

SECTION IV. ASSESSMENT OF PAST GOALS, ACTIONS & STRATEGIES

1. Indicate what fair housing goals were selected by program participant(s) in recent Analyses of Impediments, Assessments of Fair Housing, or other relevant planning documents:

MDHA completed the most recent Analysis of Impediments to Fair Housing Choice (AI) on behalf of Metro Nashville in 2013. The following impediments were identified:

- Scarcity of rental units affordable to households at or below 60% AMI and to families
- Scarcity of housing units accessible to people with disabilities
- Lack of fair housing education testing, and enforcement capacity
- Uneven distribution of community resources
- Restriction on the expansion of protected classes.

a. Discuss what progress has been made toward the achievement of fair housing goals.

MDHA attempted to align activities in the 2013-2018 Consolidated Plan to address the impediments identified in the AI. Below is a summary of the cumulative progress made toward the achievement of fair housing goals for program years 2013, 2014, and 2015. (Program year 2016 ended on May 31, 2017 and accomplishments will be reported in the 2016 Consolidated Annual Performance and Evaluation Report to be released late July 2017.)

- **Scarcity of rental units affordable to households at or below 60% AMI and to families.**
 - Goal: Increase affordable rental units.
 - Progress to date: In accordance with AI recommendations, each program year Action Plan (AP) provided specific dollar allocations and targets from HOME funds for the construction of rental units for households at or below 60% AMI and families (3-4 bedroom units). Requests for Proposals (RFPs) for these funds provided bonus points in the evaluation/scoring process for projects that served the targeted populations.

As a result, HOME funds awarded since 2013, combined with leveraged resources, will result in 427 units being added to the affordable rental unit inventory when all units are placed in service. The unit breakdown per income level for these units is as follows:

- **92 Units @ 30% AMI;**
- **64 Units @ 50% AMI;**
- **262 Units @ 60% AMI; and**
- **9 Units @ 80% AMI.**

In addition, **168 of these units contain 3 or more bedrooms.** The **balance contains a mix of unit sizes, such as Single Room Occupancy (SRO), Efficiency, 1 and 2 bedrooms.**

CDBG and NSP funds were also used to assist with site acquisition for construction of **54 units of rental housing** to be located at 10th and Jefferson Street. **Fifteen (15) of these units will be leased to tenants with incomes of 80% AMI or below when they are placed in service; 4 units have 3 bedrooms, and the balance is a mix of 1 and 2 bedrooms.**

- **Scarcity of housing units accessible to people with disabilities.**
 - Goal: Increase the supply of housing units for people with disabilities.
 - Progress to date: All requests for proposals (RFPs) for new HOME-assisted rental units provide bonus points in the evaluation/scoring process for projects that would be targeted for occupancy by priority populations, defined as extremely and very low income households, seniors, persons with special needs, homeless, and veterans. Projects must meet universal design principles.

RFPs for construction of HOME-assisted, single family units require developers to meet visitability standards and provide bonus points in the evaluation/scoring process to projects that incorporated features in addition to the minimum standards that would enhance livability and aging in place.

All RFPs require developers to comply with the accessibility requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973 as applicable.

These efforts will result in

- **93 units of housing specifically targeted for rent to persons with disabilities, with 35 meeting the accessibility requirements of the Fair Housing Act and 34 being visitable.**
- **28 single family homes that will be visitable.**

Also, **3 units in the 10th and Jefferson Street project will meet the accessibility requirements** of the Fair Housing Act and the remaining **51 units are visitable.**

CDBG funds allocated in the 2013 AP provided assistance for the rehabilitation of **6 homeless and domestic violence shelters**, whose occupants tend to have health issues and disabilities. Additional funds were allocated in PY 2014 that will result in the rehabilitation of **2 additional shelters.**

