

METROPOLITAN NASHVILLE-DAVIDSON COUNTY, TENNESSEE

APPENDICES

**2017-2018 ANNUAL UPDATE
TO THE
2013-2018 CONSOLIDATED PLAN
FOR
HOUSING AND COMMUNITY DEVELOPMENT**

PROGRAM YEAR FIVE

For the period June 1, 2017 – May 31, 2018

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The Metropolitan Government of
Nashville and Davidson County

Updated June 2017



2017-2018 Annual Update to the 2013-2018 Consolidated Plan

(2017 Action Plan) Program Year Five

APPENDICES

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APPENDIX A

HOME RESALE/RECAPTURE PROVISIONS

I. BACKGROUND

Section 215 of the HOME statute establishes specific requirements that all HOME-assisted homebuyer housing must meet in order to qualify as affordable housing. Specifically, all HOME-assisted homebuyer housing must have an initial purchase price that does not exceed 95 percent of the median purchase price for the area, be the principal residence of an owner whose family qualifies as low-income at the time of purchase, and be subject to either resale or recapture provisions. The HOME statute states that resale provisions must limit subsequent purchase of the property to income-eligible families, provide the owner with a fair return on investment, including any improvements, and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. The HOME statute also specifies that recapture provisions must recapture the HOME investment from available net proceeds in order to assist other HOME-eligible families. The Participating Jurisdiction (PJ) utilizes the resale/recapture methods for HOME homebuyer programs in accordance with 24 CFR 92.254(a)(5).

The HOME rule at §92.254(a)(5) establishes the resale and recapture requirements HOME PJs must use for all homebuyer activities. These provisions are imposed for the duration of the period of affordability on all HOME-assisted homebuyer projects through a written agreement with the homebuyer, and enforced via lien, deed restrictions, or covenants running with the land. The resale or recapture provisions are triggered by any transfer of title, either voluntary or involuntary, during the established HOME period of affordability.

When undertaking HOME-assisted homebuyer activities, including projects funded with HOME program income, the PJ must establish resale or recapture provisions that comply with HOME statutory and regulatory requirements and set forth the provisions in its Consolidated Plan. HUD must determine that the provisions are appropriate. The written resale/recapture provisions that the PJ submits in its Annual Action Plan must clearly describe the terms of the resale/recapture provisions, the specific circumstances under which these provisions will be used, and how the PJ will enforce the provisions.

II. DEFINITIONS

- Development Subsidy – a development subsidy is defined as financial assistance provided by the PJ to offset the difference between the total cost of producing a housing unit and the fair market value of the unit. When provided independently and absent any additional subsidy that could be classified a direct subsidy, development subsidy triggers resale.

- **Direct Subsidy** – a direct subsidy is defined as financial assistance provided by the PJ that reduces the purchase price for a homebuyer below market or otherwise subsidizes the homebuyer [i.e. down-payment loan, purchase financing, assistance to CHDO to develop and sell unit below market, or closing cost assistance]. A direct subsidy triggers recapture.
- **Net Proceeds** – the sales price minus superior loan repayment (other than HOME funds) and any closing costs.

III. PERIOD OF AFFORDABILITY

The HOME rule at §92.254(a)(4) establishes the period of affordability for all homebuyer housing. How the PJ calculates the amount of HOME assistance in each unit and therefore the applicable period of affordability varies depending on whether the unit is under resale or recapture provisions.

a. Period of Affordability Under Resale Provisions

Under resale, §92.254(a)(5)(i) of the HOME rule states that the period of affordability is based on the total amount of HOME funds invested in the housing. In other words, the total HOME funds expended for the unit determines the applicable affordability period. Any HOME program income used to assist the project is included when determining the period of affordability under a resale provision.

b. Period of Affordability Under Recapture Provisions

For HOME-assisted homebuyer units under the recapture option, the period of affordability is based upon the HOME-funded Direct Subsidy provided to the homebuyer that enabled the homebuyer to purchase the unit. Any HOME program income used to provide direct assistance to the homebuyer is included when determining the period of affordability.

The following table outlines the required minimum affordability periods.

| If the total HOME investment (resale) or Direct Subsidy (recapture) in the unit is: | The Period of Affordability is: |
|--|--|
| Under \$15,000 | 5 years |
| Between \$15,000 and \$40,000 | 10 years |
| Over \$40,000 | 15 years |

IV. RESALE PROVISIONS

The PJ's Resale Provisions shall ensure that, when a HOME-assisted homebuyer sells his or her property, either voluntarily or involuntarily, during the affordability period,

1. The property is sold to another low-income homebuyer who will use the property as his or her principal residence;
2. The original homebuyer receives a fair return on investment, (i.e., the homebuyer's down-payment plus capital improvements made to the house); and
3. The property is sold at a price that is "affordable to a reasonable range of low-income buyers."

a. Applicability

When provided independently and absent any additional subsidy that could be classified a direct subsidy, development subsidy triggers Resale Provisions. The PJ shall apply the Resale Provisions to projects receiving development subsidies only, with no direct subsidy to the homebuyer. In the event the PJ provides a development subsidy (i.e. the difference between the total cost of producing the unit and the fair market value of the property) to CHDOs or subrecipients and a direct subsidy is subsequently provided to the homebuyer, only the direct subsidy shall be considered and the Recapture (not Resale) Provisions shall be applied.

b. Effect

The HOME rule at §92.254(a)(3) requires that all HOME-assisted homebuyer housing be acquired by an eligible low-income family, and the housing must be the principal residence of the family throughout the Period of Affordability. Under Resale Provisions, if the housing is transferred, voluntarily or otherwise, during the Period of Affordability, it must be made available for subsequent purchase only to a buyer whose household qualifies as low-income, and will use the property as its principal residence.

c. Fair Return on Investment

The PJ's Resale Provisions shall ensure that, if the property is sold during the period of affordability, the price at resale provides the original HOME-assisted homebuyer a fair return on investment (including the original homebuyer's initial investment and any capital improvement). The value of capital improvements is defined by the PJ as the actual, documented costs of permanent structural improvements or the restoration of some aspect of a property that either will enhance the property value or will increase the useful life of the property. Capital improvements are generally non-recurring expenses, such as the cost of an addition, a remodel, or a new roof. Repairs and regular maintenance are not capital improvements. To be considered by the PJ in determining fair return on investment, the actual costs of the capital improvements must be documented with receipts, cancelled checks, or other documents acceptable to the PJ.

The PJ shall consider a fair return on investment achieved when the original homebuyer (now the seller) receives from the sale a percentage return on investment based on the change in the Median Sale Price for the Metropolitan

Statistical Area, as published periodically by HUD with the FHA Mortgage Limits (also known as the “203(b) limits”).

$$\text{Fair Return} = (\text{initial investment} + \text{value of improvements}) \times \text{Current Area Median Sales Price/Initial Area median sales price}$$

Where Median Sale Price is the current area median sale price at the time of resale and Median Sale Price is the initial area median sale price at the time of the homeowner’s original purchase transaction.

For example, in 2009 an eligible homebuyer purchases a house that has received a HOME development subsidy and is subject to Resale Provisions. The homebuyer provides \$5,000 for a down-payment and in 2011 spends \$10,000 to remodel and upgrade the kitchen. In 2012 the homeowner sells the home. In 2009 the median sale price for the area was \$250,000 and in 2012 the figure is \$268,000. In this example, the fair return on investment is \$16,080.

$$\text{Fair Return} = (\$5,000 + \$10,000) \times \$268,000/\$250,000$$

The fair return to the homeowner is paid out of proceeds from the sale of the home; if the home is sold at a loss and no proceeds are available, the homeowner shall not be entitled to any return. If proceeds are insufficient to provide the full amount of the calculated fair return, the homeowner shall receive a return only up to the amount of available proceeds.

d. Continued Affordability

In addition to ensuring that the HOME-assisted homebuyer receives a fair return on his or her investment, the PJ’s Resale Provisions shall ensure that the housing under a Resale Provision will remain affordable to a reasonable range of low-income homebuyers. Accordingly, the PJ shall ensure that the sales price of a home resold under Resale Provisions is within the maximum mortgage capacity of a target population of potential buyers with incomes ranging from 50% to 80% of the Area Median Income (AMI). More specifically, the PJ defines “affordable to a reasonable range of low-income homebuyers” as housing with a sales price not exceeding three times the low-income limit (80% AMI) for the Metropolitan Statistical Area corresponding to a household size equivalent to the number of bedrooms in the home.

For example, if the low-income limit or (80% AMI) for a household of three in the PJ’s jurisdiction is \$49,200, the maximum resale price for a three bedroom house subject to Resale Provisions in the PJ’s jurisdiction is \$147,600, or three times the low-income limit.

e. Imposing Resale Provisions

A clear, detailed written agreement, executed before or at the time of sale,

ensures that all parties are aware of the specific HOME requirements applicable to the unit (i.e., period or affordability, principal residency requirement, terms and conditions of either the resale or recapture requirement). The HOME written agreement must be a separate legal document from any loan instrument and must, at a minimum, comply with the requirements at §92.504(c)(5) of the HOME rule. If the PJ provides HOME funds to a subrecipient or CHDO to develop and sell affordable housing, the PJ must prepare and execute the agreement with the buyer, or be a party to the agreement along with the entity it funded.

