



State of Tennessee
2010-2015
Consolidated Plan

For Housing
and
Community Development

Lead agency:
Tennessee Housing Development Agency

May 2010

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**These individuals were invited but were unable to attend the committee meeting.*

PART I. GENERAL

Executive Summary

The State of Tennessee Consolidated Plan 2010-2015 marks the fourth five-year plan completed by the state. Preparation for the plan began in early 2010 with meetings of state agencies, social service organizations, public housing authorities, federal government officials. In preparing the plan, the state collected and analyzed demographic and housing market data, and conducted a number of needs assessments and surveys. In the winter of 2010, as part of the development of this Plan, eight public meetings took place to involve local officials, housing providers, business and economic development professionals, advocates for special needs populations, and citizens.

Throughout all of the planning meetings and discussions with concerned parties, the following became abundantly clear:

1. The multiplicity of needs in the state;
2. The difficulty in trying to quantify needs, to measure the needs of one group against the needs of another group, and to achieve a consensus;
3. The resources in the state continue to provide much needed assistance to low- and moderate-income residents;
4. Resources to assist low- and moderate-income individuals are grossly inadequate.

Analysis of data in the state also demonstrates that needs vary greatly from community to community and from one region of the state to another. Some communities have experienced large population growth and increased housing cost while other communities have experienced moderate growth and still others have had population decreases. Evident in the 2005 plan and even more so in the 2010 plan is the growth in the senior populations, and in the immigrant and homeless populations.

While some communities report relatively small homeless populations, many are overwhelmed with the needs of the homeless and the inadequate resources available to assist in meeting these needs. Shelters continue to see an increase in entire families as well as individuals with special needs which shelter staffs may be unable to handle. The result sometimes is the loss of shelter care for families. There is also great concern over the number of mentally ill individuals and their housing needs and, in some cases, the available housing resources in the community that cannot serve these populations because of the lack of needed social service supports.

In addition to these situations, we continue to see many communities, small towns, and rural areas that are without adequate water and wastewater services, resulting in a threat to the health and well being of these residents.

Further impacting low- and moderate- income persons is the State of Tennessee's fiscal crisis which has led to the continued re-direction of much needed housing dollars away from housing related activities.

Inherent in the state's Consolidated Plan is the recognition of varying areas of need and an attempt to appropriate resources in a manner that allows communities to help shape their priorities for those needs. This is done with the recognition, however, that the state is responsible to all communities in the state and must make decisions that allow a broad-based approach to resource appropriation. In some cases this is as simple as providing the most basic need for an individual such as clean, safe water.

Overall, we hope the following pages will:

- Reflect the needs of low- and moderate- income residents of the state;
- Assist local governments in planning;
- Serve as a tool for state government in the ongoing development of strategies to appropriate resources; and
- Demonstrate to federal officials that additional help is needed to make sure that federal resources do not come with statutory restrictions that contradict or hurt the very people they are designed to help.

Recent Changes and Impact on the State's Plan

Planning for use of resources in the state would be incomplete without some a recognition of the local and state situations that impact the implementation of various programs within the state. While meeting with citizens and organizations the apparent need for coordination of much needed resources was a constant theme. The following have a direct impact on the use of such resources:

State Budget: The state of Tennessee allocates no state dollars to any of the programs covered by the consolidated plan. The state of Tennessee has been struggling financially, with recent years of budget cuts and current year state revenue shortfalls.

Overall Housing Market: The Tennessee housing market has experienced multiple dramatic shifts in the past three to four years. Foreclosures are at sustained record highs, with one foreclosure filing for every 67 households last year in Tennessee (RealtyTrac®). The number of families who are cost burdened by rental and homeownership housing costs is increasing. Rental vacancy rates are increasing, quite steeply in some areas and new construction has slowed significantly. Finally, net population growth has slowed in the past few years.

NIMBY (Not in My Back Yard): Communities may not want affordable housing units because of a locally perceived stigma attached that suggest a potential loss in property value. This also may hold true for the location of group homes or other special needs facilities.

Immigration: A number of communities throughout the state report a rise in the number of immigrants and non-English speaking persons, an observation supported by analysis of census data. In some communities these populations put additional pressure on social services, housing and education.

Homelessness: Communities throughout the state report a rise in the number of homeless families and individuals and the lack of resources available to assist them. A common theme across Tennessee is the changing face of homelessness.

