

# STATE OF TENNESSEE

## ANNUAL PERFORMANCE REPORT ON THE HOUSING AND COMMUNITY DEVELOPMENT CONSOLIDATED PLAN FISCAL YEAR 2005

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# FY 2004-2005 Annual Performance Report on the Consolidated Plan

## Part I

### Introduction

On January 5, 1995, a final rule titled Consolidated Submission for Community Planning and Development Programs was published in the Federal Register under the U.S. Department of Housing and Urban Development (HUD). The rule became effective February 5, 1995, and amended HUD's existing regulations to completely replace regulations for Comprehensive Housing Affordability Strategies (CHAS) with a single rule that consolidated into a single submission the planning, application, and reporting aspects of the following formula programs:

<u>Name of Formula Program</u>	<u>Acronym</u>	<u>Administering State Agency</u>	<u>Acronym</u>
Community Development Block Grant	CDBG	Tennessee Department of Economic and Community Development	TECD
HOME Investment Partnership	HOME	Tennessee Housing Development Agency	THDA
Emergency Shelter Grants	ESG	Tennessee Department of Human Services	TDHS
Housing Opportunities for Persons with AIDS	HOPWA	Tennessee Department of Health	TDOH

This new consolidated submission replaced the CHAS, the HOME program description, the Community Development Plan and CDBG final statement, and the ESG and HOPWA applications. The consolidated submission is known as the Consolidated Plan and will be referred to as such throughout this document. The rule also consolidated the reporting requirements for these programs, replacing five general performance reports with one performance report, forcing the four state agencies to decide on a coinciding fiscal year. For this year, the annual reports for each program as prepared by each agency in prior years are included as Exhibits to this document. The annual planning and reporting period for this Consolidated Annual Performance Evaluation Report for the State of Tennessee is July 1, 2004 – June 30, 2005.

This document discusses performance by the State of Tennessee utilizing the four HUD programs mentioned above in meeting the policy initiatives contained in the Consolidated Plan. In addition, other resources were made available that also played a role in, or had an impact on, the State's performance. This report is divided into sections which describe the resources made available, the investment of those resources, the geographic distribution of those resources by grand division of the state, and the persons and families who benefit from these programs, including information on race and ethnicity. Each section concludes with a table summarizing the data presented in that section. In addition, this report discusses actions taken to affirmatively further fair housing, and other actions taken toward achieving the goals of the Consolidated Plan. Finally, an assessment of accomplishments is discussed.

### Amendments

No amendments were made to the Consolidated Plan during the fiscal year.

## **A) A DESCRIPTION OF THE RESOURCES MADE AVAILABLE**

### **HUD Resources Required Under Consolidating Planning**

#### **1. Community Development Block Grant (CDBG) Small Cities Program**

The Community Development Block Grant program is a multi-faceted federal program that allows numerous activities. Each activity conducted must address, at a minimum, one of three national objectives: 1) Benefit to Low and Moderate Income Persons, 2) Prevention or Elimination of Slum and Blight, or 3) Urgent Need. The State, through the Department of Economic and Community Development, administers the Small Cities CDBG program for all jurisdictions in the state except for the thirteen Entitlement areas. The CDBG Small Cities program received a \$31,250,733 allocation from HUD for Fiscal Year 2004-2005. In addition to administering the program, TECD prepares the State Grant Performance/Evaluation Report (PER) each year. TECD prepared this report as in past years and said report is included in this document as Exhibit A.

#### **2. HOME Investments Partnership (HOME)**

The HOME program is an affordable housing program that provides federal funds to states and local participating jurisdictions (PJs) to carry out multi-year housing strategies. The purpose of the program is to expand the supply of decent, safe, sanitary, and affordable housing for low-and very-low-income households. In Tennessee, eight (8) local PJs and one consortium receive direct HUD funding for this program, and THDA administers the program for the remainder of the State. For Fiscal Year 2004-2005, the state received \$18,259,297 HOME allocation to use in the competitive annual grant program and for administration. Local governments, public agencies, and private, nonprofit organizations are all eligible applicants for HOME funds.

This fiscal year marked the first year of the new American Dream Downpayment Initiative (ADDI), administered as part of the HOME Program and designed to promote homeownership. In this first year of the program, the state received \$1,602,419 in ADDI funds.

As in past years, THDA prepared the HOME annual report which is included in this document as Exhibit B.

#### **3. Housing Opportunities for Persons with AIDS (HOPWA)**

The HOPWA program provides funding to nonprofit service providers to assist HIV infected individuals and their family members threatened with homelessness. The Tennessee Department of Health (TDOH) administers the program, and funds are awarded through a competitive application process. HOPWA funds are used to provide funding in five (5) categories. These categories are:

- 1) Housing Information Services
- 2) Housing Assistance
- 3) Supportive Services
- 4) Grantee Administrative Costs
- 5) Project Sponsor Administrative Costs

During the reporting period, HUD made available \$739,000 for the program. TDOH prepared the annual HOPWA report as in past years and said report is included in this document as Exhibit C.

#### **4. Emergency Shelter Grants (ESG) Program**

The Emergency Shelter Grants Program provides funding to local governments and private, nonprofit service providers to assist homeless persons in Tennessee. The program is administered by the Tennessee Department of Human Services (TDHS) and makes awards on a competitive basis to entities throughout the State. During the reporting period, \$1,379,083 in funding was available for homeless shelters, service providers, and program administrative costs. TDHS, Community and Family Programs Division, prepared the ESGP report as in past years and said report is included in this document as Exhibit D.

#### **Other Resources Made Available**

#### **5. HUD Section 8 Tenant-Based and Project-Based Rental Assistance Program**

The Section 8 Tenant-Based Rental Assistance Program is administered by THDA and is authorized to operate in all 95 counties in Tennessee. Currently, Tenant-Based Section 8 operates in 75 of the 95 counties. During the reporting period \$29,219,874 was made available for the Section 8 Tenant Based program.

The Contract Administration Division of THDA administers Section 8 Project Based contracts and is responsible for the monthly Housing Assistance Payments (HAP) to Section 8 properties throughout the state. At the end of the reporting period 27,945 units of affordable housing were provided. Housing Assistance Payments for the year were \$107,373,109.

#### **6. THDA Homeownership Programs**

The Great Rate, Great Start, and New Start homeownership programs provide opportunities for low- and moderate-income persons to purchase their first home. Great Rate is the basic homeownership program. Great Start provides four percent of the purchase price in down payment or closing cost assistance in exchange for a slightly higher interest rate. The New Start 0% Mortgage Loan Program is delivered through non-profit organizations that have established programs for the construction of single family housing for low- and very-low income households. It is designed to promote single family construction for very low income families. All three programs include limitations on eligibility based on household income and acquisition costs.

THDA is not a direct lender to borrowers, but works with approximately 130 approved mortgage lenders across the State to originate the loans. THDA either provides funds to approved mortgage lenders to close pre-approved THDA loans, or purchases pre-approved loans from the lenders after the loans are closed.

At the end of the reporting period, THDA mortgage loans totaled \$198,105,426.

#### **7. THDA House Repair Program**

During the fiscal year, THDA continued to partner with the Rural Housing Service (RHS) of U. S. Department of Agriculture to provide funds for the House Repair Program. During the reporting period, THDA provided \$500,000 to the program to be used with RHS Section 504 program funds. The THDA loan is restricted to 30% of the RHS approved repair costs and cannot exceed \$5,000 per household.

## **8. Low Income Housing Tax Credit Program (LIHTC)**

The Low-Income Housing Tax Credit (LIHTC) program is authorized under Section 42 of the Internal Revenue Code, as amended, and is administered by THDA. The program offers owners of and investors in low-income rental housing a reduction in federal income tax liability over a period of ten years. The Internal Revenue Service allocates tax credit authority to states on a calendar year basis. The State of Tennessee does not receive actual dollars but rather receives tax credit authority. In calendar year 2004, the state had tax credit authority in the amount of \$9,909,851 to be issued to for-profit developers of low-income housing. In addition the state had \$1,101,095 available for non-profit developers. The total allocation for the year was \$11,010,946.

## **9. Multi-Family Bond Authority**

THDA authorizes allocation of tax-exempt bond authority to local issuers for permanent financing of multi-family housing units in the state. The authority can be used to provide permanent financing for new construction of affordable rental housing units, conversion of existing properties through adaptive reuse, or acquisition and rehabilitation of rental units. Applications are scored and points are awarded based on certain conditions. In addition, some units must be rented to persons of low income. In 2004, THDA made \$99 million of authority available to local issuers.

As the following Table 1 demonstrates, the State of Tennessee had over \$498 million available to assist its low- and moderate-income citizens in housing and community development. Federal assistance through the Consolidated Plan programs amounted to over \$53.2 million. Other resources totaled over \$445 million. The following sections of this report will demonstrate how these programs assist low and moderate income citizens in Tennessee.

**Table 1. Recap of Resources Made Available  
All Programs**

PROGRAM	FUNDS MADE AVAILABLE	
<b>HUD RESOURCES REQUIRED IN THE CONSOLIDATED PLAN</b>		
CDBG	\$ 31,250,733	
HOME	\$ 18,259,297	
ADDI	\$ 1,602,419	
HOPWA	\$ 739,000	
ESG	\$ 1,379,083	
<i>Subtotal of HUD Resources Required</i>		<b>\$53,230,532</b>
<b>OTHER RESOURCES MADE AVAILABLE</b>		
Section 8 Rental Assistance	\$ 29,219,874	
Section 8 Contract Administration	\$107,373,109	
Homeownership	\$198,105,426	
THDA House Repair Program	\$ 500,000	
LIHTC	\$ 11,010,946	
Multi-Family Bond Authority	\$ 99,000,000	
<i>Subtotal Other Resources</i>		<b>\$445,209,355</b>
<b>Grand Total</b>		<b>\$498,439,887</b>

**B) INVESTMENT OF AVAILABLE RESOURCES**

## 1. Community Development Block Grant (CDBG) Small Cities Program

During the reporting period, ninety-two awards were made to new recipients, city or county governments, totaling \$39,252,929 of which \$29,842,717 was from FY 04-05 funding and the balance from funds of previous years. Proposed activities of new recipients are summarized in Table 2 below. Each number in the Frequency column represents a local government recipient carrying out said activity, and each local government may carry out multiple activities. More detailed information is contained in the PER (Exhibit A).

The CDBG program allows contracts between TECD and local governments to vary in term, and many contracts continue into subsequent fiscal years.

**Table 2. CDBG Awards by Type of Activity**

	<b>Activity</b>	<b>Frequency</b>	<b>Funds Awarded</b>	<b>% of Total</b>
Clearance/Code	2(P)	1	\$17,000	0.04%
Public Facilities: Water	4A(P)	2	\$717,458	1.83%
Public Facilities: Water/Sewer	4A, 4b	57	\$25,318,490	64.50%
Public Facilities: Flood & Drainage	4C	1	\$280,000	0.71%
Public Facilities - Other	6	19	\$4,483,019	11.42%
Relocation	8	1	\$200,000	0.51%
Relocation	8(P)	1	\$180,000	0.46%
Rehabilitation: Residential	9a	1	\$267,000	0.68%
Rehabilitation: Residential	9a(P)	3	\$1,212,013	3.09%
Administration, Planning, & Management	13	78	\$1,713,962	4.37%
Administration, Planning, & Management	13(P)	11	\$212,987	0.54%
Economic Development Activities to For-Profit Entities	14B(P)	9	\$4,651,000	11.85%
	<b>TOTAL</b>		<b>\$39,252,929</b>	<b>100.00%</b>

As was the case in previous years, the largest portion of CDBG funds awarded, 78.5%, was designated for public facilities improvements.

