

2026 SUBSTANTIAL AMENDMENT SUMMARIES

FY 2026-27 Annual Action Plan Substantial Amendment

The U.S. Department of Housing and Urban Development (HUD) recently reviewed and approved the State of Tennessee's FY 2026-27 Annual Action Plan, which detailed the State's plans for \$48,542,177.72 in federal funding for the CDBG, HOME, ESG, and HOPWA programs.

The State of Tennessee is proposing an amendment to the HUD-approved FY 2026-27 Annual Action Plan for its HOME Rental Development program. The proposed amendment would allow HOME Rental Development funding to be awarded to subgrantees in the form of a low-interest loan to support the construction and/or renovation of eleven (or fewer) rental units when part of development projects that also have received Low-Income Housing Tax Credit (LIHTC) funding. (This amendment does not prevent organizations from applying for HOME Rental Development funding as a grant, so long as the HOME grant is not combined with LIHTC funding.) The proposed amendment's details can be found in Section AP-30 Methods of Distribution and in Section AP-90 Program Specific Requirements, where the proposed 2026 HOME Rental Development Program Description is linked.

HOME-ARP Allocation Plan Substantial Amendments

The State of Tennessee received approximately \$52 million in special funding through the American Rescue Plan (ARP) for the HOME Investment Partnership program to assist people experiencing homelessness, those at risk of experiencing it, and several other qualifying populations with the impacts of the COVID-19 pandemic. The State of Tennessee is proposing two substantial amendments to its HOME-ARP Allocation Plan. The first substantial amendment would reallocate \$5,370,592.00 from Non-Profit Operating activities, \$1,104,856.00 from Non-Profit Capacity Building activities, \$3,293,391.35 from Rental Development activities, and \$2,681,673.10 from Administration and Planning activities—totaling \$12,450,512.45—to Supportive Services activities due to increased need across Continua of Care (CoCs) for these activities. The second substantial amendment would allow HOME-ARP subgrantees to “prefer” (or use funding preferentially for) Qualifying Population (QP) 3, those who are fleeing, or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human

trafficking. QP 3 is often served separately from other QPs to ensure victims' safety. (The second amendment does not prevent organizations serving other QPs from applying for or being awarded funding.) These amendments' full details can be found in the HOME-ARP Allocation Plan.

Citizen Participation Process

Tennesseans are encouraged to review and make comments on these proposed amendments beginning on July 8, 2026. Links to review the proposed amendments to the FY 2026-27 Annual Action Plan and HOME-ARP Allocation Plan, summaries of the amendments in English and Spanish, and a form to submit comments will be available at <https://thda.org/research-planning/public-notices-and-comment/> from July 8 through August 7, 2026, along with details for an in-person and virtual public hearing about the amendments.

For questions and accommodation requests (e.g., requests for assistance due to a disability and/or limited English language proficiency), please email research@thda.org.