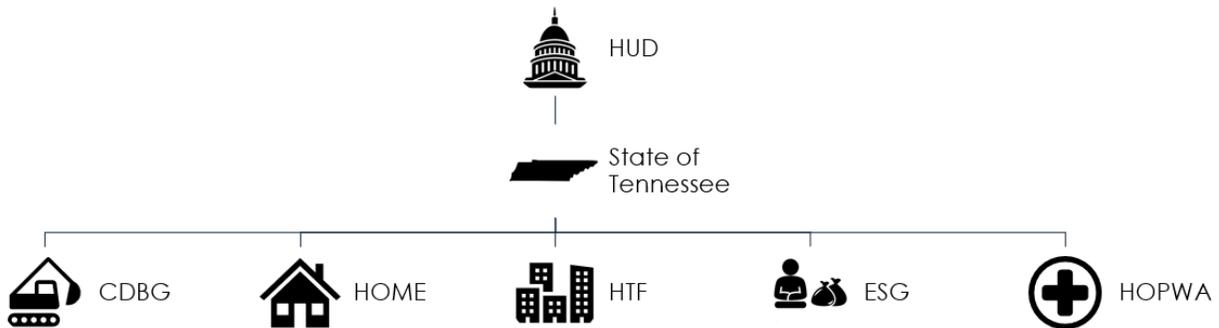


# STATE OF TENNESSEE

## Fiscal Year 2026-27 Annual Action Plan Summary

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The State of Tennessee’s Fiscal Year (FY) 2026-27 Annual Action Plan is the State’s annual application to the U.S. Department of Housing and Urban Development (HUD) for annual federal funding of five formula grant programs. The Annual Action Plan (AAP) covers the period of July 1, 2026 through June 30, 2027 and describes the State’s program goals, funding allocations, methods of distribution, and intended activities, which are aligned to the State’s strategic priorities in the 2025-29 Consolidated Plan.

Through the AAP, HUD provides federal funding for the following five programs:

- The Housing Opportunities for Persons with AIDS (HOPWA) program addresses the housing needs of low-income persons who are living with HIV/AIDS and their families.
- The Emergency Solutions Grants (ESG) program provides funding for supportive services and housing assistance for people at-risk of homelessness or people experiencing homelessness, enabling them to regain stability in permanent housing.
- The Housing Trust Fund (HTF) program promotes the production, preservation, and rehabilitation of affordable rental housing for extremely low-income households.

- The HOME Investment Partnerships (HOME) program promotes the production, preservation, and rehabilitation of affordable housing for rent or homeownership for low-income households.
- The Community Development Block Grant (CDBG) program promotes economic and community development, mostly through infrastructure and facility improvement activities, in eligible cities and counties with low-to-moderate income residents across the state. Additionally, CDBG administers the Recovery Housing Program (CDBG-RHP), which funds temporary supportive housing projects for people recovering from substance use disorders (SUDs).

The Tennessee Department of Health (TDH) administers HOPWA. The Tennessee Housing Development Agency (THDA) administers the ESG, HTF, and HOME programs. The Tennessee Department of Economic and Community Development (TNECD) administers CDBG and CDBG-RHP. While THDA is the lead agency responsible for coordinating the development of the Consolidated Plan and AAP, all administering agencies of the five grant programs participated in their development.

For FY 2026-27, the State expects HUD will distribute \$50-\$60 million of federal funding to the State of Tennessee, like previous years. The actual allocations for FY 2026-27 have not yet been announced, but the FY 2025-26 allocations are included below for reference.

<b>Programs</b>	<b>FY 2025-26 Allocations</b>
HOPWA	\$2,333,081.00
ESG	\$3,407,923.00
HTF	\$3,286,783.59
HOME	\$13,175,337.81
CDBG	\$27,472,066.00
CDBG-RHP	\$1,504,598.00
<b>TOTAL</b>	<b>\$51,179,789.40</b>

The FY 2026-27 AAP also contains the expected funding and annual goals for the State's other affordable housing resources aligned to the State's Consolidated Planning goals. These other resources include the HOME-American Rescue Plan (ARP) Supportive Services program, HUD's Section 8 Tenant-Based Housing Choice Voucher (HCV) program, the HOME-ARP Rental Development program, the Community Investment Tax Credit (CITC) program, the Low-Income Housing Tax Credit (LIHTC) program, the Tennessee Housing Trust Fund (THTF) program, and the Homebuyer Education Initiative (HBEI) program.

The State invites citizens of Tennessee to give feedback on the FY 2026-27 Annual Action Plan from March 23 – April 23, 2026 through the public comment survey. Citizens are also invited to attend the public hearing, held both virtually and in-person on Thursday, April 16. Links to the public comment survey and details of the public hearing can be found on THDA's Public Notice and Comment webpage: <https://thda.org/about-thda/public-notice-and-comment/>