funding for this award was made available through the Declared Disaster Recovery Fund (DDRF), authorized under section 106(c)(4) of the Housing and Community Development Act of 1974. CDBG Program Income (PI) is estimated at 0 in this substantial amendment because any PI received as a result of the activities described in this plan will likely be in future years.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 3				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG-DDRF	public - federal	Admin and Planning Economic Development Housing Public Improvements Public Services	\$3,240,899	0	0	\$3,240,899	0	Amount based on 9-22-2020 CDBG-DDRF allocation.

Table 56 - Expected Resources – Priority Table

Annual Goals and Objectives

AP-20 ANNUAL GOALS AND OBJECTIVES

GOALS SUMMARY INFORMATION

	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
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2	Affordable Housing Preservation – Disaster Recovery in response March and May 2020 Storms	2020	2023	Affordable Housing	Countywide	Retain/Preserve Affordable Housing Stock damaged as a result of the March and May 2020 Storms	CDBG-DDRF: \$3,078,854	50 Households assisted – 51% LMI
	6 Administration and Planning			Affordable Housing		Provide Oversight and Management of Grants	CDBG-DDRF: \$162,045	N/A

	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator

Table 57 – Goals Summary

Projects

AP-35 Projects – 91.220(d)

Introduction

The following are proposed projects to be undertaken with CDBG-DDRF

Projects

#	Project Name
27	CDBG-DDRF - Administration & Planning
28	CDBG-DDRF – Housing Rehabilitation & Ancillary Services associated with Disaster Recovery from the March and May 2020 Storms

Table 58 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Funding priorities for CDBG-DDRF were established after community input based on the unmet needs related to Disaster Recovery currently identified by community partners.

AP-38 Project Summary

Project Summary Information

27	Project Name	CDBG-DDRF - Administration & Planning
	Target Area	Countywide
	Goals Supported	Administration and Planning
	Needs Addressed	Provided Oversight and Management of Grants
	Funding	CDBG-DDRF: \$162,045
	Description	Funding to be used for oversight and administration of CDBG-DDRF programs, including monitoring, reporting, program evaluation, fair housing activities, and the development of the Consolidated Plan and annual updates and amendments. Planning includes studies, analysis, data gathering, and preparation of plans to help response to Disaster Recovery related to the March and May 2020 Storms.
	Target Date	11/30/2023
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Countywide
Planned Activities	Funds to be used by MDHA as the lead agency for the development and administration of the Consolidated Plan programs specific to CDBG-DDRF. Administrative activities include grant management, monitoring, budgeting, and planning and executing CDBG-DDRF eligible activities. MDHA may choose to partner with another entity to undertake eligible planning activities.	
28	Project Name	CDBG-DDRF Housing Rehabilitation and Ancillary Activities Related to Disaster Recovery from the March and May 2020 Storms
	Target Area	Countywide
	Goals Supported	Affordable Housing Preservation/Retention

Needs Addressed	Retain/Preserve Affordable Housing Stock damaged as a result of the March and May 2020 Storms
Funding	\$3,078,854
Description	Assistance to rehabilitate owner and renter occupied properties damaged as a result of the March and May 2020 Storms
Target Date	November 2020 – 9/30/2023
Estimate the number and type of families that will benefit from the proposed activities	50 properties – 51% LMI and Urgent Need
Planned Activities	<p>Financial Assistance in the form of grants and/or loans for repairs of owner and rental properties damaged as a result the March and May 2020 Storms and ancillary activities as follows: reconstruction (within the same footprint) for properties determined not-feasible for rehabilitation; acquisition and rehab to preserve affordable housing; relocation, as applicable; and project delivery costs.</p> <p>This project may be administered directly by MDHA and/or via contracted partner(s).</p>
	<p>Funding for all activities, except Administration, will be awarded via the following potential actions: a competitive Request for Applications process; a direct open application process, direct contracting to eligible nonprofit subrecipients, and other methods allowed under the OMB 2 CFR 200 regulations.</p>

AP-50 Geographic Distribution – 91.220(f)

All CDBG-DDRF activities will provided throughout Metro Nashville-Davidson County.

