

METROPOLITAN NASHVILLE- DAVIDSON COUNTY

ACTION PLAN FOR DISASTER RECOVERY Amendment Seven

Utilizing Supplemental Community Development Block Grant-
Disaster Recovery (CDBG-DR) Funding Authorized by the
Supplemental Appropriations Act, 2010
(Public Law 111-212)

Through the U.S. Department of Housing and Urban Development
Docket No. FR-5452-N-01
[Federal Register: November 10, 2010 (Volume 75, Number 217)]
Docket No. FR-5452-N-02
[Federal Register: April 14, 2011 (Volume 76, Number 72)]

**METROPOLITAN DEVELOPMENT AND HOUSING AGENCY
March 2025**

INTRODUCTION

In July 2010, Congress passed the Supplemental Appropriations Act, 2010 (Public Law 111-212), which provided Community Development Block Grant Disaster Recovery funds (CDBG-DR) for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by severe storms and flooding that occurred from March 2010 through May 2010, for which the President declared a Disaster Area. The U.S. Department of Housing and Urban Development (HUD) published a Notice of allocations, waivers, and alternative requirements for the CDBG-DR funds in the *Federal Register*, Volume 75, Number 217, Docket Number FR-5452-N-01, effective November 15, 2010.

The Metropolitan Government of Nashville-Davidson County received an initial allocation of \$10,731,831 of CDBG-DR funds. As required by HUD, the City submitted an Action Plan describing the proposed use of funds for the initial allocation. HUD approved the Action Plan for Disaster Recovery in February 2011.

HUD issued Notice of a second allocation for CDBG-DR grant funds in the amount of \$22,357,982 for Nashville-Davidson County, as published in the *Federal Register*, Volume 76, Number 72, Docket Number FR-5452-N-02, on April 14, 2011. This Notice required the City to submit an Amendment to Nashville-Davidson County's initial Action Plan for Disaster Recovery to provide details for the distribution of funds and the eligible program activities for the second allocation. Amendment One described the proposed use of funds for addressing unmet housing, infrastructure, recovery, and economic revitalization needs in Metro Nashville as a result of the May flood. HUD approved substantial Amendment One in August 2011.

In November 2011, the Metropolitan Development and Housing Agency (MDHA) submitted Amendment Two to provide further clarification of the proposed activities described in Amendment One, include minor budget revisions for activities, and change the name of the "Code Enforcement" activity to "Neighborhood Cleanup." Amendment Two, which was not a substantial amendment, was approved by HUD in December 2011.

In July 2013, MDHA prepared Amendment Three, which reallocated funds in the amount of \$8,377,321.73 from certain housing, planning, and recovery activities to new construction (replacement housing) – multi-family homes, riverfront development, and administrative activities. The Amendment also canceled the following activities: down payment assistance, rebuild/new construction assistance, lead hazard evaluation and reduction, and emergency rehab. The purpose of the Amendment was to fully utilize CDBG-DR funds to address long-term disaster recovery efforts for viable projects. HUD approved substantial Amendment Three in October 2013.

With activities undertaken with CDBG-DR funds completed or nearing completion, some below budget estimates, and other activities needing to be expanded to further Metro Nashville's long-term recovery efforts, MDHA issued Amendment Four in August 2014 to reallocate funds in the amount of \$2,823,696.52 from housing and infrastructure activities that were below budget to other activities within the same project categories that were still underway. In addition, Amendment Four expanded the geographic scope of certain planning and housing activities. It was approved by HUD in October 2014.

In December, 2017, MDHA prepared Amendment Five and Technical Corrections, reallocating CDBG-DR funds in the amount of \$703,464.13 from planning, infrastructure, and recovery projects to housing activities. In addition, Technical Corrections in the amount of \$89,341.49 reconciled final activity budgets at project completion and redistributed funds to activities within the same project category. It was approved by HUD in July 2018.

In June, 2020, MDHA prepared Amendment Six, reallocating CDBG-DR funds in the amount of \$1,043,148.50 from the Homeowner and Rental Rehab Loan and Grant programs in the original housing project to be used for new construction of affordable single family housing.

Activities described in prior CDBG-DR Action Plans, as amended, are completed and 100% of the funds have been expended. Program Income received from loan repayments received as of December 31, 2025, has been transferred from The Housing Fund to MDHA to be reprogrammed to Metropolitan Nashville-Davidson County's CDBG Entitlement grant to be used for eligible activities to be identified in the 2025-2026 Action Plan. MDHA has prepared Amendment Seven to Metropolitan Nashville-Davidson County's CDBG-DR Action Plan to reprogram these funds for submittal to the U.S. Department of Housing and Urban Development (HUD). This is considered a substantial amendment and the citizen participation requirements of the Notice apply.