Special needs advocates: Advocates for special needs populations have become more organized and visible at the local, regional, and state level. This visibility further demonstrates that limited resources are available to meet the needs of these special needs populations which include people with mental illness, mental retardation, developmental disabilities, as well as persons who are elderly and frail.

These descriptions only provide a brief highlight of the factors that impact the groups or persons addressed in this plan. We must continue to work together at the state and local government levels to assure that optimum use is being made of funds to assist low-income families.

Coordination and Leadership

While Tennessee Housing Development Agency (THDA) is designated as the agency to lead the coordination of the state's Consolidated Plan, developing the plan involved input from citizens, organizations, state, local and federal government officials, developers, chambers of commerce, public housing authorities, and housing professionals.

Meetings were held with a core group of individuals consisting of 14 members. This group represented the state agencies responsible for the administration of the four consolidated plan covered programs. In addition to this group, a special needs subcommittee was created to address specific areas of the plan. With coordination assistance of the nine development districts, eight public meetings were convened to insure input into the plan by representatives of local governments, special needs advocates, housing providers, economic development organizations, public housing authorities, and local citizens groups, such as faith based organizations.

The plan structure is designed to give some specific data on individual communities or groups which reflect trends in housing or other related data but that does not attempt to list needs by community. This allows communities the flexibility of prioritizing their needs without the state attempting to do so.

A list of groups and individuals that provided input on the states consolidated plan is provided in Appendix 1.

Institutional Structure

The four HUD programs applied for under this Consolidated Plan (Community Development Block Grants (CDBG), HOME, Emergency Shelter Grants (ESG), and the Housing Opportunities for Persons with AIDS Program (HOPWA)) are carried out by entities other than the State. Funds are awarded by the State to these entities, which include local governments and nonprofit organizations, who conduct the actual activities.

Of the other federal and non-federal resources discussed in this plan, Section 8 is the only program administered directly by the State. The Low-Income Housing Tax Credit program is awarded to other entities, and the Homeownership program is carried out by local lenders. Coordination with social service agencies occurs primarily at the local level with the exception of the Section 8 program. THDA, who administers Section 8, works very closely with other State agencies including the State Department of Human Services, the State Department of Health, and the Department of Mental Health and Developmental Disabilities. This coordinated effort is expected to continue.

The State will continue to support applications from other entities for HUD program funds for both formula/entitlement programs and competitive programs.

NOTICE: As found in 24 CFR Part 91 under the American Recovery and Reinvestment Act of 2009 for the Tax Credit Assistance Program (TCAP) and the Homelessness Prevention and Rapid Re-Housing Program (HPRP), and under Title III of Division B of the Housing and Economic Recovery Act of 2008 for the Neighborhood Stabilization Program, Consolidated Planning requirements do not apply.

PART 2. HOUSING AND HOMELESS NEEDS ASSESSMENT MARKET CONDITIONS AND PROJECTED NEEDS

Federal assistance for housing and infrastructure developments has played a pivotal role in the economic growth and community development in localities across our state. Availability of affordable housing and continued development of adequate infrastructures in the state of Tennessee have been a significant attraction for immigrants from other states and abroad. From the 2009 population estimates, the Tennessee population grew by 606,971 since the 2000 census. The growth rate over the past nine years (10.7 percent) ranks Tennessee as 16th among the 50 states and the District of Columbia and above the national population growth rate of 9.09 percent. Tennessee’s population grew at a similar rate during the 1970s followed by a much slower growth rate of 6.2 percent during the 1980s. In 2004, according to Census Bureau estimates for Tennessee, the population rose to 5,897,306 amounting to a modest 3.6 percent growth in the four years following the census, resembling the slower growth pattern during the 1980s.

