

METROPOLITAN NASHVILLE-DAVIDSON COUNTY, TENNESSEE

**2014-2015 ANNUAL UPDATE  
TO THE  
2013-2018 CONSOLIDATED PLAN  
FOR  
HOUSING AND COMMUNITY DEVELOPMENT  
PROGRAM YEAR TWO**

**For the period April 1, 2014 – March 31, 2015**

**Prepared by:**

Metropolitan Development and Housing Agency  
701 South Sixth Street  
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**Updated April 2014**

**2014-2015 Annual Update to the 2013-2018 Consolidated Plan (2014 Action Plan)  
Program Year Two**

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## ES-05 Executive Summary

### 1. Introduction

Metropolitan Nashville and Davidson County (Metro Nashville) is located in Middle Tennessee and is the capital of the State of Tennessee. Metro Nashville has a consolidated city-county government that includes Nashville and several smaller municipalities and is the second largest city on Tennessee. As of the 2010 Census, the population of Davidson County, including all municipalities, was 626,681. The 2010 population of the entire 13-county Nashville metropolitan area was 1,589,934 – making it the largest Metropolitan Statistical Area in the state.

Metro Nashville is an entitlement community eligible to receive direct assistance under the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program. Metro Nashville is a participating jurisdiction under the HOME Investment Partnerships Program (HOME) and a formula grantee under the Emergency Solutions Grant (ESG). Funds for these programs must be expended within Nashville-Davidson County for participants who meet applicable eligibility criteria and for eligible activities as outlined by program regulations. In addition, Metro Nashville is a formula grantee under the Housing Opportunities for Persons with AIDS (HOPWA) program; these funds target needs of persons living with HIV/AIDS and their families in the metropolitan area.

The Metropolitan Development and Housing Agency (MDHA) is the lead agency responsible for the development and administration of the Consolidated Plan for Metro Nashville. Within MDHA, the Community Development Department is responsible for administering the Consolidated Plan programs listed herein.

#### **Purpose of the Consolidated Plan and Annual Updates:**

As a recipient of federal grant funds, MDHA is required by HUD to produce a five-year Consolidated Plan and an Annual Update (Action Plan) on behalf of Metro Nashville. These plans serve as the application for funding for the following federal programs:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Act Program (HOME)
- Emergency Solutions Grant (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA).

Metro Nashville's Consolidated Plan identifies the community's affordable housing, community development and economic development needs and outlines a comprehensive and coordinated strategy for addressing them. This document includes narrative responses to specific questions that grantees must answer in order to be compliant with the Consolidated Planning Regulations.

The current Consolidated Plan covers the period from April 1, 2013 to March 31, 2018. In August 2013, MDHA prepared a Substantial Amendment to the Consolidated Plan, which was approved by HUD in September 2013, to make significant budget revisions, add new activities, and revise the place-based strategy. This Annual Update covers the period April 1, 2014 to March 31, 2015 and constitutes Program Year Two. Estimated allocations for Program Year Two were provided in draft Plan and reflected a 10% reduction from PY 2013 amounts. The Plan has been updated with actual allocations released from HUD on March 18, 2014. Project budgets have been adjusted pro rata, to the extent allowed by applicable regulatory caps and existing contractual requirements.

<b>2014 Formula Allocations</b>	
CDBG	\$ 4,606,281.00
HOME	\$ 1,933,490.00
ESG	\$ 381,390.00
HOPWA	\$ 914,398.00
<b>TOTAL</b>	<b>\$ 7,835,559.00</b>

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

The primary objectives of the four Consolidated Plan programs are to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. Related outcomes are increasing availability and accessibility, improving affordability, and promoting sustainability of communities. The primary means towards this end is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing. The table below summarizes the proposed activities for addressing these objectives and outcomes. More information about each activity is available in Section AP-35.

<b>OBJECTIVE 1: SUITABLE LIVING ENVIRONMENT</b>	
<b>Outcomes</b>	<b>Related Activities</b>
<i>Availability/Accessibility</i>	<ul style="list-style-type: none"> <li>• Emergency Shelter &amp; Transitional Housing</li> <li>• Street Outreach</li> <li>• Rapid Re-Housing</li> <li>• Housing Opportunities for Persons with HIV/AIDS</li> <li>• Shelter Rehab</li> <li>• Services for the Homeless</li> </ul>
<i>Sustainability</i>	<ul style="list-style-type: none"> <li>• Infrastructure Improvements (Residential)</li> <li>• Neighborhood Facilities</li> <li>• Healthy Food Initiatives</li> <li>• Summer Youth Programs</li> <li>• Nonprofit Capacity Building</li> </ul>
<b>OBJECTIVE 2: DECENT HOUSING</b>	
<b>Outcomes</b>	<b>Related Activities</b>
<i>Affordability</i>	<ul style="list-style-type: none"> <li>• Homeowner &amp; Rental Rehabilitation</li> <li>• Affordable Housing Development</li> <li>• Downpayment Assistance</li> </ul>
<i>Availability/Accessibility</i>	<ul style="list-style-type: none"> <li>• Fair Housing</li> </ul>
<b>OBJECTIVE 3: ECONOMIC OPPORTUNITIES</b>	
<b>Outcomes</b>	<b>Related Activities</b>
<i>Sustainability</i>	<ul style="list-style-type: none"> <li>• Microenterprise Assistance</li> <li>• Commercial Rehab</li> <li>• Business Assistance</li> <li>• Infrastructure Improvements (Commercial Corridors)</li> </ul>

The following are priority needs identified in the Consolidated Plan, which will continue to be addressed in the 2014 Action Plan:

1. Increase the Supply of Affordable Housing;
2. Strengthen Collaboration Among the Network of Service Providers;
3. Increase Access to Healthy Food Choices;
4. Decrease Homelessness;
5. Develop and Implement Place-Based Strategies for Community Development;

6. Provide Summer Programs for Low- and Moderate-Income Children and Youth;
7. Provide Housing Assistance for Persons With HIV/AIDS; and
8. Affirmatively Further Fair Housing.

### **3. Evaluation of past performance**

Each year, MDHA reports its progress in meeting the five-year and annual goals in the Consolidated Annual Performance and Evaluation Report (CAPER). This report is required to be submitted to HUD within 90 days after the program year ends. A copy of the CAPER is available on MDHA's website: <http://www.nashville-mdha.org/>.

MDHA has consistently satisfied program mandates and has successfully targeted funds to benefit low- and moderate-income persons and neighborhoods. Recently, however, the timely expenditure of CDBG funds by the HUD deadline has been a challenge due to the delay in receiving funds and the delay or cancellation of large capital projects.

While the accomplishments reported in the CAPER are used to measure the success of meeting the goals of a program year, the evaluation of past performance is a continual process. For example, the quantity and quality of responses to funding opportunities indicate the demand for a particular activity, the capacity needs of an organization, and whether the expectations of MDHA and program requirements were communicated clearly. Results of audit/monitoring activities are used as management tools to strengthen MDHA and funding partners. Regular participation of MDHA staff in local forums, community meetings, neighborhood events provide partners and citizens the opportunity to communicate needs, concerns, and ideas.

### **4. Summary of Citizen Participation Process and consultation process**

The Citizen Participation Plan in the Substantial Amendment to the 2013-2018 Consolidated Plan provides information on how citizens can become involved in the development, implementation and evaluation of housing and community development programs. For the purpose of the 2014 Action Plan, the public comment began on December 9, 2013 and intended to end on January 8, 2014. However, as a result of CPD Notice 13-010 on Guidance on submitting Consolidated Plans and Action Plans for Fiscal Year 2014 and inclement weather during the month of January, the public comment period was extended to January 31, 2014. During the public comment period, members of the public were invited to share their comments at two public meetings. Details regarding the public comment period and public meetings are provided in the Public Notices, which are included in Appendix C.

The Public Notices were advertised in *The Tennessean*, *The Tribune*, and *El Crucero*. In addition, they were posted at MDHA administrative and public housing properties and on MDHA's website ([www.nashville-mdha.org](http://www.nashville-mdha.org)). Email notification was sent to partners, government officials, nonprofit organizations, businesses, and citizens whose email addresses have been provided to MDHA.

## **5. Summary of public comments**

A summary of comments received at the public hearings and submitted in writing during the comment period, as well as MDHA's responses, are included in Appendix A.

## **6. Summary of comments or views not accepted and the reasons for not accepting them**

A summary of comments or views not accepted and the reasons for not accepting them is provided in Appendix A.

## **7. Summary**

This 2014 Action Plan identifies Metro Nashville's affordable housing, community development and economic development needs and outlines a comprehensive and coordinated strategy for addressing them during the 2014-2105 Program Year. Using CDBG, HOME, ESG and HOPWA funds and by leveraging other public and private investment, MDHA will work to:

1. Increase the Supply of Affordable Housing;
2. Strengthen Collaboration Among the Network of Service Providers;
3. Increase Access to Healthy Food Choices;
4. Decrease Homelessness;
5. Develop and Implement Place-Based Strategies for Community Development;
6. Provide Summer Programs for Low- and Moderate-Income Children and Youth;
7. Provide Housing Assistance for Persons with HIV/AIDS; and
8. Affirmatively Further Fair Housing.

The identification of these priorities is a product of extensive consultation with community stakeholders during the development of the 2013-2018 Consolidated Plan combined with data from the U.S. Census and other sources that indicates specific housing and community development needs in Metro Nashville.

## PR-05 Lead & Responsible Agencies

### 1. Agency/entity responsible for preparing the Consolidated Plan and for the administration of each grant program and funding source

Agency Role	Name	Department/Agency
Lead Agency	Nashville-Davidson, TN	MDHA
CDBG Administrator	MDHA	Community Development Dept.
HOPWA Administrator	MDHA	Community Development Dept.
HOME Administrator	MDHA	Community Development Dept.
ESG Administrator	MDHA	Community Development Dept.

#### Narrative:

MDHA is the lead agency for the development, administration, and review of the Consolidated Plan. Within MDHA, the Community Development prepared the 2014 Annual Action for public comment and, ultimately, for submittal to HUD. The mission of the MDHA is “to create affordable housing opportunities for Nashvillians, nurture our neighborhoods, and build a greater downtown.”

#### Consolidated Plan Public Contact Information:

Public comments regarding the 2014 Acton Plan should be directed as follows.

By mail:

The Metropolitan Development Housing Agency (MDHA)  
Community Development Department  
Attn: Consolidated Plan  
P.O. Box 846  
Nashville, TN 37202



By hand-delivery:

Attn: Consolidated Plan  
712 South Sixth St.  
Nashville, TN 37206

By fax:

Attn. Consolidated Plan  
(615) 252-8533

Electronically:

[consolidatedplan@nashville-mdha.org](mailto:consolidatedplan@nashville-mdha.org)

Other inquiries about the Consolidated Plan or housing and community development programs should be directed to:

Angela Hubbard, Director of Community Development  
Metropolitan Development and Housing Agency  
712 South Sixth St.  
Nashville, TN 37206  
(615) 252-8505  
[ahubbard@nashville-mdha.org](mailto:ahubbard@nashville-mdha.org)

## **AP-10 Consultation**

### **1. Introduction**

MDHA values its relationships with public and private entities to effectively implement the strategies and related activities in the Consolidated Plan and annual updates. Moreover, one of the priorities of the Consolidated Plan is to “strengthen collaboration among the network of service providers”. MDHA staff participate in many affordable housing and community development forums and local planning efforts along with many of our partners.

**Summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and services agencies:**

A representative of MDHA participates on the leadership team of the "How's Nashville" campaign. "How's Nashville" is part of the nationwide 100,000 Homes Campaign to end chronic homelessness. Through this campaign, the most chronic homeless are identified and are linked with housing and necessary services.

The purpose of the place-based approach to community development is to target investment in areas of concentrated poverty. Achieving this requires an evaluation of the needs of an area, as was done during 2013, and developing a coordinated approach to development that ensures the necessary services are in place to sustain it.

MDHA sought recommendations from the Metro Health Department and Food Policy Council for targeting funds for healthy food initiatives.

**Description of consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding policies and procedures for the operation and administration of HMIS:**

MDHA is the grant administrator for CDBG, HOME, HOPWA, and ESG allocation for Metro Nashville. The MDHA also prepares the 5-Year Consolidated Plan, Annual Action Plan, and Consolidated Annual Performance Evaluation Report (CAPER). In addition, the Agency is the Grantee for the only HMIS Supportive Housing Program grant and also facilitates the registration and application process for competitive HUD Continuum of Care (CoC) program funds. MDHA's Homeless Coordinator writes the Exhibit 1 narrative for the application to HUD for CoC funding, provides technical assistance to applicant agencies, and convenes Continuum of Care-funded agencies at monthly meetings.

For the development of the Consolidated Plan, MDHA consulted with members of the local Continuum of Care homeless shelters and service providers to determine how to best allocate ESG funding. As a result of these meetings and objective data, the top needs and allocation priorities were determined. MDHA is working to develop performance standards by consulting with local homeless service providers. These performance standards will focus on shortening the period of time that a person experiences homelessness and assisting persons who were recently homeless avoid becoming homeless again.

MDHA utilizes the Bowman Systems Service Point software which significantly enhances HMIS capabilities. In addition, the HMIS Administrator works diligently to train agencies across the city, many of which receive ESG and/or CoC funding for their projects. MDHA also attends quarterly meetings with the HMIS alliance for key individuals to network and plan for future improvements in data collection. The HMIS Administrator also meets with Nashville service providers to offer training sessions on HMIS system use.

**Description of consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding policies and procedures for the operation and administration of HMIS:**

Not applicable.

**2. Agencies, groups, organizations and others who participated in the process and consultations with housing, social service agencies and other entities:**

**How was the Agency/Group/Organization consulted and what are the outcomes of the consultation or areas for improved coordination:**

Partner agencies in the affordable housing, social services, homeless assistance, and community development industries, as well as local and state government agencies were invited to attend the public meetings and to provide comment. Several of those representatives attended the meetings. In addition, Community Development staff met with local government agencies.

The outcomes of these meetings are summarized as part of the public comments. In addition, MDHA is working with Metro on developing a process to evaluate services offered by Metro and Metro-affiliated agencies for the purpose of identifying gaps and/or duplication of efforts to address poverty.

**Any Agency Types not consulted and rationale for not consulting:**

Agencies with interest in housing, community development, and/or homeless – whose contact information is on file at MDHA – were sent a notification of the public comment period and public hearings. MDHA utilized other outreach efforts (described herein) to encourage participation in the process.

**Other local/regional/state/federal planning efforts considered when preparing the Plan:**

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of the Strategic Plan overlap with goals of each plan?</b>
Continuum of Care	GAPS Group	<ul style="list-style-type: none"><li>- Setting agendas for full CoC meetings</li><li>- Project monitoring</li><li>- Determining project priorities</li><li>- Providing final approval for the CoC application submission.</li></ul>
NashvilleNext	Metro Planning Dept.	<ul style="list-style-type: none"><li>- Developing a plan for growth and preservation</li></ul>

**AP-12 Participation**

**1. Summary of citizen participation process/Efforts made to broaden citizen participation and how it impacted goal-setting:**

The Citizen Participation Plan in the Substantial Amendment to the 2013-2018 Consolidated Plan provides information on how citizens can become involved in the development, implementation and evaluation of housing and community development programs. For the purpose of the 2014 Action Plan, the public comment began on December 9, 2013 and intended to end on January 8, 2014. However, as a result of CPD Notice 13-010 on Guidance on submitting Consolidated Plans and Action Plans for Fiscal Year 2014 and inclement weather during the month of January, the public comment period was extended to January 31, 2014. During the public comment period, members of the public were invited to share their comments at two public meetings. Details regarding the public comment period and public meetings are provided in the Public Notices, which are included in Appendix C.

The Public Notices were advertised in *The Tennessean*, *The Tribune*, and *El Crucero*. In addition, they were posted at MDHA administrative and public housing properties and on MDHA's website ([www.nashville-mdha.org](http://www.nashville-mdha.org)). Email notification was sent to partners, government officials, nonprofit organizations, businesses, and citizens whose email addresses have been provided to MDHA.