While mortgage and lien documents are used to secure repayment of the HOME subsidy, these documents are not sufficient to enforce the Resale Provisions. Separately recorded deed restrictions, covenants running with the land, or other similar mechanisms must be used to impose the Resale Provisions (§92.254(a)(5)(i)(A)) in HOME-assisted homebuyer projects under the resale option. The purpose of these enforcement mechanisms is to secure and retain the affordable re-use of the property, while providing a fair return to the seller.

f. Foreclosure

In HOME-assisted homebuyer projects, the affordability restrictions imposed by deed restrictions, covenants running with the land, or other similar mechanisms may terminate upon foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. In such cases, the termination of the affordability restrictions does not satisfy the requirement that the property remains qualified as affordable housing under §92.254 for the period of affordability.

Consequently, for HOME-assisted homebuyer housing under a Resale Provision, if the affordability is not preserved by a subsequent purchase at a reasonable price by a low-income homebuyer who will use the property as its principal residence, and who agrees to assume the remainder of the original affordability period, the PJ shall repay the full amount of the HOME investment.

V. RECAPTURE PROVISIONS

Unlike the resale approach, the PJ's Recapture Provisions permit the original homebuyer to sell the property to any willing buyer during the period of affordability while the PJ is able to recapture all or a portion of the HOME-assistance provided to the original homebuyer.

a. Applicability

Recapture Provisions are the PJ's preferred mechanism for securing HOME Program investments and are generally applicable to all PJ homebuyer activities, unless circumstances otherwise require Resale Provisions be used. Specifically, Recapture Provisions are always used in cases involving a Direct Subsidy to a homebuyer. Recapture provisions cannot be used when a project receives only a

Development Subsidy and is sold at fair market value, because there is no direct HOME subsidy to recapture from the homebuyer. Instead, Resale Provisions must be used in this case.

b. Effect

If a homeowner chooses to sell or use the property for non-eligible HOME Program activities during the Period of Affordability, the full amount of the HOME Program Direct Subsidy (specifically excluding the amount of any Development Subsidy) shall be recaptured and repaid to the PJ provided that net proceeds are sufficient. MDHA may choose to forgive a portion of the HOME Program Direct Subsidy subject to recapture on a pro-rata basis over the affordability period. If net proceeds are insufficient to repay the total HOME investment due, only the actual net proceeds will be recaptured. In the event that net proceeds are zero (as is usually the case with foreclosure), the recapture provision still applies, but there are no funds to recapture. Recaptured funds shall be returned to the PJ HOME Trust Fund to be reinvested in other affordable housing for low to moderate income persons.

c. Imposing Recapture Provisions

A clear, detailed written agreement, executed before or at the time of sale, ensures that all parties are aware of the specific HOME requirements applicable to the unit (i.e., period or affordability, principal residency requirement, terms and conditions of either the resale or recapture requirement). The HOME written agreement must be a separate legal document from any loan instrument and must, at a minimum, comply with the requirements at §92.504(c)(5) of the HOME rule. If the PJ provides HOME funds to a subrecipient or CHDO to develop and sell affordable housing, the PJ must prepare and execute the agreement with the buyer, or be a party to the agreement along with the entity it funded.

The written agreement between the homebuyer and the PJ, as well as mortgage and lien documents are all used to impose the Recapture Provisions in HOME-assisted homebuyer projects under the recapture option. The purpose of these enforcement mechanisms is to ensure that the PJ recaptures the Direct Subsidy to the HOME-assisted homebuyer if the HOME-assisted property is transferred. Unlike the resale option, deed restrictions, covenants running with the land, or

other similar mechanisms are not required by the HOME rule to be used in homebuyer projects under the recapture option.

d. Foreclosure

In HOME-assisted homebuyer projects, the affordability restrictions imposed by deed restrictions, covenants running with the land, or other similar mechanisms may terminate upon foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. In such cases, the termination of the

affordability restrictions does not satisfy the requirement that the property remains qualified as affordable housing under §92.254 for the period of affordability. Consequently, homebuyer housing with a Recapture Provision is not subject to the affordability requirements after the PJ has recaptured the HOME funds in accordance with its written agreement. If the ownership of the housing is conveyed pursuant to a foreclosure or other involuntary sale, the PJ shall attempt to recoup any net proceeds that may be available through the foreclosure sale. The PJ is subject to the limitation that when there are no net proceeds or net proceeds are insufficient to repay the HOME investment due, the PJ may only recapture the actual net proceeds, if any.

VI. REFINANCING POLICY

The PJ shall carefully review all requests for subordination on a case-by-case basis in order to protect its interests and the interests of the homebuyer. The conditions under which the PJ will agree to subordinate to new debt are as follows:

1. The refinancing must be necessary to reduce the owner's overall housing costs, OR
2. The refinancing must otherwise make the housing more affordable, AND
3. Refinancing for the purpose of taking out equity is not permitted.

Upon receipt of a subordination request from a lender or homebuyer, the PJ will review the terms of the refinancing to determine whether the above criteria are met. The PJ may require additional documentation from the homeowner or lender in order to make its determination. Once complete information is received, a subordination decision is made within 15 business days.

VII. MONITORING RESALE & RECAPTURE PROVISIONS

For HOME-assisted homebuyer projects, the PJ shall perform ongoing monitoring of the principal residency requirement during the period of affordability. Confirmation that the buyer is using the property as his or her principal residence may be accomplished by verifying that the buyer's name appears on utility company records or insurance company records for the home. In addition, postcard or letters mailed with "do not forward" instructions may demonstrate whether the buyer is receiving mail at the home.

Failure to comply with the resale or recapture requirements means that:

1. the original HOME-assisted homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or
2. the home was sold during the period of affordability and the applicable resale or recapture provisions were not enforced.

In cases of noncompliance under either resale or recapture provisions, the PJ must repay to its HOME Investment Trust Fund in accordance with §92.503(b), any outstanding HOME funds invested in the housing. The amount subject to repayment is the total amount of HOME funds invested in the housing (i.e., any HOME development subsidy to the developer plus any HOME down-payment or other assistance (e.g., closing costs) provided to the homebuyer) minus any HOME funds already repaid (i.e., payment of principal on a HOME loan). Any interest paid on the loan is considered program income and cannot be counted against the outstanding HOME investment amount.

VIII. APPROVAL OF CHDO & SUBRECIPIENT PROVISIONS

CHDOs and Subrecipients carrying out development and/or homebuyer activities on behalf of the PJ shall be contractually bound to apply and implement these same Resale and Recapture Provisions, verbatim. As such, review and approval of these Provisions shall constitute an effective review and approval of the provisions used by the CHDOs and subrecipients.

APPENDIX B

DATA TO ESTABLISH 95% OF THE MEDIAN AREA PURCHASE PRICE FOR SINGLE FAMILY HOUSING IN METROPOLITAN NASHVILLE-DAVIDSON COUNTY

Metropolitan Nashville-Davidson County

Summary of Single Family New Construction Real Estate Sales for 3-Month Period November 2016 – January 2017

| Month | Unit Type | Sales Volume | Median Price Based on 95% |
|---------------|---|--------------|---------------------------|
| November 2016 | Single Family | 155 | \$307,236.65 |
| December 2016 | Single Family | 199 | \$404,700.00 |
| January 2017 | Single Family | 140 | \$314,060.50 |
| | Average Volume & Median Sales Price for Months reviewed | 494 | \$341,999.05 |

Sales Volume for Single Family New Construction Units is less than 250 sales per month so 3 months' worth of sales data is required per HUD guidelines to establish a median sales price based on local data.

HUD Existing Home Single Family Limit effective March 1, 2017 - \$224,000 – median prices listed above for each of 3 months reviewed exceed this limit.

Compilation of Single Family Existing Real Estate Sales for 3-Month Period November 2016 – January 2017

| Month | Unit Type | Sales Volume | Median Price Based on 95% |
|---------------|---|--------------|---------------------------|
| November 2016 | Single Family – Existing | 249 | \$256,500.00 |
| December 2016 | Single Family – Existing | 661 | \$210,420.25 |
| January 2017 | Single Family – Existing | 503 | \$265,290.63 |
| | Average Volume & Median Sales Price for Months reviewed | 471 | \$244,070.29 |

Sales Volume for December, 2016 and January 2017 exceeds the required 500 volume of sales per month so it would be possible to use the January, 2017 as the median per HUD guidelines.

HUD Existing Home Single Family Limit effective March 1, 2017 - \$198,000 – median prices listed above for each of 3 months reviewed exceed this limit.

Average Median Sales price for New Construction and Existing Construction is \$293,035

Due to the volume of the data, please contact the Community Development Department by phone at (615) 252-8505 or by email at consolidatedplan@nashville-mdha.org to request to view the source data.

