



September 10, 2025

Ralph M. Perrey, Executive Director
Tennessee Housing Development Agency
Andrew Johnson Building
502 Deaderick St, Third Floor
Nashville, TN 37243

SUBJECT: Fiscal Year 2025 Grant Agreement Transmittal

Dear Mr. Perrey:

The Knoxville Field Office would like to thank you for your continued partnership in providing quality affordable housing, a suitable living environment, and expanding economic opportunities through the Department of Housing and Urban Development (HUD) programs.

One Grant Agreement is attached for each program awarded as follows:

Community Development Block Grant Program (CDBG)	\$27,472,066.00
HOME Investment Partnerships (HOME)	\$13,175,337.81
Emergency Solutions Grants (ESG)	\$3,407,923.00
Housing Opportunities for Persons with AIDS (HOPWA)	\$2,333,081.00
Housing Trust Fund (HTF)	\$3,286,783.59
Total FY 2025 Award	\$49,675,191.40

Federal Award Agreement

Transmittal of a grant agreement does not constitute approval of the activities described in your Consolidated Plan or Annual Action Plan. You are reminded that you, as grantee, are responsible for ensuring that all grant funds are used in accordance with all program requirements. By executing the Federal Award Agreement, you are entering into a legally binding agreement with HUD to use the awarded funds and carry out the funded activities in accordance with all Federal statutes, regulations, Federal Register notices, and award terms and conditions that apply to those funds and activities.

Please carefully note the addenda that are part of each agreement.

HUD recognizes that some U.S. District Courts have issued injunction orders which impact certain FY 2025 CPD formula funding grant agreement(s). To preserve all legal rights and defenses, the enclosed grant agreement contains the same conditions at issue in those court

actions. For grantees who are plaintiffs in those court actions, HUD intends to comply with all applicable injunction orders and will not implement or enforce the challenged conditions consistent with those court orders, including disregarding any “certifications” or “compliance” statements. Please return an executed copy of the grant agreement, as discussed below, and HUD will make grant funds at issue in your agreement available consistent with all applicable orders. Please be advised that should the injunction orders that currently prohibit HUD from enforcing the challenged conditions as to your grant be stayed, dissolved, or reversed, the grant agreement, with conditions, will automatically become effective.

Executing the Agreement

The authorized official **must** complete Addendum 3. Indirect Cost Rate Schedule for each agreement, even if no indirect costs will be charged under the grant. Please mark one (and only one) checkbox to reflect how indirect costs will be calculated and charged under the grant. Please note that the Office of Management and Budget (OMB) issued revised Guidance and the *de minimis* indirect cost rate increased from 10 percent to up to 15 percent of Modified Total Direct Costs.

After inputting their name and title, the authorized official must execute each agreement, with a signature, and date. No other additions other than those described here should be made to the grant agreement without prior written approval. Please ensure the Chief Elected Official or authorized official signs the agreement.

You must return the entire Federal Award Agreement, including all addenda, to this office via the Field Office General Email Inbox: Knoxville.CPD@hud.gov. HUD will be signing the grant agreement second and will return to your office a copy of each signed agreement for you to maintain in your local program files.

HUD congratulates the State of Tennessee on your grant award(s), and we look forward to assisting you in accomplishing your program goals. If you have any questions or need further information or assistance, please contact Jenny Sherrod, Senior Community Planning and Development Representative at 865-474-8225 or jenny.a.sherrod@hud.gov or email our Office at Knoxville.CPD@hud.gov.

Sincerely,

Calvin Whitaker

Calvin Whitaker
CPD Director (Acting)
Office of Community Planning and
Development

CC:
Honorable Bill Lee, Governor
Don Watt, THDA
Rebecca Carter, THDA

Bill Lord, THDA
Stuart McWhorter, ECD
Brooxie Carlton, ECD
Kent Archer, ECD
Ralph Alvarado, TDH
Amanda Barry, TDH

Enclosure(s)