## 2. HOME Investments Partnership (HOME)

With the HOME Program, the State may spend up to ten percent of its allocation for administrative and planning expenses. The State may use three percent of these funds for its own administrative expenses. The remaining seven percent is available to pay the administrative cost of local governments and non-profit grant recipients. The State may also spend up to six percent for CHDO operating expenses. The balance of the State HOME allocation was divided programmatically as follows:

The HOME program provided \$17,239,841 to fund 64 applicants and to provide 456 units of affordable housing. The majority of those units, 73%, will be owner occupied units. The following table provides a breakdown by activity of the awards made from 2004 HOME Program funds.

**Table 3. HOME Awards by Type of Activity**

<b>Type of Activity (1 Activity Per Application)</b>	<b>Total Applications Awarded = 64</b>		
	<b>Apps.</b>	<b>Units</b>	<b>Total \$</b>
New Construction Rental	8	89	\$2,980,382
Owner-Occupied Rehab	51	332	\$12,442,393
Renter-Occupied Rehab	1	8	\$460,732
Homeownership*	2	13	\$611,292
<b>Type of Activity (&gt;1 Activity Per Application)</b>	2		
Acquisition & Rental NC		1	\$61,260
New Construction Rental		13	\$683,782
<b>Total</b>	<b>64</b>	<b>456</b>	<b>\$17,239,841</b>

*\*Homeownership activities may include acquisition and rehabilitation of single family homes for homeownership, new construction, and/or homeownership down payment assistance.*

The new American Dream Downpayment Initiative (ADDI) is funded by HUD as part of the HOME Program and administered by THDA. During the reporting period, THDA loaned a total of \$1,560,000 to assist 156 first time homebuyers with downpayment and closing cost assistance. Provided the family remains in the home for at least five years, the ADDI loan is forgiven at a rate of 20% per year.

### **3. Housing Opportunities for Persons with AIDS (HOPWA)**

For the Fiscal Year 2004-2005 the State Department of Health awarded \$725,800 to nonprofit project sponsors, and retained \$13,200 for state administration. Contracts between the Department of Health and the project sponsors are for one-year terms and coincide with the state's fiscal year. Table 4 which follows presents the amount awarded to each sponsor.

**Table 4. HOPWA Awards FY 2004-2005  
by Grand Division**

<b>Grand Division</b>	<b>Awarded</b>
<b>East</b>	
Chattanooga Cares	\$191,500
East TN Human Resource Agency	\$205,300
Project HOPE	\$ 68,500
<b>Total East</b>	<b>\$465,300</b>
<b>Middle</b>	
Columbia CARES	\$ 61,100
Nashville CARES	\$ 27,400
Upper Cumberland Human Resource Agency	\$ 62,500
<b>Total Middle</b>	<b>\$151,000</b>
<b>West</b>	
West TN Legal Services	\$109,500
<b>Total West</b>	<b>\$109,500</b>
<b>Grand Total</b>	<b>\$725,800</b>

#### 4. Emergency Shelter Grants (ESG)

The State was allocated \$1,379,083 in FY 2004-2005 for the ESG Program. This amount was subdivided as follows:

ESG Regular Program	\$867,129
Small Cities Set-A-Side	\$343,000
Prevention Discretionary	<u>\$100,000</u>
<b>Program Total</b>	<b>\$1,310,129</b>
State Administration	<u>\$68,954</u>
<b>Sub-Total</b>	<b>\$1,379,083</b>
Previous Year Unexpended Funds	<u>\$100,713</u>
<b>Total Award</b>	<b>\$1,479,796</b>

Contracts between TDHS and eligible entities are for one-year terms and coincide with the State's fiscal year. This fiscal year, the State received a total of 43 applications for this fiscal year with requests totaling \$1,610,986. The State completed a total of 40 contracts with 32 private, nonprofit agencies, one providing health and mental health services. Each of the seven local government agencies subcontracted with local non-profit agencies. Prevention discretionary funds of \$100,000 (HUD does not require a match) were used for a statewide Homeless Prevention Project through the Department of Mental Health and Developmental Disabilities. This activity meets HUD's new Discharge Planning requirement to ensure that persons released from hospitals, prisons and mental health facilities are not discharged without a place to go. There were 6 beds added during the

year, leading to a year-end total of 877 beds available at the end of the reporting period. More detailed information can be found in the ESGP Annual Report (Exhibit D).

**5. HUD Section 8 Tenant-Based and Project-Based Rental Assistance Programs**

The THDA Rental Assistance Division administers the Section 8 Tenant-Based assistance program through nine (9) field offices throughout the State with staff who provide services to families participating in the tenant-based program. In Fiscal Year 2004-2005, the Rental Assistance Division had \$29,219,874 for tenant based assistance.

The THDA Contract Administration division continued administration of project based units during this fiscal year. At the end of the year, the Housing Assistance Payments (HAP) totaled \$107,373,109.

**6. THDA Homeownership Programs**

During the reporting period, there were 2,070 loans made through the THDA homeownership programs totaling \$198,105,426. The basic homeownership program is known as Great Rate. Great Start offers borrowers an amount equal to 4% of the loan amount for down payment and closing cost, with a higher interest rate applied to the loan. The New Start program, delivered through non-profit organizations, promotes construction of new homes for very low income Tennesseans. Loans are available to first-time homebuyers for primary residences only, and limits on household income and acquisition price varies by county.

**Table 5. THDA Single Family Loans  
FY 2004-2005**

Program	Mortgages			Average \$
	#	%	\$	
Great Start	781	37.7%	\$73,322,219	\$93,882
Great Rate	1,251	60.5%	\$122,861,164	\$98,210
New Start	38	1.8%	\$1,922,043	\$50,580
<b>All</b>	<b>2,070</b>	<b>100.0%</b>	<b>\$198,105,426</b>	<b>\$95,703</b>

**7. THDA House Repair Program**

The THDA House Repair Program continued in partnership with the Rural Housing Service (RHS) of the U. S. Department of Agriculture. The program provides funds for the repair of the homes of low-income people. The THDA loan is restricted to 30% of the RHS approved repair costs and cannot exceed \$5,000 per household. Provided the family remains in the home, the THDA loan is forgiven at the rate of one-third per year. During the fiscal year, THDA made 150 loans totaling \$385,108.

**8. Low Income Housing Tax Credit Program (LIHTC)**

The State of Tennessee received tax credit authority (not actual dollars) in calendar year 2004 in the amount of \$11,010,946 to be issued to for-profit and non-profit developers of low-income housing. Applications were received from throughout the State requesting \$24,196,797 in tax credit authority. The State’s tax credit authority covered 45% of the requests, based on dollars. In addition the state awarded a total of \$2,053,000 in non-competitive tax credits. The competitive and non-competitive LIHTCs totaled \$13,063,946. Allocations were made in 14 counties throughout the state.

**9. Multi-Family Bond Authority**

THDA allocates a maximum of \$10,000,000 of tax-exempt bond authority to a development. The cost per unit must not exceed \$90,000 in MSA counties or must not exceed \$69,900 in other counties. Points are awarded to applications demonstrating that developments address certain conditions – meeting housing needs, meeting energy/maintenance standards, serving special populations, and increasing housing stock. In calendar year 2004, a total of \$46,365,000 was allocated.

**Summary – All Programs**

For Fiscal Year 2004-2005, the State expended a total of \$454.7 million in funds for community development and housing programs in Tennessee.

**Table 6. Recap of Investments  
All Programs**

PROGRAM	FUNDS AWARDED/GRANTED/LOANED
<b>INVESTMENT OF HUD RESOURCES REQUIRED IN THE CONSOLIDATED PLAN</b>	
CDBG	\$39,252,929
HOME	\$17,239,841
ADDI	\$1,560,000
HOPWA	\$ 725,800
ESG	\$1,479,796
<i>Subtotal</i>	<b>\$60,258,366</b>
<b>INVESTMENT OF OTHER RESOURCES MADE AVAILABLE</b>	
Section 8 Rental Assistance	\$29,219,874
Section 8 Contract Administration	\$107,373,109
Homeownership	\$198,105,426
THDA House Repair Program	\$385,108
LIHTC	\$13,063,946
Multi-Family Bond Authority	\$46,365,000
<i>Subtotal</i>	<b>\$394,512,463</b>
<b>Grand Total</b>	<b>\$454,770,829</b>

**C) GEOGRAPHIC DISTRIBUTION AND LOCATION OF INVESTMENTS**

**1. Community Development Block Grant (CDBG) Small Cities Program**

ECD administers the CDBG program and prepared the state PER which is presented in Exhibit A. The following table, derived from the PER, summarized information on the location of new recipients and on funding amounts by grand division. An expanded version of this table is presented in Exhibit A.

**Table 7. CDBG Funding By Grand Divisions**

<b>Grand Division</b>	<b>New Recipients</b>	<b>Total \$</b>	<b>%</b>
<b>Total East</b>	<b>32</b>	<b>\$15,135,421</b>	<b>38.56%</b>
<b>Total Middle</b>	<b>42</b>	<b>\$17,758,698</b>	<b>45.24%</b>
<b>Total West</b>	<b>18</b>	<b>\$6,358,810</b>	<b>16.10%</b>
<b><i>GRAND TOTAL</i></b>	<b>92</b>	<b>\$39,252,929</b>	<b>100%</b>

**2. HOME Investments Partnership (HOME)**

During the reporting period, THDA awarded HOME funds in the amount of \$17,239,841 to 64 new grantees which propose to construct or improve 456 housing units. The following table presents the geographic distribution of HOME awards for the CHDO, Special Needs (SN), and Regional categories. The total award to CHDOs was \$2,399,639, the total award to Special Needs was \$1,897,809, and the total of the Regional awards was \$12,942,393.

**Table 8. HOME Awards  
Type of Activity & Dollar Amount by Grand Division**

<b>Grand Division</b>	<b>Program</b>	<b>Activity</b>	<b># of Apps Funded</b>	<b>Total Units</b>	<b>Total \$</b>
<b>East</b>	CHDO	HO, NC Rental NC/HO	1	6	\$308,566
	SN	OR NC Rental	3	20	\$1,041,475
	Regional	OR	23	183	\$5,701,276
	<b>Total</b>		<b>27</b>	<b>209</b>	<b>\$7,051,317</b>
<b>Middle</b>	CHDO	Acq/NC Rental NC Rental	3	33	\$1,091,073
	SN	NC Rental	1	9	\$500,000
	Regional	OR, RR	23	144	\$5,133,844
	<b>Total</b>		<b>27</b>	<b>186</b>	<b>\$6,724,917</b>
<b>West</b>	CHDO	NC/HO, NC Rental	2	12	\$1,000,000
	SN	RR, OR, NC Rental	2	11	\$356,334
	Regional	OR, NC Rental	6	38	\$2,107,273
	<b>Total</b>		<b>10</b>	<b>61</b>	<b>\$3,463,607</b>
<b>Funded Apps Total</b>			<b>64</b>	<b>456</b>	<b>\$17,239,841</b>

The new American Dream Downpayment Initiative (ADDI) program makes funds available for downpayment and closing cost assistance to first time homebuyers. The following table presents program activity at the end of the reporting period. Loans were made in 45 of the 95 counties in the State with the greatest number of loans, 51%, made in Middle Tennessee.