APPENDIX C

FAIR HOUSING NARRATIVE

1. FAIR HOUSING BACKGROUND

Equal access to housing choice is a cornerstone principle of America's commitment to equality and opportunity for all. Title VIII of the Civil Rights Act of 1968, more commonly known as the Fair Housing Act, ensures protection of housing opportunity by prohibiting discrimination in the sale or rental of housing on the basis of race, color, religion, sex, and national origin. The Act was amended in 1988 to provide stiffer penalties, establish an administrative enforcement mechanism and to expand its coverage to prohibit discrimination on the basis of familial status and disability. The U.S. Department of Housing and Urban Development (HUD), and specifically HUD's Office of Fair Housing and Equal Opportunity (FHEO), is responsible for the administration and enforcement of the Fair Housing Act and other civil rights laws.

HUD holds recipients of Community Development Block Grant funds (i.e. entitlement communities), such as Metro Nashville, responsible for affirmatively furthering fair housing choice, as required by Section 808(e)(5) of the Fair Housing Act. In the past, these entitlement communities met the obligation by performing an "Analysis of Impediments to Fair Housing Choice" (AI) within their communities and developing and implementing strategies and actions to overcome any impediments to fair housing choice based on their history, circumstances, and experiences.

Through this process, Metro Nashville promotes fair housing choices for all persons, provides opportunities for racially and ethnically inclusive patterns of housing occupancy, identifies structural and systemic barriers to fair housing choice, and promotes housing that is physically accessible and usable by persons with disabilities.

On December 31, 2015, HUD published in the Federal Register the final Affirmatively Furthering Fair Housing (AFFH) Assessment Tool that CDBG grantees and public housing agencies (PHAs) must use to assess barriers to fair housing. During the 2017 Program Year, MDHA will undertake a joint Assessment of Fair Housing in accordance with the new rule. The purpose of this Assessment is to analyze challenges to fair housing and establish goals and priorities to address barriers. MDHA will perform the assessment on behalf of Metro Nashville's entitlement programs and the PHA. The assessment will be submitted to HUD in September 2017 and will be used to guide the creation of the next Five Year Consolidated Plan and the next Five Year PHA Plan.

2. Fair Housing in Nashville

MDHA works with a variety of local organizations to educate housing organizations and the general public on fair housing and offers some information and referral services itself. The key organizations in the Nashville area that participate in educational and compliance efforts are: the Tennessee Fair Housing Council, the Tennessee Human

Rights Commission, the Metro Human Relations Commission, and MDHA. Each organization has its own fair housing education goals and objectives and ideally, all of these organizations implement collaborative efforts to ensure that fair housing education is promoted.

The Tennessee Fair Housing Council is a nonprofit organization that was founded in 1995 by the Tennessee Fair Housing Council. Its primary mission is to eliminate housing discrimination in Tennessee through education and outreach, enforcement, and promoting technology in the fair housing field. A concerned citizen who believes discrimination has occurred would contact the Tennessee Fair Housing Council for advice and guidance. Similarly, for-profit or nonprofit housing organizations that need educational materials on fair housing and Tennessee fair housing laws may contact Tennessee Fair Housing Council as the primary contact and resource center in the state of Tennessee. In 2015, MDHA awarded funds to the Tennessee Fair Housing Council to conduct outreach, education, and testing in Nashville. The 2015 award allowed a continuation of the program that was originally started in 2014 with 2013 funds. The award allows for an extension into the 2017 Program Year.

The Tennessee Fair Housing Council receives fair housing complaints from citizens, investigates them and refers them, when warranted, to the Tennessee Human Rights Commission (THRC), HUD, and/or cooperating attorneys for further investigation. THRC is responsible for administering and enforcing the Tennessee Human Rights Act and the Tennessee Disability Act. The Commission is also responsible for coordinating the State’s compliance with Title VI of the Civil Rights Act of 1964. The organization’s mission to safeguard individuals from discrimination through enforcement and education is accomplished through a staff of investigators, attorneys, and other professional support staff. The Commission works in conjunction with HUD and the Equal Employment Opportunity Commission to coordinate investigations and to diminish duplication of efforts in ending discrimination.

3. Fair Housing Priority Needs and Strategies for Implementation

Metro Nashville’s 2013-2018 Consolidated Plan identified “Affirmatively Further Fair Housing Choice” as a priority need within the jurisdiction, for which several specific strategies, congruent with the impediments named in the Analysis of Impediments (AI), are outlined. Impediments and strategies to reduce such are listed in the table below:

| IMPEDIMENT | STRATEGY |
|--|---|
| 1. Scarcity of Affordable Rental Units | Increase the supply of affordable rental units. |
| 2. Scarcity of Affordable Housing Units Accessible to People with Disabilities | Increase the supply of housing units for people with disabilities. |
| 3. Lack of Fair Housing Education, Testing and Enforcement Capacity | Increase fair housing education and build capacity for testing and enforcement of fair housing law. |

| | |
|--|--|
| 4. Uneven Distribution of Community Resources | Support improved access to community resources/implement a place-based strategy for community development. |
| 5. Restriction on the Expansion of Protected Classes | Continue to operate in compliance with expanded protected class definitions found in federal regulations. |

Listed below are the various actions that MDHA will attempt to undertake during the five-year period covered by the 2013 – 2018 Consolidated Plan to reduce the impediments identified in the table above.

Actions MDHA will take to Increase the Supply of Affordable Units

- 1a)** MDHA-controlled resources will be dedicated to the development of new rental units affordable to households at or below 60% AMI, with specific targets for the 0-30%, 31-50%, 51-60%, and 61-80% AMI categories and for units with 4+ bedrooms.
- 1b)** In addition to development of new units, MDHA will consider other opportunities to provide rental subsidies to low income households thus making existing units affordable.
- 1c)** MDHA will adopt a policy of 1:1 replacement of any affordable housing demolished or otherwise removed from MDHA’s inventory. Such replacement must constitute a comparable housing opportunity, but may not necessarily be a physical housing unit.

Increase the Supply of Housing Units for People with Disabilities

- 2a)** MDHA will develop and adopt a policy requiring a percentage of units in each MDHA-funded development be designed for accessibility by people with physical and/or mental disabilities (even when federal law exempts such units from accessibility requirements) and implement a 1:1 replacement standard for any housing lost from the Agency’s inventory of accessible units.
- 2b)** When contemplating the re-designation, redevelopment, or renovation of properties in the future, MDHA will develop a housing strategy in concert with stakeholders and advocates representing affected populations to ensure the displaced residents are provided appropriate housing opportunities. MDHA may count toward its accessible unit requirements units owned by other entities but funded by MDHA.
- 2c)** The Agency will require that any single-family housing built or financed by MDHA incorporate universal design/visitability standards. In the course of construction, MDHA will inspect all units it builds or finances and ensure strict compliance with building codes, particularly with respect to accessibility.

- 2d)** Further, Metro Nashville will continue to follow its process of inspection for compliance with building code provisions, including accessibility requirements, on all multifamily units for which a certificate of occupancy is issued. A further inspection after issuance of such a certificate will be performed if a complaint of non-compliance is received by the Property Standards Division of the Metro Codes. If a violation is found to have occurred, a citation or warrant will be issued and pursued in Environmental Court, as necessary to achieve compliance.

Increase Fair Housing Education and Build Capacity for Testing and Enforcement

- 3a)** MDHA will annually reserve a portion of its CDBG public service funds to be awarded as a competitive Fair Housing Grant to an organization that will carry out a comprehensive fair housing testing program in Metro Nashville, to specifically include an investigation of probable discrimination in the mortgage lending market and possible steering by real estate agents in areas where data indicates racial segregation. As an additional component of the Fair Housing Grant, the successful applicant will launch and sustain a robust public interest ad campaign to increase the public's awareness of housing discrimination and of the process for filing a complaint and increase opportunities for representation of victims of discrimination in the pursuit of legal recourse.
- 3b)** Further, MDHA will work toward increased coordination among the area's fair housing organizations by convening representatives of the organizations for the purpose of preparing a written plan outlining the goals and responsibilities of each organization in fair housing education, testing, and enforcement.
- 3c)** MDHA will sponsor specific education opportunities on Fair Housing Act compliance for landlords, builders, real estate agents, MDHA and Metro staff, and the public at large, making periodic training participation mandatory for Agency staff and entities contracting with the Agency.
- 3d)** MDHA will improve its outreach efforts to persons with Limited English Proficiency.

Support improved Access to Community Resources

- 4a)** MDHA will collaborate with Metro agencies on public infrastructure improvements that align with the goal of expanding housing choice.
- 4b)** MDHA will develop and implement an evaluation tool to be used when evaluating new projects that considers factors such as the proximity to

public transportation, healthy food options, schools, and public parks. Use of the evaluation tool will ensure that MDHA-funded developments create new housing opportunities in locations with optimum access to community resources.

4c) MDHA's role as a provider of gap financing will include financing for private affordable housing developers to make housing affordable in a variety of neighborhoods throughout Metro Nashville.

4d) MDHA will target resources in areas with high concentrations of poverty.

Continue to Operate in Compliance with Federal Regulations

5a) MDHA will continue to operate its housing programs in full compliance with the expanded protections found in federal regulations.