## Citizen Participation Outreach

Mode of Outreach	Target of Outreach
Public Hearings	<ul style="list-style-type: none"><li>• Non-targeted/broad community</li><li>• Persons with Disabilities</li></ul>
Newspaper Ad ( <i>The Tennessean</i> )	<ul style="list-style-type: none"><li>• Non-targeted/broad community</li></ul>
Newspaper Ad ( <i>The Tribune</i> )	<ul style="list-style-type: none"><li>• Minorities</li></ul>
Newspaper Ad ( <i>El Crucero</i> )	<ul style="list-style-type: none"><li>• Non-English Speaking (Spanish)</li></ul>
Internet Outreach	<ul style="list-style-type: none"><li>• Non-targeted/broad community</li></ul>
Other: Posting at Public Housing & Other MDHA Properties	<ul style="list-style-type: none"><li>• Residents of Public &amp; Assisted Housing</li></ul>

### Summary of response/attendance:

Despite widespread publication of the Notices and that two public hearings were held in two different locations (on different dates), response was low but was consistent with attendance levels for such public hearings throughout the years. Most of those in attendance represented partner agencies.

### Summary of comments received:

A summary of comments received at the public hearings and submitted in writing during the comment period, as well as MDHA's responses, are included in Appendix A.

### Summary of comments not accepted and reasons:

A summary of comments or views not accepted and the reasons for not accepting them are provided in Appendix A.

## AP-15 Expected Resources

### Introduction:

On May 29, 2013, MDHA received notice of the 2013 formula allocations for the 2013 Program Year (PY 1). Nashville received an unexpected increase in CDBG (10%) and HOME (4%) from the prior year's allocation. Unfortunately, the allocation for HOPWA was 5% less than the prior year and ESG experienced a significant reduction of 20%. The total amount of funding for the four formula grants was \$7,714,412.00. For the 2014 Program Year (PY 2), expected resources reflect approximately a 10% reduction from 2013. For anticipated allocations for the remainder of the Consolidated Plan, estimates reflect a 10% reduction each year for the four consolidated plan programs. These budget estimates do not include program income estimates or match requirements. Budget estimates for CoC programs over the five-year period are level.

The Plan will be updated when actual allocations are released from HUD. Upon the notification of actual allocations, project budgets will be adjusted pro rata, subject to applicable regulatory caps and existing contractual requirements. In accordance with applicable regulations, MDHA intends to incur pre-award costs as of the first day of the 2014 Program Year (April 1, 2014).

### Priority Table:

Source of Funds	Source	Uses (Projects)	Expected Amounts	Expected Amount Available Remainder of Con Plan	Narrative Description
CDBG	public-federal	Acquisition Admin & Planning Economic Development  Housing Public Improvements Public Services	Annual Allocation: \$4,606,281.00 Program Income: \$ 200,000.00 Prior Year \$ 0.00 Resources: Total: \$4,806,281.00	\$ 12,436,958.70	Activities that benefit LMI households ( $\leq 80\%$ AMI) or LMI neighborhoods ( $\leq 65\%$ AMI)

HOME	public-federal	Acquisition Homebuyer Assistance Homeowner Rehab  Multifamily rental new construction Multifamily rental rehab New construction for ownership	Annual Allocation: Program Income: Prior Year Resources: Total:	\$1,933,490.00 \$ 260,000.00 \$ 0.00  \$2,193,490.00	\$ 5,220,423.00	Funding for the development of affordable rental housing (≤60%) or homeownership (≤80%)
HOPWA	public-federal	Permanent housing in facilities  Permanent housing placement STRMU  Short term or transitional housing Supportive services TBRA	Annual Allocation:  Program Income: Prior Year Resources: Total:	\$ 914,398.00  \$ 0.00 \$ 0.00  \$ 914,398.00	\$ 2,468,874.60	Assistance for persons with HIV/AIDS and their families
ESG	public-federal	Conversion & rehab for transitional Housing Financial assistance  Overnight shelter Rapid re-housing (rental assistance) Rental assistance Services Transitional housing	Annual Allocation:  Program Income: Prior Year Resources: Total:	\$ 381,390.00  \$ 0.00 \$ 0.00  \$ 381,390.00	\$ 1,029,753.00	Emergency shelter, rapid re-housing, street outreach, HMIS
Other: Continuum of Care	public-federal	Permanent housing placement		\$7,744,644.00	\$ 23,233,932.00	Focus on permanent supportive housing

**How federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied:**

In an attempt to offset any further reductions in funding amounts, MDHA will continue to investigate and make application for additional funding streams that remain consistent with MDHA's mission and those that will also further the goals of the Consolidated Plan. MDHA requires partner organization to demonstrate financial capacity and ability to leverage other funds and will also work with its partners to build capacity.

The HOME program requires a 25% match of the total HOME funds drawn down for project costs. This match requirement will be met by requiring partners to provide at least a 25% match on projects, by the value of donated land or improvements, or by other eligible methods as provided in the HOME regulations. The match requirement was waived for Nashville-Davidson County for the 2010 and 2011 Program Years due to the flood and declaration as a Federal Disaster Area.

To meet the ESG match requirement, all organizations applying for funding must provide a 100% match of the funds they are seeking. This and the MDHA administration match requirements may be satisfied by cash, the value of the time and services provided, or other eligible methods as provided by the ESG regulations.

**Description of publically owned land or property located within the jurisdiction that may be used to address the needs identified in plan:**

MDHA owns vacant and improved property throughout the jurisdiction, which has been acquired over the years to address slum and blight. MDHA makes these properties available to Community Housing Development Organizations (CHDOs) to develop affordable housing and is investigating options to self-develop some of these properties for affordable housing or other community development projects that benefit LMI residents or areas.



## AP-20 Annual Goals & Objectives

### CDBG Budget and Annual Goals

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	Priority #***	Allocation (Estimate)	Program Income (Estimate)	Performance Indicator	Annual Goal
<u>Eligible Activities</u>					
Acquisition, Disposition, Clearance & Demo, Relocation, Clean-up	5	\$ 110,000.00	\$ 0.00 -	Properties	13
Administration & Planning*	All	\$ 921,119.50	\$ 40,000.00	N/A	N/A
Economic Development: Microenterprise Assistance, Commercial Rehab, Infrastructure Development, Business Assistance, Section 108 Loan Repayment	3, 5	\$ 1,079,061.50	\$ 0.00	Businesses	20
Housing: Homeowner Rehab ( $\leq 80\%$ AMI), Program Delivery, Housing Services	1, 5	\$ 1,215,350.00	\$ 160,000.00	Housing Units	92
Public Facilities: Infrastructure Improvements, Neighborhood Facilities, Homeless Shelters	4, 5	\$ 599,500.00	\$ 0.00 -	Facilities	7
Public Services: Fair Housing, Healthy Food Initiatives, Summer Youth, Services for the Homeless**	3, 6, 8	\$ 654,000.00	\$ 0.00 -	Persons	1800
Other: Section Nonprofit Capacity Building	1, 5	\$ 27,250.00	\$ 0.00	Organizations	2
<b>TOTAL</b>		<b>\$ 4,606,281.00</b>	<b>\$ 200,000.00</b>		
*Subject to 20% cap of Entitlement Allocation & PI					
**Subject to 15% cap of Entitlement Allocation & PI					
***See page 3 for priority #s					

### HOME Budget and Annual Goals

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)	Priority #	Allocation (Estimate)	Program Income (Estimate)	Performance Indicator	Annual Goal
<u>Eligible Activities</u>					
Administration*	1, 5, 8	\$ 193,300.00	\$ 26,000.00	N/A	N/A
Homebuyer (Downpayment) Assistance (≤80% AMI)	1, 5	\$ 115,000.00	\$ 0.00	Persons	10
Homeowner Rehab (≤80% AMI)	1, 5	\$ 115,000.00	\$ 0.00	Housing Units	2
New Construction - Homeownership (≤80%)**	1, 5	\$ 235,000.00	\$ 0.00	Housing Units	2
New Construction – Rental (≤60%)**	1, 5, 8	\$ 695,190.00	\$ 234,000.00	Housing Units	12
Rental Rehab (≤60%)**	1, 5, 8	\$ 580,000.00	\$ 0.00	Housing Units	14
<b>TOTAL</b>		<b>\$ 1,933,490.00</b>	<b>\$ 260,000.00</b>		
*Subject to 10% of Allocation & PI					
**Includes 15% Set-Aside for CHDO Activities & for Barnes Housing Trust Fund Projects					

### ESG Budget and Annual Goals

EMERGENCY SOLUTIONS GRANT (ESG)	Priority #	Allocation (Estimate)	Required Match	Performance Indicator	Annual Goal
<u>Eligible Activities</u>					
Administration*	4	\$ 28,600.00	\$ 28,600.00	N/A	N/A
Emergency Shelter: Operation, Essential Service**	4	\$ 184,000.00	\$ 184,000.00	Persons	1886
Street Outreach**	4	\$ 40,000.00	\$ 40,000.00	Persons	430
HMIS	4	\$ 12,000.00	\$ 12,000.00	Persons	2300
Rapid Re-Housing: Housing Relocation & Stabilization Services	4	\$ 116,790.00	\$ 116,790.00	Persons	87
<b>TOTAL</b>		<b>\$ 381,390.00</b>	<b>\$ 381,390.00</b>		
*Subject to 7.5% cap of Allocation.					
**Total for Emergency Shelter & Street Outreach is subject to 60% cap of Allocation.					

### HOPWA Budget and Annual Goals

HOUSING OPPORTUNITIES FOR PERSONS WITH HIV/AIDS (HOPWA)	Priority #	Allocation	Performance Indicator	Annual Goal
<u>Eligible Activities</u>				
Administration*	7	\$ 73,150.00	N/A	N/A
Supportive Services	7	\$ 419,000.00	Households	1407
Short-term Rent, Mortgage, and/or Utility Payments	7	\$ 263,000.00	Households	248
Rent Subsidies	7	\$ 159,248.00	Households	33
<b>TOTAL</b>		<b>\$ 914,398.00</b>		
*Includes MDHA administration budget of \$25,600.00				

#### Narrative:

Details on each activity funded with CDBG, HOME, ESG or HOPWA and corresponding goals are provided in section AP-35.

#### **Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):**

It is estimated that PY 2014 HOME funds will result in affordable housing that will benefit approximately 40 extremely low and low- and moderate-income families. Preference will be given to projects proposing to benefit extremely low income families. This estimate includes affordable housing produced by CHDOs and leveraged with the Barnes Housing Trust Fund. Also, this estimate includes both new construction and rehabilitation of single family and multi-family housing.

## AP-35 Projects

### Projects:

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Acquisition</b>
<b>Description</b>	MDHA will work with community groups in Tier II priority neighborhood(s) to identify vacant or abandoned properties that are suitable to be acquired for end uses such as public space, community gardens, or housing to be occupied by LMI persons.
<b>2014 Budget</b>	\$60,000.00
<b>Estimated Amount- Program Income</b>	\$0.00
<b>National Objective</b>	LMA or LMH
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"><li>• Priority #1: Increase Supply of Affordable Housing</li><li>• Priority #5: Develop and implement place-based strategies for community development.</li></ul>
<b>Target Areas</b>	North Nashville
<b>Performance Indicator</b>	Properties
<b>Annual Goal</b>	1
<b>Method of Distribution</b>	The activity may be undertaken by MDHA or by a contractor/developer selected through competitive procurement as part of a redevelopment project.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Disposition</b>
<b>Description</b>	Cost related to the sale, lease, or donation of real property acquired with CDBG funds or under urban renewal. These costs include the cost of temporarily maintaining property pending disposition and costs incidental to disposition of the property until it can be utilized a public space or affordable housing.
<b>2014 Budget</b>	\$15,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMA or LMH
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase Supply of Affordable Housing</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide (properties owned by MDHA)
<b>Performance</b>	Properties
<b>Indicator</b>	
<b>Annual Goal</b>	10
<b>Method of</b>	This activity will be undertaken by MDHA.
<b>Distribution</b>	

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Clearance &amp; Demolition</b>
<b>Description</b>	Clearance & Demolition of buildings and/or improvements, or the movement of buildings to other sites. This activity will take place as needed in conjunction with properties acquired through the Acquisition Activity for Tier II Priority Neighborhoods.
<b>2014 Budget</b>	\$15,000.00
<b>Estimated Amount- Program Income</b>	\$0.00
<b>National Objective</b>	LMA or LMH
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase Supply of Affordable Housing</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Target Areas</b>	North Nashville
<b>Performance Indicator</b>	Properties
<b>Annual Goal</b>	3
<b>Method of Distribution</b>	The activity may be undertaken by MDHA or by a contractor/developer selected through competitive procurement as part of a redevelopment project.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Relocation</b>
<b>Description</b>	Relocation payments and other assistance for permanently or temporarily displaced individuals, families, businesses, and nonprofit organizations. Relocation activities will take place as needed in conjunction with properties acquired through the Acquisition Activity in Tier II Priority Neighborhoods.
<b>2014 Budget</b>	\$10,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMH
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase Supply of Affordable Housing</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	North Nashville
<b>Performance</b>	Properties
<b>Indicator</b>	
<b>Annual Goal</b>	3
<b>Method of</b>	The activity may be undertaken by MDHA or by a
<b>Distribution</b>	contractor/developer selected through competitive procurement as part of a redevelopment project.



<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Clean-up</b>
<b>Description</b>	Activities undertaken primarily to clean toxic/environmental waste or contamination from a site. Clean-up activities will take place as needed in conjunction with properties acquired through the Acquisition Activity in Tier II Priority Neighborhoods.
<b>2014 Budget</b>	\$10,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMA or LMH
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase Supply of Affordable Housing</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	North Nashville
<b>Performance</b>	Properties
<b>Indicator</b>	
<b>Annual Goal</b>	1
<b>Method of</b>	The activity may be undertaken by MDHA or by a
<b>Distribution</b>	contractor/developer selected through competitive procurement as part of a redevelopment project.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Administration &amp; Planning</b>
<b>Description</b>	Program administration and overall program management, coordination, monitoring, reporting, and evaluation. Development of the annual action plan, citizen participation, and annual assessments. Planning includes studies, analysis, data gathering, preparation of plans, and identification of actions that will implement plans.
<b>2014 Budget</b>	\$921,119.50
<b>Estimated Amount-</b>	\$40,000.00
<b>Program Income</b>	
<b>National Objective</b>	N/A
<b>Priority Need(s)</b>	In addition to overall administration and planning activities, the following priorities will be addressed:
<b>Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #2: Strengthen collaboration among network of service providers</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Target Areas</b>	N/A
<b>Performance</b>	N/A
<b>Indicator</b>	
<b>Annual Goal</b>	N/A
<b>Method of</b>	
<b>Distribution</b>	MDHA will solicit proposals to award a planning grant in an amount not to exceed \$20,000 to a qualified nonprofit agency to assist with organizing community groups and identifying specific projects to be undertaken in North Nashville as part of the Tier II Place-Based Strategy. All other administrative and planning activities will be undertaken by MDHA.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Economic Development: Commercial Rehab ("Façade Loans)</b>
<b>Description</b>	MDHA will make a range of financing options available to businesses in located in Tier I areas to make exterior (façade) improvements and to correct code violations on their properties. Forms of assistance may include deferred payment and low-interest loans, matching grants, etc. The terms of the loan will vary based on the amount of assistance. The maximum loan amount is \$50,000. All assistance is subject to underwriting review to determine the appropriate amount of assistance. Eligible costs include labor, materials, supplies and soft costs related to the rehabilitation. Landscaping, sidewalks, and driveways are eligible when the cost of such work is incidental to other rehabilitation of the property.
<b>2014 Budget</b>	\$184,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMA
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Businesses located in Tier I areas.
<b>Performance</b>	Businesses
<b>Indicator</b>	
<b>Annual Goal</b>	5
<b>Method of</b>	
<b>Distribution</b>	This program will be administered by MDHA. By application from businesses, funds will be awarded on a first-come, first-serve basis to qualified projects until funding is exhausted.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Economic Development: Infrastructure Development</b>
<b>Description</b>	Infrastructure Development will be available along commercial corridors in Tier II Priority Neighborhoods. Eligible improvements may include curbs, sidewalks, water, sewer, storm drainage, and other public improvements that will enhance and promote the commercial viability of the corridor. MDHA will work with neighborhood business associations to determine the needed improvements.
<b>2014 Budget</b>	\$188,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMA
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	North Nashville
<b>Performance</b>	Businesses
<b>Indicator</b>	
<b>Annual Goal</b>	1
<b>Method of</b>	This activity will be undertaken by MDHA.
<b>Distribution</b>	