**Table 9. ADDI Program Activity  
by Grand Division FY 2004-2005**

<b>County</b>	<b># of Loans</b>	<b>Total \$</b>
Anderson	16	\$160,000
Blount	8	\$80,000
Bradley	4	\$40,000
Carter	4	\$40,000
Claiborne	3	\$30,000
Cocke	2	\$20,000
Cumberland	7	\$70,000
Greene	2	\$20,000
Hamblen	2	\$20,000
Hamilton	2	\$20,000
Hancock	3	\$30,000
Hawkins	6	\$60,000
Jefferson	1	\$10,000
Loudon	1	\$10,000
Marion	2	\$20,000
Polk	1	\$10,000
Rhea	1	\$10,000
Roane	1	\$10,000
Sullivan	8	\$80,000
Washington	5	\$50,000
<b>Total East</b>	<b>79</b>	<b>\$790,000</b>
Bedford	1	\$10,000
Cheatham	1	\$10,000
Davidson	2	\$20,000
Dickson	1	\$10,000
Franklin	1	\$10,000
Lawrence	1	\$10,000
Lewis	1	\$10,000
Macon	1	\$10,000
Maury	2	\$20,000
McMinn	2	\$20,000
Montgomery	1	\$10,000
Pickett	1	\$10,000
Putnam	1	\$10,000
Robertson	5	\$50,000
Rutherford	29	\$290,000
Sequatchie	4	\$40,000
Sumner	4	\$40,000
Trousdale	1	\$10,000
White	1	\$10,000

Williamson	1	\$10,000
Wilson	4	\$40,000
<b>Total Middle</b>	<b>65</b>	<b>\$650,000</b>
Gibson	1	\$10,000
Henderson	1	\$10,000
Madison	9	\$90,000
Tipton	1	\$10,000
<b>Total West</b>	<b>12</b>	<b>\$120,000</b>
<b>Grand Total</b>	<b>156</b>	<b>\$1,560,000</b>

### 3. Housing Opportunities for Persons with AIDS (HOPWA)

The State Department of Health provided \$725,800 to seven nonprofit service providers covering 80 counties in Tennessee. At the end of the reporting period, the project sponsors had expended \$712,551.62 with the majority of funds, 58%, on Supportive Services, and 28% of the funds for housing assistance. Awards are made to sponsors in each of the three grand divisions, based on the number of clients to be served. East Tennessee received 65%, Middle Tennessee, 20%, and West Tennessee, 15%. The following table presents, by grand division, the amount expended by each project sponsor in each service category.

**Table 10. HOPWA Program – FY 2004-2005  
Types of Services by Grand Division**

Grand Division	Housing Info	Housing Assistance	Supportive Services	Sponsor Admin.	Total
<b>EAST</b>					
Chattanooga Cares	\$47,745.89	\$23,066.46	\$107,283.70	\$13,400.00	\$191,496.05
ETHRA / PL	\$0.00	\$52,348.00	\$138,822.00	\$14,130.00	\$205,300.00
Project HOPE	\$0.00	\$31,800.00	\$31,972.00	\$4,200.00	\$67,972.00
<b>Total East</b>	<b>\$47,745.89</b>	<b>\$107,214.46</b>	<b>\$278,077.70</b>	<b>\$31,730.00</b>	<b>\$464,768.05</b>
<b>MIDDLE</b>					
Columbia CARES	\$0.00	\$21,917.00	\$28,018.00	\$4,098.00	\$54,033.00
Nashville CARES	\$0.00	\$16,929.48	\$8,756.61	\$1,636.20	\$27,322.29
UCHRA	\$0.00	\$23,961.00	\$28,358.00	\$5,147.00	\$57,466.00
<b>Total Middle</b>	<b>\$0.00</b>	<b>\$62,807.48</b>	<b>\$65,132.61</b>	<b>\$10,881.20</b>	<b>\$138,821.29</b>
<b>WEST</b>					
West TN Legal Services	\$0.00	\$30,727.06	\$72,049.31	\$6,185.91	\$108,962.28
<b>Total West</b>	<b>\$0.00</b>	<b>\$30,727.06</b>	<b>\$72,049.31</b>	<b>\$6,185.91</b>	<b>\$108,962.28</b>
<b>Grand Total</b>	<b>\$47,745.89</b>	<b>\$200,749.00</b>	<b>\$415,259.62</b>	<b>\$48,797.11</b>	<b>\$712,551.62</b>

### 4. Emergency Shelter Grants (ESG)

During the reporting period, the state utilized ESG program dollars to contract with 40 recipients. Of the total amount of ESG funds awarded, East Tennessee received 41%, Middle Tennessee received 44%, and West Tennessee 15%. Table 10 presents the amounts and locations of awards. Greater detail is provided in Exhibit D.

**Table 11. ESG Recipients by Grand Division**

<b>East Tennessee</b>	<b>Amount of Award</b>
Associated Catholic Charities of East Tennessee Inc	\$ 53,731
Chattanooga Room In The Inn	\$ 16,780
CEASE	\$ 32,280
Cleveland Emergency Shelter	\$ 36,881
East Tennessee State University, School of Nursing	\$ 48,330
Family Resource Agency	\$ 14,623
Genesis House	\$ 8,700
H.O.P.E. Center	\$ 29,070
Johnson County Safe Haven	\$ 30,674
M.A.T.S., Inc	\$ 66,390
Partnership for Adults, Families & Children	\$ 20,097
REACHES	\$ 18,400
City of Bristol	\$ 37,000
City of Johnson City	\$ 48,000
City of Kingsport	\$ 43,000
City of Oak Ridge	\$ 24,000
<b>Total For East Tennessee</b>	<b>\$ 527,956</b>

<b>Middle Tennessee</b>	<b>Amount of Award</b>
Avalon	\$ 45,010
Bridges of Williamson County	\$ 10,660
Buffalo Valley	\$ 34,750
Campus for Human Development	\$ 25,400
Domestic Violence Program	\$ 18,454
Downtown Ministry Center, Inc.	\$ 100,713
Families In Crisis	\$ 45,168
Good Neighbor Mission	\$ 15,350
Home Safe Inc	\$ 27,888
Mental Health & Developmental Disabilities*	\$100,000
Metropolitan Development and Housing Agency	\$ 30,760
National Health Care for the Homeless Council Inc.	\$ 31,614
SECURE	\$ 13,500
The Shelter	\$ 23,024
Upper Cumberland Dismas House	\$ 30,547
YWCA of Nashville and Middle Tennessee	\$ 18,348
City of Clarksville	\$ 78,000
City of Murfreesboro	\$ 46,000
<b>Total For Middle Tennessee</b>	<b>\$695,186</b>

<b>West Tennessee</b>	<b>Amount of Award</b>
Damascus Road Inc	\$ 41,432
Matthew 25:40	\$ 19,275
Northwest Safe line	\$ 15,000
West Tennessee Legal Services	\$ 30,483

WRAP	\$ 14,510
City of Jackson	\$ 67,000
<b>Total For West Tennessee</b>	<b>\$ 187,700</b>
<b>TOTAL FOR ALL GRANTS</b>	<b>\$ 1,410,842</b>

\* This award was the set-aside for Preventative Services. Beneficiary Data does not include this grant.

## **5. HUD Section 8 Tenant-Based Rental Assistance and Section 8 Contract Administration**

During the reporting period, \$29,219,874 was made available for the Section 8 Tenant Based program, with \$3,846,751 in East Tennessee, \$15,174,930 in Middle Tennessee, and \$10,198,193 in West Tennessee.

THDA Contract Administration Division has the responsibility for the administration of Section 8 Project Based contracts throughout the state. At the end of the fiscal year, the Division reported 27,945 units under contract,

36.48% in East Tennessee, 33.11% in Middle Tennessee, and 30.41% in West Tennessee. Table 12 presents the location of these units. HAPs by grand division are not available.

**Table 12. Section 8 Contract Administration Units  
By Grand Division and County FY 2004-2005**

East TN County	Contract Units	Middle TN County	Contract Units	West TN County	Contract Units
Anderson	405	Bedford	109	Benton	60
Bledsoe	50	Coffee	292	Carroll	56
Blount	187	Davidson	5,381	Chester	195
Bradley	430	DeKalb	72	Crockett	24
Campbell	286	Dickson	131	Dyer	303
Carter	215	Franklin	152	Fayette	217
Claiborne	30	Giles	181	Gibson	199
Cocke	144	Grundy	30	Hardeman	79
Cumberland	56	Hickman	75	Hardin	50
Grainger	24	Humphreys	92	Haywood	50
Greene	314	Lewis	36	Henderson	160
Hamblen	193	Lincoln	53	Henry	244
Hamilton	1,590	Marshall	203	Lake	179
Hawkins	145	Maurry	155	Lauderdale	145
Jefferson	97	Montgomery	334	Madison	334
Johnson	123	Overton	50	McNairy	105
Knox	3,114	Perry	24	Obion	316
Loudon	250	Pickett	24	Shelby	5,502
Marion	60	Putnam	90	Tipton	237
McMinn	218	Robertson	111	Weakley	44
Meigs	24	Rutherford	726	<b>TOTAL</b>	<b>8,499</b>
Monroe	139	Stewart	17		
Morgan	54	Sumner	407		
Polk	24	Van Buren	25		
Roane	336	Warren	252		
Scott	39	Wayne	6		
Sevier	87	White	48		
Sullivan	784	Williamson	50		
Unicoi	89	Wilson	126		
Washington	687	<b>TOTAL</b>	<b>9,252</b>	<b>GRAND TOTAL</b>	<b>27,945</b>
<b>TOTAL</b>	<b>10,194</b>				

**6. THDA Homeownership Programs**

Loans were made in 80 of the 95 counties in the State with the greatest number of loans, 46.0%, made in Middle Tennessee. The breakdown by Grand Division is shown in Table 13.

**Table 13. THDA Homeownership  
By Grand Division – FY 2004-2005**

<b>Grand Division</b>	<b>% of Loans</b>	<b># of Loans</b>	<b>Amount of Loans</b>
East	32.9%	681	\$59,720,538
Middle	46.0%	953	\$98,674,951
West	21.1%	436	\$39,709,937
<b><i>Total</i></b>	<b>100.0</b>	<b>2,070</b>	<b>\$198,105,426</b>

## 7. THDA House Repair Program

The THDA House Repair Program is a partnership with the Rural Housing Service (RHS) of the U. S. Department of Agriculture to provide forgivable loans for the repair of the homes of low-income people. The following table presents program activity by grand division at the end of the reporting period.