5b) MDHA will publicize its anti-discrimination policies and efforts, particularly noting its compliance with the *Equal Access to Housing in HUD Programs – Regardless of Sexual Orientation or Gender Identity* rule published in 2012.

5c) The Metro government passed Resolution RS2011-1810 authorizing Metro Legal to file an amicus brief in support of the plaintiffs currently engaged in litigation against the State regarding the Equal Access to Intrastate Commerce Act. Metro Nashville should continue to stand by this expression of support.

**2017 ACTION PLAN
PROPOSED FAIR HOUSING ACTIVITIES**

| Impediment | Affected Group(s) | Activity |
|--|---|--|
| 1) Scarcity of Affordable Rental Units | Race/color, National Origin, Religion, Sex, Familial Status, Disability | 1a) MDHA has allocated the following amounts to produce targeted rental units for the 2017 program year: HOME: \$1,831,544 for New Construction or Rehab of Rental Housing; CDBG \$510,000 for Rental Rehab. During FY 2017 MDHA will announce funding opportunities; complete environmental review process; award funds for developers to start permitting and construction. MDHA may elect to undertake development as well. In addition to federal resources, it is anticipated that a portion of the monies from the Barnes Housing Trust Fund will also be allocated toward increasing the Rental Housing stock. |
| Estimated Staff Hours Required | | 2000 |
| Performance Indicator | | Funds allocated during the 2017 Program Year for the activities listed above are estimated to produce 50 affordable rental units when completed. |
| Responsible Entity/Method of Distribution | | MDHA, CHDOs, Developers – all funding to CHDOs and Developers awarded through an open application or RFP process. |

| Impediment | Affected Group(s) | Activity |
|---|---|---|
| 1) Scarcity of Affordable Rental Units | Race/color, National Origin, Religion, Sex, Familial Status, Disability | 1b) MDHA will continually research and explore avenues that may become available through public and private sources to be utilized to expand the supply of subsidized existing units for low income households. To this end, MDHA made a decision to convert up to 900 Housing Choice Vouchers to Project-Based Vouchers and issued an RFP in 2016 to allow property owners to apply for this program. Interest has been high to date. Additionally, in 2017 MDHA launched an incentive program funded by Metro Nashville to encourage property owners to rent their units to homeless Veterans that are eligible for rental assistance under MDHA's VASH program. The program encourages landlord participation by will providing a lease signing bonus and payment of unpaid rent or damages after a VASH participant moves from a unit. |
| Estimated Staff Hours Required | | 2080 – MDHA Affordable Housing and Rental Assistance Department, and Grant Writer exploring new funding sources to expand the supply of subsidized units for low income households. |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA |

| Impediment | Affected Group(s) | Activity |
|---|---|---|
| 1) Scarcity of Affordable Rental Units | Race/color, National Origin, Religion, Sex, Familial Status, Disability | 1d) MDHA will adopt a policy to provide a 1:1 replacement of any affordable housing demolished or otherwise removed from MDHA's inventory and that the replacement is to provide a comparable housing opportunity, but may not necessarily be a physical housing unit. |
| Estimated Staff Hours Required | | Time for ongoing monitoring |
| Timetable | | MDHA is implementing this policy. |
| Responsible Entity | | MDHA |

| Impediment | Affected Group(s) | Activity |
|---|--------------------------|--|
| 2) Scarcity of Affordable Housing Units Accessible to People with Disabilities | Disability | 2a) MDHA will adopt a policy requiring a percentage of units in each MDHA newly-funded development be designed for accessibility by people with physical and/or mental disabilities (even when federal law exempts such units from accessibility requirements) and implement a 1:1 replacement standard for any housing lost from the Agency's inventory of accessible units. |
| Estimated Staff Hours Required | | Time for ongoing monitoring. |
| Timetable | | MDHA is implementing this policy. |
| Responsible Entity | | MDHA |

| Impediment | Affected Group(s) | Activity |
|---|--------------------------|--|
| 2) Scarcity of Affordable Housing Units Accessible to People with Disabilities | Disability | 2b) When contemplating the re-designation, redevelopment, or renovation of properties in the future, MDHA will develop a housing strategy in concert with stakeholders and advocates representing affected populations to ensure the displaced residents are provided appropriate housing opportunities. MDHA may count toward its accessible unit requirements units owned by other entities but funded by MDHA. |
| Estimated Staff Hours Required | | Ongoing |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA |

| Impediment | Affected Group(s) | Activity |
|---|-------------------|--|
| 2) Scarcity of Affordable Housing Units Accessible to People with Disabilities | Disability | 2c) Require any single-family housing built or financed by MDHA incorporate universal design/visitability standards. In the course of construction, MDHA will inspect all units it builds or finances and ensure strict compliance with building codes, particularly with respect to accessibility. |
| \$ for Activity | | HOME: Program Year 2017 - \$216,769 New Construction |
| Estimated Staff Hours Required | | 60 |
| Timetable | | Ongoing |
| Performance Indicator | | Units |
| Annual Goal | | 4 |
| Responsible Entity/Method of Distribution | | MDHA, CHDOs, Developers – all funding to CHDOs and Developers awarded through an RFP or application process. |

| Impediment | Affected Group(s) | Activity |
|---|-------------------|---|
| 2) Scarcity of Affordable Housing Units Accessible to People with Disabilities | Disability | 2d) Metro Nashville will continue to inspect for compliance with building code provisions, including accessibility requirements, on all multifamily units for which a certificate of occupancy is issued. A further inspection after issuance of such a certificate will be performed if a complaint of non-compliance is received by the Property Standards Division of the Metro Codes. If a violation is found to have occurred, a citation or warrant will be issued and pursued in Environmental Court, as necessary to achieve compliance. |
| Estimated Staff Hours Required | | 0 Additional |
| Timetable | | Ongoing |
| Responsible Entity | | Metro Codes |

| Impediment | Affected Group(s) | Activity |
|---|---|--|
| 3) Lack of Fair Housing Education, Testing, and Enforcement Capacity | Race/color National Origin Religion Sex Familiar Status Disability | 3a) MDHA has allocated \$35,761 in 2017 CDBG public service funds to continue funding for the Tennessee Fair Housing Council to implement the program that started that started as part of competitive RFP that was issued in 2015. In addition to fair housing testing, the program includes investigations of probable discrimination in the mortgage lending market and possible steering by real estate agents in areas where data indicates racial segregation and to launch and sustain a robust public interest ad campaign to increase the public's awareness of housing discrimination; the process for filing a complaint; and increase opportunities for representation of victims of discrimination in the pursuit of legal recourse. |

| | |
|--|---|
| Estimated Staff Hours Required | 1000 |
| Timetable | Program Year 2017-2018 |
| Performance Indicator | Persons |
| Annual Goal | 200 |
| Responsible Entity/Method of Distribution | MDHA and Tennessee Fair Housing Council |

| Impediment | Affected Group(s) | Activity |
|---|---|---|
| 3) Lack of Fair Housing Education, Testing, and Enforcement Capacity | Race/color National Origin Religion Sex Familiar Status Disability | 3b) MDHA or the Tennessee Fair Housing Council will convene a meeting with representatives of the area's fair housing organizations to discuss ways to work toward increased coordination and to prepare a written plan outlining the goals and responsibilities of each organization in fair housing education, testing, and enforcement. |
| Estimated Staff Hours Required | | 160 |

| | | |
|---------------------------|--|--------------------------------|
| Timetable | | Ongoing |
| Responsible Entity | | MDHA and Fair Housing Partners |

| Impediment | Affected Group(s) | Activity |
|---|---|---|
| 3) Lack of Fair Housing Education, Testing, and Enforcement Capacity | Race/color National Origin Religion Sex Familiar Status Disability | 3c) MDHA thru its subrecipient, the Tennessee Fair Housing Council, will sponsor specific education opportunities on Fair Housing Act compliance for landlords, builders, real estate agents, MDHA and Metro staff, and the public at large, making periodic training participation mandatory for Agency staff and entities contracting with the Agency. |
| Estimated Staff Hours Required | | 160 |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA and the Tennessee Fair Housing Council. Partners |

| Impediment | Affected Group(s) | Activity |
|---|---|---|
| 3) Lack of Fair Housing Education, Testing, and Enforcement Capacity | Race/color National Origin Religion Sex Familiar Status Disability | 3d) MDHA thru its subrecipient, the Tennessee Fair Housing Council, will improve outreach efforts to publicize plans, programs, and reports to persons with Limited English Proficiency. |
| Estimated Staff Hours Required | | 50 |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA and the Tennessee Fair Housing Council Partners |

| Impediment | Affected Group(s) | Activity |
|--|---|--|
| 4) Uneven Distribution of Community Resources | Race/color National Origin Religion Sex Familiar Status Disability | 4a) MDHA will collaborate with Metro agencies on public infrastructure improvements that align with the goal of expanding housing choice. |
| Estimated Staff Hours | | 50 |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA, CHDOs, Developers. |