The MDHA has been designated as the lead agency responsible for developing and administering Metro Nashville's Consolidated Plan and its related grant programs (CDBG, HOME, HOPWA, and ESG). It also serves as the lead agency with respect to the CDBG-DR Action Plan and related Amendments.

PROJECTED USE OF FUNDS

Amendment Seven proposes to transfer Program Income received from CDBG-DR funded Homeowner Rehab Loan & Grant and Purchase/Repair Programs received as of March 17, 2025 totaling \$2,004,658.86 plus additional amounts estimated not to exceed \$30,000 (based on amortized loan repayments) to be received prior to the CDBG-DR grant closeout estimated to be no later than June 30, 2025, to Metropolitan Nashville-Davidson County's CDBG Entitlement grant. Program Income received after the CDBG-DR grant is closed out will be receipted directly to the CDBG Entitlement grant. Table 1 reflects current Program Income on hand, Program Income estimated to be received prior to CDBG-DR grant closeout and amounts to be transferred for use in the Metropolitan Nashville-Davidson County's CDBG Entitlement Program.

Table 1: Current and Proposed Allocations

CDBG-DR Grant Project Title	CDBG-DR Grant Activity Title	Current Program Income Budget	Proposed CDBG Entitlement Grant Budget	Proposed Changes
Housing	Homeowner Rehab Loan & Grant Program	\$516,814.13 received as of	\$516,814.13	Transfer to eligible CDBG Entitlement activities to be

		March 17, 2025		identified in the 2025-2026 Action Plan
Housing	Homeowner Rehab Loan & Grant Program	Estimated not to exceed \$2098.00 estimated to be received prior to estimated CDBG-DR Grant Closeout no later than June 2025	Estimated not to exceed \$2,400.00	Transfer to eligible CDBG Entitlement activities to be identified in the 2025-2026 Action Plan
Housing	Purchase/Repair Program	\$1,387,612.73	\$1,387,612.73	Transfer to eligible CDBG Entitlement activities to be identified in the 2025-2026 Action Plan
Housing	Purchase/Repair Program	Estimated not to exceed \$25,701.00 estimated to be received prior to estimated CDBG-DR Grant Closeout no later than June 2025	Estimated not to exceed \$27,600.00	Transfer to eligible CDBG Entitlement activities to be identified in the 2025-2026 Action Plan
Admin	Program Administration - MDHA	\$100,232.00	\$100,232.00	Use up to 5% of CDBG-DR Program income for CDBG-DR Admin until closeout then transfer the balance to be used for eligible CDBG Entitlement activities to be identified in the 2025-2026 Action Plan
Total		\$2,032,457.86	\$2,034,658.86	

Housing Activities

Homeowner Rehab Loan and Grant

Financial assistance in the form of a loan or grant was made available to homeowners for repair of flood damaged homes used as owner occupied properties. This project is now complete. The program income generated from this activity received as of December 31, 2025, and estimated to be received prior to CDBG-DR Grant closeout estimated to be no later than June 2025, will be reprogrammed to use for eligible CDBG Entitlement activities to be identified in the 2025-2026 Action Plan.

- National Objective(s): Low to Moderate Income Benefit
- Program Income Allocation: \$516,814.13
- Estimated Additional Program Income Allocation prior to CDBG-DR Closeout: \$2,400

Purchase/Repair Assistance for Flood Damaged Properties

Assistance was made available to buyers of flood-damaged homes where repairs were substantially incomplete to preserve the housing stock, arrest decline, and encourage investment in flood-impacted neighborhoods. The intent of this program was to address flood damaged homes that the original owner was selling or had sold, and the property remains unrepaired or only partially repaired. Funds may be used to purchase the property and complete repairs required to comply with housing codes. However, in some instances, the new buyer only needed assistance with purchasing the property because other sources of funds were available for repair or only needed assistance with repairs, and funds may be used to assist with either the purchase or the repair.

The project is now complete. The program income generated from this activity received as of December 31, 2025, and estimated to be received prior to CDBG-DR Grant closeout estimated to be no later than June, 2025, will be reprogrammed to use for eligible CDBG Entitlement activities to be identified in the 2025-2026 Action Plan.

- National Objective: Low to Moderate Income Benefit
- Program Income Allocation: \$1,387,612.73
- Estimated Additional Program Income Allocation prior to CDBG-DR Closeout: \$27,600

Administration

Administrative expenses related to the administration of CDBG-DR and oversight of funds once they are transferred to the CDBG Entitlement program. Total administrative costs may not exceed the HUD limit of 5% of program income funds. Activities described in the Notice and allowable under 24 CFR part 570.206, which include grant management, oversight, monitoring, and reporting

- National Objective: N/A
- Program Income Allocation: \$100,232.00

REQUIREMENTS NOT WAIVED

The Supplemental Appropriations Act authorizes the Secretary of HUD to waive or specify alternate requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of the funds and guarantees, except for the requirements discussed below. A complete list of the waivers approved to date can be found in the *Federal*

Register, Volume 75, Number 217, Docket Number FR-5452-N-01, November 10, 2010, beginning on page 69103, and are summarized in Appendix B of the Action Plan for Disaster Recovery, updated February 2011, which is available at <http://www.nashville-mdha.org/wp-content/uploads/2015/02/CDBG-DR-Action-Plan-updated-Feb-2011.pdf>.