**Table 14. FY 2004-2005 House Repair Program  
Activity by Grand Division**

<b>EAST</b>		
<b>County</b>	<b># Loan</b>	<b>Total \$</b>
Bledsoe	1	\$2,865
Bradley	4	\$3,265
Carter	1	\$1,838
Claiborne	6	\$20,530
Cumberland	3	\$10,189
Grainger	1	\$5,000
Hancock	2	\$4,430
Hawkins	6	\$22,630
Johnson	1	\$1,806
Loudon	1	\$5,000
Marion	8	\$25,484
McMinn	5	\$8,672
Polk	2	\$3,681
Rhea	1	\$3,750
Sullivan	1	\$3,434
Unicoi	1	\$2,220
<b>Total East</b>	<b>44</b>	<b>\$124,794</b>

<b>MIDDLE</b>		
<b>County</b>	<b># Loan</b>	<b>Total \$</b>
Cheatham	1	\$2,160
Coffee	1	\$1,728
DeKalb	1	\$3,226
Dickson	1	\$4,967
Fentress	2	\$10,000
Franklin	2	\$3,284
Grundy	7	\$14,630
Jackson	1	\$3,667
Lincoln	1	\$3,135
Marshall	2	\$5,136
Montgomery	1	\$2,500
Overton	1	\$2,880
Perry	1	\$525
Pickett	1	\$3,102
Putnam	5	\$11,000
Robertson	2	\$7,500
Rutherford	3	\$5,508
Sequatchie	4	\$8,121
Smith	2	\$9,310
Stewart	2	\$6,945
Trousdale	1	\$3,439
Wayne	1	\$1,950
White	1	\$4,846
<b>Total Middle</b>	<b>44</b>	<b>\$119,559</b>

<b>WEST</b>		
<b>County</b>	<b># Loan</b>	<b>Total \$</b>
Benton	3	\$9,756
Carroll	11	\$17,385
Crockett	3	\$10,265
Decatur	3	\$4,829
Dyer	1	\$2,250
Fayette	4	\$7,981
Gibson	9	\$22,310

Hardeman	3	\$8,250
Haywood	5	\$13,000
Henry	3	\$5,336
Lake	1	\$4,555
Madison	3	\$6,281
McNairy	1	\$637
Obion	2	\$4,079
Tipton	8	\$19,658
Weakley	2	\$4,183
Total West	62	\$ 140,755
<b>GRAND TOTAL</b>	<b>150</b>	<b>\$385,108</b>

### 8. Low Income Housing Tax Credit Program (LIHTC)

Low Income Housing Tax Credits are allocated on a calendar year basis. During CY 2004, projects in 14 Tennessee counties received allocations for LIHTC, creating 3,046 units of affordable housing. Geographically, allocations were made in eight East Tennessee counties, utilizing 63% of the total dollar allocation. In Middle Tennessee, allocations were made in three counties, utilizing 16% of the total dollar allocation, and in West Tennessee, allocations were made in three counties, utilizing 21% of the total allocations.

The following table presents additional information. It should be noted that a portion of the projects represented below will include Multi-Family Bond Authority reallocation as well as LIHTC and that 1,213 units are also included in the subsequent Multi-Family Bond Authority section which follows.

**Table 15. Low Income Housing Tax Credit Allocations by Grand Division**

<b>Grand Division</b>	<b>County</b>	<b>Units</b>	<b>\$ Allocation</b>
East	Campbell	88	\$ 545,600
	Cocke	88	545,600
	Greene	152	998,848
	Hamilton	374	1,582,785
	Hawkins	60	288,667
	Knox	237	1,365,070
	Sullivan	164	1,016,201
	Washington	373	1,919,261
	<b>Total East</b>	<b>1,536</b>	<b>8,262,032</b>
Middle	Davidson	399	1,310,005
	Dekalb	60	388,683
	Sumner	168	414,429
	<b>Total Middle</b>	<b>627</b>	<b>2,113,117</b>
West	Madison	143	\$ 142,736
	Shelby	708	2,353,313
	Weakley	32	192,748
	<b>Total West</b>	<b>883</b>	<b>2,688,797</b>
<b>GRAND TOTAL</b>		<b>3,046</b>	<b>\$13,063,946</b>

## 9. THDA Tax-Exempt Multi-Family Bond Authority

In calendar year 2004, tax-exempt bond authority was reallocated to provide permanent financing for developments in seven counties, which will result in a total of 1,358 units. Allocations were made in three East Tennessee counties, two Middle Tennessee counties, and two West Tennessee counties. The following table presents additional data.

**Table 16. Tax-Exempt Multi-Family Bond Authority  
by Grand Division**

<b>Grand Division</b>	<b>County</b>	<b># of Units</b>	<b>Amount Allocated</b>
East	Hamilton	162	\$5,000,000
	Washington	101	\$3,000,000
	Hamblin	145	\$2,205,000
	<b>Total East</b>	<b>408</b>	<b>\$10,205,000</b>
Middle	Davidson	309	\$13,700,000
	Sumner	168	\$10,000,000
	<b>Total Middle</b>	<b>477</b>	<b>\$23,700,000</b>
West	Madison	143	\$3,460,000
	Shelby	330	\$10,000,000
	<b>Total West</b>	<b>473</b>	<b>\$13,460,000</b>
<b>Total Awarded</b>		<b>1,358</b>	<b>\$47,365,000</b>

## Summary

Overall, Middle Tennessee received the largest portion of funds largely because of THDA's homeownership program. Table 17 provides greater details of the amount of funds awarded in each program.

**Table 17. Recap of Geographic Distribution - All Programs**

<b>PROGRAM</b>	<b>EAST TN</b>	<b>MIDDLE TN</b>	<b>WEST TN</b>	<b>TOTAL</b>
<b>GEOGRAPHIC DISTRIBUTION OF HUD INVESTMENTS REQUIRED IN THE CONSOLIDATED PLAN</b>				
CDBG	\$15,135,421	\$17,758,698	\$6,358,810	<b>\$39,252,929</b>
HOME	\$ 7,051,317	\$6,724,917	\$3,463,607	<b>\$17,239,841</b>
ADDI	\$790,000	\$650,000	\$120,000	<b>\$1,560,000</b>
HOPWA	\$464,768	\$138,821	\$108,962	<b>\$712,551</b>
ESG	\$527,956	\$695,186	\$187,700	<b>\$1,410,842</b>
<b>Total</b>	<b>\$23,969,462</b>	<b>\$25,967,622</b>	<b>\$10,239,079</b>	<b>\$60,176,163</b>
% of Total	39.8%	43.2%	17.0%	<b>100.0%</b>
<b>GEOGRAPHIC DISTRIBUTION OF OTHER INVESTMENTS</b>				
Section 8	\$3,846,751	\$15,174,930	\$10,198,193	\$29,219,874
Homeownership	\$59,720,538	\$98,674,951	\$39,709,937	\$198,105,426
THDA House Repair	\$124,794	\$119,559	\$140,755	\$385,108
LIHTC	\$8,262,032	\$2,113,117	\$2,688,797	\$13,063,946
Multi-Family Bond	\$10,205,000	\$23,700,000	\$13,460,000	\$47,365,000
<b>Total</b>	<b>\$82,159,115</b>	<b>\$139,782,557</b>	<b>\$66,197,682</b>	<b>\$288,139,354</b>
% of Total	28.5%	48.5%	23.0%	<b>100.0%</b>
<b>Grand Total</b>	<b>\$106,128,577</b>	<b>\$165,750,179</b>	<b>\$76,436,761</b>	<b>\$348,315,517</b>
% of Total	30.5%	47.6%	21.9%	<b>100.0%</b>

**D) FAMILIES AND PERSONS ASSISTED INCLUDING RACIAL AND ETHNIC STATUS**

**1. Community Development Block Grant (CDBG) Small Cities Program**

The following table summarizes the data from the 2004 PER Part III: Civil Rights which reports on the CDBG Applicants and Beneficiaries, by race and gender characteristics. (Exhibit A) The racial categories are those reported in the PER. For the reporting period, the total for Applicants and Beneficiaries is 380,861 persons, with 30,006 minorities and 47,013 female heads of household.

**Table 18. CDBG Program Demographics by Grant Year**

<b>Racial Category</b>	<b>Total Served</b>	<b>%</b>
White	350,855	92.12%
Black/African American	19,664	5.16%
Asian	361	0.09%
American Indian/Alaskan Native	1,006	0.26%
Native Hawaiian/Other Pacific Islander	37	0.01%
American Indian/Alaskan Native & White	101	0.03%
Asian & White	67	0.02%
Black/African American & White	92	0.02%
American Indian/Alaskan Native & Black/African American	33	0.01%
Other Multi-Racial	8,645	2.27%
<b>Total</b>	<b>380,861</b>	<b>100%</b>
<b>Gender Characteristics</b>		
Female Head of Household	47,013	12.3%

Information on benefit to low- and moderate-income persons is also reported in the PER. The following table presents a summary of that information derived from CDBG contract closeouts. An expanded table is presented in Exhibit A. Based on that information, 2,244,563 persons are reported as beneficiaries, and of that number, 1,646,346 or 73% are low- and moderate-income persons.

**Table 19. CDBG Benefit to Low and Moderate Income Persons  
By Projects Pending Final Audit**

<b>Purpose</b>	<b>Total # of Persons</b>	<b>Total # of LMI Persons</b>	<b>% of LMI</b>
Total Economic Development	3,818	2,305	60%
Total Housing	3,057	2,941	96%
Total Public Facilities	2,237,688	1,641,100	73%
<b>GRAND TOTAL</b>	<b>2,244,563</b>	<b>1,646,346</b>	<b>73%</b>

## 2. HOME Investments Partnership (HOME)

For the HOME and ADDI programs, beneficiary information is obtained when the project completion report is entered into IDIS. During the reporting period, the HOME program assisted 456 units, with the majority in Middle Tennessee. Seventy-two percent of the households were very low income. Through the ADDI program, 156 first time homebuyers received downpayment and closing cost assistance, with the majority in East Tennessee and slightly fewer in Middle Tennessee. The majority of ADDI households, 69%, were low income.

The following two tables provide further information, by program and income categories.

**Table 20. Income Characteristics of HOME Beneficiaries**

% of Median	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
0%-30%	52	1	94	1	26	0	172	2	174	29%
31%-50%	48	22	74	18	35	6	157	46	203	33%
51%-60%	11	26	22	13	20	2	53	41	94	15%
61%-80%	22	29	19	33	33	5	74	67	141	23%
<b>Totals</b>	<b>133</b>	<b>78</b>	<b>209</b>	<b>65</b>	<b>114</b>	<b>13</b>	<b>456</b>	<b>156</b>	<b>612</b>	<b>100%</b>
<b>Grand Totals</b>	<b>211</b>		<b>274</b>		<b>127</b>		<b>612</b>			

**Table 21. Household Income of HOME Beneficiaries**

% of Median	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
Very Low-0-50%	100	23	168	19	61	6	329	48	377	62%
Low-51-80%	33	55	41	46	53	7	127	108	235	38%
<b>Totals</b>	<b>133</b>	<b>78</b>	<b>209</b>	<b>65</b>	<b>114</b>	<b>13</b>	<b>456</b>	<b>156</b>	<b>612</b>	<b>100%</b>
<b>Grand Totals</b>	<b>211</b>		<b>274</b>		<b>127</b>		<b>612</b>			

Of the households served by the HOME program, 26% were minority; while in the ADDI program, 18% were minority. Table 22 reflects this information.