| Impediment | Affected Group(s) | Activity |
|--|---|--|
| 4) Uneven Distribution of Community Resources | Race/color National Origin Religion Sex Familiar Status Disability | 4b) MDHA will institute a point system to be utilized as a scoring factor in evaluating responses to RFPs and applications that will award higher points for developers proposing projects located in close proximity to public transportation, healthy food options, school, churches, employment centers, hospitals, public parks, etc. |
| Estimated Staff Hours | | 40 |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA, CHDOs, Developers. |

| Impediment | Affected Group(s) | Activity |
|--|---|--|
| 4) Uneven Distribution of Community Resources | Race/color National Origin Religion Sex Familiar Status Disability | 4c) MDHA will institute a point system to be utilized as a scoring factor in evaluating responses to RFPs and applications that will award higher points for developers proposing projects located outside areas with high poverty and minority concentration to encourage affordable housing development in a variety of neighborhoods throughout Metro Nashville. |
| Estimated Staff Hours | | 40 |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA, CHDOs, Developers. |

| Impediment | Affected Group(s) | Activity |
|---|---|--|
| 5) Restriction on the Expansion of Protected Classes | Race/color National Origin Religion Sex Familiar Status Disability | 5a) MDHA will continue to operate its housing programs in full compliance with the expanded protections found in federal regulations. |
| Estimated Staff Hours | | 0 Additional Hours |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA, CHDOs, Developers. |

| Impediment | Affected Group(s) | Activity |
|---|---|---|
| 5) Restriction on the Expansion of Protected Classes | Race/color National Origin Religion Sex Familiar Status Disability | 5b) MDHA will provide information on its website and any published material pertaining to its anti-discrimination policies and efforts, particularly noting its compliance with the expanded regulatory protections. |
| Estimated Staff Hours Required | | 32 |
| Timetable | | Ongoing |
| Responsible Entity | | MDHA |

| Impediment | Affected Group(s) | Activity |
|---|---|---|
| 5) Restriction on the Expansion of Protected Classes | Race/color National Origin Religion Sex Familiar Status Disability | 5c) The Metro government passed Resolution RS2011-1810 authorizing Metro Legal to file an amicus brief in support of the plaintiffs currently engaged in litigation against the State regarding the Equal Access to Intrastate Commerce Act. Metro Nashville should continue to stand by this expression of support. |
| Estimated Staff Hours Required | | 0 Additional Hours |
| Timetable | | Ongoing |
| Responsible Entity | | Metro Nashville |

APPENDIX D

ACTIONS PLANNED TO DEVELOP INSTITUTIONAL STRUCTURE DELIVERY SYSTEM

| Responsible Entity | Responsible Entity Type | Role/Program Served | Geographic Area Served |
|--|--|---|--|
| MDHA | Government | Homeowner and Rental Rehabilitation Programs | Metro Nashville |
| Developers, including CHDOs; MDHA | Private Developers/ Community Organizations; Government | Affordable Housing Program | Metro Nashville |
| MDHA/Metro Agencies | Government | Neighborhood Improvement Program | Metro Nashville; Tier 1 & Tier 2 Areas |
| Qualified Nonprofit Organizations/ Sponsors | Nonprofits as selected by Review Committee through Competitive RFP Process | ESG and HOPWA | Metro Nashville; MSA (HOPWA) |
| Qualified Subrecipient | Subrecipient organization | Business Technical Assistance and Microenterprise Program | Metro Nashville |
| Various Nonprofits and Public Agencies | Nonprofits and Public Agencies | Public Services Program | Metro Nashville |
| MDHA/Qualified Subrecipient | Government/private contractor | Planning | Tier 2 Areas |

APPENDIX E SUMMARY OF CONSULTATIONS

Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities.

To gather input for the 2017 Action Plan, MDHA held consultations on the following topics: affordable housing and fair housing, non-housing community development, and homelessness and housing for persons with AIDS. Partners, stakeholders, advocates, and government officials were invited. A summary of the responses from the consultation is provided in Appendix D.

- *Affordable housing and fair housing consultation:* Held on October 28, 2016, participants were invited to a Brown Bag lunch at which MDHA provided an overview of activities to address these needs during the current program year and eligible uses of CDBG and HOME funds to create and preserve affordable housing and affirmatively further fair housing. Participants were asked to identify barriers to affordable housing; prioritize activities to address affordable housing; prioritize subpopulations to be served by affordable housing programs; prioritize areas where funds for housing should be targeted; and provide suggestions for improving fair housing education.

Participants included representatives from affordable housing advocates; housing developers/providers some which are certified as Community Housing Development Organizations (CHDOs); realtors; and non-profit service providers.

- *Non-housing community development consultation:* Held on the evening of September 16, 2016, MDHA provided an overview of activities to address these needs during the current program year and eligible uses of CDBG funds. Participants were asked to list the top three barriers to reducing poverty; prioritize non-housing community development needs; list the top three specific non-housing community development activities; select locations where CDBG funds should be targeted; and select a preference between housing or non-housing for the use of CDBG funds.

Participants included at-large community members/leaders; Metro Arts Commission, Neighborhoods Resource Center, First Tennessee Bank, and local realtors.

- *Homelessness and housing for persons with AIDS consultation:* Held on September 15, 2016, MDHA provided an overview of activities to address these needs during the current program year and eligible uses of ESG and HOPWA funds at the monthly Continuum of Care general meeting held at the Nashville Rescue Mission. Participants were asked to prioritize activities to address

homelessness; prioritize sub-populations to be served by homeless assistance programs; prioritize activities to address housing to persons with HIV; list top three barriers to affordable housing for persons/families that are homeless or are at-risk of homelessness; list top three barriers to affordable housing for persons with HIV and their families; describe level of coordination for addressing homelessness among the CoC, housing providers; health, mental health and service agencies, and state and local government agencies and to provide one (1) recommendation for increasing coordination among these agencies; and to rate discharge coordination procedures between the following populations: youth aging from foster care/state custody; persons discharged from health care and mental health facilities; and persons discharged from correctional programs and institutions.

Participants included representatives from the Metropolitan Homelessness Commission, the Continuum of Care members and subrecipients of ESG and HOPWA funds.

Along with these consultations, MDHA met with representatives from the Mayor's Office, particularly from the Office of Neighborhoods and Community Engagement, Office of Economic Opportunity and Empowerment, and the Office of Economic and Community Development. MDHA provided an overview of the activities funded under the 2016 Action Plan and obtained their input on program priorities for 2017.

Because MDHA is the public housing authority for Nashville, staff is familiar in the needs of public housing residents. The Community Development Director meets weekly with the directors of public housing (Asset Management/Affordable Housing Department) and Section 8 (Rental Assistance Department) programs to collaborate on programs and provides input on the Agency's public housing plan.

Input received from all the consultations and meetings were considered when formulating funding priorities for the 2017 Action Plan.

Affordable Housing & Affirmatively Furthering Fair Housing

Comments and Analysis

MDHA hosted a consultation meeting on October 28, 2016 to discuss the Affordable Housing and fair housing needs/priorities for the 2017-2018 Action Plan. Invitees included representatives from local and state government, housing developers, financial institutions, social service providers, and realtors, etc. The meeting was held in the MDHA Cafeteria as a Brown Bag Lunch from 11:00 a.m. to 12:30 p.m. The meeting was attended by persons representing the following groups: Community Activists; Housing Developers/Providers, some certified as Community Housing Development Organizations (CHDOs); non-profit service providers. The sign-in sheets for the meeting are attached.

For this discussion, attendees were asked to complete idea rating sheets to recognize points of agreement among the group. They were asked to respond to the following series of questions and rate whether they were in strong agreement, agreement, neutral, disagreement, strong disagreement, or confused on an idea that was presented. Cumulative responses are summarized below:

- **What do you feel are the top barriers to affordable housing in Nashville-Davidson County?**

Several responses were given in this category. The concerns identified by the group were as follows.

1. Cost of land
2. Construction costs
3. Cost of capital
4. NIMBYism

Each of these barriers received a rating of strong agreement from the group.

- **Where do you think the priority needs to be focused to address affordable housing in Nashville-Davidson County? (activities and subpopulations)**

The top activities identified by the group were as follows.

1. Rental housing for large families at or below 60% AMI
2. Rental rehab
3. New construction rental housing for populations at or below 60% AMI
4. Build housing near jobs and services

New construction of rental housing and rental housing for large families for households at 60% received a rating of strong agreement. The group was in agreement that rental rehab should be a priority. However, half the group was in strong agreement and the other half were neutral that housing should be built near jobs and services

- **Which areas do you think funds should be targeted?**

The priorities identified by the group were as follows.

1. Transit oriented areas in close proximity to the urban core.
2. Low density residential zoned areas.
3. Areas in which <25% of units are affordable to households at 80% AM.
4. Locate affordable housing in each Council district.
5. Neighborhoods of economic opportunity.

The group was in strong agreement that funds should be concentrated in transit oriented areas in close proximity to the urban core, low density residential zoned areas, and areas in which <25% of units are affordable to households at 80% AMI. The majority of the group was in agreement that funds should be used to build affordable housing in all Council districts, while one person strongly agreed with the idea. Most of the group strongly agreed that funds should be concentrated in neighborhoods of economic opportunity, while others were either in agreement or neutral to the idea.