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Economic Development: Business Technical Assistance</b>
<b>Description</b>	Technical assistance and training provided directly to for-profit businesses, including workshops, marketing, and referrals, particularly for businesses that focus on healthy food options and/or are located or may locate in Tier I areas.
<b>2014 Budget</b>	\$100,000.00
<b>Estimated Amount-Program Income</b>	\$0.00
<b>National Objective</b>	LMA or LMC
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #3: Increase access to healthy food options.</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Target Areas</b>	<ul style="list-style-type: none"> <li>• Metro Nashville census tracts identified as food deserts by the USDA's Economic Research Service.</li> <li>• Tier I areas</li> </ul>
<b>Performance Indicator</b>	Businesses
<b>Annual Goal</b>	10
<b>Method of Distribution</b>	This program will be administered by a nonprofit organization selected through a Request for Proposals as the most responsive and responsible proposal.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Economic Development: Microenterprise Assistance</b>
<b>Description</b>	Microenterprise assistance to a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise and is LMI, particularly for enterprises that focus on healthy food options and/or are located or may locate in Tier I areas.
<b>2014 Budget</b>	\$115,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMC
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #3: Increase access to healthy food options.</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	<ul style="list-style-type: none"> <li>• Metro Nashville census tracts identified as food deserts by the USDA's Economic Research Service.</li> <li>• Tier I areas</li> </ul>
<b>Performance</b>	Businesses
<b>Indicator</b>	
<b>Annual Goal</b>	9
<b>Method of</b>	
<b>Distribution</b>	This program will be administered by a subrecipient organization selected through a Request for Proposals as the most responsive and responsible proposal.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Housing: Homeowner Rehabilitation – Countywide</b>
<b>Description</b>	Assistance to homeowners for repair/rehab of owner-occupied units. Assistance will be in the form of a grant and will be limited to the following repairs or improvements: heat/air, roof repair, plumbing, electrical, and accessibility. Priority will be given to homeowners whose incomes are at or below 50% AMI, persons with disabilities, and the elderly (age 62+).
<b>2014 Budget</b>	\$715,600.00
<b>Estimated Amount-</b>	\$160,000.00
<b>Program Income</b>	
<b>National Objective</b>	LMH
<b>Priority Need(s)</b>	Priority #1: Increase supply of affordable housing.
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Housing units
<b>Indicator</b>	
<b>Annual Goal</b>	80
<b>Method of</b>	
<b>Distribution</b>	This program will be administered directly by MDHA. By application from homeowners, funds will be allocated on a first-come, first-serve basis to eligible households until funding is exhausted.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Housing: Homeowner Rehabilitation – Targeted</b>
<b>Description</b>	Assistance targeted to homeowners for repair/rehab of owner-occupied units in Tier II Priority Neighborhoods. Assistance will be in the form of a grant and be limited to the following repairs or improvements: heat/air, roof repair, plumbing, electrical, and accessibility. Additionally, MDHA will work with the neighborhood to identify a street(s) to target for primarily exterior, aesthetic repairs/rehab of owner-occupied units. This assistance will also be in the form of a grant and repairs or improvements will include painting, siding repair, etc. Priority for targeted rehab will be given to homeowners whose incomes are at or below 50% AMI, persons with disabilities, and the elderly (age 62+).
<b>2014 Budget</b>	\$200,000.00
<b>Estimated Amount-Program Income</b>	\$0.00
<b>National Objective</b>	LMH
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase supply of affordable housing.</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Target Areas</b>	North Nashville
<b>Performance Indicator</b>	Housing units
<b>Annual Goal</b>	12
<b>Method of Distribution</b>	MDHA will work with the community to identify streets to be targeted for the improvements associated with this activity. MDHA may elect to administer this program or procure a nonprofit organization selected through a Request for Proposals as the most responsive and responsible proposal to administer the program. By application from homeowners, funds will be allocated on a first-come, first-serve basis to eligible households until funding is exhausted.



<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Housing: Rehabilitation – Program Delivery</b>
<b>Description</b>	All delivery costs (including staff, other direct costs, and service costs) directly related to carrying out housing rehabilitation activities. Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing; survey, site and utility plans; application processing and other fees.
<b>2014 Budget</b>	\$272,500.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMH
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase supply of affordable housing.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Housing units
<b>Indicator</b>	
<b>Annual Goal</b>	82
<b>Method of</b>	This activity will be undertaken by MDHA staff and contractors
<b>Distribution</b>	and engineers procured through a competitive process.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Housing: Housing Services</b>
<b>Description</b>	Housing service/delivery costs in support of housing developed through the HOME program (including staff, other direct costs, and service costs) directly related to carrying out HOME housing activities.
<b>2014 Budget</b>	\$27,250.00
<b>Estimated Amount- Program Income</b>	\$0.00
<b>National Objective</b>	LMH
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase supply of affordable housing.</li> <li>• Priority #8: Affirmatively further fair housing.</li> </ul>
<b>Target Areas</b>	Countywide
<b>Performance Indicator</b>	Housing units
<b>Annual Goal</b>	40
<b>Method of Distribution</b>	This activity will be undertaken by MDHA.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Public Facilities: Homeless and Other Shelters</b>
<b>Description</b>	Funding for rehabilitation of homeless shelters (emergency and transitional) and domestic violence shelters. Eligible costs include energy efficiency improvements and accessibility improvement. Operation and maintenance costs are ineligible.
<b>2014 Budget</b>	\$250,000.00
<b>Estimated Amount-Program Income</b>	\$0.00
<b>National Objective</b>	LMC
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #4: Decrease homelessness.</li> </ul>
<b>Target Areas</b>	Countywide
<b>Performance Indicator</b>	Facilities
<b>Annual Goal</b>	3
<b>Method of Distribution</b>	Projects will be selected for funding through a Request for Proposals or by application. Projects will be evaluated by a Review Committee comprised of MDHA staff and a representative of the Metro Homelessness Commission and will be evaluated in accordance with the evaluation criteria and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted. However, projects that receive a score of 60 or less will not be eligible for funding.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Public Facilities: Neighborhood Facilities</b>
<b>Description</b>	Financial assistance for construction of a new or expansion and/or rehabilitation of existing neighborhood facilities located in Tier I areas owned by a nonprofit or public agency including, but not limited to, community centers, youth centers, senior centers, and parks. Facilities must be open to the general public during normal working hours. Eligible costs include energy efficiency improvements and accessibility improvements. Operation and maintenance costs are ineligible.
<b>2014 Budget</b>	\$200,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMA
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Tier I areas
<b>Performance</b>	Facilities
<b>Indicator</b>	
<b>Annual Goal</b>	3
<b>Method of</b>	
<b>Distribution</b>	Projects will be selected for funding through a Request for Proposals or by application. Projects will be evaluated by a Review Committee and will be evaluated in accordance with the evaluation criteria and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted. However, projects that receive a score of 60 or less will not be eligible for funding.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Public Facilities: Infrastructure Improvements</b>
<b>Description</b>	Construction and installation of infrastructure improvements in Tier II Priority Neighborhoods. Eligible improvements include development of open space for parks, recreational facilities, flood drainage improvements, water/sewer improvements, street improvements, and sidewalks.
<b>2014 Budget</b>	\$149,500.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMA
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	North Nashville
<b>Performance</b>	Facilities
<b>Indicator</b>	
<b>Annual Goal</b>	1
<b>Method of</b>	
<b>Distribution</b>	MDHA will consult with other Metro Departments to attempt to coordinate infrastructure with other planned improvements for the neighborhoods. Additionally, MDHA will meet with neighborhood groups to get their input in order to prioritize infrastructure improvements. These activities will be administered by MDHA and/or responsible departments in Metro Government.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Public Services: Summer Youth Program</b>
<b>Description</b>	Summer youth programs provided by nonprofit organizations and public agencies from June 1 through July 31. These programs enhance participants' academic, artistic, and athletic interests, as well as promote job skills development and healthy lifestyles, to help prepare Metro Nashville's youth to become successful adults.
<b>2014 Budget</b>	\$425,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMC
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority 6: Provide summer programs for low- and moderate-income children and youth.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Persons
<b>Indicator</b>	
<b>Annual Goal</b>	1400
<b>Method of</b>	
<b>Distribution</b>	Programs will be selected for funding through a Request for Proposals. Proposals will be evaluated by a Review Committee comprised of MDHA staff and a community representative and will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for programs according to their overall rank until funding is exhausted. However, programs that receive a score of 60 or less will not be eligible for funding.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Public Services: Fair Housing</b>
<b>Description</b>	Fair housing counseling, outreach, and education; conduct complaint-based and targeted testing, primarily in Tier I areas.
<b>2014 Budget</b>	\$50,000.00
<b>Estimated Amount- Program Income</b>	\$0.00.00
<b>National Objective</b>	LMA and LMC
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #8: Affirmatively further fair housing.</li> </ul>
<b>Target Areas</b>	Tier I areas
<b>Performance Indicator</b>	Persons
<b>Annual Goal</b>	100
<b>Method of Distribution</b>	Program will be administered by a nonprofit organization or an institution selected through a Request for Proposals as the most responsive and responsible proposal. Proposals will be evaluated by a Review Committee comprised of MDHA staff and will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for the Proposal with the highest score.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Public Services: Healthy Food Initiatives</b>
<b>Description</b>	Public service and outreach/education campaign on making healthy food choices and preparing healthy food, particularly directed to migrant populations, low-income families, and homeless populations.
<b>2014 Budget</b>	\$50,000.00
<b>Estimated Amount- Program Income</b>	\$0.00
<b>National Objective</b>	LMA or LMC
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #3: Increasing access to healthy food choices.</li> </ul>
<b>Target Areas</b>	Metro Nashville census tracts identified as food deserts by the USDA's Economic Research Service.
<b>Performance Indicator</b>	Persons
<b>Annual Goal</b>	200
<b>Method of Distribution</b>	Program will be administered by a nonprofit organization(s) selected through a Request for Proposals as the most responsive and responsible proposal(s). Proposals will be evaluated by a Review Committee comprised of MDHA staff and will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for the Proposal with the highest score. MDHA may elect to award funding to multiple organizations.



<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Public Services: Services for Homeless Persons</b>
<b>Description</b>	Payment of first month's rent and security/utility deposits for homeless persons that find housing 100,000 Homes/ "How's Nashville" Campaign. Assistance will be limited to one-time payments not to exceed \$1,000 per household.
<b>2014 Budget</b>	\$129,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMH
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #4: Decrease Homelessness.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Persons
<b>Indicator</b>	
<b>Annual Goal</b>	129
<b>Method of</b>	MDHA will partner with the Metro Homelessness Commission,
<b>Distribution</b>	acting as a subrecipient, to make payments directly to landlords and utility providers on behalf of each recipient.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Other: Nonprofit Organization Capacity Building</b>
<b>Description</b>	Activities specifically designed to increase the capacity of nonprofit organizations to carry out eligible neighborhood revitalization or economic development activities. Assistance provided through this activity will be targeted to organizations serving Tier I areas.
<b>2014 Budget</b>	\$27,250.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	All
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase Supply of Affordable Housing</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Tier I areas
<b>Performance</b>	Organizations
<b>Indicator</b>	
<b>Annual Goal</b>	2
<b>Method of</b>	
<b>Distribution</b>	Program will be administered by a nonprofit organization selected through a Request for Proposals as the most responsive and responsible proposal. Proposals will be evaluated by a Review Committee comprised of MDHA staff and will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for the Proposal with the highest score.

<b>Funding Source</b>	<b>CDBG</b>
<b>Activity</b>	<b>Economic Development: Section 108 Loan Repayment</b>
<b>Description</b>	Funds will be used to make principal and interest payments on a Section 108 loan.
<b>2014 Budget</b>	\$492,061.50
<b>Estimated Amount- Program Income</b>	\$0.00
<b>National Objective</b>	N/A
<b>Priority Need(s) Addressed</b>	N/A
<b>Target Areas</b>	N/A
<b>Performance Indicator</b>	N/A
<b>Annual Goal</b>	N/A
<b>Method of Distribution</b>	N/A

<b>Funding Source</b>	<b>HOME</b>
<b>Activity</b>	<b>Administration</b>
<b>Description</b>	Provide grant compliance and oversight of HOME-funded programs. Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting, and evaluation.
<b>2014 Budget</b>	\$193,349.00
<b>Estimated Amount- Program Income</b>	\$26,000.00
<b>National Objective</b>	N/A
<b>Priority Need(s) Addressed</b>	N/A
<b>Target Areas</b>	N/A
<b>Performance Indicator</b>	N/A
<b>Annual Goal</b>	N/A
<b>Method of Distribution</b>	Administrative activities will be undertaken by MDHA.

<b>Funding Source</b>	<b>HOME</b>
<b>Activity</b>	<b>Homeownership: Homebuyer (Downpayment) Assistance</b>
<b>Description</b>	Financial assistance to homebuyers for the purchase of a home. Household income must not exceed 80% AMI, and recipients must complete housing counseling.
<b>2014 Budget</b>	\$115,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMH
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase supply of affordable housing</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Persons
<b>Indicator</b>	
<b>Annual Goal</b>	10
<b>Method of</b>	
<b>Distribution</b>	The program will be administered by MDHA or a subrecipient that is qualified and has experience with similar programs. MDHA/subrecipient will accept applications as long as funding is available. Funds will be allocated on a first-come, first-serve basis to eligible households until funding is exhausted. Assistance may be combined with a homeownership new construction.

<b>Funding Source</b>	<b>HOME</b>
<b>Activity</b>	<b>Homeownership: Homeowner Rehab</b>
<b>Description</b>	Assistance to homeowners for large-scale rehabilitation or reconstruction of owner-occupied units. Rehab/reconstruction must meet Housing Quality Standards. Assistance will be in the form of a no interest loan that will be forgiven on a pro rata basis for a specified period of time as long as the owner occupies the property. Priority will be given to homeowners whose incomes are at or below 50% AMI, persons with disabilities, and the elderly (age 62+).
<b>2014 Budget</b>	\$115,000.00
<b>Estimated Amount-Program Income</b>	\$0.00
<b>National Objective</b>	LMH
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase supply of affordable housing</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Target Areas</b>	Countywide
<b>Performance Indicator</b>	Housing units
<b>Annual Goal</b>	2
<b>Method of Distribution</b>	MDHA will administer this program. By application from homeowners, funds will be allocated on a first-come, first-serve basis to eligible households until funding is exhausted.

<b>Funding Source</b>	<b>HOME</b>
<b>Activity</b>	<b>Homeownership: New Construction</b>
<b>Description</b>	Funding for development of affordable housing for housing to be sold to households with incomes at or below 80% AMI. However, if homes are not sold within 6 months of completion, the home must be rented to a household at or below 80% AMI. Financial assistance may be in the form predevelopment loans, construction loans, and permanent financing. Eligible uses of funds include acquisition, site preparation, construction, and soft costs. All projects will be subject to underwriting by MDHA.
<b>2014 Budget</b>	\$235,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMH
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase supply of affordable housing</li> <li>• Priority #5: Develop and implement place-based strategies for community development.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Housing units
<b>Indicator</b>	
<b>Annual Goal</b>	2
<b>Method of</b>	
<b>Distribution</b>	MDHA may elect to undertake development and/or procure developers, including CHDOs, by RFP or by application. MDHA will announce at least one funding opportunity for CHDOs during the program year and will work with the Barnes Housing Trust Fund to leverage funds. All projects are subject to MDHA underwriting criteria.

<b>Funding Source</b>	<b>HOME</b>
<b>Activity</b>	<b>Rental: New Construction</b>
<b>Description</b>	Funding for development of affordable housing for rent to households with incomes at or below 60% Financial assistance may be in the form predevelopment loans, construction loans, and permanent financing. Eligible uses of funds include acquisition, site preparation, construction, and soft costs. All projects will be subject to underwriting by MDHA and must meet HOME Site and Neighborhood Standards.
<b>2014 Budget</b>	\$695,190.00
<b>Estimated Amount- Program Income</b>	\$234,000.00
<b>National Objective</b>	LMH
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase supply of affordable housing</li> <li>• Priority #5: Develop and implement place-based strategies for community development</li> <li>• Priority #8: Affirmatively further fair housing.</li> </ul>
<b>Target Areas</b>	Countywide
<b>Performance Indicator</b>	Housing units
<b>Annual Goal</b>	40, with priority for housing targeted for households with incomes $\leq 30\%$ AMI
<b>Method of Distribution</b>	MDHA may elect to undertake development and/or procure developers, including CHDOs, by RFP or by application. MDHA will announce at least one funding opportunity for CHDOs during the program year and will work with the Barnes Housing Trust Fund to leverage funds. All projects are subject to MDHA underwriting criteria.