**Table 22. Race/Ethnicity Characteristics of HOME Beneficiaries**

Race	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
White	119	71	152	53	66	4	337	128	465	75.9%
Black	13	4	56	12	48	9	117	25	142	23.2%
Asian	0	1	0	0	0	0	0	1	1	0.2%
American Indian/Alaskan	0	1	1	0	0	0	1	1	2	0.3%
Hawaiian/Pacific Islander	1	0	0	0	0	0	1	0	1	0.2%
Other Multi Racial	0	1	0	0	0	0	0	1	1	0.2%
<b>Totals</b>	<b>133</b>	<b>78</b>	<b>209</b>	<b>65</b>	<b>114</b>	<b>13</b>	<b>456</b>	<b>156</b>	<b>612</b>	<b>100%</b>
<b>Grand Totals</b>	<b>211</b>		<b>274</b>		<b>127</b>		<b>612</b>			
Ethnicity	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
Hispanic	0	1	3	0	0	0	3	1	4	0.7%

The following two tables present household size and household type of HOME and ADDI beneficiaries. Average household size differs between the HOME and ADDI programs. Forty-six percent of households assisted with HOME funds were one-person households. In the ADDI program almost equal numbers were one-person households, 32%, and three-person households, 30%.

**Table 23. Household Size of HOME Beneficiaries**

HH Size	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
1	65	24	109	24	36	2	210	50	260	42.5%
2	31	13	54	13	22	3	107	29	136	22.2%
3	19	26	20	16	33	5	72	47	119	19.5%
4	10	9	12	8	12	0	34	17	51	8.3%
5	6	4	9	3	8	1	23	8	31	5.1%
6	1	2	4	1	3	2	8	5	13	2.1%
7	1	0	1	0	0	0	2	0	2	0.3%
<b>Totals</b>	<b>133</b>	<b>78</b>	<b>209</b>	<b>65</b>	<b>114</b>	<b>13</b>	<b>456</b>	<b>156</b>	<b>612</b>	<b>100%</b>
<b>Grand Totals</b>	<b>211</b>		<b>274</b>		<b>127</b>		<b>612</b>			

Household Type also differs between the HOME and the ADDI programs. While the most frequent household type of HOME beneficiaries was elderly, 49%, the most frequent type of ADDI household was Single/Non-Elderly, 31%, followed by Related/Single Parent and Related/Two Parent, each at 26%.

**Table 24. Type of HOME Beneficiary Households**

HH Type	East TN		Middle TN		West TN		Totals			
	HOME	ADDI	HOME	ADDI	HOME	ADDI	HOME	ADDI	Total	%
Single/Non-Elderly	22	24	41	23	24	2	87	49	136	22%
Elderly	74	0	116	1	35	0	225	1	226	37%
Related/Single Parent	14	15	25	17	20	9	59	41	100	16%
Related/Two Parent	14	27	18	14	17	1	49	42	91	15%
Other	9	12	9	10	18	1	36	23	59	10%
<b>Totals</b>	<b>133</b>	<b>78</b>	<b>209</b>	<b>65</b>	<b>114</b>	<b>13</b>	<b>456</b>	<b>156</b>	<b>612</b>	<b>100%</b>
<b>Grand Totals</b>	<b>211</b>		<b>274</b>		<b>127</b>		<b>612</b>			

### 3. Housing Opportunities for Persons with AIDS (HOPWA)

During this grant year, the HOPWA program reported 885 individual beneficiaries and 219 family beneficiaries. Most of the demographic information reported is based on the individual beneficiaries.

The race/ethnicity of individual beneficiaries is as follows:

White:	71.0%
Black:	25.0%
Native American/Alaskan Native:	<1.0%
Asian/Pacific Islander:	0.0%
Hispanic:	3.7%

Of the 885 persons who received housing assistance, 65% were male, 35% were female, and 57% were between the ages of 31 and 50.

The HOPWA Annual Performance Report (Exhibit C) provides greater detail.

#### 4. Emergency Shelter Grants (ESG)

Information contained in Exhibit D was summarized into Table 25 to show demographic information on Emergency Shelter Grant Activity. Overall numbers indicate that more females than males received assistance across the state. This is probably reflective of the number of domestic violence programs receiving funding through the grant. Agencies report an increasing trend in the homeless population toward families with young children and the diverse population. Service trends tend to be demographic in that more African Americans are served in the West Region. Most of the shelters in Tennessee cannot accommodate family units and thus the families continue to encounter further disruption when fathers/husbands must be sheltered apart from the wives and children. Agencies also report increasing numbers of homeless persons with physical disabilities, mental illness and drug/alcohol problems for which placement options are limited.

**Table 25. Emergency Shelter Grant Program Participants by Gender - FY 2004-2005**

EAST			MIDDLE		
Agency	Male	Female	Agency	Male	Female
Associated Catholic Charities	40	80	Avalon	31	131
Chattanooga Room In The Inn	45	144	Bridges of Williamson County	291	970
CEASE	121	1192	Buffalo Valley, Inc.	356	0
Cleveland Emergency Shelter	751	610	Campus for Human Development	77	2
East Tennessee State University	926	1044	Domestic Violence Program	551	1607
Family Resource Agency	23	86	Downtown Ministry Center, Inc.	0	45
Genesis House	67	159	Families in Crisis	461	1,007
H.O.P.E. Center	623	1339	Good Neighbor Mission	43	48
Johnson County Safe Haven	108	262	Home Safe, Inc.	365	1065
M.A.T.S., Inc.	271	130	Mental Health Dev Disabilities	127	224
Partnership for Adults, Fam, Child	48	242	Metropolitan Develop and Housing	923	150
REACHS House of Hope	35	80	National Health Care Council	30	63
City of Bristol	2,837	3,272	SECURE	*	*
City of Johnson City	831	451	The Shelter	147	670
City of Kingsport	1136	613	Upper Cumberland Dismas House	20	9
City of Oak Ridge	217	336	YWCA of Nashville and Middle TN	79	441
			City of Clarksville	614	1,096
			City of Murfreesboro	1,289	1,857
<b>Total for East Tennessee</b>	<b>8,079</b>	<b>10,040</b>	<b>Total for Middle Tennessee</b>	<b>5,404</b>	<b>9,385</b>

WEST		
Agency	Male	Female
Damascus Road, Inc.	*	*
Matthew 25:40, Inc.	239	311
Northwest Safeline	253	616
West Tennessee Legal Services	87	43
WRAP	217	2,633
City of Jackson	620	2636
<b>Total for West Tennessee</b>	<b>1,416</b>	<b>6,239</b>
<b>Grand Total</b>	<b>14,068</b>	<b>25,213</b>

\* Data not available

**Table 26. Emergency Shelter Grant Program Participants by Race/Ethnicity, FY 2004-2005**

Agency	White	Black African American	Black African American/White	Native Hawaiian Pacific Islander	Asian	Asian & White	American Indian Alaskan Native	American Indian Alaskan Native White	American Indian/Alaskan Native/Black/African American	Balance / Other	Total
<b>Grand Division: East</b>											
Associated Catholic Charities	96	14	2	0	0	0	0	0	0	8	120
Chattanooga Room In The Inn	72	113	2	0	2	0	0	0	0	0	189
CEASE	1,160	36	5	3	1	0	4	0	0	104	1,313
Cleveland Emergency Shelter	1,052	163	13	1	0	0	4	4	4	120	1,361
East TN State University	1,084	180	0	0	5	0	0	0	0	701	1,970
Family Resource Agency	92	12	0	0	0	0	0	0	0	5	109
Genesis House	210	9	0	0	0	0	0	1	0	6	226
H.O.P.E. Center	1,762	55	0	2	0	0	0	0	0	143	1,962
Johnson County Safe Haven	350	0	0	0	0	0	1	4	0	15	370
M.A.T.S.	335	28	5	0	0	0	25	0	0	4	397
Partners for Adults, Fam, Child	127	143	12	0	2	0	2	0	0	4	290
REACHES House of Hope	114	1	0	0	0	0	0	0	0	0	115
City of Bristol	5,499	427	58	0	11	0	0	1	0	112	6,108
City of Johnson City	1,027	173	0	0	2	0	0	0	0	80	1,282
City of Kingsport	1,515	224	10	0	0	0	0	0	0	0	1,749
City of Oak Ridge	351	195	3	0	0	0	3	0	0	1	553
<b>Total for East Tennessee</b>	<b>14,846</b>	<b>1,773</b>	<b>110</b>	<b>6</b>	<b>23</b>	<b>0</b>	<b>39</b>	<b>10</b>	<b>4</b>	<b>1,303</b>	<b>18,114</b>

<b>Grand Division: Middle</b>											
Avalon	154	3	2	0	0	0	0	0	0	3	162
Bridges of Williamson County	1,004	133	0	0	8	0	0	1	0	115	1,261
Buffalo Valley, Inc.	223	131	0	0	0	0	0	0	0	2	356
Campus for Human Dev.	75	4	0	0	0	0	0	0	0	0	79
Domestic Violence Program	1665	260	0	0	46	0	11	0	0	176	2,158
Downtown Ministry Ctr, Inc.	29	6	4	5	0	0	1	0	0	0	45
Families in Crisis	1,432	26	0	0	0	0	0	0	0	10	1,468
Good Neighbor Mission	68	21	2	0	0	0	0	0	0	0	91
HomeSafe, Inc.	919	111	0	8	8	0	1	0	0	383	1,430
Mental Health Dev Disabilities	224	93	0	0	0	0	16	3	2	11	349
Metropolitan Develop Housing	710	344	0	0	2	0	0	0	0	17	1,073
National Health Care Council	68	24	0	0	0	0	0	0	0	1	93
SECURE	821	714	0	0	0	0	0	0	0	16	1,551
The Shelter, Inc.	773	27	2	0	0	0	0	0	0	15	817
Upper Cumberland Dismas House	27	1	0	0	0	0	0	0	0	1	29
YWCA of Nashville and	239	194	31	0	8	0	5	0	0	43	520

Middle TN											
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**Table 26. Emergency Shelter Grant Program Participants by Race/Ethnicity  
FY 2004-2005 (Continued)**

Agency	White	Black African American	Black African American/White	Native Hawaiian Pacific Islander	Asian	Asian & White	American Indian Alaskan Native	American Indian Alaskan Native White	American Indian/Alaskan Native/Black/African American	Balance / Other	Total
City of Clarksville	990	637	0	4	6	0	13	0	0	250	1,900
City of Murfreesboro	2,364	508	13	3	49	0	38	0	0	171	3,146
<b>Total for Middle Tennessee</b>	<b>11,785</b>	<b>3,237</b>	<b>54</b>	<b>20</b>	<b>127</b>	<b>0</b>	<b>85</b>	<b>4</b>	<b>2</b>	<b>1,214</b>	<b>16,528</b>

<b>Grand Division: West</b>											
Damascus Road, Inc.	326	174	15	0	0	0	1	0	0	164	680
Matthew 25:40, Inc.	361	187	0	0	0	0	0	0	0	2	550
Northwest Safeline	647	205	0	1	0	0	1	0	0	15	869
West TN Legal Services	28	100	0	0	0	0	0	0	0	2	130
WRAP	1614	1141	2	3	15	0	4	5	0	66	2,850
City of Jackson	1,281	1,859	12	4	12	0	5	7	0	76	3,256
<b>Total for West Tennessee</b>	<b>4,257</b>	<b>3,666</b>	<b>29</b>	<b>8</b>	<b>27</b>	<b>0</b>	<b>11</b>	<b>12</b>	<b>0</b>	<b>325</b>	<b>8,335</b>
<b>Grand Total</b>	<b>30,888</b>	<b>8,676</b>	<b>193</b>	<b>34</b>	<b>177</b>	<b>0</b>	<b>135</b>	<b>26</b>	<b>6</b>	<b>2,842</b>	<b>42,977</b>

Because clients may indicate more than one race/ethnicity category, the totals do not agree with gender totals and are not representative of totals of individuals.