- **What suggestions do you have for improving knowledge about fair housing and removing barriers to housing opportunities in Nashville-Davidson County?**

The priorities identified by the group were as follows.

1. Marketing and promotion of Fair Housing to consumers, landlords, and Realtors.
2. Billboard advertising.
3. Educational workshops.
4. Seminars at Council meetings.
5. Seminars at PTA meetings.
6. A course taken by tenants at lease signing for members of protected classes.
7. Distribute HUD's newest fair housing marketing materials to protected classes.

Marketing and promotion of fair housing to consumers, landlords, and Realtors, billboard advertising, and educational workshops received a strong agreement rating from the group in regard to increasing knowledge about fair housing. They were in agreement that seminars at council meetings and PTA meetings, and courses taken by tenants at lease signing for members of protected classes would improve knowledge about fair housing.

In addition, the idea that distributing HUD's newest marketing materials to protected classes would improve knowledge about fair housing received a rating of strong agreement from half of the group, while the other half were in agreement to the idea.

- **How can MDHA increase the effectiveness of its housing programs, other than an increase in funding?**
 1. Fund projects that offer diversity in housing types.
 2. Align submission dates with other funding sources.
 3. Use sources in addition to federal funds.
 4. Offer property tax credits.

The majority of the group was in strong agreement that MDHA could increase its effectiveness by funding projects that offer a diversity of housing types. Others in the group either agreed or were neutral to the idea. Aligning submission dates with other funding sources, using other sources in addition to federal funds and offering property tax credits received an agreement rating from the majority of the group, with one person being neutral to the idea.

MDHA will consider all of these comments along with the strategic goals and priorities as determined in the 2013-2018 Con Plan and other regulatory concerns when determining the distribution of funds for housing related activities for the 2017-2018 program year and action plan.

Non-Housing Community Development

Comments and Analysis

MDHA hosted a community-based consultation meeting on September 20, 2016 to discuss the Non-Housing Community Development needs for the 2017-2018 Action Plan. Members of several neighborhood communities and other leaders were invited to attend the meeting. The meeting was held at Randee Rogers Training Center at 5:30 PM. There were 7 community attendees – separated into two discussion tables.

For this discussion, only the non-housing needs for community development funds under CDBG were discussed. Housing needs, including those funded under CDBG, were discussed in a separate consultation. The following series of questions were asked of those in attendance. The cumulative responses are below:

1) List the top three barriers to reducing poverty

As this was a small group, all responses are provided.

- Inequitable distribution of resources and information
- Inequitable opportunities for education and training
- Lack of tangible and immediate growth on the personal level as well as the family services eligibility standards
- Jobs- pay rate increase
- Lack of affordable college education and trade training. Lack of workforce readiness programs or youth job training
- Affordable housing
- Educational inequity in schools
- Inability to connect those in poverty to resources/opportunities
- Lack of public infrastructure that boosts economy for all

2) Prioritize non-housing community development needs

For this question, attendees were asked to rank by priority the following community development activities:

- public facilities (i.e., community centers),
- public improvements and infrastructure (i.e. sidewalks, stormwater improvements),
- public services (i.e., healthy food initiatives, summer youth programs),
- and economic development (i.e., microenterprise assistance, façade loans).

The results showed that the attendees felt public services were the most important non-housing need. This was followed by economic development. Public improvements and infrastructure and public facilities rounded out the rankings respectively.

There were two additional comments - 1) Eligibility criteria needs to be adjusted in a way that is less punitive for families who participate and 2) Need youth employment, youth training and youth delinquency prevention

3) List the top three specific non-housing community development activities

Following up on question 2, the attendees were then asked to list their top 3 non-housing community development activities. The activities identified by the individuals were:

- Summer and yearlong or year round youth training and employment programs – mixed income, not just those at the lowest of the low income level.
- Business technical assistance for nontraditional/creative business ideas and pre-existing underfunded/unfunded small businesses.
- Create more pathways to home ownership for middle income as well as low income, especially households headed by single parents.
- Microenterprise, housing rehab, and sidewalks/neighborhood infrastructure improvements (lights, green space, parks, etc.)
- Summer internship programs
- Affordable housing

4) Select the location where CDBG funds should be targeted

For this question, the attendees were asked to rank the priority of low income areas for assistance. The areas were identified as:

- Areas with extremely high concentrations of poverty (i.e., 80% of HHs with AMI less than or equal to 80%)
- Areas with relatively high concentrations of poverty (i.e., 65% of HHs with AMI less than or equal to 80%)
- Any LMI area (i.e., 51% of HHs with AMI less than or equal to 80%)

The results showed the attendees felt relatively high areas of poverty concentration should receive the most funding. This was followed by extremely high areas and any LMI area respectively.

Additional comment: Make sure we are tracking/analyzing those areas that are changing because of gentrification (i.e. – areas that used to be 51% LMI are now over income, etc.)

5) Select the preference for use of CDBG funds

Even though the focus of this consultation was non-housing community development, attendees were asked to state their preference for the distribution of CDBG funds between Housing and Non-Housing Activities. The results showed that 1 attendee preferred that 75% of the CDBG funds be used towards housing needs, 2 attendees preferred 50% of funds toward housing needs, 1 attendee preferred 50% of funds toward non-housing needs and 1 attendee preferred 75% of funds towards non-housing needs. One person selected housing and non-housing both be split evenly between 50-75%.

Other Comments

No additional comments.

In summary, community members feel that housing needs are still the number one concern in their neighborhood communities. However, they also see the need and value in the use of CDBG funds for non-housing needs. Non-housing funds can be used to help address the barriers to reducing poverty such as education and job training/placement. Assistance to those areas with the high concentrations of poverty is most needed per the attendees. MDHA will consider all of these factors along with the strategic goals determined in the 2013-2018 Con Plan and other regulatory concerns when determining the distribution of CDBG funds – housing and non-housing –for the 2017-2018 program year and action plan.

Homelessness and Housing for Persons with AIDS 2016 Action Plan Consultation

Comments and Analysis

MDHA hosted a consultation meeting for Nashville-Davidson County ESG & HOPWA grantees during the monthly Continuum of Care meeting at the Nashville Rescue Mission on September 15, 2016. Forty people attended, representing twenty-nine agencies in the community.

This discussion was specific to housing and services needs for homeless persons in Nashville, as well as for people living with HIV/AIDS in the area. A “dotmocracy” method was used to determine the order of priorities.

Prioritize activities to address homelessness

- 1.) Emergency Shelter & Transitional Housing
- 2.) Prevention
- 3.) Rapid Re-housing
- 4.) Street Outreach

Although emergency shelter and transitional housing appeared as a higher priority than prevention, a general consensus was that if you achieve prevention there will be less need for the other activities. The immediate need for emergency shelters for domestic violence victims and the difficulties ensuring families meet the eligibility criteria for prevention were reasons that it did not get the top priority.

Prioritize subpopulations to be served by homeless assistance programs.

- 1.) Families
- 2.) Chronic
- 3.) Persons discharged from corrections programs and institutions
- 4.) Youth aging out of foster care/state custody

Persons who are “chronically homeless” often fall into multiple subcategories. Veterans have had enhanced access to SSVF and VASH services as a result of the national agenda to end homelessness among this population, which may be why the community prioritized them below other populations and they do not appear as a priority. It was suggested that focusing on youth now might avoid having to help later on in life.

Prioritize activities to address housing for persons with HIV

- 1.) Permanent housing facilities
- 2.) Tenant-based rental assistant (TBRA)
- 3.) Short-term rent, mortgage and utility assistance payments (STRMU)

List the top three barriers to affordable housing for persons/families that are homeless or are at-risk of homelessness.

- 1.) Affordable housing or housing stock
- 2.) Lack of adequate income
- 3.) Landlords will not accept people with questionable background histories (criminal, credit, rental etc.)

A close fourth pick was the lack of supportive services for those with mental health and substance abuse issues.

List the top three barriers to affordable housing for persons with HIV and their families

- 1.) Affordable and quality units & Permanent supportive housing
- 2.) Lack of adequate income
- 3.) Fear of discrimination and stigmas and lack of support

Describe the level of coordination for addressing homelessness among the following:

- 1.) CoC (5 votes for Strong, 19 Weak)
- 2.) Housing providers (1 vote for Strong, 5 votes in between S/W, 20 Weak)
- 3.) Health, mental health & Service agencies (14 votes for strong, 4 votes in between S/W, 9 for weak)
- 4.) Local and state govt. agencies (5 for Strong, 1 vote in between S/W, 21 for Weak)

Comments included lack of incentives for housing providers (i.e., landlords) and lack of funding as primary barrier to coordination of services for all areas.

Provide one recommendation for increasing coordination among the following: “CoC”

The CoC should not be only HUD focused. It should include all funding opportunities. It needs to better utilize HMIS/CES to analyze community needs. It also needs more open communication with community and those served to determine priorities based on community need.