Activities funded under the Supplemental Appropriations Act must comply with the requirements related to fair housing/equal opportunity, non-discrimination, labor standards, and environment (including requirements concerning lead-based paint) cannot be waived. Further, HUD's regulations at 24 CFR 135, which implement Section 3 apply.

CITIZEN PARTICIPATION PROCESS

The Metropolitan Government and MDHA supported and encouraged citizen participation in the development of the Disaster Recovery Action Plan and related amendments. Many of the concerns expressed by citizens participating in the long-term recovery planning process were incorporated into the Plan, as amended. The Citizen Participation Process complies with the requirements published in the Notice of allocations, waivers, and alternative requirements [*Federal Register*, Volume 75, Number 217, Docket Number FR-5452-N-01, effective November 15, 2010].

The Public Notice provided in Appendix B was posted in the Tennessean, the Tennessee Tribune, Azul 615 and MDHA's website. The public comment period began on March 28, 2025 and ended on April 29, 2025. Comments received and MDHA's response will be included in Appendix B. Following the conclusion of the public comment period, Amendment Seven will be submitted to the Metropolitan Council for approval. Upon authorization of the Metro Council, the Amendment will be submitted to HUD.

AMENDING THE ACTION PLAN

The following events will be considered substantial amendments to the Action Plan for Disaster Recovery:

- The addition or deletion of any activity described in the Plan;
- A change in the planned beneficiaries of an activity;
- The implementation of an additional HUD-authorized "waiver" of any major programmatic rules or regulations; and
- Any action that HUD deems to be a significant amendment that needs public input prior to enacting.

Substantial amendments must be authorized by the Metropolitan Mayor and approved by resolution by the Metropolitan Council. For substantial amendments, MDHA will follow the Citizen Participation requirements provided in the Notice. Following the public notice period, proposed amendments will then be submitted to the HUD Knoxville Field Office for review. For minor amendments, MDHA will notify the HUD Knoxville Field Office and post the amendment on its website.

APPENDICES:

Appendix A: Public Notice

Appendix B: Public Comments and Responses

**APPENDIX A
PUBLIC NOTICE**

**Notice of Request for Public Comment
Amendment Seven to the Metropolitan Government of Nashville and Davidson County 2010
Community Development Block Grant Disaster Recovery (CDBG-DR) Action Plan**

Public Comment Period: Beginning Friday, March 28, 2025, the Metropolitan Development and Housing Agency (MDHA) will make draft Amendment Seven available for public examination and comment. Members of the public may access copies in the following ways:

- Download from MDHA's website at bit.ly/cdbgdr6;
- Request copies by contacting the MDHA Community Development Department at 615-252-8505 or Telecommunications Device for the Deaf (TDD) at 615-252-8599.

MDHA will receive written comments until 4 p.m. CDT Tuesday, April 29, 2025. See below for the various ways to submit comments:

- Electronically to consolidatedplan@nashville-mdha.org (Subject: Disaster Recovery Plan);
- Faxed to 615-252-8533 (Attention: Disaster Recovery Plan);
- Mailed to MDHA Community Development Department, Attention: Disaster Recovery Plan, P.O. Box 846, Nashville, TN 37202.

Purpose and Summary: Amendment Seven proposes to transfer Program Income received from CDBG-DR funded Homeowner Rehab Loan & Grant and Purchase/Repair Programs received as of March 17, 2025, totaling \$2,004,658.86 plus additional amounts estimated not to exceed \$30,000 (based on amortized loan repayments) to be received prior to the CDBG-DR grant closeout estimated to be no later than June 30, 2025, to Metropolitan Nashville-Davidson County's CDBG Entitlement grant. Program Income received after the CDBG-DR grant is closed out will be receipted directly to the CDBG Entitlement grant. The table below reflects current Program Income on hand, Program Income estimated to be received prior to CDBG-DR grant closeout and amounts to be transferred for use in the Metropolitan Nashville-Davidson County's CDBG Entitlement Program.

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

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

如果需要本通知的中文翻译，请打电话 615-252-8505

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

بالإتصال يرجى،البيان لهذا عربية ترجمة على للحصول: 615-252-8505

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

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



APPENDIX B

PUBLIC COMMENTS