**5. HUD Section 8 Tenant-Based and Project-Based Rental Assistance Program**

In the fiscal year, THDA managed both Tenant-Based and Project-Based Section 8 programs through the Divisions of Rental Assistance and Contract Administration, respectively. The following two tables present various demographic information about the tenants assisted in the programs.

**Table 27. Section 8 Tenant Based Rental Assistance Program  
Selected Demographic Information FY 2004-2005**

<b>Total Participants for Fiscal Year</b>	6,719
<b>Household Income*</b>	
With any wages	35.36%
With any TANF	24.77%
With any SS/SSI	69.03%
With any Child Support	24.16%
With any Other Income	16.16%
<b>Section 8 Rental Assistance</b>	
<b>Annual Income*</b>	
\$0	1.80%
\$1 to \$5,000	20.73%
\$5,001 to \$10,000	42.24%
\$10,001 to \$15,000	17.95%
\$15,001 to \$20,000	9.85%
\$20,001 to \$25,000	4.60%
>\$25,000	2.83%
<b>Family Type**</b>	
Age 62+	12.07%
Age<62, with Disability	27.44%
Families with Dependents	65.32%
<b>Race/Ethnicity</b>	
Minority	55.47%
Non-Minority	44.53%
<b>Household Size</b>	
0 Bedroom	0.92%
1 Bedroom	12.46%
2 Bedrooms	37.72%
3 Bedrooms	43.25%
4 Bedrooms	5.28%
> 4 Bedrooms	0.37%

\* Household income includes the income for all household members.

\*\*The family type categories of age 62 and over and less than age 62 with a disability include only those families where the head of household or spouse is either age 62 or over or has a disability.

The following table presents Section 8 Project-Based tenant information at the end of the fiscal year. Note that the total may vary from the previous section which presented the location of units by county, whereas the following table is based upon actual participants.

**Table 28. Section 8 Project-Based Tenant Characteristics  
FYE 2004-2005 by Grand Division**

	Grand Division			TOTAL
	East	Middle	West	
<b>Total Project-based Section 8 Participants</b>	<b>10,277</b>	<b>9,280</b>	<b>8,288</b>	<b>27,845</b>
<b>Income Category</b>				
< 30.1% of median	97.7%	97.2%	98.9%	97.9%
30.1% - 50% of median	2.2%	2.7%	1.1%	2.1%
50.1% - 60% of median	0.0%	0.0%	0.0%	0.0%
60.1% - 80% of median	0.0%	0.0%	0.0%	0.0%
> 80% of median	0.0%	0.0%	0.0%	0.0%
<b>Disabled</b>				
	30.6%	18.1%	20.3%	23.4%
<b>Elderly</b>				
	64.0%	57.1%	55.7%	59.2%
<b>Race</b>				
White	77.9%	66.4%	34.3%	61.1%
Black	21.5%	32.4%	65.5%	38.2%
Other	0.6%	1.3%	0.2%	0.7%
<b>Ethnicity</b>				
Hispanic	0.8%	1.1%	0.5%	0.8%
<b>Metro / Non-Metro Areas</b>				
Metro	75.2%	76.8%	77.3%	76.3%
Non-Metro	24.8%	23.2%	22.7%	23.7%

## 6. THDA Homeownership Programs

Demographics for the Homeownership programs are as follows: The largest number of Great Start loans was made to married with children households, followed by both single female and single male households. The largest number of Great Rate loans was made to single female households, followed by single male and married with child households. The majority of New Start loans were made to female with child households. Additional information is presented in Table 29.

**Table 29. THDA Mortgage Programs  
by Household Type  
FY 2004-2005**

Household Size Type	Great Start					Great Rate					New Start				
	1	2	3	4+	All	1	2	3	4+	All	1	2	3	4+	All
Married Couple	1	104	0	0	105	0	159	0	0	159	0	0	0	0	0
Single Male	143	0	0	0	143	261	0	0	0	261	2	0	0	0	2
Single Female	164	0	0	0	164	265	0	0	0	265	7	0	0	0	7
Other	0	58	10	5	73	0	86	11	5	102	0	1	0	0	1
Male w/Child	2	5	8	8	23	5	7	12	6	30	0	1	0	0	1
Female w/Child	1	53	30	10	94	2	109	68	22	201	0	7	9	4	20
Married w/Child	0	0	87	92	179	0	0	125	108	233	0	0	3	4	7
<b>All</b>	<b>311</b>	<b>220</b>	<b>135</b>	<b>115</b>	<b>781</b>	<b>533</b>	<b>361</b>	<b>216</b>	<b>141</b>	<b>1,251</b>	<b>9</b>	<b>9</b>	<b>12</b>	<b>8</b>	<b>38</b>

Income levels averaged \$41,175 for the Great Start program, and \$38,033 for the Great Rate program, slightly lower for Great Start than last year and slightly higher for Great Rate compared with last year. The highest average income in the Great Start and the New Start programs falls in the married with children household category while the highest average income in the Great Rate program is in the married couple category.

**Table 30. THDA Mortgage Programs  
Average Income by Household Type - FY 2004-2005**

Household Type	Great Start		Great Rate		New Start	
	Total # Households	Average Income	Total # Households	Average Income	Total # Households	Average Income
Married Couple	105	\$43,632	159	\$43,817	0	\$0
Single Male	143	\$36,451	261	\$34,626	2	\$9,426
Single Female	164	\$38,603	265	\$33,005	7	\$14,297
Other	73	\$43,836	102	\$42,816	1	\$14,928
Male w/Child	23	\$43,617	30	\$41,600	1	\$13,091
Female w/Child	94	\$36,925	201	\$35,397	20	\$21,346
Married w/Child	179	\$46,695	233	\$43,345	7	\$22,588
<b>Total/Average</b>	<b>781</b>	<b>\$41,175</b>	<b>1,251</b>	<b>\$38,033</b>	<b>38</b>	<b>\$19,263</b>

The following two tables present mortgage program data by race/ethnicity and age. During the reporting period, 78.0% of all mortgages were made to non-minorities and 22.0% were made to minorities. Households age 29 and younger accounted for 56.66% of all mortgages.

<b>Race</b>	<b># Served</b>	<b>% Served</b>
White	1,620	78.26%
Black/African American	411	19.85%
Asian	16	0.77%
Amer. Indian/Alaskan Native	3	0.15%
Nat. Hawaiian/Pac. Islander	1	0.05%
Other	19	0.92%
<b>All</b>	<b>2,070</b>	<b>100.00%</b>
<b>Ethnicity</b>	<b># Served</b>	<b>% Served</b>
Hispanic	41	1.98%

<b>Age Group</b>	<b># Served</b>	<b>% Served</b>
< 25	573	27.68%
25-29	600	28.98%
30-34	319	15.41%
35-39	186	8.99%
40-44	126	6.09%
45 +	266	12.85%
<b>All</b>	<b>2,070</b>	<b>100.0%</b>

## 7. THDA Disaster Recovery Grant Program

In 2003 many counties in Tennessee were designated as federal disaster relief areas due to tornados and flooding. The THDA Disaster Recovery Grant program made funds available to local governments and non-profits in the five counties with the greatest number of applications for federal assistance. Funds could be used for reconstruction or rehabilitation of housing occupied by low income families. During this reporting period, the remaining projects closed out and beneficiaries were reported. The table below presents summary data by grand division, as of the end of the fiscal year.

**Table 33. Disaster Recovery Grant Program Beneficiary Data  
Income, Race/Ethnicity, Household Size by Grand Division  
FY 2004-2005**

	<b>EAST</b>	<b>MIDDLE</b>	<b>WEST</b>	<b>TOTAL</b>	<b>%</b>
<b>INCOME</b>					
LOW	3	0	2	5	42%
VERY LOW	2	1	4	7	58%
<b>TOTALS</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>12</b>	<b>100.0%</b>
<b>RACE</b>					
WHITE	1	1	1	3	25%
BLACK	4	0	5	9	75%
NATIVE AMERICAN	0	0	0	0	0%
ASIAN	0	0	0	0	0%
OTHER	0	0	0	0	0%
<b>TOTALS</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>12</b>	<b>100%</b>
<b>ETHNICITY</b>					
HISPANIC	0	0	0	0	0%
<b>HH SIZE</b>					
1	3	1	2	6	50%
2	1	0	1	2	17%
3	0	0	2	2	17%
4	0	0	0	0	0%
5	0	0	1	1	8%
6	1	0	0	1	8%
>6	0	0	0	0	0%
<b>TOTALS</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>12</b>	<b>100%</b>
<b>HH TYPE</b>					
SINGLE/NON-ELDERLY	4	0	0	4	33.5%
ELDERLY	0	1	3	4	33.5%
SINGLE PARENT	0	0	2	2	17%
TWO PARENT	1	0	0	1	8%
OTHER	0	0	1	1	8%
<b>TOTALS</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>12</b>	<b>100%</b>

## 8. THDA House Repair Program

The THDA House Repair Grant program, a partnership with Rural Housing Services of the USDA, continued into this reporting period. Presented below is summary beneficiary data by grand division.