Appendix A

Summary of Consultation Process and Feedback

On use of CDBG 2020 DDRF FUNDING

9-28-2020 – MDHA CD staff have conference call with Hannah Davis, Mayor’s Office of Affordable Housing (also working with The Long Term Recovery Group and Kathy-Floyd Buggs, Mayor’s Office of Neighborhoods, pertaining to the needs remaining from storm damage and potential uses of DDRF funds. The general consensus from these representatives was that there was likely sufficient funding from foundations, Federal Emergency Management Agency, Tennessee Housing Development Agency (THDA) and Federal Home Loan Bank (FHLB) to repair owner occupied properties but few funding sources (other than small business loans which weren’t appealing to smaller landlords) to assist with repairing rental properties. They felt are afraid a lot of the affordable, smaller rental properties with storm damage are in danger of being acquired by investors that would not retain them as affordable housing. They referenced conversations with local nonprofits that expressed interest in attempting to acquire these damaged rental properties and repair them to retain this affordable housing stock. MDHA CD staff stated that the DDRF funds could be used in this manner. It was decided to set up a Webex with local nonprofits to discuss any outreach efforts to date on acquiring properties, the feasibility of using the DDRF funds in this manner and next steps.

9-28-2020 – MDHA CD staff participate in a conference call with Keith Branson and Terry Rappuhn, of Westminster Home Connection, who heads up the coordination of the Long Term Recovery Group (LTRG), to talk about the need to use DDRF funds for Homeowner Rehab to cover the gaps not funded by other sources. They clarified that the funding sources available from the aforementioned resources was not available, exclusively to assist Davidson County residents but would be split between other counties and that they did feel that gap funding would be needed from MDHA’s regular homeowner rehab funds or DDRF funds depending on the demand, which is yet to be known. They did agree that there was a need to provide assistance to acquire and rehab rental properties as this type of assistance was not being covered by other resources.

10-2-2020 – Webex with the following attendees:

- Rusty Lawrence – representing Urban Housing Solutions
- Mark Wright – representing Be A Helping Hand Foundation
- Carlina Rollins – representing 15th Avenue Baptist Community Development Corporation
- Angela Belcher – The Housing Fund
- Hannah Davis–The Mayor’s Office of Affordable Housing
- Kathy Floyd-Buggs, The Mayor’s Office of Neighborhoods
- Emel Alexander – MDHA
- Angela Harrell – MDHA

During the call, the group discussed whether acquisition would be the best use of the funds. Developers have identified a few properties but have not approached any owners due to the lack of funds. A suggestion was made to put all of the money into acquisition and reevaluate the need in 6 months. The group also expressed the desire to have an open application versus an RFA. The open application will give them greater flexibility to apply for the funds as properties are found oppose to having to get an application together by a certain date and a project hasn't been identified.

MDHA – response

After consultation with HUD, it was determined that all the funds could be put in the Rehabilitation pot which would include the ancillary activity of property acquisition for rehab and these funds would be put out via an open application process to allow the demand to be determined. Allocating the funds in this manner will allow greater flexibility in the use of the funds and eliminate the need to amend the plan if all the funds are not needed for acquisition.

Appendix B

Public Notice

PUBLIC NOTICE

REQUEST FOR PUBLIC COMMENT AND NOTICE OF VIRTUAL PUBLIC HEARING

The Metropolitan Development and Housing Agency (MDHA) is making substantial amendment 1 to the 2020-2021 Action Plan, Program Year 3 to the 2018-2023 Housing and Community Development Consolidated Plan (Consolidated Plan) to allocate \$3,240,899 to address emergency community development needs resulting from tornados, wind damage and the flooding that impacted multiple communities in Nashville-Davidson County in March and May 2020 (two major disaster declarations DR-4476-TN and DR-4550-TN). This notice is in accordance with 24 CFR 91.05(c)(2) and subpart B of the federal regulations relative to citizen participation for Community Planning and Development Programs and the waiver granted by the U.S. Department of Housing and Urban Development (HUD) of the 30-day public comment allowing it to be reduced to five days given the need to expedite the completion of the action plan amendment to respond to the disaster.