<b>Funding Source</b>	<b>HOME</b>
<b>Activity</b>	<b>Rental: Rental Rehab</b>
<b>Description</b>	Assistance to developers (including CHDOs) to acquire and rehabilitate substandard rental property to correct code violations. Units must be occupied by tenant with incomes at or below 60% AMI. In projects with 5 or more HOME-assisted units, at least 20% of the units must serve households at or below 50% AMI.
<b>2014 Budget</b>	\$580,000.00
<b>Estimated Amount-</b>	\$0.00
<b>Program Income</b>	
<b>National Objective</b>	LMH
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #1: Increase supply of affordable housing</li> <li>• Priority #5: Develop and implement place-based strategies for community development</li> <li>• Priority #8: Affirmatively further fair housing.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Housing units
<b>Indicator</b>	
<b>Annual Goal</b>	14
<b>Method of</b>	
<b>Distribution</b>	MDHA may elect to undertake development and/or procure developers, including CHDOs, by RFP or by application. MDHA will announce at least one funding opportunity for CHDOs during the program year and will work with the Barnes Housing Trust Fund to leverage funds. All projects are subject to MDHA underwriting criteria.

<b>Funding Source</b>	<b>ESG</b>
<b>Activity</b>	<b>Administration</b>
<b>Description</b>	Provide grant compliance and oversight of ESG-funded programs. Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting, and evaluation.
<b>2014 Budget</b>	\$28,600.00
<b>Required Match</b>	\$28,600.00
<b>National Objective</b>	N/A
<b>Priority Need(s)</b>	N/A
<b>Addressed</b>	
<b>Target Areas</b>	N/A
<b>Performance</b>	N/A
<b>Indicator</b>	
<b>Annual Goal</b>	N/A
<b>Method of Distribution</b>	Administrative activities will be undertaken by MDHA.

**Funding Source**  
**Activity**  
**Description**

**ESG**

**Emergency Shelter: Operation, Essential Service**

- Shelter Operations, including maintenance, rent, repair, security, fuel, equipment, insurance, utilities, relocation, and furnishings. The interim ESG rule adds to the list of eligible shelter activities the costs of supplies and motel/hotel stays in certain cases.

ESG funds may be used for emergency shelters only. A transitional facility will only be eligible to receive ESG funds if EITHER:

It meets BOTH of the following criteria under the new *emergency shelter* definition:

(a) its primary purpose is to provide a temporary shelter for the homeless in general or for specific populations of the homeless; and

(b) it does not require occupants to sign leases or occupancy agreements;

OR

It received funds under a FY 2010 ESG grant and met the criteria under the former emergency shelter definition ("any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless").

- Essential Services, such as case management, childcare, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and services for special populations.

**2014 Budget**

\$184,000.00

**Required Match**

\$184,000.00

**National Objective**

LMI

**Priority Need(s)**

- Priority #4: Decrease homelessness.

**Addressed**

**Target Areas**

Countywide

**Performance**

Persons

**Indicator**

**Annual Goal**

1886

**Method of**

**Distribution**

Projects will be selected for funding through a Request for Proposals. Proposals will be evaluated by a Review Committee

comprised of MDHA staff, homeless advocates, and representatives of affordable housing agencies and will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted.

<b>Funding Source</b>	<b>ESG</b>
<b>Activity</b>	<b>Street Outreach</b>
<b>Description</b>	Reaching out to unsheltered homeless individuals and families, connecting them with emergency shelter, housing, or critical services, and providing them with urgent, non-facility-based care. Eligible costs include engagement, case management, emergency health and mental health services, and transportation.
<b>2014 Budget</b>	\$40,000.00
<b>Required Match</b>	\$40,000.00
<b>National Objective</b>	LMI
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #4: Decrease homelessness.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Persons
<b>Indicator</b>	
<b>Annual Goal</b>	430
<b>Method of Distribution</b>	Projects will be selected for funding through a Request for Proposals. Proposals will be evaluated by a Review Committee comprised of MDHA staff, homeless advocates, and representatives of affordable housing agencies and will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted.

<b>Funding Source</b>	<b>ESG</b>
<b>Activity</b>	<b>HMIS</b>
<b>Description</b>	Costs of participating in an existing HMIS of the Continuum of Care where the project is located.
<b>2014 Budget</b>	\$12,000.00
<b>Required Match</b>	\$12,000.00
<b>National Objective</b>	LMI
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #4: Decrease homelessness.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Persons
<b>Indicator</b>	
<b>Annual Goal</b>	2300
<b>Method of Distribution</b>	Funds will be retained by MDHA for related costs.

<b>Funding Source</b>	<b>ESG</b>
<b>Activity</b>	<b>Rapid Re-housing: Housing Relocation &amp; Stabilization Services</b>
<b>Description</b>	Services and direct housing assistance to help people who are homeless move quickly into permanent housing and achieve stability in that housing. Eligible costs include utilities, rental application fees, security deposits, last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, tenant legal services, and credit repair.
<b>2014 Budget</b>	\$116,790.00
<b>Required Match</b>	\$116,790.00
<b>National Objective</b>	LMI
<b>Priority Need(s)</b>	<ul style="list-style-type: none"> <li>• Priority #4: Decrease homelessness.</li> </ul>
<b>Addressed</b>	
<b>Target Areas</b>	Countywide
<b>Performance</b>	Persons
<b>Indicator</b>	
<b>Annual Goal</b>	87
<b>Method of Distribution</b>	Projects will be selected for funding through a Request for Proposals. Proposals will be evaluated by a Review Committee comprised of MDHA staff, homeless advocates, and representatives of affordable housing agencies and will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted.

<b>Funding Source</b>	<b>HOPWA</b>
<b>Activity</b>	<b>Administration</b>
<b>Description</b>	Provide grant compliance and oversight of HOPWA-funded programs. Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting, and evaluation.
<b>2014 Budget</b>	\$73,150.00
<b>National Objective</b>	N/A
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #7: Provide housing assistance for persons with HIV/AIDS</li> </ul>
<b>Target Areas</b>	MSA
<b>Performance Indicator</b>	N/A
<b>Annual Goal</b>	N/A
<b>Method of Distribution</b>	\$25,000 will be retained by MDHA. The remaining funds will be awarded to selected Sponsors. Sponsors will be selected for funding through a Request for Proposals. Proposals will be evaluated by a Review Committee comprised of MDHA staff, representatives of programs that serve persons living with HIV/AIDS, or individuals that are knowledgeable about various aspects of housing services. Proposals will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted.



<b>Funding Source</b>	<b>HOPWA</b>
<b>Activity</b>	<b>Supportive Services</b>
<b>Description</b>	Services supporting the housing stability of program participants. Supportive services include, but are not limited to, health, mental health, assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, personal assistance, nutritional services, intensive care when required, and assistance in gaining access to local, State, and Federal government benefits and services, except that health services may only be provided to individuals with acquired immunodeficiency syndrome or related diseases and not to family members of these individuals.
<b>2014 Budget</b>	\$419,000.00
<b>National Objective</b>	N/A
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #7: Provide housing assistance for persons with HIV/AIDS</li> </ul>
<b>Target Areas</b>	MSA
<b>Performance Indicator</b>	Households
<b>Annual Goal</b>	1407
<b>Method of Distribution</b>	Sponsors will be selected for funding through a Request for Proposals. Proposals will be evaluated by a Review Committee comprised of MDHA staff, representatives of programs that serve persons living with HIV/AIDS, or individuals that are knowledgeable about various aspects of housing services. Proposals will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted.

<b>Funding Source</b>	<b>HOPWA</b>
<b>Activity</b>	<b>Short-term Rent, Mortgage, and/or Utility Payments</b>
<b>Description</b>	Time- limited housing assistance designed to prevent homelessness and increase housing stability for a period of up to 21 weeks in any 52-week period. The amount of assistance varies per client depending on funds available, tenant need, and program guidelines. Rent and mortgage assistance payments must be reasonable and represent actual housing costs.
<b>2014 Budget</b>	\$263,000.00
<b>National Objective</b>	N/A
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #7: Provide housing assistance for persons with HIV/AIDS</li> </ul>
<b>Target Areas</b>	MSA
<b>Performance Indicator</b>	Households
<b>Annual Goal</b>	248
<b>Method of Distribution</b>	Sponsors will be selected for funding through a Request for Proposals. Proposals will be evaluated by a Review Committee comprised of MDHA staff, representatives of programs that serve persons living with HIV/AIDS, or individuals that are knowledgeable about various aspects of housing services. Proposals will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted.

<b>Funding Source</b>	<b>HOPWA</b>
<b>Activity</b>	<b>Rent Subsidies</b>
<b>Description</b>	Project tenant-based rental assistance, including assistance for shared housing arrangements.
<b>2014 Budget</b>	\$159,248.00
<b>National Objective</b>	N/A
<b>Priority Need(s) Addressed</b>	<ul style="list-style-type: none"> <li>• Priority #7: Provide housing assistance for persons with HIV/AIDS</li> </ul>
<b>Target Areas</b>	MSA
<b>Performance Indicator</b>	Households
<b>Annual Goal</b>	33
<b>Method of Distribution</b>	Sponsors will be selected for funding through a Request for Proposals. Proposals will be evaluated by a Review Committee comprised of MDHA staff, representatives of programs that serve persons living with HIV/AIDS, or individuals that are knowledgeable about various aspects of housing services. Proposals will be evaluated in accordance with the evaluation criteria contained in the RFP and ranked from highest to lowest. Funding will be awarded for projects according to their overall rank until funding is exhausted.

**Justification for allocation priorities and obstacles to addressing underserved needs:**

Allocations are based upon priorities identified in the Consolidated Plan and are generally consistent with the allocations in the 2013 Action Plan. The capacity of partner agencies and ability to leverage other funds pose obstacles to addressing underserved needs.

## AP-50 Geographic Distribution

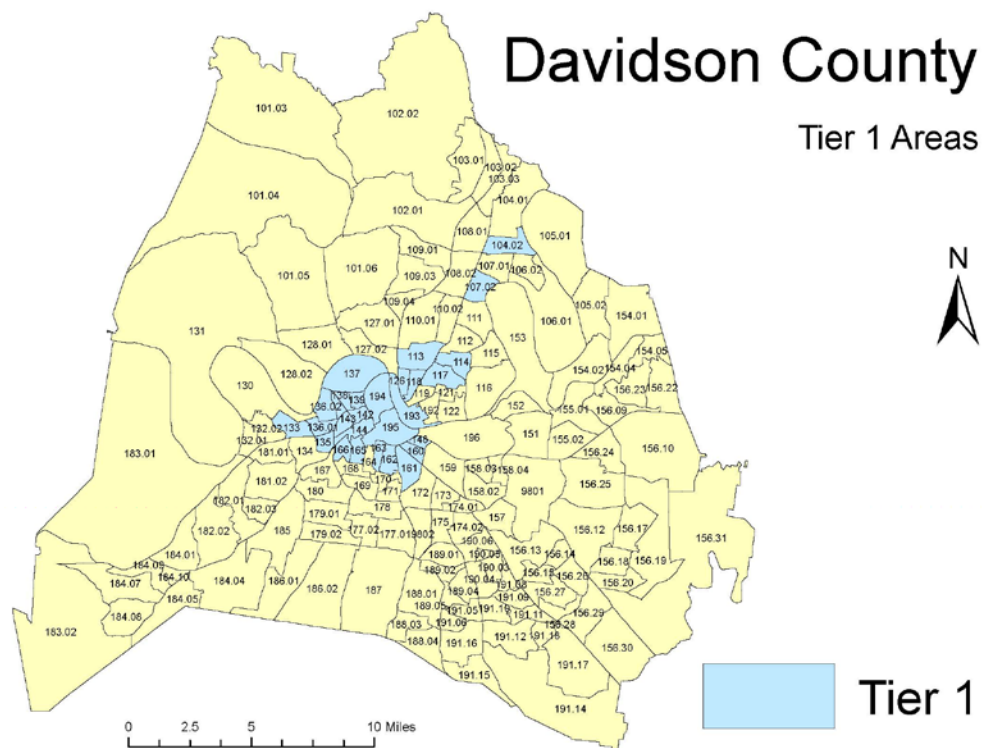
**Description of the geographic area(s) of the entitlement (including areas of low-income and minority concentration) where assistance will be directed:**

Under the tiered Placed-Based Strategy introduced in the Substantial Amendment, a portion of CDBG funds will be targeted to areas with high concentrations of poverty to help spur investment in these areas.

- **Tier I Areas**

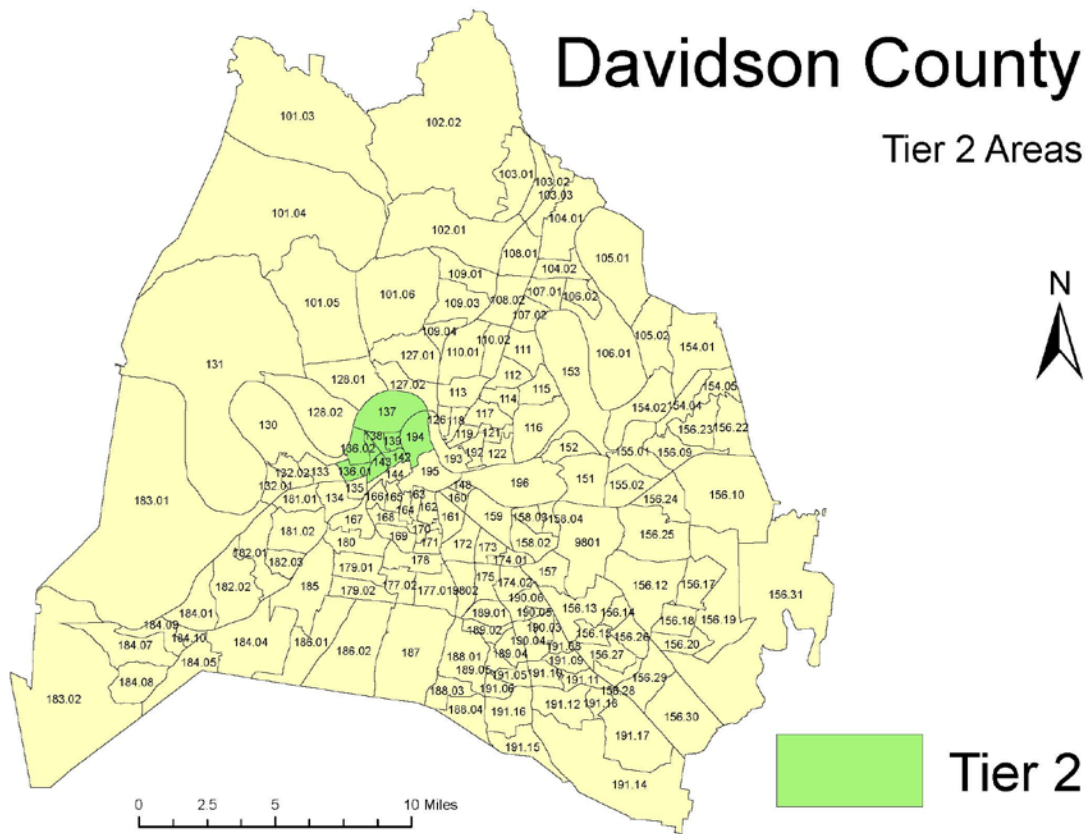
Tier I areas are census tracts where at least 65% of households are at or below 80% AMI, as indicated in blue (shaded areas) on the map below and on the map in Exhibit 1. The following programs will be available in Tier I areas:

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



- **Tier II Priority Neighborhoods**

MDHA, with the support of HUD-approved technical assistance providers, undertook a data-driven analysis in order to identify which neighborhood(s) in Davidson County should be targeted for concentrated place-based investment activities. See Appendix D for more information on the methodology. From this analysis, the North Nashville subarea (as identified by the green (shaded) areas on the map below and on the map in Exhibit 2) was selected as the first Tier II Priority Neighborhood.



In addition to the programs available to Tier I areas, the following programs will be available:

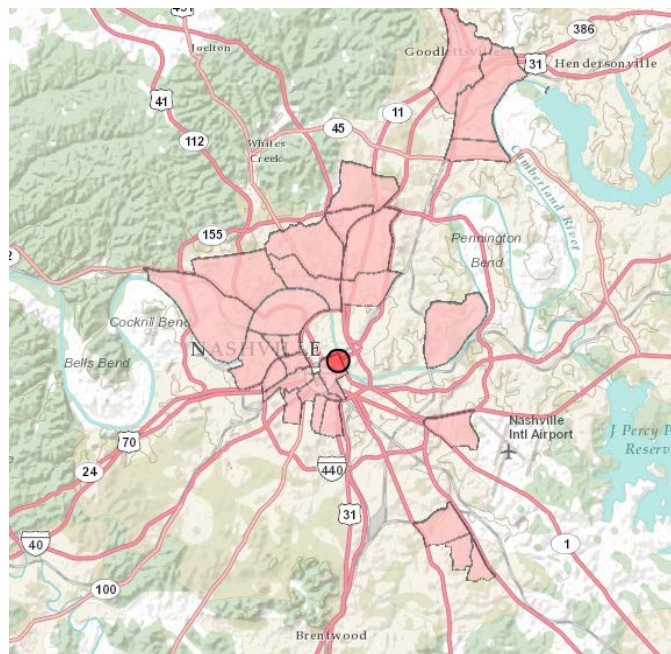
- Acquisition, Clearance and Demolition, Relocation, and Clean-up
- Infrastructure Development (Commercial)
- Infrastructure Improvements (Residential areas)
- Targeted Housing Rehab.