**Table 34. THDA House Repair Grant Program Beneficiary Data  
Income, Race/Ethnicity, Household Size by Grand Division  
FY 2004-2005**

	<b>EAST</b>	<b>MIDDLE</b>	<b>WEST</b>	<b>TOTAL</b>	<b>%</b>
<b>INCOME</b>					
LOW	0	0	0	0	0%
VERY LOW	44	44	62	150	100%
<b>TOTALS</b>	<b>44</b>	<b>44</b>	<b>62</b>	<b>150</b>	<b>100%</b>
<b>RACE</b>					
WHITE	44	39	18	101	67.3%
BLACK	0	5	43	48	32.0%
NATIVE AMERICAN	0	0	0	0	0.0%
ASIAN	0	0	0	0	0.0%
OTHER	0	0	1	1	0.7%
<b>TOTALS</b>	<b>44</b>	<b>44</b>	<b>62</b>	<b>150</b>	<b>100%</b>
<b>ETHNICITY</b>					
HISPANIC	3	0	2	5	3.3%
<b>HH SIZE</b>					
1	24	29	45	98	65%
2	16	12	11	39	26%
3	1	3	3	7	5%
4	1	0	1	2	1.5%
5	1	0	2	3	2%
6	0	0	0	0	0%
>6	1	0	0	1	0.5%
<b>TOTALS</b>	<b>44</b>	<b>44</b>	<b>62</b>	<b>150</b>	<b>100%</b>
<b>HH TYPE</b>					
SINGLE/NON-ELDERLY	3	7	1	11	7.5%
ELDERLY	38	36	57	131	87%
SINGLE PARENT	1	0	2	3	2%
TWO PARENT	2	0	2	4	3%
OTHER	0	1	0	1	0.5%
<b>TOTALS</b>	<b>44</b>	<b>44</b>	<b>62</b>	<b>150</b>	<b>100%</b>

**9. Low Income Housing Tax Credit Program (LIHTC)**

Demographic information on actual tenants is not collected under this program. However, certain information is available from applications concerning size of units to be built/rehabilitated and percentage of units to be reserved for certain population groups. The following table is based on that information.

**Table 35. LIHTC Units Authorized, CY 2004  
Selected Information**

<b>Total Units</b>	<b>3,046</b>
<b>Household Size</b>	<b>Percent of Total</b>
0 Bedroom	1%
1 Bedroom	23%
2 Bedrooms	44%
3+ Bedrooms	32%
<b>Units Reserved for Income Groups</b>	
≤60% Area Median Income (AMI)	100%
<b>Units Reserved for Special Needs</b>	
Elderly	1%
Physically Disabled	1%

**10. Tax-Exempt Multi-Family Bond Authority**

No demographic information is compiled for this program.

**Summary**

Information on the numbers of families and persons assisted is maintained in different forms. Information for CDBG, and ESG is in the form of persons. HOPWA provided information both on individual beneficiaries and on family beneficiaries. Information on the remaining programs was in the form of households. Table 36 reflects these separately.

**Table 36. 2004-2005 Recap of Families and Persons Assisted  
All Programs**

<b>PROGRAM</b>	<b>NON-MIN</b>	<b>MIN</b>	<b>HHS</b>	<b>PERSONS</b>	<b>FEMALE HH</b>
<b>PROGRAMS REQUIRED BY CONSOLIDATED PLAN</b>					
CDBG	350,855	30,006	-	380,861	47,013
HOME	337	119	456	-	-
ADDI	128	28	156	-	-
ESG	30,888	12,089	-	42,977	-
HOPWA (1)	628	257	219	885	-
<b>Total</b>			<b>831</b>	<b>424,723</b>	-
<b>OTHER PROGRAMS</b>					
Section 8 RA	2,992	3,727	6,719	-	-
Section 8 CA	17,013	10,832	27,845	-	-
Homeownership	1,620	450	2,070	-	-
Disaster Recovery Grant	3	9	12	-	-
House Repair Program	101	49	150	-	-
LIHTC	n/a	n/a	3,046	-	-
Multifamily Bond Authority (2)	n/a	n/a	145	-	-
<b>Total</b>			<b>39,987</b>	-	-
<b>Grand Total</b>			<b>40,818</b>	<b>424,723</b>	

(1) HOPWA includes 219 beneficiary families and 885 individuals. Racial data is available for individuals only.

(2) Excludes 1,213 units included with LIHTC.

Because the Non-minority and Minority columns may represent either households or persons, depending on the program, totals are not given.

**E) ACTIONS TAKEN TO AFFIRMATIVELY FURTHER FAIR HOUSING**

The State of Tennessee carried out a variety of activities to affirmatively further fair housing as described below.

The *Tennessee Fair Housing Matters* conference, held in April, was the second year of the partnership involving Tennessee Housing Development Agency, Tennessee Department of Economic and Community Development, Tennessee Human Rights Commission, The City of Murfreesboro, Community Development Department, and two Metropolitan Nashville-Davidson County agencies: Metropolitan Development and Housing Agency (MDHA) and Metropolitan Human Relations Commission. Over 100 housing practitioners, advocates, and consumers from across the state gathered to hear presentations on a variety of issues and to participate in discussions of fair housing issues: Fair Housing in Rural Tennessee, Grass-Roots Capacity Building and Faith-Based Housing, Reasonable Accommodation, Affirmative Marketing, Predatory Lending, and Affordable Homeownership. Through the partnering process, the results of state and local agency activities to affirmatively further fair housing are amplified, and duplicative efforts are avoided.

During September 2004, the Tennessee Housing Development Agency, Tennessee Department of Mental Health and Developmental Disabilities, the Tennessee Human Rights Commission, worked with West Tennessee Legal Services and the Tennessee Fair Housing Council to present a series of workshops, *Addressing the Housing Needs of People with Disabilities*. The purposes of the workshops were to increase awareness of the housing needs of people with disabilities, to discuss the federal and state anti-discrimination laws, and to equip service providers with resources that would enable them to be more effective in their support and care of people with disabilities. Workshops were held in Johnson City, Chattanooga, Nashville, Memphis, and Jackson.

The THDA Tennessee Homebuyer Education Initiative continued in this reporting period. West Tennessee Legal Services conducted the initial fair housing component of this effort and developed training materials for the trainers to use in their homebuyer education sessions. Homebuyer Education participants receive a manual which includes fair housing information, and a Spanish language manual is available.

The HOME program continues to distribute a guide to the Fair Housing Act to every grantee and every beneficiary of the program. In addition, HOME grantees were given fair housing information, written in Spanish, for beneficiaries. Both HOME and CDBG programs provide all grantees with the State list of minority and female contractors.

The Section 8 Rental Assistance Division works on a continuing basis with West Tennessee Legal Services to provide Fair Housing Training for staff and landlords.

ECD worked with the Office of the Governor to have April declared Fair Housing Month.

Through the Homeownership program, the State continued to target first time homebuyers, including minorities and women, in order to make homeownership available and to encourage non-concentration of minorities in certain census tracts. During the reporting period, 22% of loan recipients were minorities.

As a part of its ESG program, the State continues to give funding priority to those shelter grantees that make their facilities accessible to persons with physical disabilities. The program also required its grantees to do a self-study of Section 504 compliance to assure accessibility for persons with disabilities.

THDA staff participated in homeownership fairs sponsored by the Tennessee Black Legislative Caucus, the Hispanic housing fair, held in June 2005, and works with the Middle Tennessee Hispanic Realtors Association.

## **F) OTHER ACTIONS INDICATED IN THE STRATEGIC PLAN AND ACTION PLAN**

### **Section 8 Family Self Sufficiency Program**

Family Self Sufficiency (FSS) is a requirement of the HUD Section 8 Housing Choice Voucher Program which began in 1990 as an effort to enable Section 8 participants to become self sufficient or independent of welfare assistance. The program is administered by the Rental Assistance Division of THDA with additional federal funds to support FSS staff.

Participants sign a five-year contract in which they agree to find employment and identify goals which they must reach for achieving financial independence. Staff assists participants in identifying goals and provides referrals for resources in the community. Participants are eligible for the establishment of an escrow account which is based on increased income as a result of employment. The funds in the escrow account may be accessed by the participant once the contract is fulfilled or the family is paying all their rent.

There are currently 253 families participating in the program across the state. Already 105 families have completed the program. Of the 105 who completed the program, 82 received escrow funds. At least 23 families used the escrow fund toward the purchase of a home.

### **Section 8 to Homeownership Program**

The THDA Section 8 to Homeownership Program offers a mortgage subsidy to low income families that are not able to afford a mortgage payment for a home in the area where they reside without some financial assistance. In the Housing Choice Voucher program, families typically pay 30% of their monthly-adjusted income (or the family's Total Tenant Payment) toward homeownership expenses, and THDA pays the difference between the family's Total Tenant Payment and the actual monthly mortgage payment. The mortgage assistance payment must be paid directly to the lender or loan servicing company, and not to the family. At the end of the reporting period, June 30, 2005, 32 home closings had occurred using this program.

### **Lead-Based Paint**

Title X of the Federal Lead-Based Paint regulation became effective on September 15, 2000, and, on September 26, 2000, the Tennessee Department of Environment and Conservation (TDEC) developed a certification program and compiled a registry of certified lead inspectors, testing laboratories, contractors and training facilitators.

In April 2001, HUD and EPA issued a joint memorandum to clarify Title X requirements for rehabilitation of housing to clarify the definition of abatement under regulations issued by EPA and HUD and to assert that HUD and EPA regulations are complementary. On May 2, 2001, THDA and TDEC issued a joint memorandum that allows for the use of HUD regulations in rehabilitation projects. TDEC certified lead-based paint professionals must be used. These joint efforts have enabled rehabilitation efforts to resume.

THDA distributes to all grantees the Lead Chapter of the HOME operations manual, providing further guidance for compliance with HUD regulations.

## **Part II**

### **Assessment of Annual Performance**

The Consolidated Plan established two priorities:

1. Housing Priority: Low-and Moderate-Income Households

Tennessee will encourage that funding priority be given for housing that serves low- and moderate-income households. These are households whose income is 80 percent or less of the median family income for the particular area.

2. Community Development Priority: Serious and Resolvable Community Development Problems

Tennessee will encourage that funding priority be given to programs and projects that address serious and resolvable community development problems.

To address these priorities, the Consolidated Plan established four foundational goals and eleven policy initiatives, all of which are broad in scope and not easily measured. For purposes of discussion and assessment of annual performance, the focus will be on the four foundational goals. The foundation goals and policy initiatives are as follows:

#### **Foundation Goals:**

- 1) Provide Decent Housing
- 2) Provide a Suitable Living Environment
- 3) Provide Expanded Economic Opportunities
- 4) Improve the Effectiveness of Programs

#### **Policy Initiatives:**

- 1) Increase the availability of affordable housing and preserve the affordable housing stock.
- 2) Help homeless persons and persons at risk of becoming homeless to obtain appropriate housing.
- 3) Increase the supply of supportive housing for persons with special needs.
- 4) Revitalize deteriorating or deteriorated neighborhoods and improve the safety and livability of neighborhoods and communities.
- 5) Reduce the isolation of persons by income or race within a community or area and increase the fair access to quality public and private facilities and services.
- 6) Restore and preserve properties of an historic, aesthetic, or architectural value and conserve energy resources.
- 7) Make mortgage financing available to low and moderate income persons at reasonable rates using nondiscriminatory lending practices.

- 8) Increase the access to capital and credit for community, economic, small business, and entrepreneurial development.
- 9) Increase the accessibility of jobs in relation to housing that is affordable to low-income persons.
- 10) Increase job training, skill development, education, empowerment, and self-sufficiency opportunities for low-income persons to reduce generational poverty.
- 11) Strengthen and extend the effectiveness of programs and public/private partnerships.