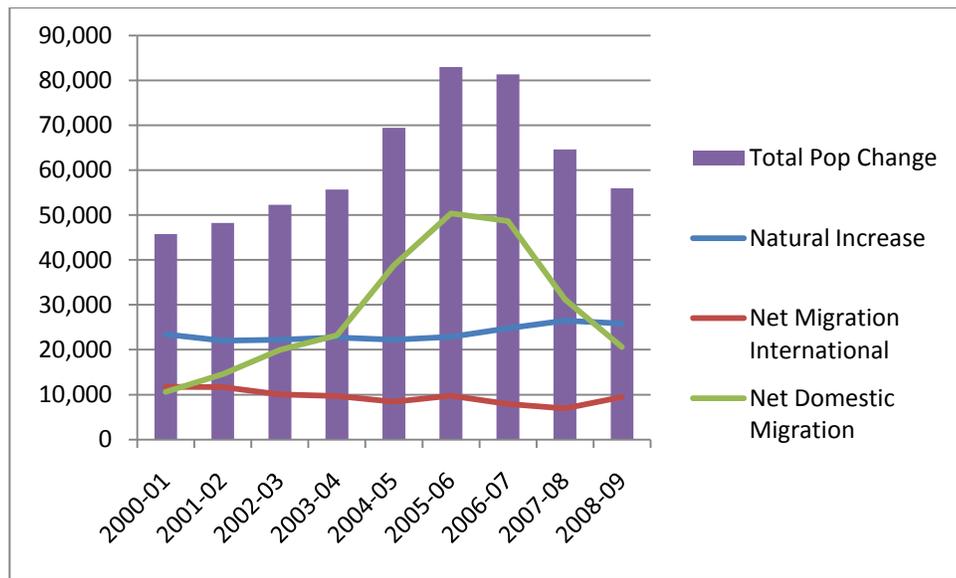
Table 1. Tennessee Population Growth, 1960 – 2009

	1960	1970	1980	1990	2000	2009 (est.)
Tennessee Population	3,567,089	3,926,018	4,591,120	4,877,185	5,689,283	6,296,254
Decennial Growth		358,929	665,102	286,065	812,098	606,971
Rate of Growth		10.1%	16.9%	6.2%	16.7%	10.7%

Source: U.S. Census, Population Division

Migration to Tennessee

Chart 1. Trends in Tennessee Population Growth from 2000 – 2009



Source: U.S. Census, Population Division, Released December 2009

Year-by-year estimation of state populations by the Census Bureau also includes estimates of the components of population change. Tennessee’s population grew by an estimated 606,971 over the past nine years. Of this number, 37.7 percent can be attributed to natural increase (the balance of births and deaths), but a majority of the growth, 58.7 percent, is due to net migration. Within the migration numbers,

the primary driver of growth was domestic migration, with a large increase in the net growth between 2004 and 2007.

Housing Market Trends

Table 2. Housing Occupancy: 2000 vs. 2006-08

	2000	2006-08 (est.)	Unit Chg	% Chg
Population	5,689,283	6,144,104	454,821	7.99%
Housing Units	2,439,443	2,721,889	282,446	11.58%
Occupied Housing	2,232,905	2,408,031	175,126	7.84%
Owner-Occupied Housing Units	1,561,363	1,686,183	124,820	7.99%
Renter-Occupied Housing Units	671,542	721,848	50,306	7.49%

Percent of Housing Units Occupied	91.5%	88.5%
Percent Owner-Occupied among Occupied Units	69.9%	70%
Avg. Household Size Per Occupied Unit	2.55	2.49

Source: U.S. Census Bureau, 2006-08 American Community Survey

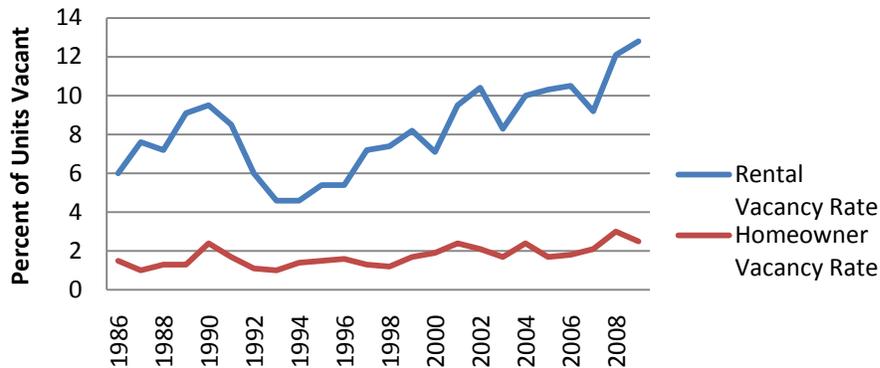
Based on the 2006-08 estimates, housing units increased by 11.58 percent in Tennessee compared to 2000 figures. This increase outpaced the increase in population of 7.99 percent during the same period. Predictably, with this mis-match of new units to population, the percentage of units that are occupied declined, from 91.5% in 2000 to 88.5% in 2009.

Owner-occupied housing units increased by 7.99 percent, and renter-occupied homes increased 7.49 percent. Mid-decade, the homeownership rate rose, but in recent years has started to decline, showing almost no net change from 2000. The estimated average household size per occupied unit in the 2006-08 estimates was 2.49, a decrease from 2.55 in 2000.