Provide one recommendation for increasing coordination among the following: “Housing”

The general consensus was to more closely connect housing providers (public and private) with service providers, via a number of efforts:

- Developing a list of housing providers that serve low-income/homeless and their requirements

- Implement more effective communication among providers- using Information & Referral and/or Coordinated Entry System
- Provide incentives and support systems for landlords

Several participants suggested using the city's HMIS to accomplish some of the tasks above.

Provide one recommendation for increasing coordination among the following: "Health, Mental Health and service agencies"

More open communication between agencies providing services and mental health agencies. One method of expanding communication would be to utilize HMIS or an updated CES to ensure correct data on who is served and reduced duplication of services. The system should link all providers and resources to ensure greatest needs are met.

Provide one recommendation for increasing coordination among the following: "Local and State Government Agencies"

A more open communication between governments and community and non-profit experts to determine community needs. These discussions should lead to increase funding to agencies and/or a better distribution system of funding to the most needed areas.

Describe discharge coordination procedures for the following:

- 1.) Youth aging out of foster care/state custody (0 Strong, 13 Weak)
- 2.) Persons discharged from health care facilities (1 Strong, 17 Weak)
- 3.) Persons discharged from mental health facilities (1 strong, 16 Weak)
- 4.) Persons discharged from correctional programs and institutions (2 Strong, 3 in between S/W, 14 weak)

Provide one recommendation for increasing discharge coordination among the following: "Youth aging from Foster Care/State Custody"

Dedicated housing for transitional youth and a shift from state jurisdiction to agencies successfully helping transitional youth. Also suggests better connections with social workers and resources prior to release.

Provide one recommendation for increasing discharge coordination among the following: "Persons discharged from health care facilities"

A more direct link is needed between ALL local hospitals and housing/service providers that educates both sides so that care is coordinated prior to discharge. This would include education on cost effectiveness. The "Hospital to Home" program was suggested as good program and that it should expand.

Provide one recommendation for increasing discharge coordination among the following: “Mental Health Facilities”

Involve existing service & housing providers to integrate/educate at mental health facilities prior to discharge. Also, increased follow up, not just drop off so clients can maintain health program.

Provide one recommendation for increasing discharge coordination among the following: “Persons discharged from correctional programs and institutions”

Provide better services and contacts for services and/or placement opportunities before discharge. Try to ease restrictions on housing to those with recent discharge and/or create better communication system between agencies and landlords to work with those recently discharged.

Additional Comments:

1. It seems that the agencies that received more funding were all Housing First priorities.
2. We need more education on the populations and funding sources before the Dotmocracy – especially if we are inviting folks who are not normally a part of these discussions.
3. Need one person from each population at the table.
4. There is a need for more public access. More transparency and accountability.
5. Place MDHA/COC meetings onto Metro email delivery system (similar to MTA/RTA meeting notices).
6. Establish a standard, predictable, advertised board meeting location and agenda ahead of Board meetings.
7. I prefer the smaller specific meetings to do the “dotmocracies” that have been done in the past years.
8. Need more information about the agencies like Greater Nashville Regional Council’s involvement in ESG and HOPWA, especially due to the MOA the Greater Nashville Regional Council has with other state agencies (or MPO).

The need for more affordable housing, addressing barriers to housing entry such as criminal history and lack of transportation, and the need for more effective coordination were common threads running through this consultation. MDHA will consider all of these factors along with the strategic goals determined in the 2013-2018 Con Plan and other regulatory concerns when determining the distribution of ESG & HOPWA funds for the 2017-2018 program year and action plan.

APPENDIX F PUBLIC NOTICES

PUBLIC NOTICE

REQUEST FOR PUBLIC COMMENT AND NOTICE OF PUBLIC HEARINGS

2017-2018 ANNUAL UPDATE FOR PROGRAM YEAR FIVE (2017 ACTION PLAN) TO THE 2013-2018 CONSOLIDATED PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT

Public Hearings: The Metropolitan Development and Housing Agency (MDHA) will host two public hearings on the draft 2017-2018 Annual Update for Program Year Five (2017 Action Plan) to the 2013-2018 Consolidated Plan for Housing and Community Development and on:

Saturday, April 29, 2017, 10:00 a.m.
J. Henry Hale Apartments Community Room
1433 Jo Johnston Avenue
Nashville, TN 37203

Tuesday, May 9, 2017, 5:30 p.m.
Levy Place Community Room
303 Foster Street
Nashville, TN 37207

Public Comment Period: Beginning Monday, April 17, 2017, the draft 2017 Action Plan will be available for public examination and comment. Members of the public may download copies from MDHA's website at www.nashville-mdha.org/consolidated-plan or may request copies by contacting the MDHA Community Development Department at 615-252-8505 or TDD at 615-252-8599. Also, copies will be available at MDHA's Community Development Department, located at 712 South Sixth Street, Nashville, TN 37206, between the hours of 7:30 a.m. and 4:00 p.m., Monday-Friday. MDHA will receive written comments through 4:00 p.m., central time, on Friday, May 19, 2017. Comments may be submitted 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, or hand-delivered to MDHA Community Development Department, Attention: Consolidated Plan, 712 South Sixth Street, Nashville TN 37206.

Purpose and Summary: MDHA has prepared for submittal to the U.S. Department of Housing and Urban Development (HUD) a draft 2017-2018 Annual Update for Program Year Five (2017 Action Plan) to the 2013-2018 Consolidated Plan for Housing and Community Development.

The 2017 Action Plan describes community needs and funding priorities for the 2017-2018 program year (June 1, 2017 through May 31, 2018) and serves as Metropolitan Nashville-Davidson County's application for receiving funds for the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), the Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). Proposed funding allocations are intended to address the priority needs identified in the 2013-2018 Consolidated Plan, as amended, and to benefit low- and moderate-income households and areas. Details regarding specific activities to be funded are provided in the 2017 Action Plan.

- Funding Priorities:**
- Increase the supply of affordable housing
 - Strengthen collaboration among network of service providers
 - Increase access to healthy food choices
 - Decrease homelessness
 - Develop and implement place-based strategies for community development
 - Provide summer programs for low- and moderate-income children and youth
 - Provide housing assistance for persons with HIV/AIDS
 - Affirmatively further fair housing

Anticipated Resources:

| | CDBG | HOME | ESG | HOPWA |
|--------------------------|-----------------------|------------------------|---------------------|---------------------|
| 2017 Allocation | \$4,559,221.00 | \$ 1,829,517.00 | \$416,420.00 | \$942,082.00 |
| Estimated Program Income | \$ 191,000.00 | \$ 178,896.00 | \$ - | \$ - |
| Carryforward 2016 Funds | \$1,330,498.00 | \$ 154,956.00 | \$ - | \$ - |
| Reprogrammed 2016 Funds | \$ 105,276.91 | \$ - | \$ - | \$ - |
| TOTAL | \$6,185,995.91 | \$ 2,163,369.00 | \$416,420.00 | \$942,082.00 |

2017-2018 Proposed Allocations:

| CDBG | |
|------------------------------------|------------------------|
| Project Type | Proposed Budget |
| Acquisition & Related Activities | \$ 230,082.00 |
| Administration & Planning | \$ 950,044.00 |
| Economic Development | \$ 794,155.50 |
| Housing | \$ 2,742,577.50 |
| Public Facilities & Infrastructure | \$ 783,375.91 |
| Public Services | \$ 635,761.00 |
| Other: Nonprofit Capacity Building | \$ 50,000.00 |
| TOTAL | \$ 6,185,995.91 |

| HOME | |
|--------------------------|------------------------|
| Project Type | Proposed Budget |
| Administration | \$ 197,380.00 |
| Homebuyer Programs | \$ 181,574.00 |
| Homeowner Rehabilitation | \$ 0.00 |
| Rental Programs | \$1,784,415.00 |
| TOTAL | \$2,163,369.00 |

| ESG | |
|--|------------------------|
| Project Type | Proposed Budget |
| Administration | \$ 31,000.00 |
| Emergency Shelter & Transitional Housing; Rapid Re-Housing; Street Outreach; Prevention; | \$ 370,420.00 |
| HMIS | \$ 15,000.00 |
| TOTAL | \$416,420.00 |

| HOPWA | |
|---|------------------------|
| Project Type | Proposed Budget |
| Administration | \$ 94,200.00 |
| Facility-Based Operations; Short-term Rent, Mortgage & Utilities; Supportive Services | \$ 847,882.00 |
| TOTAL | \$ 942,082.00 |

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 615-252-8555 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

لوصول إلى تمجرتة تغيير اذهل البيان، يرجى الاتصال 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.