To help develop a strategy for implementing these programs and ensure community involvement, MDHA will issue a planning grant to a nonprofit organization that will be selected through a competitive process. Programs and redevelopment strategies shall be consistent with the North Nashville Community Plan as approved by the Metropolitan Planning Commission.

### **Other Geographic Priorities**

One of the priorities listed in the Consolidated Plan is “increase access to healthy food choices”. Many low-income neighborhoods of Metro Nashville can be categorized as “food deserts,” areas where residents have limited access to healthy and affordable food. A food desert is defined by the USDA as a low-income census tract (tract with a poverty rate equal to or greater than 20%, or a median family income that is 80% or less of the metropolitan area’s median family income) in which a substantial proportion of the population has low access (at least 500 people or 33% of the population is located more than one mile (urban) or 10 miles (rural) from the nearest supermarket or large grocery store). Concentrated poverty and the percent of minority populations are critical factors in determining low access. Also, areas with lower vehicle availability and public transportation access have a higher likelihood of being in a food desert. The following map shows Metro Nashville census tracts identified as food deserts by the USDA’s Economic Research Service. (A larger map is provided in Exhibit 3.) A portion of CDBG funds are allocated for health food initiatives.

**Food Desert Locator**



Available at: <http://www.ers.usda.gov/data-products/food-desert-locator/go-to-the-locator.aspx>

An additional need based upon geographic limitations includes the addressing and expansion of homeless and special needs assistance. Most of these resources are currently centrally located in the downtown, or urban core, area of the county. Continued efforts will be undertaken to ensure that these services are provided throughout the whole of the MDHA service area that will provide housing integration between transitional housing and permanent housing in the homeless and special needs populations.

The only program that is administered by MDHA that would lend itself to providing services to those that may not be located within the Nashville-Davidson County boundary is through the disbursement of HOPWA funding. This funding stream is distributed through the broader metropolitan area, including Cannon, Cheatham, Davidson, Dickson, Hickman, Macon, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson, and Wilson Counties. HOPWA funds are not intended to be targeted towards a specific geographic area, but rather towards a specific population, which are those with HIV/AIDS and their families.

**Geographic distribution:**

Target Area	Percentage of Funds
North Nashville Tier 2	14%
Tier I Priority Areas	10%
Nashville Food Desert Areas	1%

**Rationale for the priorities for allocating investments geographically:**

Significant issues identified during the planning process included the uneven distribution of community resources and the concentration of poverty. Many high-poverty neighborhoods are not able to leverage resources or attract investment that is necessary to stabilize the area, improve quality of life, and create opportunities. To help address this issue, MDHA has introduced a new “place-based” approach for targeting its community development efforts rather than distributing limited funds throughout the County. Working with a HUD-approved technical assistance provider, MDHA developed a two-tiered Place-Based Strategy. The purpose of the tiered approach is to provide funding to spur investment in eligible census tracts.



## AP-55 Affordable Housing

### Introduction:

Scarcity of affordable rental units was an impediment identified in the Analysis of Impediments to Fair Housing Choice and was a common thread among all discussions during the planning period. The greatest need is among households with very low incomes, persons with disabilities, and families. As a result, affordable housing programs are designed to address these needs.

Note: Housing assistance, as discussed in this section, does not include emergency shelter, transitional shelter, or social services.

### One year goals for the number of households to be supported:

Homeless:	87
Non-homeless:	123
Special needs:	281
Total:	491

### One year goals for the number of households supported through:

Rental Assistance:	368
Production of new units:	14
Rehab of existing units:	108
Acquisition of existing	
units:	1
Total:	491

### Discussion:

A summary of affordable housing activities to be undertaken this program year is listed below:

- **Homeowner Rehab:** Due to excessive demand for assistance, priority will be given to homeowners whose incomes are at or below 50%, persons with disabilities, and the elderly (age 62+).
  - Assistance provided with CDBG funding will be limited to the following: heat/air, roof repair, plumbing, electrical, and accessibility. Assistance will be



in the form of a grant. A portion of funds will be reserved to targeted rehab in Tier II Priority Neighborhoods.

- Assistance provided with HOME funding will involve large-scale rehabilitation or reconstruction and must meet Housing Quality Standards. Assistance will be in the form of a no interest loan that will be forgiven on a pro rata basis for a specified period of time as long as the owner occupies the property.
- **Rental Rehab:**
  - Assistance will be provided to landlords and developers (including CHDOs) to rehabilitate substandard rental property to correct code violations. Assistance will be in the form of 3% loan, repayable over the affordability period. All loans will be subject to underwriting review by MDHA staff. Units must be occupied by tenants with incomes at or below 60% AMI. In projects with 5 or more HOME-assisted units, at least 20% of the units must serve households at or below 50% AMI.
- **New Construction:** During the Program Year, MDHA will make available funding opportunities for or elect to undertake development of affordable housing for rent or homeownership. Financial assistance may be in the form of predevelopment loans, construction loans, and permanent financing. Eligible uses of funds may include acquisition, site preparation, construction, and soft costs. New construction rental projects must meet HOME Site and Neighborhood Standards. All projects are subject to underwriting by MDHA.
  - **Rental Projects:** All rental projects must serve households with incomes at or below 60% AMI. In projects with 5 or more units, at least 20% of the units must serve households with incomes at or below 50% AMI. As indicated in the Annual Goals and Objectives for HOME, priority is established for projects serving households at or below 30% AMI and large families.
  - **Homeownership:** Homes must be sold to households with incomes at or below 80% AMI. However, if homes are not sold within 6 months of completion, the home must be rented to a household at or below 80% AMI.
- **Acquisition:** MDHA may utilize CDBG funds to acquire property in a designated Tier II Priority Neighborhood for affordable housing as part of a place-based strategy.
- **Downpayment Assistance:** Financial assistance may be made available to first-time homebuyers of the purchase of the home. Household income must not exceed 80% AMI, and recipients must complete housing counseling.

- **Rental Assistance:** Rental assistance is available through the HOPWA program and ESG Rapid Re-housing program. First-month's rent payments will be made available through CDBG for homeless individuals/families that find housing through the 100,000 Homes/ "How's Nashville" Campaign.
- **Barnes Housing Trust Fund:** Following MDHA procurement standards, HOME funds will be used to leverage additional funds for projects submitted to the Barnes Housing Trust Fund.
- **CHDO Set-Aside:** Fifteen percent (15%) of the annual HOME allocation is set aside for designated CHDOs to undertake affordable housing development. To assist organizations with their capacity needs, MDHA provides technical assistance workshops.

## AP-60 Public Housing

### **Introduction:**

MDHA is the public housing authority for Metro Nashville, and MDHA's Asset Management Department oversees the public housing stock, including the administration and maintenance of 5,399 public housing units which provide housing for more than 14,000 persons. In 2012, MDHA instituted a smoking-cessation program and smoke-free buildings at all seven of its properties designated for the elderly and persons with disabilities.

MDHA's Rental Assistance Department administers the Section 8 Housing Choice Voucher and Moderate Rehabilitation Programs. MDHA provided rental assistance through the voucher program to over 6,500 households annually. The Rental Assistance Department strives to reach an annual utilization rate of at least 99% of all issued vouchers. To provide more housing choices for its eligible voucher recipients, the Department has set a goal to recruit at least 25 new property owners to the voucher program each year. In 2013, MDHA established a preference for persons referred by the Metro Homelessness Commission as part of the "How's Nashville" Campaign and pledge up to 18 vouchers per month for participants.

### **Actions planned during the next year to address the needs of public housing:**

As evidenced by the number of applicants on the waiting list for Section 8 rental assistance and the lack of available units for public housing for families, the most immediate need of those qualified to receive public housing or rental assistance is an increased supply of available rental units.

MDHA has established the following goals to address the needs of its public housing population: Increase the number of public housing households to 453; audit 20% of all public housing resident files annually to reduce instances of income discrepancies and inaccurate rent calculations; and attract at least 25 new property owners to the Housing Choice Voucher program. MDHA also aims to increase the number of participants in the Family Self-Sufficiency program and establish new partnerships annually with agencies that promote aspects of family self-sufficiency (homeownership, budget management, career development, job training and readiness) in order to help families transition to economic independence and thereby reduce the demand for public housing assistance.

In addition, MDHA is exploring the possibility of redeveloping Cayce Homes, the largest property with over 700 public housing units. Through the "Envision Cayce" process, MDHA has procured a consultant team to lead planning efforts and is seeking significant public

input on potential redevelopment scenarios. As MDHA considers its future funding needs, it intends to apply for the HUD Rental Assistance Demonstration program.

**Actions to encourage public housing residents to become more involved in management and participate in homeownership:**

MDHA provides multiple outlets for public housing residents to be involved. Two membership positions on the MDHA Board of Commissioners are filled by public housing residents. Residents may also serve on the Resident Advisory Board and are encouraged to participate in their respective resident associations.

The Resident Services Division provides a variety of direct social services to the residents and coordinates services offered by other agencies. Service Coordinators are located at each public housing property to provide counseling, information, and referral services.

MDHA's Family Self-Sufficiency Program combines MDHA and private resources to support residents in transitioning out of public assistance and attaining home ownership and financial independence. The type of services received enable families to increase their income, reduce or eliminate the need for government assistance, achieve higher education and job training, and progress in achieving economic independence and housing sufficiency. MDHA aims to increase the number of Family Self-Sufficiency Voucher households to 150.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance:**

MDHA has consistently been rated as a High Performer by HUD in the management of its public housing and voucher programs.

## **AP-65 Homeless & Other Special Needs Activities**

### **Introduction:**

MDHA will support the following goals and actions for reducing and ending homelessness.

1. Provide funds (subject to applicable cap) to support street outreach efforts, rapid re-housing programs, and shelter operations.
2. Provide funding to increase permanent supportive housing opportunities and work to create a stronger network of providers of supportive services.
3. Use the presence and strength of support services as a criterion in the evaluation of applications for ESG and CoC funding.
4. Encourage the efficient use of HMIS technology and support its expansion beyond homeless service providers as a way to link the various services provided by Metro nonprofits and agencies and standardize performance measures.
5. Support efforts to integrate the management of ESG funds with the Continuum of Care
6. Strengthen the collaboration and capacity of homelessness service providers and advocacy organizations.

### **Description of the jurisdiction's one-year goals and actions for reducing and ending homelessness including:**

- **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs:**

The MDHA and the Emergency Shelter Grants review committee will continue to invest in street outreach activities during the next funding cycle. Park Center and the Mental Health Cooperative have applied for and been awarded program funds for street outreach activities.

Because a significant percentage of individuals experiencing homelessness are also impacted by mental illness, Park Center piloted a project with the Metropolitan Homelessness Commission called the homeless outreach program. The program consists of two components, the SOAR for those receiving SSI/SSDI and Street Outreach. Coordinators for each program work together to help connect homeless persons with vital community resources and services in an effort to assist clients with returning to the community and living independently.

The Mental Health Cooperative (MHC) operates the PATH program for persons with serious mental illnesses who are homeless or at risk of becoming homeless. The organization utilizes a team of outreach workers, case managers and providers, and makes services available offsite via a mobile clinic and offices at local missions and shelters. The MHC also partners with local law enforcement and provides comprehensive services that include representative payee, transportation, and pharmacy.

Additionally, the MDHA participates in the annual Point in Time Count of sheltered and unsheltered homeless persons during the month of January. This count allows the community to better utilize resources as it relates to homeless individuals.

In the spring of 2013, the Metro Homelessness Commission launched the 100,000 Homes/"How's Nashville" campaign to end chronic homeless. In May 2013, outreach workers, using a vulnerability assessment tool, undertook an extensive outreach effort to

- **Addressing the emergency shelter and transitional shelter needs of homeless persons:**

Subject to the regulatory cap, funding through ESG assists with operational costs of shelters. To ensure that shelters are safe, decent, and sanitary, a portion of CDBG funds are allocated to rehabilitate homeless and domestic violence shelter.

- **Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again:**

MDHA has identified Rapid Re-Housing as a priority for the PY 2014 funding cycle. Obtaining permanent housing for these individuals and families will shorten the length of time spent in emergency and transitional shelters. MDHA estimates that 11,000 to 17,000 people each year are in need of safe, affordable, and permanent housing which justifies the focus on rapid re-housing as a top priority. There is a general consensus among shelter agencies that there is a greater need for re-housing than homelessness prevention. Agencies can target people currently utilizing their shelters or transitional programs. Historical data on these clients will provide these agencies with data to verify that individuals will likely remain homeless.

The intended result of utilizing ESG funds to rapidly re-house homeless persons in and out of shelter in Metro Nashville is to reduce the number of homeless people in the city, across all subpopulations, including chronically homeless persons, veterans, families with children and homeless/runaway youth. MDHA encourages collaboration with local nonprofits to transition as many people as possible into permanent housing.

- **Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs:**

MDHA has adopted the following discharge policies for specific sub-populations to decrease the risk of persons exiting institutions will not enter into homelessness:

- **Foster Care Discharge Protocol: Formal Protocol**

Formal protocols are formalized and implemented through the Department of Children's Services. Foster youth are to be referred to Independent Living at age 14, in order to begin planning for the transition out of care. Child and family team meetings are scheduled 6 months before the youth ages out. This has been effective for preventing discharge to the streets. The Jim Casey Youth Opportunities Initiative, launched at Vanderbilt University in 2002 (now called Fostering Success), is working to create better futures for thousands of foster youth in Middle Tennessee who make the transition to adulthood without traditional family supports. Vanderbilt Child and Family Policy Center provides research, evaluation and overall program leadership for Fostering Success. Opportunity Passport is housed at Monroe Harding, a nonprofit agency in Nashville that is home to Youth Connections, a one-stop-shop for transitioning foster youth. This allows young people to secure necessities such as housing, transportation and jobs. The Nashville Career Advancement Center is partner for job training and placement. US Bank helps young people to establish bank accounts. The Oasis Center houses the Tennessee Youth Advisory Council led by young people to address critical issues facing foster care. United Way of Metropolitan Nashville leads the Community Partnership Board, which brings community leaders and resources to address systemic challenges facing foster youth.

- **Health Care Discharge Protocol: Initial Discussion**

Unlike some of the other systems highlighted in this section, very little advance notice is given to the health care system about when patients are expected to exit. Case managers and social workers do their best to assess needs and link to available services in the community. This is mirrored at the private health care providers in Nashville. There have been some initial discussions, but no developments of protocol. Partners involved in the discussion include the Campus for Human Development, Vanderbilt University, Metropolitan General Hospital, the Mayor's Commission to End Chronic Homelessness, and members of the Metropolitan Council.

- **Mental Health Discharge Protocol: Formal Protocol Implemented**

Formal protocols are implemented through the Tennessee Department of Mental Health and Developmental Disabilities. Additionally, the department partners with Centerstone, a multi-county provider of community-based mental health services by allocating funds to prevent discharge into homelessness.

- **Corrections Discharge Protocol: Initial Discussion**

The State Department of Corrections is active in facilitating the Tennessee Reentry Collaborative a group that meets quarterly to discuss solutions for preventing homelessness for individuals leaving the prison system. The group includes stakeholders such as the State Board of Probation and Parole, the Tennessee Housing and Development Agency, The Next Door, the Rehabilitative Services division of the Tennessee Department of Corrections, the Alcohol & Drug Council, TriCor and the Veterans Administration. Policies have not been drafted or implemented to date. Within Metro Nashville's jail system, a Discharge Planner works to coordinate discharge, and lists of people due to be discharged are regularly sent electronically to case managers to coordinate and avoid discharge to the streets. Monthly meetings of discharge planners are held at the Criminal Justice Center; partners attending include the Davidson County Sheriff's Office, General Sessions Court, the Metro Public Health Department, the Metro Public Defender's Office, Urban Housing Solutions, Eckman/Freeman Associates and Centerstone, the nation's largest community-based behavioral health provider.

## **Discussion:**

MDHA's representation as an ex-officio member of the Metro Homelessness Commission and its role as the CoC lead agency provide significant opportunities to work with other providers to address the challenges of homelessness.