CDBG public service dollars have been allocated each program year to make one-time payments to landlords and utility companies for the first month's rent

and security/utility deposits on behalf of homeless persons seeking to find housing through the How's Nashville Program or VASH program and the Shelter Plus Care programs, a large percentage of which have disabilities,. This program has proved to be very effective and has **assisted 693 homeless individuals obtain permanent housing as of the end of the 2015 Program Year (PY).**

- **Lack of fair housing education testing, and enforcement capacity.**

- Goal: Increase fair housing education and build capacity for testing and enforcement of fair housing law.
- Progress to date: Beginning with Program Year 2013, CDBG public service dollars have been provided to the Tennessee Fair Housing Council to perform fair housing counseling, outreach and education and to conduct complaint-based and targeted testing primarily in Tier I target areas.

As a result, **377 clients have been provided services in conjunction with the counseling and outreach component of the program.** Additionally, the program has provided Fair Housing Counseling Clinics, training for mortgage lending professionals, training in design and construction, developer training, real estate and lending testing and training of rental/sales testers for lending testing.

Other fair housing education and outreach efforts undertaken by MDHA include:

- Having a page dedicated to providing information on the Federal Fair Housing laws on the MDHA website – this information can be viewed through the following link: <http://www.nashville-mdha.org/fair-housing/>.
- Sponsoring the annual Tennessee Fair Housing Matters Conference.
- Routinely posting and providing Fair Housing informational materials at all offices and properties.
- Maintaining a dedicated Fair Housing Hotline where the public can call to obtain information on Fair Housing. A recorded message provides information on how to file a complaint and referral information to local fair housing agencies. A staff person checks messages periodically, responds to complaints, and tracks calls received. **The Hotline received 226 calls during the 2013 – 2015 program years.**
- Including the Equal Housing logo and/or anti-discrimination phrase on all informational materials distributed by MDHA.

- **Uneven distribution of community resources.**

- Goal: Support improved access to community resources/implement a place-based strategy for community development.
- Progress to date: In the 2013 Consolidated Plan, as amended, MDHA implemented a 2-tiered place-based strategy to target limited CDBG resources to areas deemed to be underserved. The areas targeted were neighborhoods in census tracts where at least 65% of households are at or below 80% AMI (Tier 1 priority areas) and the North Nashville Subarea and Public Housing Census Tracts (Tier 2 priority areas). All programs and activities that are available in Tier 1 areas are also available in Tier 2 areas.

As a result, an average of **23% of the annual CDBG allocations from PYs 2013-2015 have been budgeted collectively for the following activities in targeted areas:**

Tier 1 Programs

- Business Technical Assistance
- Commercial Rehab (Façade Loans)
- Fair Housing Outreach, Education and Testing
- Microenterprise Assistance
- Neighborhood Facilities Rehab
- Non-Profit Capacity Building

Tier 2 Programs (in addition to programs available in Tier 1)

- Acquisition of a property for construction of affordable housing
- Neighborhood Facilities Infrastructure Improvements
- Planning efforts
- Targeted Homeowner

This place-based strategy has resulted in the following accomplishments:

- Installation of security cameras at 2 public housing properties (Napier & Sudekum).
- Installation of security cameras in a North Nashville neighborhood.
- Construction/replacement of 7485 linear feet of sidewalks in North Nashville.
- Acquisition of property for use in construction of 54 units of affordable housing.
- Technical assistance provided to 127 clients in the Microenterprise Program.
- Funded 3 nonprofits to undertake renovations at neighborhood facilities.
- Partnering with Southeast Community Capital, DBA as Pathway Lending a private 501(c)(3) organization established to provide financial and technical

assistance for economic development opportunities to low income communities and is certified by the U.S. Treasury Department as a Community Development Financial Institution (hereinafter “CDFI”), to administer the Business Technical Assistance program and to provide business technical assistance and training directly to for-profit businesses, to include workshops on Business Transformation, Money Smart for Small Business, Social Media for Business, the Basics of Government Contracting, and the Basics of Construction, marketing, and referrals, particularly for businesses that are located or may locate in Tier 1 Areas. An emphasis is being placed on disadvantaged businesses and business opportunities for public housing residents including opportunities for Section 3 Businesses.