## **Assessment of Annual Performance**

### **1. Provide Decent Housing**

The State of Tennessee showed significant performance in this area. The State increased the availability of affordable housing by making below market-rate mortgage loans to 2,070 low- to moderate-income first-time homebuyers. This was accomplished through the THDA homeownership programs. The ADDI program assisted 156 first-time homebuyers.

An increase in the availability of affordable rental housing was accomplished through the rehabilitation or new construction of rental housing utilizing the HOME and LIHTC funded programs. Grant awards and tax credit allocations were made in these programs that are expected to create 3,088 new or improved rental units. Additional affordable rental units, 145, will be created through the multi-family bond authority program. No data was available on the number of new units actually completed during the reporting period. The HOME Special Needs set aside funded 40 units of housing.

Part of the one-year THDA Grant Program is the Special Needs Program in which THDA set aside \$2.0 million used in partnership with the State Department of Mental Health and Developmental Disabilities (MHDD) to fund housing for the mentally ill. This partnership, Creating Homes Initiative (CHI), resulted in 97 units. No specific data is available for the beneficiaries of these units.

The State preserved the affordable housing stock by utilizing the CDBG and HOME programs for owner-occupied rehabilitation projects. Information was available for HOME on the number of units funded, of which there were 327. Through the CDBG housing rehabilitation program, 40 low and moderate income home owners now live in safe, decent housing. Through the THDA House Repair Program 150 households received housing rehabilitation assistance.

This foundational goal also encompasses assisting homeless persons and persons at risk of becoming homeless. Through the State-administered ESG and HOPWA programs, 43,862 persons and 219 families were assisted. This number includes all persons reported as being served under the ESG program and those persons receiving assistance under HOPWA.

Governor Phil Bredesen, by executive order, created the Governor's Interagency Council on Homelessness. Eleven individuals or their designees represent the Governor's Office, the Departments of Children's Services, Correction, Education, Health, Human Services, Mental Health and Developmental Disabilities, Veterans' Affairs, the Board of Probation and Parole, the Tennessee Housing Development Agency, and the Bureau of TennCare. Three representatives of the state Continuum of Care Agencies also serve on the council. The council is charged with coordinating and focusing the state's efforts to effectively address the challenge of homelessness in the state of

Tennessee, and to work with the United States Interagency Council on Homelessness to develop a long-term plan to effectively address the homelessness challenge in Tennessee.

## 2. Provide a Suitable Living Environment

The HOME program provides funds for single family construction and rehabilitation which, when coupled with local neighborhood community programs, contribute to sustaining and building quality neighborhoods and communities. The American Dream Downpayment Initiative (ADDI), Home Buyer Education, Rental Assistance Section 8 to Homeownership, and Family Self Sufficiency (FSS) all help families and individuals invest in their personal futures and their communities.

The majority of CDBG program funding goes to public facility projects which improve or expand water, wastewater, and drainage and flood control systems, all of which contribute to the sustainability of a suitable living environment.

THDA's Bicentennial Neighborhoods Initiative (BNI) was begun through pilot sites in Chattanooga (through Chattanooga Neighborhood Enterprises) and in Nashville (through Metropolitan Development and Housing Agency). BNI was designed to spur an overall community-wide vision for neighborhood improvement - including mortgage financing, housing rehabilitation and infrastructure improvement within a concentrated area of the city. Funding for these initiatives comes from a variety of sources, including both public and private funds. This initiative was expanded to include sites in Brownsville in West Tennessee and Rockwood, Dandridge and Johnson City in East Tennessee.

## 3. Provide Expanded Economic Opportunities

Under this foundational goal in the Consolidated Plan, it was mentioned that mortgages should be offered at below market rates in every area of the State. THDA's homeownership programs continue to do this, and the new ADDI program also addresses this goal.

Through ECD, the economic development component of the CDBG program resulted in new jobs for 2,305 who were determined to be low and moderate income persons prior to hiring.

Another aspect of this foundational goal was to increase capital and credit for small business and entrepreneurial development. No data were collected for this report pursuant to this objective.

Relative to increased accessibility to jobs, job training, etc., the THDA Rental Assistance Division continues to administer the Family Self Sufficiency Program.

## 4. Improve the Effectiveness of Programs

This year the representatives of the Consolidated Plan programs continued discussions and meetings in which the common visions and goals are established. The effectiveness of the programs should continue to improve. During the fiscal year, we engaged in preparation and completion of the Consolidated Plan for 2005-2010, and continue to work toward the development of performance measurement systems. During the year, THDA conducted customer surveys in three programs: Homeownership, Section 8 Rental Assistance landlords, and HOME.

## **Future Actions**

The State of Tennessee will continue its efforts to implement the Consolidated Plan. We will continue working on implementing our new five-year plan; continue to work with public housing authorities as they adopt their long-term plans, and work to improve reporting in uniform ways. We will continue to work toward a truly consolidated program by exploring ways to make it easier for eligible entities to access federal and state funds to meet the housing needs of low- and moderate-income citizens throughout Tennessee. We will continue to report on the amount of dollars awarded, and activities funded in the CDBG, HOME, ESG and HOPWA programs. We also report on the ways in which the programs provide decent housing, a suitable living environment, and expanded economic opportunity. The state does not carry out these programs nor provide direct services, rather we make funds available to local governments as well as non-profit agencies who deliver services to local communities and individuals in need. We will continue our efforts toward development and utilization of performance measurement systems.

## **A) EVALUATION OF THE JURISDICTION'S PROGRESS IN MEETING ITS SPECIFIC OBJECTIVE OF PROVIDING AFFORDABLE HOUSING**

### **Affordable Housing**

The State of Tennessee made considerable progress in providing affordable housing during this reporting period. Several policy initiatives stated in the Consolidated Plan were addressed through the housing activities discussed in this document. A brief evaluation of each program and the particular objective addressed appears below. A full evaluation of the State's progress in providing affordable housing is in Exhibit E, the CHAS Annual Performance Report.

#### **1. Community Development Block Grant (CDBG) Small Cities Program**

Information provided in the PER showed the CDBG program assisting 40 low- and moderate-income homeowners with housing rehabilitation. This activity specifically addressed Policy Initiatives 1 and 4.

#### **2. HOME Investments Partnership (HOME)**

The HOME program addressed affordable housing units through homeowner rehabilitation, rental rehabilitation, and new construction, assisting 456 low-income households. The percentage of benefit to low-and moderate-income households is 100%. This activity specifically addressed Policy Initiatives 1, 3, and 4.

#### **3. Housing Opportunities for Persons with AIDS (HOPWA)**

The HOPWA program provided housing assistance to 885 individuals plus 219 families. This activity specifically addressed Policy Initiatives 2 and 3.

#### **4. Emergency Shelter Grants (ESG)**

The ESG program contributed to the addition of six shelter beds. This activity is specifically addressed in the Policy Initiatives 2, 3, and 5.

#### **4. HUD Section 8 Tenant-Based and Project-Based Rental Assistance Program**

At the end of the reporting period, the Section 8 Tenant Based program provided rental assistance to 6,719 households and the Section 8 Project-Based program provided 27,845 rental units. In addition, the Family Self-Sufficiency Program continued. These activities specifically addressed Policy Initiatives 1, 2, 3, 9, and 10.

#### **6. THDA Homeownership Programs**

THDA Homeownership program assisted 2,070 low- and moderate-income households in the purchase of their first home. The new ADDI program assisted 156 first-time low- and moderate-income homebuyers. These activities specifically addressed Policy Initiatives 1 and 7.

#### **7. THDA Disaster Relief and THDA House Repair**

The one-year Disaster Recovery Program and the House Repair programs provided a total of 162 units of affordable housing; of these, 36% will assist minority households. These activities specifically addressed Policy Initiatives 1 and 4.

#### **8. Low Income Housing Tax Credit Program (LIHTC)**

During calendar year 2004, LIHTC were allocated in 14 counties to be used to develop 3,046 units of affordable housing. This activity specifically addressed Policy Initiatives 1, 4, 9, and 11.

**9. Multi-Family Bond Authority Program**

In CY 2004, the Multi-Family Bond Authority program allocation to local issuers will be used for the development of 1,336 units of multi-family rental housing, of which 1,213 units will be developed also using LIHTC allocations. This activity specifically addressed Policy Initiatives 1, 4, 9, and 11.

**Summary - All Programs**

The numbers, demographics, and types of families assisted can be seen in various tables contained in Section D. Families and Persons Assisted Including Racial and Ethnic Status.

## **B) ADDITIONAL INFORMATION**

### **1. Community Development Block Grant (CDBG) Small Cities Program**

Table 2 shows that under the CDBG program, the majority of funds, or 66%, were awarded for public facility activities. Installation and/or rehabilitation of water sewer systems were the primary use of funds in the public facilities category. Other activities included economic development, residential rehabilitation, acquisition/disposition, and clearance/code enforcement. These activities specifically addressed Policy Initiatives 1, 4, 5, 8, and 9.

### **2. HOME Investments Partnership (HOME)**

The HOME program awarded 64 grants assisting 456 housing units for low-income households. Results from on-site inspections and an assessment of jurisdiction's affirmative marketing actions and outreach to minority-owned and women-owned businesses are explained in Exhibit B. Owner and tenant characteristics are provided in Tables 20 through 24.

### **Public Comments**

The State of Tennessee published a notice in seven newspapers in the State inviting public comments on the Summary Annual Performance Report. The notice was published on September 10, 2006, allowing a 15-day comment period and instructing interested citizens on locations where they could review the Annual Performance Report as well as make comments. The notice appeared in the following publications:

- Memphis Commercial Appeal
- Jackson Sun
- Nashville Tennessean
- Clarksville Leaf-Chronicle
- Chattanooga Free Press
- Knoxville News-Sentinel
- Johnson City Press

Copies of the Summary Annual Performance Report were distributed to the nine Development District offices throughout the State and posted to the THDA website. At the end of the public comment period, September 26, 2005, no public comments were received.

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Consolidated Annual Performance Evaluation Report (CAPER)  
Fiscal Year 2004 – 2005  
Exhibit Information

Because of their size and formats, the exhibits are not part of the web version of the CAPER. Information on the exhibits may be obtained from the following agencies:

Exhibit A:

Small Cities Community Development Block Grant Program (CDBG)  
State Grant Performance/Evaluation Report (PER)  
Prepared by the State of Tennessee,  
Department of Economic & Community Development,  
Office of Program Management, Telephone: 615/741-6201

Exhibit B

HOME Investment Partnership Program Annual Performance Report  
Prepared by Tennessee Housing Development Agency,  
Community Programs Division, Telephone: 615/741-3007

Exhibit C

Annual Progress Report for Housing Opportunities for Persons with AIDS  
(HOPWA)  
Prepared by the State of Tennessee, Department of Health, AIDS Supportive Services, Telephone: 615/532-8521

Exhibit D

Emergency Shelter Grant Program Annual Report  
Prepared by the State of Tennessee, Department of Human Services  
Family and Community Programs Division, Telephone: 615/313 4774

Exhibit E

CHAS Annual Performance Report  
Prepared by Tennessee Housing Development Agency  
Research, Planning, & Technical Services Division, Telephone: 615/741-4946