## AP-70 HOPWA Goals

### **One year goals for the number of households to be provided housing through the use of HOPWA for:**

See section AP-20 for HOPWA Goals and Objectives for Program Year 2 and AP-35 for description of HOPWA activities.

MDHA will issue a Request for Proposals from project sponsors that is publicized via an advertisement in *The Tennessean* newspaper and emailed to all prior-year sponsors, as well as any additional agencies who indicate interest. Prospective agencies will have approximately 1 month after this notification to apply for funding.

## AP-75 Action Plan Barriers to Affordable Housing

### Introduction:

The Analysis of Impediments to Fair Housing Choice (AI) listed “lack of affordable rental housing” and “lack of housing for persons with disabilities” and the top two impediments, respectively. Detailed information on impediments listed in the AI and strategies for addressing them is contained in the Fair Housing Narrative (see Appendix B).

**Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment:**

Despite new challenges associated with local and state economic conditions, the major obstacles to comprehensively meeting the needs of a primarily low-income population are continuing underinvestment, lack of job center locations, proliferation of food deserts, and increasing developments without affordability standards.

While measures have been taken to increase partnerships with local service providers, there is still a need to facilitate the development of a collaborative network of service providers. This would increase the availability of news and information, reduce duplications of service, and allow for larger community involvement.

In addition to mitigating the issues mentioned above, MDHA will continue to actively participate in dialogue regarding re-zoning, stormwater management, sustainability, and other regulatory issues affecting affordable housing development. As a member of the Housing Resource and Land Use, Transportation, and Infrastructure Resource Teams, MDHA is heavily involved in the NashvilleNext planning process. MDHA will also explore incentives to encourage affordable housing development and will work with community leaders to address concerns about potential developments. Furthermore, MDHA will undertake efforts to affirmatively further fair housing to ensure housing choice is available throughout the county including holding educational events throughout the community and continuing to ensure that fair housing is a priority among all activities undertaken by MDHA.

## AP-85 Other Actions

### **Actions planned to address obstacles to meeting underserved needs:**

To help remove obstacles to meeting underserved needs and improve service delivery, MDHA will facilitate the development of a regional social service collaborative to coordinate the work of social service organizations, disseminate news and information, eliminate duplication of effort, and spearhead community-wide solutions to local needs. MDHA will review and analyze the work of its various departments and divisions and find opportunities for collaboration between similar programs that could leverage greater services.

### **Actions planned to foster and maintain affordable housing:**

As Nashville continues to grow, preserving long-term affordability is a priority. Programs and funding opportunities offered through CDBG and HOME are designed to create and/or affordable housing. However, these resources fall far short of the need. MDHA actively pursues Low-Income Housing Tax Credit (LIHTC) funding opportunities and has successfully developed two LIHTC properties in the past three years. In 2013, Metro Nashville established the Barnes Housing Trust Fund in an effort to create a recurring funding source for affordable housing development. Still in its infancy, the Trust Fund anticipates its first funding cycle in early spring 2014.

### **Actions planned to reduce lead-based paint hazards:**

Addressing lead-based hazards are eligible costs in all CDBG and HOME-funded rehabilitation projects.

The Tennessee Department of Environment and Conservation (TDEC) has been awarded \$4.5 million in grants by the U.S. Department of Housing and Urban Development to make improvements to homes impacted by lead-based paint.<sup>1</sup> The grant money has North Nashville as a targeted use area for the next 3.5 years. There will be lead-safe training along with job readiness opportunities for 545 eligible residents. As part of the outreach, there is a public awareness campaign regarding childhood lead poisoning that will consist of community events, health screenings, pamphlets, brochures, as well as billboards. MDHA will partner with TDEC with outreach.

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<sup>1</sup> *Lead-Safe Tennessee: State of Tennessee Lead Hazard Reduction Demonstration Program*. Tennessee Department of Environment and Conservation. <<http://www.tn.gov/environment/leadsafetn/>>

### **Actions planned to reduce the number of poverty-level families:**

Part of Metro Nashville's ongoing anti-poverty effort is to provide job training, employment, and contract opportunities for government housing residents and low- or very-low income residents in compliance with the regulatory requirements of HUD's Section 3 program. Section 3 aims to help residents obtain the skills and employment needed to become self-sufficient and to provide opportunities for qualified, low-income business owners to receive preference in bidding on HUD-funded contracts in their neighborhoods.

In addition, MDHA's Rental Assistance Department will continue to offer a Family Self Sufficiency Program, which funds strategies to help families obtain decent employment that will lead to economic independence and self-sufficiency. The types of services offered include life skills training, case management to assist persons in getting enrolled in GED and other educational programs, job training and placement, and homeownership counseling. These services enable participants to increase income, reduce or eliminate the need for public assistance, achieve economic independence and homeownership.

MDHA also will continue to support and collaborate with Metropolitan Social Services and its Nashville Poverty Council, in implementing the Poverty Reduction Initiative Plan.

During the five-year period, MDHA anticipates the place-based strategy for addressing community development needs in areas with a high concentration of poverty will bring jobs and services along with other investment.

### **Actions planned to develop institutional structure:**

As during previous planning periods, MDHA will continue to work with various agencies within Metro Nashville to ensure that services offered through entitlement grant programs receive maximum amounts of exposure and benefit. Several of these programs will be carried out through oversight by MDHA and work conducted through the issuance of sub-recipient agreements and/or developer agreements. The table below provides illustrates the delivery system.

<b>Responsible Entity</b>	<b>Responsible Entity Type</b>	<b>Role/Program Served</b>	<b>Geographic Area Served</b>
MDHA/ qualified sub-recipient	Government/private contractor	Down Payment Assistance Program	Metro Nashville
MDHA	Government	Homeowner and Rental Rehabilitation Program	Metro Nashville
Developers and CHDOs	Private Developers/community organizations	Affordable Housing Program	Metro Nashville
MDHA/Metro Agencies	Government	Neighborhood Improvement Program	Metro Nashville
Qualified Non-Profit Organizations	Non-profits as selected by Review Committee through Competitive RFP Process	ESG and HOPWA	Metro Nashville
Qualified Sub-recipient	Sub-recipient organization	Business Technical Assistance and Microenterprise Program	Metro Nashville
Various Non-Profits and Public Agencies	Non-Profits and Public Agencies	Community Services Program	Metro Nashville

The Metro Nashville community has a number of qualified and experienced nonprofits that assist MDHA in the implementation of the Consolidated Plan. Many of the existing programs that are administered by MDHA have been redesigned for efficiency in the last several years as funding priorities have shifted. During this time, MDHA has continued to expand efforts to increase the number of opportunities for participation from outside organizations.

There are continuing needs to develop and encourage the participation of residential groups in the community development process. There are additional efforts to strengthen the capacity of Community Housing Development Organizations (CHDOs) to carry out housing development activities funded through MDHA.

## **Actions planned to enhance coordination between public and private housing and social services agencies:**

MDHA is working with Metro to identify gaps in the delivery system as well as duplicated efforts to create a more effective, efficient, and coordinated service delivery system.

### **Discussion:**

MDHA is responsible for ensuring that the federal funds it manages are in compliance with federal guidelines. MDHA's performance monitoring activities include onsite monitoring, desk reviews, and technical assistance for recipient agencies.

In an effort to ensure long-term compliance with program requirements and comprehensive planning requirements, all subrecipients, contractors, grantees, etc., enter into a contractual agreement with MDHA. These agreements include a detailed scope of services with measurable objectives. The federal general provisions, along with reference to the appropriate OMB Circulars, are included in contractual agreements to ensure compliance. The budget line items must be reflective of the goals and objectives.

MDHA's Community Development Department staff conducts on-site monitoring of recipient agencies on an annual basis. MDHA staff will evaluate agencies' programmatic and fiscal management policies. MDHA staff utilize the HUD Monitoring Desk Guide to determine CDBG and HOME compliance. Additionally, recipients are required to provide regular reports on their achievement of contractual objectives as a requirement for reimbursement.

MDHA's Community Development Department will continue to evaluate its monitoring plan to ensure grant programs are in accordance with local program policies and procedures and Federal regulations and to develop appropriate internal controls. Staff will conduct an annual risk assessment to identify high-risk agencies or programs and develop a quarterly monitoring schedule and is in the process of developing formal monitoring protocol.

In addition to staff monitoring, Community Development programs may be selected for review by the Agency's internal and external auditors.

## AP-90 Program Specific Requirements

### Community Development Block Grant (CDBG)

**Introduction:** Projects planned with CDBG funds are listed on Page 122.

Reference: 24 CFR Part 570

Total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed: 0

Amount of proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the Strategic Plan: 0

Amount of surplus funds from urban renewal settlements: 0

Amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan: 0

Amount of program income from float-funded activities: 0

Total Program Income: 0

Amount of urgent need activities: 0

Estimated % of CDBG funds that will be used for activities that benefit low- and moderate-income persons 95%

## HOME Investment Partnership Program (HOME)

**Introduction:** HOME funds will be used to create affordable housing opportunities for low- and moderate-income households. Fifteen percent (15%) of HOME will be set-aside annually for Community Housing Development Organizations (CHDOs) to undertake affordable housing.

Reference: 24 CFR Part 92

Description of other forms of investment being used beyond those identified in Section 92.205: N/A

Description of guidelines that will be used for resale of HOME funds when used for homebuyer activities as required in 92.254: See below.

Description of guidelines that will be used for resale or recapture to ensure that the affordability of units acquired with HOME funds: See below.

Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b): N/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 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.

<b>If the total HOME investment (resale) or Direct Subsidy (recapture) in the unit is:</b>	<b>The Period of Affordability is:</b>
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 downpayment 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").

$$\text{Fair Return} = (\text{initial investment} + \text{value of improvements}) \times \frac{\text{Median Sale Price}^c}{\text{Median Sale Price}^i}$$

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 downpayment 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.

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

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 downpayment 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 the PJ's Provisions shall constitute an effective review and approval of the provisions used by the PJ's CHDOs and subrecipients.

**Emergency Solutions Grant  
Reference 24 CFR 91.220(I)(4)**

**1. Include written standards for providing ESG assistance:**

The standards for assistance below are based on discussions with homeless service providers and reflect the need to develop comprehensive, coordinated, and effective policies to target subpopulations of the homeless community for assistance. The MDHA allocates funding to many different nonprofit organizations and relies heavily on the input of these organizations to develop program guidelines that are effective at reducing homelessness.

**Evaluating client eligibility for assistance under ESG**

Homeless service providers will utilize an intake form with specific questions to determine eligibility. The form will include demographic information, verification of annual income or lack thereof, certification of homelessness, and any existing support networks to assist the client in moving out of the shelter and into permanent housing. The standard intake application will be used by all agencies providing services under the ESG program. The form will include the following:

1. A table that lays out a client's support request. The table could specify the expense by category (rent or mortgage payment, and individual utilities), how much in a dollar amount per category is requested from ESG, and how much in terms of a percentage of the expense category is requested from ESG.
2. A required documentation checklist for all sources of income, proof of need, etc. As mentioned above in *Discussion of Funding Priorities*, providers prefer to know the homeless population they are serving, to best ascertain eligibility. They have proposed a minimum requirement of 60-days' stay at programs, with a preference for 90 days. For any applicants referred to a funded provider by an agency that is not a sub-grantee of ESG funds, there must be a written reference documenting need and verifying income. The client should have a case manager in place; the agency with which the client's case manager is affiliated should commit to continue to provide case management services for that client throughout the time the client is receiving ESG assistance.
3. A client accepted for assistance should agree to a Housing Stability Plan, developed by the client with the case manager, to help ensure stability following ESG assistance (for example, agree to complete a budgeting/personal financial

management class or move to more affordable housing). The plan should set specific goals within a specific timeline. If the client does not follow through on fulfilling the housing stability plan, no further ESG assistance should be provided. Several agencies give admission priority to pregnant women; such priority status is being considered for ESG assistance recipients as well.

### **Coordination among homeless service providers**

Homeless service providers will attend quarterly meetings for ESG funded agencies to discuss challenges and successes in an effort to deliver streamlined services for clients. As a model, HPRP quarterly meetings were helpful for service providers to share experiences and insights, revisiting procedures, and keeping everyone on task to make the best use of the funds within the HUD-designated timeframe.

HMIS will also be used as a mechanism to increase coordination and avoid duplication of services. The MDHA is currently developing a formal collaborative process that involves a central provider of financial assistance, central intake process, ongoing case management, and a system to make appropriate referrals.

In addition, many agencies are expected to participate in conversations on the intake form for a local central or coordinated process, not just for ESG funding, but to access general homeless services and housing. This will be required in the upcoming HUD regulations for Continuum of Care funds.

### **Prioritizing homelessness prevention assistance and rapid re-housing assistance**

MDHA has made rapid re-housing a priority for ESG program funds. Individuals served with these program funds will enter the program via emergency and transitional agencies that are already receiving ESG funding and through targeted referral sources. MDHA is currently developing policies for determining which participants are ready to be re-housed. MDHA has decided not to utilize program funds to assist persons with Homelessness Prevention in this funding cycle.

### **Rent and utility costs for program participants receiving rapid rehousing assistance**

MDHA will subsidize housing costs 100% with ESG program funds initially and as the client earns more income the subsidy will be decreased accordingly. The participant will have an increasing obligation for rent and utilities each month. MDHA will also place a limit on the monthly housing expense that is available for an eligible client. This

ensures that housing can be sustained following ESG assistance. The HUD Fair Market Rents will be used to determine if available housing is within affordability standards.

### **Program length of time and amount limits**

MDHA encourages organizations to provide rental assistance for a period of 4-6 months; however will allow some flexibility for service providers to determine their limits. The portion of the participants' housing costs assisted will gradually decline, from up to 100% initially, to as low as 10% in the last month of assistance. It is anticipated that the case manager will be in touch at least every month to discuss progress and gauge the need for continuing assistance.

### **Program Assistance Limits**

A maximum amount of \$2,500 in total direct housing assistance has been suggested in initial discussions with service providers. Assistance may take the form of rental assistance and/or utilities. Participants may come back for additional assistance within the 6-month time frame, but the total period of assistance (all intervals combined) should not exceed the 6-month limit.

## **2. If the Continuum of Care has established a centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system:**

The jurisdiction does not currently have a centralized system for assessing the housing and service needs of homeless people. An ad hoc committee of the CoC Governing Committee has discussed various options for this centralization, in order to prepare for the requirement expected in the CoC consolidation requirements issued by HUD.

## **3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations community and faith-based organizations) will be allocated:**

MDHA will issue a Request for Proposals for ESG funds that is publicized via an advertisement in *The Tennessean* newspaper and emailed to all prior-year grantees, as well as any additional agencies who indicate interest. Prospective agencies will have approximately 1 month after this notification to apply for funding.

The MDHA then schedules a pre-proposal conference to solicit questions related to the request for proposals. Questions asked at this conference and those submitted to the

MDHA by the deadline will be answered in writing and sent to all agencies in the form of an amendment to the RFP.

Proposal copies will be mailed to members of the ESG Review Committee, comprised of members representing:

1. The Nashville Coalition for the Homeless;
2. The local Emergency Food & Shelter Program board;
3. A local foundation; and
4. A homeless/formerly homeless representative.

This committee is staffed by MDHA's Homeless Coordinator, who facilitates the local Continuum of Care process and administers formula funding for HOPWA & ESG program. The committee will review and score all applications using an ESG tool that includes a matrix of performance expectations.

#### **Homeless participation requirement**

One of the five members of the ESG Review Committee is formerly homeless. This representative serves to inform the process of the homeless perspective as well as to help the committee direct any changes in ESG policies.

- 4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG:**

Not applicable.

- 5. Describe performance standards for evaluating ESG:**

The Performance Committee of the local CoC Governance Committee is revising a list of performance standards for programs supported by CoC funds. This committee will be briefed on the new Emergency Solutions Grants regulations and asked to draft a list of related performance standards. As much as possible, these will relate to both local and national goals to reduce homelessness, and will include:

- Timely & accurate collection of both required and optional HMIS data elements
- Proposed versus actual number of individuals & families served

- Outcomes such as increased housing stability, shortened stays in emergency and/or transitional shelter, facilitated access to affordable permanent housing
- Regular grant expenditures.