In addition, the 2013 Consolidated Plan also allocated funds to Healthy Food Initiatives for programs in LMI Food Desert Census Tracts. **During the 2015 program year, MDHA completed a partnership with Community Food Advocates that offered classes on selecting, preparing and storing healthy food, in areas, Bordeaux and Edgehill that served 426 individuals.**

When awarding funds for affordable housing development, MDHA implemented a tool for use in evaluating/scoring proposals that considers factors such as proximity to public transportation, healthy food options, schools, public parks, and other amenities.

To further attract investment to underserved areas, MDHA led a partnership between the Mayor’s Office and 6 nonprofits to apply for and receive Promise Zone designation. The Promise Zone encompasses 46 square miles and includes the Tier 1 and 2 areas. One of the benefits of receiving Promise Zone designation is the ability of organizations to receive preference points in certain federal funding opportunities announced by Promise Zone partner agencies.

- **Restriction on the expansion of protected classes.**
 - Goal: Continue to operate in compliance with expanded protected class definitions found in federal regulations.
 - Progress to date: MDHA continues to abide by HUD’s rule on “Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity,” and requires subrecipients to do the same. In 2016, the MDHA Community Development Department held a training session for HUD-funded emergency and transitional housing providers on the applicability of the rule to their programs.

b. Discuss how successful in achieving past goals, and/or how it has fallen short of achieving those goals (including potentially harmful unintended consequences).

While progress has been made in addressing the lack of affordable rental units and the lack of units available to people with disabilities, the creation of these new units does not mitigate the loss of affordable housing that has occurred in Nashville and does not come close to meeting the demand. In addition, Nashville's growth has caused many people in underserved areas to feel left behind. Nashville's growth has also led to the displacement of residents who feel pressure to sell and reports of abuses by landlords (exorbitant rents, terrible living conditions), magnifying the need for increased fair housing education, testing, and enforcement capacity, especially in hot markets and areas with large immigrant populations. Even though State law that restricts the expansion of protected classes remains in effect, Metro is committed to being an inclusive city, and MDHA remains committed to providing equal access to housing in accordance with HUD regulations.

c. Discuss any additional policies, actions, or steps that the program participant could take to achieve past goals, or mitigate the problems it has experienced.

MDHA recognizes the need to develop more affordable housing on a large scale. MDHA also recognizes the need to provide investment in underserved areas as many of its traditional public housing properties are located in areas with high concentrations of poverty. In response, MDHA is in the process of changing its business model to convert its entire portfolio of public housing annual contribution contracts to project-based section 8 contracts under the Rental Assistance Demonstration. This allows MDHA to capitalize on its resources to redevelop its older public housing sites to create mixed-use, mixed-income communities. The first redevelopment, Envision Cayce, is underway.

d. Discuss how the experience of program participant(s) with past goals has influenced the selection of current goals.

As discussed previously, the need to create affordable and accessible housing, the need to bring investment to underserved areas, and the need to increase fair housing education have grown exponentially since the 2013 AI was issued. These issues continue to be highlighted in this AFH. Unlike in 2013, analyses and goals will look closer at each protected class to ensure that barriers to housing and disparities in access to opportunity are identified so that realistic, measurable strategies can be developed.

MDHA attempted to address the impediments identified in the 2013 AI through its limited Consolidated Plan resources leveraging other funding. Before 2013, Metro had committed little to the funding for affordable housing. However, in recent years, the Mayor has outlined bold and creative ideas for addressing Nashville's affordable

housing crisis, and the Metropolitan Council has reacted with approving funding and enacting legislation to facilitate affordable housing development and preserve existing housing.

Affordable, equitable development is at the forefront of many local conversations with nonprofits, advocates, government officials, and private developers at the table. The goals and strategies of the AFH build on the collective vision, commitment, and action that is occurring in Nashville, so that those who truly need housing can access it.