PUBLIC NOTICE IN SPANISH

NOTICIA PÚBLICA

SOLICITUD DE COMENTARIO PÚBLICO Y NOTIFICACIÓN DE AUDIENCIAS PÚBLICAS

2017-2018 ACTUALIZACIÓN ANUAL PARA EL AÑO CINCO (PLAN DE ACCIÓN 2017) AL PLAN DE CONSOLIDACIÓN 2013-2018 PARA VIVIENDA Y DESARROLLO COMUNITARIO

Audiencias públicas: El desarrollo metropolitano y Vivienda (MDHA) será la sede de dos audiencias públicas sobre el proyecto de Actualización Anual 2017-2018 para Five (2017) Plan de Acción del Programa Año en el plan consolidado 2013-2018 de Vivienda y Desarrollo de la Comunidad y en:

**Sábado 29 de abril,
J. Henry Hale Apartments Sala de estar**

Nashville, TN 37203

**Martes, 9 de mayo de 2017, 5:30 pm
Habitación Comunitaria Levy Place
303 Foster Street
Nashville, TN 37207**

Período de comentarios públicos: A partir del lunes, 17 de de abril de, 2017, el proyecto de Plan de Acción 2017 estará disponible para su análisis y comentarios del público. Los miembros del público pueden descargar copias de la página web de la MDHA en www.nashville-mdha.org/consolidated-plan o pueden solicitar copias poniéndose en contacto con el Departamento de Desarrollo de la Comunidad MDHA al 615-252-8505 o TDD al 615-252-8599. Además, las copias estarán disponibles en el Departamento de Desarrollo Comunitario de MDHA, localizado en 712 South Sixth Street, Nashville, TN 37206, entre las 7:30 am y las 4:00 pm, de lunes a viernes. MDHA recibirá comentarios por escrito hasta las 4:00 pm, hora central, el viernes, 19 de mayo de 2017. Los comentarios pueden ser enviados electrónicamente a consolidatedplan@nashville-mdha.org, por fax al 615-252-8533 (Atención: plan consolidado), Enviada por correo al Departamento de Desarrollo Comunitario de la MDHA, Atención: Plan Consolidado, PO Box 846, Nashville, TN 37202, o entregada en mano al Departamento de Desarrollo Comunitario de MDHA, Atención: Plan Consolidado, 712 South Sixth Street, Nashville TN 37206.

Objeto y Resumen: MDHA ha preparado para su sometimiento a la Departamento de Vivienda y Desarrollo Urbano (HUD), un proyecto de Actualización Anual 2017-2018 Programa para el Año Cinco (2017 Plan de acción) para el plan consolidado 2013-2018 de Vivienda y Desarrollo de la Comunidad de Estados Unidos.

El Plan de Acción 2017 describe las necesidades de la comunidad y las prioridades de financiamiento para el año del programa 2017-2018 (del 1 de junio de 2017 al 31 de mayo de 2018) y sirve como solicitud del Condado Metropolitano Nashville-Davidson para recibir fondos para los siguientes programas: Subvención de Desarrollo Comunitario (CDBG), el Programa de Asociaciones de Inversión HOME (HOME), el Subsidio de Soluciones de Emergencia (ESG) y Oportunidades de Vivienda para Personas con SIDA (HOPWA). Las asignaciones de fondos propuestas tienen por objeto atender las necesidades prioritarias identificadas en el Plan Consolidado 2013-2018, según enmendado, y beneficiar a hogares y áreas de ingresos bajos y moderados. En el Plan de Acción de 2017 se proporcionan detalles sobre las actividades específicas que han de financiarse.

Prioridades de financiamiento:

- Aumentar el suministro de vivienda asequible.
- Fortalecer la colaboración entre la red de proveedores de servicios.
- Aumentar el acceso a las opciones de alimentos saludables.
- Disminuir la falta de vivienda.
- Desarrollar e implementar estrategias basadas en el lugar para el desarrollo comunitario.
- Proporcionar programas de verano para niños y jóvenes de bajos y moderados ingresos.
- Proporcionar asistencia de vivienda para personas con VIH/SIDA.
- Afirmativamente más justa vivienda.

Recursos Anticipados:

| | CDBG | HOME | ESG | HOPWA |
|---------------------------------|------------------------|------------------------|-------------------|----------------------|
| Asignación 2017 | \$ | \$ 1,829,517.00 | \$ 416,420.00 | \$ 942,082.00 |
| Ingresos estimados del programa | \$ 191,000.00 | \$ 178,896.00 | \$ - | \$ - |
| Carryforward 2016 Fondos | \$ 1,330,498.00 | \$ 154,956.00 | \$ - | \$ - |
| Reprogramación de Fondos 2016 | \$ 105,276.91 | \$ - | \$ - | \$ - |
| TOTAL | \$ 6,185,995.91 | \$ 2,163,369.00 | 416,420.00 | \$ 942,082.00 |

2017-2018 Asignaciones propuestas:

| CDBG | | HOME | |
|---|------------------------------|--|------------------------------|
| Tipo de proyecto | Presupuesto propuesto | Tipo de proyecto | Presupuesto propuesto |
| Adquisición y actividades relacionadas | \$ 230,082.00 | Administración | \$ 197,380.00 |
| Administración y planificación | \$ 950,044.00 | Programas para compradores de vivienda | \$ 181,574.00 |
| Desarrollo económico | \$ 794,155.50 | Rehabilitación de Propietarios | |
| Alojamiento | \$ 2,742,577.50 | Programas de alquiler | \$ 1,784,415.00 |
| Instalaciones públicas e infraestructura | \$ 783,375.91 | TOTAL | \$ 2,163,369.00 |
| Servicios Públicos | \$ 635,761.00 | | |
| Otros: Construcción de capacidad sin fines de lucro | \$ 50,000.00 | | |
| TOTAL | \$ 6,185,995.91 | | |

| ESG | | HOPWA | |
|---|------------------------------|---|------------------------------|
| Tipo de proyecto | Presupuesto propuesto | Tipo de proyecto | Presupuesto propuesto |
| Administración | \$ 31,000.00 | Administración | \$ 94,200.00 |
| Refugio de Emergencia y Vivienda de Transición; Re-Vivienda Rápida; Alcance de la calle; Prevención | \$ 370,420.00 | Operaciones basadas en instalaciones; Alquiler a corto plazo, hipoteca y servicios públicos; Servicios de Apoyo | \$ 847,882.00 |
| HMIS | \$ 15,000.00 | TOTAL | \$ 942,082.00 |
| TOTAL | \$ 416,420.00 | | |

Solicitud de modificaciones: MDHA hace todo lo posible para proporcionar medidas razonables para ayudar a las personas con discapacidad. Cualquier persona que necesite ayuda para acceder a esta información o que tenga otras necesidades que requieran acomodaciones especiales puede comunicarse con el 615-252-8555 o TDD al 615-252-8599.

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

لوصللا لى لء ءمءرء ءءبءء اءهء الببءء، لى ءرءء لءصءءلا ءء: 615-252-8505

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

Declaración de no-discriminación: MDHA no discrimina por razones de edad, raza, sexo, orientación sexual, identidad de género, información genética, color, origen nacional, religión, discapacidad o cualquier otra condición protegida en la admisión, el acceso a, O operaciones de sus programas, servicios o actividades.



Disclaimer: Este documento fue traducido del inglés al español usando "Google Translation" por lo tanto, MDHA no puede garantizar la exactitud del texto convertido.

APPENDIX G

SUMMARY OF PUBLIC COMMENTS AND MDHA'S RESPONSES

Comments/Questions received at the April 29, 2017 Public Hearing -

Q. Why did we have to do a substantial amendment in August 2013 so soon after the original plan was approved in July of 2013.

A. To revise/define/clarify the place-based strategy and make budget revisions to allocate funds to new projects from projects where the funds were not fully used.

Q. What does "Restriction on expansion of protected classes" mean?

A. A current Tennessee law passed in 2011 known as the "Equal Access to Intrastate Commerce Act" prevents the extension of fair housing protections by local governments to groups or classes not explicitly protected under state law. Because it nullified all existing and prevents any future extensions of protection from discrimination of nearly every kind (including housing discrimination) based on any status not already included in state law, the Act represents an impediment to fair housing choice in Nashville.

Q. Why the need for carryforward funds?

A. For projects that take longer than one year to implement, such as infrastructure/sidewalk projects.

Q. What is the definition of substantial amendment?

A. A substantial amendment, as described in our Citizen Participation Plan, is needed when one of the following criteria occurs and the public must be informed and provided an opportunity to comment on the change:

- a change in funding allocation priorities described in the Consolidated Plan,
- a new program not previously described in an annual action plan,
- the deletion of an activity described in the Consolidated Plan,
- a budget amendment for any program of more than twenty-five percent (25%), or
- a substantial amendment is required by HUD.

Q. What is program Housing Program delivery cost?

A. Staff costs associated with carrying out Housing Rehabilitation Programs, such as inspections.

Q. How do you determine goals?

A. We try to be conservative and realistic and on programs such as Homeowner Rehabilitation, we look at past history and average cost/house.

Q. Why did the HOME dollars for homeownership projects decrease?

A. There is a greater demand for rental units, and a large portion of last year's funds went toward homeownership projects that are still in the process of being constructed and sold.

Q. What was the 108 loan for?

A. Land acquisition and improvements on the East Bank of the Cumberland River to eliminate slum and blight and construction of a greenway.

Comment - Recommend - 2 slides to page next time on power point.

No comments/questions were received at the May 9, 2017 public hearing.

No comments/questions were received in any other formats during the comment period.

APPENDIX H

SF 424 and CERTIFICATIONS

To be updated once the Metro Council approves the Action Plan and Mayor Barry signs all documents.