Vacancy Rates

The percent of housing units that were occupied decreased in the 2006-08 estimates compared to 2000, moving from 91.5% to 88.5%. Vacancy rates rose in most jurisdictions around the state during this period.

**Chart 2. Vacancy Rates – Tennessee
1986 - 2008**



Source: U.S. Census, Housing Vacancy Survey

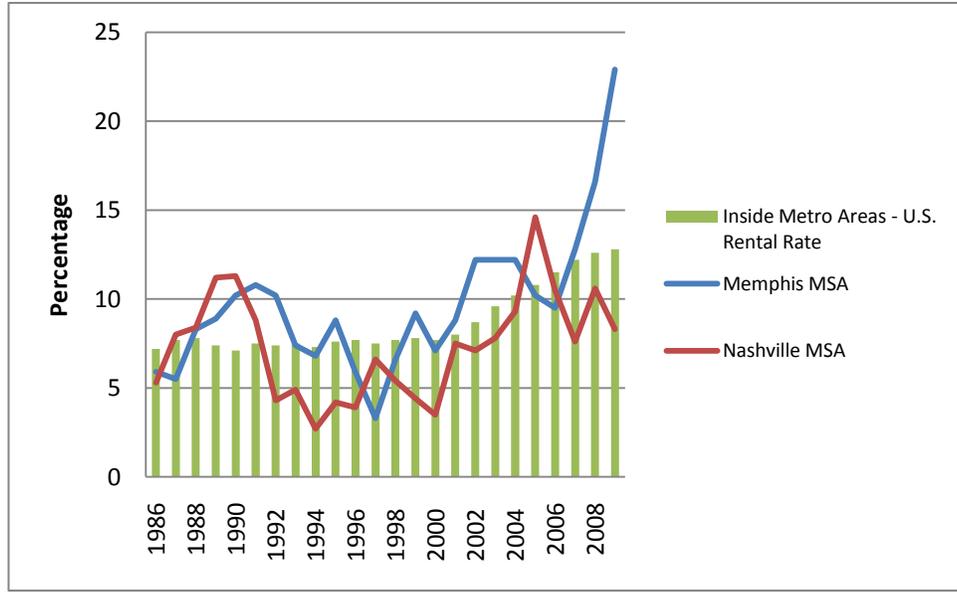
Vacancy rates represent the proportion of housing units that are for rent or sale among all occupied and vacant units, excluding the ones set aside for occasional and seasonal use. The proportion of units for rent among all rental units in this stock yields the rental vacancy rate. Similarly, the proportion of units for sale among all homeowner units in this stock yields the homeowner vacancy rate. The vacancy rate in the Tennessee rental housing market has trended upward in recent years, with a sharp increase in the past two years, reaching 12.8 percent in 2009. The homeowner vacancy rate has moved upward slowly in the past fifteen years and measures at 2.5 percent in 2009.

Overall vacancy rates in Tennessee increased in the past five years from 11.7 in 2005 to 13.4 in 2009. Increased vacancy rates show a softening of the housing market that may be due to several converging components, including: overbuilding in the prior decade, loss and reduction of income that may lead to shared housing arrangements, and foreclosures among owner-occupied and rental properties.

The metropolitan areas in Tennessee have seen sharp increases in the rental vacancy rates and some increase in the homeowner vacancy rate. Two Tennessee Metropolitan Statistical Areas (MSAs) are included in the census Housing Vacancy Survey annual data that tracks these rates over more than twenty years. Charts 3 and 4 show the trends in these two MSAs. As chart 3 shows, Nashville’s MSA shows a pattern a bit more consistent with the national metropolitan pattern for most of the decade, with a decrease in vacancy rates over the most recent few years. Memphis’s MSA rental housing market is suffering from steep increases in the rental vacancy rate. Based on the 2009 data, a little more than one in five rental units in Shelby County are vacant. In the long run, higher vacancy rates may help with affordability of rental housing in these areas. However, in the short run, analysis at the national level shows that vacancy rates for affordable rental units are much smaller, suggesting that the large vacancy rates may be driven by the higher end of the market.¹ The homeowner vacancy rate for these two Tennessee MSAs appear to be more in line with the national trend than the rental vacancy rates (see Chart 4).