Funding for this award was made available through the Declared Disaster Recovery Fund (DDRF), authorized under section 106(c)(4) of the Housing and Community Development Act of 1974, which enables the Secretary to use recaptured Community Development Block Grant (CDBG) funds for the purpose of furthering recovery efforts in the wake of presidentially-declared major disasters. Such funds may only be made available to metropolitan cities and urban counties in areas affected by such disasters to meet emergency community development needs not met with other sources of assistance.

The DDRF funds are being allocated to housing rehabilitation and ancillary activities including reconstruction activities for properties determined not-feasible for rehabilitation, acquisition/rehab to preserve affordable housing, relocation, as applicable, and delivery costs along with project management. Activities will benefit a minimum of 51% of low- to moderate-income (LMI) households whose homes were damaged from the storms that hit Metro Nashville-Davidson County identified in Presidential disaster declarations (DR-4476-TN and DR-4550-TN).

The public is hereby notified that this amendment is available for review through this notice.

Virtual Public Hearing: MDHA will host a virtual public hearing on this amendment at:

2 p.m. CDT Thursday, Oct. 15, 2020, via Webex

The link to the Webex is listed below:

<https://nashville-mdha.webex.com/nashville-mdha/j.php?MTID=m6f083b75acafd23a65692efecc737333>

Public Comment Period: The draft substantial amendment 1 to its 2020-2021 Action Plan to allocate these funds to be used for housing rehabilitation and ancillary activities for properties damaged from the storms defined in the Disaster Declarations was made available for public examination and comment on Friday, Oct. 9, 2020.

Members of the public may download copies from MDHA's website at www.nashville-mdha.org/consolidated-plan or request copies by contacting the MDHA Community Development Department at 615-252-8505 or Telephone Device for the Deaf (TDD) at 615-252-8599.

MDHA will receive written comments through 4 p.m. CDT on Friday, Oct. 16, 2020. See below for various

ways to submit comments:

- Electronically at consolidatedplan@nashville-mdha.org;
- Faxed to 615-252-8533 (Attention: Consolidated Plan);
- Mailed to MDHA Community Development Department, Attention: Consolidated Plan, P.O. Box 846, Nashville, TN 37202. Mailed comments must be postmarked no later than Oct. 16, 2020;
- Hand-delivered via a drop box outside MDHA's Community Development Department, Attention: Consolidated Plan, 712 S. Sixth St., Nashville TN 37206.

Purpose and Anticipated Resources: This is substantial amendment 1 to the 2020-2021 Action Plan to allocate Declared Disaster Recover Funds (DDRF) to eligible projects/activities to enable Metropolitan Nashville and Davidson County to receive and administer \$3,240,899 to address emergency community development needs resulting from tornados, wind damage and the flooding that impacted multiple communities in Nashville-Davidson County in March and May 2020 (two major disaster declarations DR-4476-TN and DR-4550-TN).

Request for Accommodations: MDHA makes every effort to provide reasonable accommodations to assist persons with disabilities. Any person needing assistance in accessing this information or who has other needs that require special accommodations may contact 615-252-8562 or TDD at 615-252-8599.

Para asistencia en Español llame al 615-252-8505.

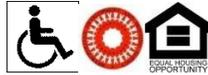
如果需要本通知的中文翻译，请打电话 615-252-8505

Để nhận một bản dịch Tiếng Việt của thông báo này, vui lòng gọi: 615-252-8505

للحصول على جرتمة رعبية لهذا البيان، يرجى الإتصال ب: 615-252-8505

Haddii aad rabto qoraalkan oo af-Soomaali lagu tarjumay haddii aad doonayso fadlan naga soo wac: 615-252-8505

Statement of Non-Discrimination: MDHA does not discriminate on the basis of age, race, sex, sexual orientation, gender identity, genetic information, color, national origin, religion, disability or any other legally protected status in admission to, access to, or operations of its programs, services, or activities.