In addition, the RFP will request information from service agencies about how best to target assistance to homeless people who need related ESG assistance most, and to identify the barriers that stand in the way of homeless persons moving to housing and remaining stable. Re-housing funds are anticipated to ease the transition into permanent housing. HUD acknowledges in its various notices that these standards will evolve over time and that ESG subrecipients will have increasing access to HMIS. In Nashville, agencies using ESG funds from past years have collected basic demographic and financial data for an annual report submitted to MDHA. However, they had not been asked to collect and report on length of stay for shelter residents, and other more substantial indicators of performance in the new ESG. Beginning with the 2012 allocation and the coinciding second allocation of 2011 ESG funds, this data has been required via contracts with agencies that are awarded funds and entered into HMIS.

## **Appendix A**

### **Citizen Participation Comments**

#### **Comments from Public Hearing held on December 19, 2013:**

Q: How much of CDBG funds are allocated to planning grants?

A: \$20,000 for North Nashville planning grants.

Q: Did any of this CDBG funding pertain to the disaster recovery project in North Nashville?

A: No, it is a separate project from a separate funding source and is not included in the allocations in this Action Plan.

Q: Is there going to be any amendment to that funding? Is the funding restricted to North Nashville?

A: It is not certain that an amendment will be required. It is hard to discuss since the project is not underway yet. If the project cannot be done at that site in North Nashville, we will find another site for the multi-family housing. However, this is not a project that is being funded under the Action Plan we are discussing tonight and we would like to keep questions confined to the relevant to the Action Plan.

Q: Is it possible to be provided with a spreadsheet that shows the 5-10% changes in funding over the last 5 years? I would prefer to analyze the funding in this format.

A: A history of funding for each grant is included in this presentation, and we are glad to share that information. However, we will not be recreating documents in varying formats

Q: On Tier Targeting – is any of the HOME money linked to the Tiers?

A: HOME funding is not Tier linked – only CDBG.

Comment: There's a great need for rental housing, but also a great need for subsidy for home buyer market. Traditionally, there has been more balance in the past. This Action Plan is heavily geared to rental. But, it is really difficult for those below 80% LMI to purchase homes without subsidy help. Not asking to change this, but just wanted to reinstate the need for homebuyers.

Response: That is a good point. To help explain the funding breakdown, please note that some of our HOME funds will be leverage for the Barnes Trust Fund rental housing project. It takes up \$1M of the \$1.6 total HOME allocation. We are also gauging this from responses to RFPs for projects. There has not been much demand/request for homebuyer projects in recent years. If we

see a shift back to more demand, then we can allocate more funds to homebuyer subsidies.

Q: How long is comment period?

A: Comment period ends on January 8<sup>th</sup> 2014. *(Note: This public hearing was held before the decision was made to extend the comment period to January 31, 2014.)*

Q: On the ESG allocation, there is a \$9000 allocation for HMIS. Is this for staff or Bowman support?

A: That is for the Bowman system support.

Q: Are you going to be covering the total cost of Bowman for future years or will Metro Social Services pick that up?

A: We are assuming Metro Social Services will assist with the costs as part of their budget.

Q: On the ESG money, is there a cap on the money that can go for shelter services?

A: 60% for shelter and outreach combined.

Q: Has there been any sort of waiver process for that? We've had to deal with this for a few years. Is this a MDHA decision or a HUD decision?

A: It is in the HEARTH Act. That is not an MDHA determination.

Q: Can I get a copy of the citation that is part of the Hearth Act, because I would like to have that information to review that? I will stop by your offices to pick that up.

A: Okay *(Information requested by this citizen was provided via email on December 20, 2013.)*

Q: You list 8 funding priorities, why are they ranked in the order shown?

A: These are not in a ranked order. They are just numbered to carry over into tables to see where priorities fit into the table.

Q: Do have an analysis that shows the food deserts – did you get data from planning department to assist in placed based strategy?

A: We attached a statistical analysis in the substantial amendment to show how placed based strategy was developed. It covered crime, poverty rate, unemployment, etc. We will provide you a copy.

Q: Do you issue RFPs to service providers so they know when there is a funding opportunity? How does this work?



A: When funding opportunities are available, we notify organizations via email and advertise thru newspapers and our website. It is a competitive process.

Q: How do you note the scoring in the RFP? Is it included in the RFP?

A: Yes. Evaluation factors are described in the RFP.

Comment: I think given the paltry amount of funds we get from the government these days, MDHA does a pretty good job of splitting funding across priorities. It would be advisable on future public presentations to have tables to show how these priorities are providing good work to the community. It is important to explain all the details of what MDHA does to the public so they can see and appreciate MDHA's efforts more.

Response: Thank you; point taken. We do have another upcoming hearing. We might be able to change the format to accommodate this suggestion. *(This comment was incorporated for the public hearing held on January 28, 2014.)*

Q: You have a priority regarding strength and collaboration among service providers. Please explain.

A: During planning process, there are multiple groups across the city that meet to discuss various MDHA projects. It takes time and administrative attention to get all of those entities together to meet and be more effective.

Comment: To try to get collaboration when you have programs that pitch agencies against each other for points to obtain funding is counter effective. The agencies focus on their areas to get better scored to get grants. The data requirements don't seem to be used in an effective manner. You have to get rid of competitive process to get the agencies to work together, specifically as it pertains to ESG programs and homelessness. It is more a HUD problem than MDHA, but it is still a problem. No true progress in homelessness. No consistency. HUD should design a better 10 year plan and the open door policy doesn't work.

Q: For the CDBG targeted areas for Tier II, is that only for the shaded areas on the Tier II map?

A: Yes, the services covered for Tier II are for the green shaded area on the map.

Q: So you wouldn't do those services or projects for areas outside Tier I and II?

A: That is true.

Q: Is this for the entire 5 year plan?

A: Not necessarily. If an area takes off over the five years, we may move on to the next area suggested in the analysis. We're not anticipating only one geographic area for Tier II. Tier I would stay the same.

- Q: Is MDHA funding the central point of entry?
- A: That has not been determined yet.
- Q: How many CHDO projects can you fund in a year?
- A: We typically fund about 5 projects a year. We could do more if more CHDOs have better capacity.
- Q: Can you remind CHDOs that the Trust fund applications to THDA are due?
- A: Yes, we can pass along that information.
- Q: On the Tier maps – can we get clearer ones for the next meeting? I have no concept of where streets are on this map. No good information. Can't really see where the areas are on the maps provided.
- A: We will try to provide better maps and provide census tracts at next meeting to make it clearer. We will attach a better map to the end of the Action Plan and send them out in an email blast to everyone. *(Maps of the Tier I and Tier II areas that show major roads, for a better point of reference, were emailed to those who received email notifications from MDHA, uploaded to the website, provided at the public hearing on January 28, 2014, and attached as Exhibits 1-3.)*
- Q: Do you have designated projects for Tier I?
- A: They are listed in the Action Plan.
- Q: When will CDBG rehab projects be open countywide?
- A: It will be sometime in 2014, but not sure when. It depends on when we receive our allocation amounts. We hope to have it much sooner this year. We will provide a lot of outreach when it opens.
- Q: On the target section – can you explain how they are working with community for targeting streets? By planning department, public works, maybe codes?
- A: We will use planning grant to help with this to determine where to invest based on the community's wants and needs. All pertinent Metro agencies will be involved.
- Q: Does MDHA have any transient orient development grant funds?
- A: No, MDHA does not have any of those funds. MPO has those funds.

## Comments from Public Hearing held on January 28, 2014:

Q: Can you tell more about how the place-based strategy - how will non-profits work with North Nashville neighborhood or is it an application process, etc?

A: It is not an application process. The non-profit is working on our behalf in North Nashville to organize the community and identify blocks of targeted housing and get a consensus on targeted housing, targeted infrastructure needs. Then, MDHA will work with planning, public works, and public services and give them the identified need. We'll ask where they are in their process and how we can help implement programs or projects.

Comment: I really appreciate the new power point presentation and maps for this meeting compared to the first public hearing. The presentation provides more detail and I can understand the programs better. It is a better presentation and I appreciate that effort.

Q: Question on budget: Say for a neighborhood you did not have anyone interested or lots available for a project. Would you then move funds over to other construction projects? For example, there doesn't seem to be a lot of funding for acquisition and I wondered if any funding could/would be moved over at a certain time.

A: If it comes back that there aren't eligible projects under one item, we would restructure. Of course, that requires a substantial amendment if we want to reallocate a lot of money. We are open to "what is needed and needs to be funded the most". We can increase our budgets by 25% without a substantial amendment if there are small adjustments that need to be made. Or, if we want to roll together 2013 and 2014 funds together that may be possible.

Q: What is 2014 program year?

A: Starts April 1, 2014 and ends March 31, 2015.

Q: On Homeowner Rehab program, how will market outreach be completed to let the public know about the program?

A: Once we can open the program back up as funds are available, we typically speak at neighborhood groups. We also send email blasts to partners to let them know. We typically don't have a problem with outreach because we have so many people that have applied that follow back up every couple of months. So, they already know and they are circling back around to see if they can be funded this time around. If we ever have a situation in which we have more homeowner rehab funding than interest, we will use an aggressive outreach approach. However, the opposite is the case at this time.

Q: Will you use the same process to identify target areas for rehab?

A: In North Nashville, we will issue an RFP for a non-profit to perform outreach for the community at large. For capacity building, we will issue another RFP for a non-profit that is a 501(c)(3) for low income neighborhoods to help other neighborhood groups (not necessarily 501(c)(3)) to organize themselves. It is to help them learn tools to get grants or learn to fund raise, etc.

Q: So, for the identification of areas of improvement on page 31 – has a decision made whether MDHA will take that on in house or issue an RFP?

A: That decision has not been made. That will involve looking at staff capacity at MDHA. We will use that community input from North Nashville to help tell us how we need to do the process for targeted rehab. If we could get a block identified, it would be easier to use an RFP. If it is scattered across streets, it may be more efficient for MDHA to take on the process.

Q: The phrase about MDHA developing itself or a non-profit would cause a lot of problems on the rental reconstruction piece, is that still to be determined?

A: That is and what it is tied to is that we have strict commitment deadlines with HOME funds and effective August 23, 2013 the new HOME rule added a whole lot more red tape and requirements from previous years especially pertaining to underwriting projects. We had several RFPs last year that we couldn't fund because they could not meet the underwriting requirements. So if we are finding we are coming up on a HOME deadline, we will self-develop. We would prefer to issue those funds to developers if possible. We will still have to set-aside funds for CHDOs.

Q: The Tier II, I can't figure out where the west boundary is on the map. What street is that?

A: That is the Cumberland River.

Q: On the activities for clearance and demolition, how are we going to complete them with only a budget of \$15,000?

A: That will be included in the acquisition piece for clearing and demo for acquisition and we can also combine it with this year's funding if needed. We just have not seen the need for these activities, but if we see an increased need we can adjust funding somewhat as needed.

Q: If we buy a house and repair it and do lead, etc., how will that work as far as demo costs?

A: It depends on the end use. If it's rehab, it would be included in rehab funding. But, if it's a purchase and demo, then it would be covered under acquisition and demolition.

Q: The \$250,000 for shelter rehab [under CDBG]. Is that for rehab of the shelters only? No services are covered there correct?

A: Yes, it is only for rehab.

Q: What else could it be used for?

A: Rehab costs, including addressing lead-based paint hazards, accessibility improvements, etc.

Q: If a homeowner has received assistance previously, can they be helped again?

A: If they had HOME funds, they cannot get assistance again for the affordability period. CDBG funding “might” be an option if we did not invest funds for the particular item in the last 10-15 years.

Q: Can you please clarify the language on page 27 to explain what improvements will be made?

A: Yes, we can clarify the process for determining improvement and will make those adjustments to page 27. *(This was incorporated.)*

Q: It sounds like with identifying what to do in priority areas, the vision is to work with a non-profit, whoever that may be. They would then corral the neighborhood groups to disseminate the information.

A: Yes, that is correct. But we will be working with our public agencies to determine where there are already identified capital needs as a starting point. We won’t re-invent the wheel.

Comment: I think that is the best way to do it, but it will have its challenges as well.

Q: So will there essentially be two separate non-profits working for Tier I and Tier II?

A: Yes, essentially that is correct. The Tier II non-profit will work with the community for specific projects. Another non-profit will work with other organizations throughout the Tier I census tracts to help them build capacity to get incorporated, undertake fund raising, and develop other various tools to build them up. That will not be project-specific based.

**Comments submitted in writing:**

No comments were submitted in writing.

## **Appendix B**

### **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. These entitlement communities meet 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.

#### **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.

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 listed in the table below:

<b>IMPEDIMENT</b>	<b>STRATEGY</b>
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.
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 staff will take the lead in developing an incentive program that encourages private-sector developers to include affordable units in their projects and advocate for the adoption of the program by Metro government.
- 1d)** 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.

### **Support improved Access to Community Resources**

- 4a)** MDHA will routinely review Metro, MTA, and MNPS studies and planning documents (such as the Comprehensive Plan and the Nashville Strategic Transit Master Plan) for opportunities to advocate 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.

**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.

**2013 ANNUAL ACTION  
PROPOSED FAIR HOUSING ACTIVITIES**

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>1) Scarcity of Affordable Rental Units</b>	Race/color, National Origin, Religion, Sex, Familial Status, Disability	<b>1a)</b> MDHA has allocated the following amounts to produce targeted rental units for the 2014 program year: HOME: \$1,509,190.00 for New Construction and Rehab of Rental Housing. During FY 2014 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.
<b>Estimated Staff Hours Required</b>		1040
<b>Performance Indicator</b>		Activities listed above and units upon completion in a later program year. These activities will produce at least 26 affordable rental units, primarily targeted to households considered extremely low income.
<b>Responsible Entity/Method of Distribution</b>		MDHA, CHDOs, Developers – all funding to CHDOs and Developers awarded through an RFP or application process.

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>1) Scarcity of Affordable Rental Units</b>	Race/color, National Origin, Religion, Sex, Familial Status, Disability	<b>1b)</b> 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.
<b>Estimated Staff Hours Required</b>		32
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>1) Scarcity of Affordable Rental Units</b>	Race/color, National Origin, Religion, Sex, Familial Status, Disability	<b>1c)</b> After the 2010 flood, Metro Nashville formulated a Long-Term Recovery Plan that called for creation of an Applied Housing Research, Policy and Plan Partnership to develop a Housing Report and Action Plan to study current and future housing issues. This plan is still evolving but once finalized it will identify housing opportunities within the context of overall housing market conditions from different market perspectives, identify policy implications, and present policy options for consideration by Metro Nashville Government that will align housing initiatives and programs with existing and anticipated housing market conditions post flood. One of the things being reviewed in this study is incentives for private developers to include affordable units in their projects. MDHA staff is currently monitoring the progress of this study and will advocate for the adoption of any policies that will require/encourage private developers considering developing mixed income housing.
<b>Estimated Staff Hours Required</b>		80
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA, Metro Nashville Government, The Housing Fund, Vanderbilt University.

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>1) Scarcity of Affordable Rental Units</b>	Race/color, National Origin, Religion, Sex, Familial Status, Disability	<b>1d)</b> 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.
<b>Estimated Staff Hours Required</b>		40
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA.

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>2) Scarcity of Affordable Housing Units Accessible to People with Disabilities</b>	Disability	<b><u>2a)</u></b> 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.
<b>Estimated Staff Hours Required</b>		40
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>2) Scarcity of Affordable Housing Units Accessible to People with Disabilities</b>	Disability	<b><u>2b)</u></b> 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.
<b>Estimated Staff Hours Required</b>		160
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>2) Scarcity of Affordable Housing Units Accessible to People with Disabilities</b>	Disability	<b><u>2c)</u></b> 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.

<b>\$ for Activity</b>		HOME: \$235,000 New Construction – Homeowners
<b>Estimated Staff Hours Required</b>		40
<b>Timetable</b>		Ongoing
<b>Performance Indicator</b>		Units
<b>Annual Goal</b>		2
<b>Responsible Entity/Method of Distribution</b>		MDHA, CHDOs, Developers – all funding to CHDOs and Developers awarded through an RFP or application process.

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>2) Scarcity of Affordable Housing Units Accessible to People with Disabilities</b>	Disability	<b>2d)</b> Metro Nashville will continue to 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.
<b>Estimated Staff Hours Required</b>		0 Additional
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		Metro Codes

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>3) Lack of Fair Housing Education, Testing, and Enforcement Capacity</b>	Race/color National Origin Religion Sex Familiar Status Disability	<b>3a)</b> MDHA has allocated \$50,000 from the 2014 Program Year 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

		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.
<b>Estimated Staff Hours Required</b>		1000
<b>Timetable</b>		Initial RFP issued in 2013
<b>Performance Indicator</b>		Persons
<b>Annual Goal</b>		100
<b>Responsible Entity/Method of Distribution</b>		MDHA and Fair Housing Partner – funds to be distributed through RFP Process for qualified entity to provide services

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>3) Lack of Fair Housing Education, Testing, and Enforcement Capacity</b>	<b>Race/color National Origin Religion Sex Familiar Status Disability</b>	<b>3b)</b> MDHA or its fair housing subrecipient 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.
<b>Estimated Staff Hours Required</b>		160
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA and Fair Housing Partners.

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>3) Lack of Fair Housing Education, Testing, and Enforcement Capacity</b>	<b>Race/color National Origin Religion Sex Familiar Status Disability</b>	<b>3c)</b> MDHA or its fair housing subrecipient 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.



<b>Estimated Staff Hours Required</b>		160
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA with assistance from Fair Housing Partners

<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>4) Uneven Distribution of Community Resources</b>	Race/color National Origin Religion Sex Familiar Status Disability	<b>4a)</b> MDHA will routinely review Metro, MTA, and MNPS studies and planning documents (such as the Comprehensive Plan and the Nashville Strategic Transit Master Plan) for opportunities to advocate public infrastructure improvements that align with the goal of expanding housing choice.
<b>Estimated Staff Hours Required</b>		48
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA.

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

Impediment	Affected Group(s)	Activity
<b>4) Uneven Distribution of Community Resources</b>	Race/color National Origin Religion Sex Familiar Status Disability	<b>4c)</b> MDHA will institute a point system to be utilized as a scoring factor in evaluating response 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.
<b>Estimated Staff Hours Required</b>		40
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		MDHA, CHDOs, Developers.

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

Impediment	Affected Group(s)	Activity
<b>5) Restriction on the Expansion of Protected Classes</b>	Race/color National Origin Religion Sex Familiar Status Disability	<b>5b)</b> 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.
<b>Estimated Staff Hours Required</b>		32
<b>Timetable</b>		Ongoing

<b>Responsible Entity</b>		MDHA
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<b>Impediment</b>	<b>Affected Group(s)</b>	<b>Activity</b>
<b>5) Restriction on the Expansion of Protected Classes</b>	Race/color National Origin Religion Sex Familiar Status Disability	<b>5c)</b> 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.
<b>Estimated Staff Hours Required</b>		0 Additional Hours
<b>Timetable</b>		Ongoing
<b>Responsible Entity</b>		Metro Nashville

## **Appendix C**

### **Public Notice**

#### **PUBLIC NOTICE**

#### **2014-2015 ANNUAL UPDATE TO THE 2013-2018 CONSOLIDATED PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT**

**Public Hearings:** The Metropolitan Development and Housing Agency (MDHA) will host two public meetings on the draft 2014-2015 Annual Update to the 2013-2018 Consolidated Plan (2014 Action Plan) on:

**Thursday, December 19, 2013, 5:30 p.m.**  
**Randee Rogers Training Center**  
**1419 Rosa Parks Boulevard**  
**Nashville, TN 37208**

**Monday, January 6, 2014, 5:30 p.m.**  
**Levy Place Community Room**  
**303 Foster Avenue**  
**Nashville, TN 37207**

**Public Comment Period:** Beginning Monday, December 9, 2013, the draft 2014 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\\_planning.php](http://www.nashville-mdha.org/consolidated_planning.php) 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, between the hours of 7:30 a.m. and 4:00 p.m., Monday-Friday. MDHA will receive written comments through 4 p.m., central time, on Wednesday, January 8, 2014. Comments may be submitted electronically at [consolidatedplan@nashville-mdha.org](mailto:consolidatedplan@nashville-mdha.org), faxed to 615-252-8533 (Attention: Consolidated Plan), or mailed to MDHA Community Development Department, Attention: Consolidated Plan, P.O. Box 846, Nashville, TN 37202.

**Purpose and Summary:** MDHA has prepared for submittal to the U.S. Department of Housing and Urban Development (HUD) the 2014-2015 Annual Update to the 2013-2018 Consolidated Plan for Housing and Community Development (2014 Action Plan). The 2014 Action Plan describes community needs and funding priorities for the 2014-2015 program year (April 1, 2014 through March 31, 2015) and serves as Metropolitan Nashville-Davidson County's application for receiving funds for the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships Act (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 and to benefit low- and moderate-income households and areas. Details regarding specific activities to be funded are provided in the 2014 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

**Estimated 2014-2015 Funds & Proposed Allocations:**

<b>Program</b>	<b>CDBG</b>		
	<b>Estimated Allocation</b>	<b>Estimated Program Income</b>	<b>TOTAL Est. Allocation &amp; PI</b>
Acquisition, Demo, Clearance & Relocation	\$ 100,000.00		\$ 100,000.00
Administration & Planning	\$ 845,042.00	\$ 40,000.00	\$ 885,042.00
Economic Development	\$ 990,168.00		\$ 990,168.00
Housing	\$ 1,115,000.00	\$ 160,000.00	\$ 1,275,000.00
Public Facilities & Infrastructure	\$ 550,000.00		\$ 550,000.00
Public Services	\$ 600,000.00		\$ 600,000.00
Other: Non-profit Capacity Building	\$ 25,000.00		\$ 25,000.00
<b>TOTAL</b>	<b>\$ 4,225,210.00</b>	<b>\$ 200,000.00</b>	<b>\$ 4,425,210.00</b>

HOME			
Program	Estimated Allocation	Estimated Program Income	TOTAL Est. Allocation & PI
Administration	\$ 167,039.00	\$ 26,000.00	\$ 193,039.00
Downpayment Assistance	\$ 100,000.00		\$ 100,000.00
Homeowner Rehab	\$ 100,000.00		\$ 100,000.00
New Construction - Homeownership	\$ 200,000.00		\$ 200,000.00
New Construction – Rental	\$ 603,356.00	\$ 234,000.00	\$ 837,356.00
Rental Rehab	\$ 500,000.00		\$ 500,000.00
<b>TOTAL</b>	<b>\$ 1,670,395.00</b>	<b>\$ 260,000.00</b>	<b>\$ 1,930,395.00</b>

ESG	
Program	Estimated Allocation
Administration	\$ 20,988.90
Emergency Shelter	\$ 133,870.50
Street Outreach	\$ 22,499.10
HMIS	\$ 9,000.00
Rapid Re-housing	\$ 93,499.20
<b>TOTAL</b>	<b>\$ 279,857.70</b>

HOPWA	
Program	Estimated Allocation
Administration	\$ 63,667.80
Supportive Services	\$ 349,750.80
Short-term Rent, Utilities & Mortgage	\$ 221,020.20
Rent Subsidies	\$ 133,068.60
<b>TOTAL</b>	<b>\$ 767,507.40</b>

**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 have other needs that require special accommodations may contact 615-252-8555 or TDD at 615-252-8599.

**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.



## NOTICE OF PUBLIC MEETING CHANGE & EXTENSION OF PUBLIC COMMENT PERIOD

### 2014-2015 ANNUAL UPDATE TO THE 2013-2018 CONSOLIDATED PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT

**Public Hearing Change:** Due to dangerous weather conditions, the Metropolitan Development and Housing Agency (MDHA) has cancelled the public hearing on the draft 2014-2015 Annual Update to the 2013-2018 Consolidated Plan (2014 Action Plan) that was to be held on Monday, January 6, 2014 and will hold the public hearing on:

**Tuesday, January 28, 2013, 5:30 p.m.  
Levy Place Community Room  
303 Foster Street  
Nashville, TN 37207**

**Extension of Public Comment Period:** Beginning Monday, December 9, 2013, the draft 2014 Action Plan has been available for public examination and comment. Members of the public may download copies from MDHA's website at [www.nashville-mdha.org/consolidated\\_planning.php](http://www.nashville-mdha.org/consolidated_planning.php) 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, between the hours of 7:30 a.m. and 4:00 p.m., Monday-Friday. To accommodate the public hearing change, MDHA will receive written comments through 4 p.m., central time, on Friday, January 31, 2014. Comments may be submitted electronically at [consolidatedplan@nashville-mdha.org](mailto:consolidatedplan@nashville-mdha.org), faxed to 615-252-8533 (Attention: Consolidated Plan), or mailed to MDHA Community Development Department, Attention: Consolidated Plan, P.O. Box 846, Nashville, TN 37202.

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**Estimated 2014-2015 Funds & Proposed Allocations:**

<b>CDBG</b>			
<b>Program</b>	<b>Estimated Allocation</b>	<b>Estimated Program Income</b>	<b>TOTAL Est. Allocation &amp; PI</b>
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<b>HOME</b>			
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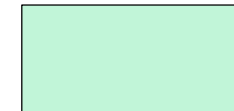
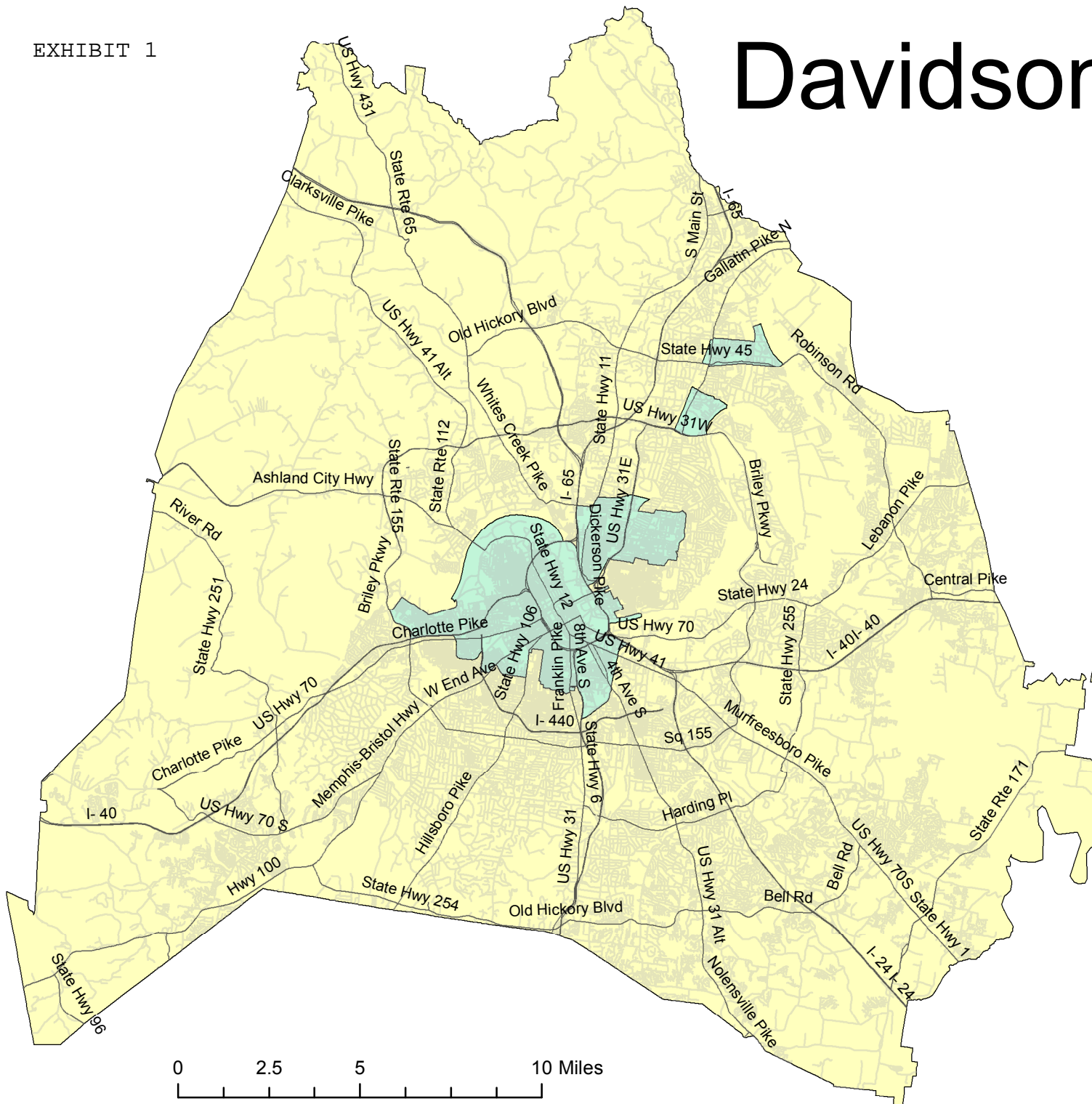
## **Appendix D**

### **SF 424 & Certifications**

*The SF 424 and Certifications will be attached to the official copy submitted to HUD following approval of the 2014 Action Plan by the Metropolitan Council and subsequent execution of the SF 424 and Certifications by the Metropolitan Mayor.*

# Davidson County

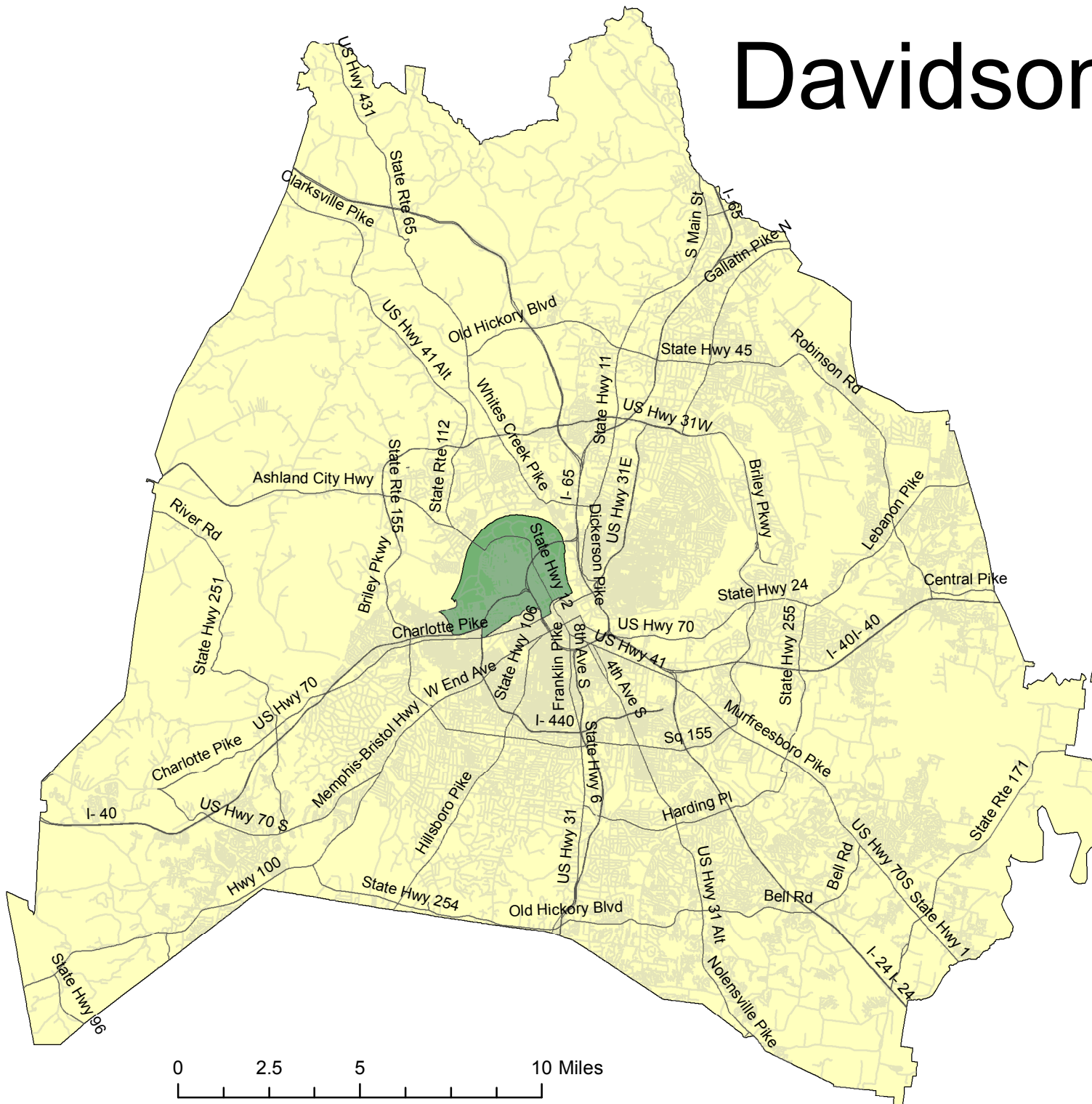
## Tier 1 Areas



Tier 1

# Davidson County

## Tier 2 Areas



0 2.5 5 10 Miles



Tier 2

# Davidson County

## Low/Moderate Income Areas and Food Deserts