Appendix C

Summary of Public Comments

And

MDHA Responses from Public Hearing

Attendees

Brian Sexton

Emel Alexander

Treva Gilligan

LaSheakita Fayne

Lauren Ftizergerald, on behalf of Jump.

Comments:

Lauren from Jump wanted to know where the consolidated plan could be viewed.

MDHA Response:

Brian will send Lauren the links to the Consolidated Plan and the Substantial Amendment for the CDBG DDRF

Appendix D

Award Letter



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

The Honorable John Cooper
Mayor of Nashville-Davidson County
1 Public Square, Suite 100
Nashville, TN 37201

Dear Mayor Cooper:

The Department has allocated \$3,240,899 to the city of Nashville-Davidson County to address emergency community development needs resulting from the flooding that impacted multiple communities in Nashville-Davidson County in March and May 2020. Two major disaster declarations (DR-4476-TN and DR-4550-TN) pursuant to the Stafford Act were initially issued for this event by the Federal Emergency Management Agency on March 5, 2020, and July 9, 2020, respectively. It is anticipated that these funds will enable the city to provide direct benefits for low-and-moderate-income (LMI) persons experiencing homelessness, to rehabilitate damaged owner-occupied and rental housing, provide other necessary public services, and address the added administration/planning expenses to meet these needs.

Funding for this award is available through the Declared Disaster Recovery Fund (DDRF), authorized under section 106(c)(4) of the Housing and Community Development Act of 1974, which enables the Secretary to use recaptured Community Development Block Grant (CDBG) funds for the purpose of furthering recovery efforts in the wake of presidentially-declared major disasters. Such funds may only be made available to metropolitan cities and urban counties in areas affected by such disasters to meet emergency community development needs not met with other sources of assistance.

The city should undertake steps to immediately amend its FY 2020 action plan that governs formula funding allocated to it under Community Planning and Development (CPD) programs. All activities funded should tie back to the disaster. The Action Plan should describe the activities to be carried out with the additional funding. Please ensure that the city follows applicable citizen participation requirements in preparing and submitting the amendment. When completed, please submit the amendment to the CPD staff in HUD's Knoxville Field Office.

Upon review and acceptance of the amendment, the Knoxville Field Office will forward a grant agreement amendment to the city for execution and the Department will subsequently add the funds to the city's existing line of credit for its FY 2020 CDBG program funding. Given the need to expedite the completion of the action plan amendment to respond to the disaster, HUD has granted the city a waiver of the 30-day public comment requirement of 24 CFR 91.105(c)(2) and (k), to reduce the public comment period to five days. Note that all other statutory and regulatory requirements applicable to the use of annual CDBG funds are applicable to this funding.

Because these are reallocated funds from origin year 2018 appropriations, there are foreshortened time periods which must be adhered to. Of immediate significance is that **HUD and the city and county must execute a signed grant agreement covering these funds on or before September 24, 2020 so that this may be processed before funds expire**, as HUD's authority to obligate these funds lapses after September 30, 2020. In addition, these funds must be expended and drawn down from the county's line of credit prior to September 30, 2025. After that date, funds remaining will expire and will be recaptured by the U.S. Treasury.

If you have any questions regarding this letter, please contact James Höemann, Director, Entitlement Communities Division, at james.e.hoemann@hud.gov. General questions regarding the use of this CDBG funding may be directed to Erik Høglund, Director, Community Planning and Development, HUD's Knoxville Field Office at erik.d.hoglund@hud.gov.

I look forward to working with you in the coming months to further the long-term recovery efforts for Nashville-Davidson County.

Sincerely,

John Gibbs
Acting Assistant Secretary