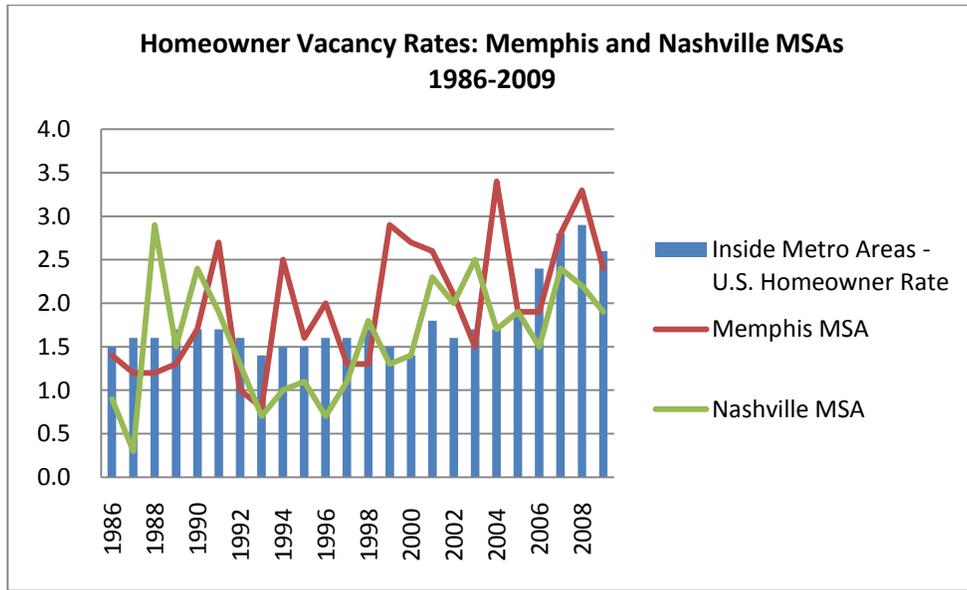
¹ See Collinson, R. and Winter, B. (January, 2010). U.S. Rental Housing Characteristics: Supply, Vacancy and Affordability. U.S. Department of Housing and Urban Development, PD&R Working Paper, 10-01. Retrieved on January 28, 2010 from www.huduser.gov/publications

**Chart 3. Rental Vacancy Rates: Memphis and Nashville MSAs
1986 - 2009**



Source: U.S. Census, Housing Vacancy Survey

Chart 4. Homeowner Vacancy Rates



Source: U.S. Census, Housing Vacancy Survey

Population growth and housing unit growth are balanced with one another in some MSA counties and are out of alignment in others. In Davidson, Hamilton and Shelby Counties, housing unit construction growth outpaced population growth. This likely contributes to the rising vacancy rates in each of these counties. In Shelby County, the mismatch between population and housing unit change rates is large, with a 10.83% increase in housing units

and just a 2.5% increase in population. The homeowner vacancy rate has doubled in almost the same time period and the rental vacancy rate increased steeply.

In Knox and Rutherford Counties, population and housing increased at similar rates, however, the vacancy rate decreased over a similar time period. One county with a large mismatch was Marion County, a rural county adjacent to Hamilton County. In this county, population barely increased while housing saw a 11.19% increases. During a similar time period, the rental vacancy rates shot up to 16.6% from 11.17% eight years earlier.

Table 3. Growth and Vacancy Rates in Tennessee Metropolitan Areas

Area	2000-2009 Change		Vacancy Rates						
			Homeowner			Renter ²			
			2008	←	2000	2008	←	2000	
	Population	Housing Units ³							
Chattanooga MSA			2.9%				10.7%		
Hamilton Co	9.5%	11.71%	2.7%	←	2.05		10.9%	←	8.48
Marion Co	1.1%	11.19%	1.6%	←	1.62		16.6%	←	11.17
Sequatchie Co	22.3%	6.12%	na	←	2.39		na	←	7.74
Knoxville MSA			1.8%	←			6.2%	←	
Anderson Co	4.9%	5.64%	1.5%	←	1.88		7.9%	←	12.53
Blount Co	16.0%	12.66%	1.6%	←	2.21		5.8%	←	9.81
Knox Co	14.1%	14.69%	1.9%	←	2.43		6.1%	←	9.84
Loudon Co	19.5%	16.53%	2.4%	←	1.82		1.7%	←	8.55
Union Co	7.6%	16.5%	na	←	1.53		na	←	11.74
Memphis MSA			3.1%				13.5%		
Fayette Co	34.7%	30.94%	1.5%	←	1.90		4.7%	←	5.50
Shelby Co	2.5%	10.83%	3.9%	←	1.90		14.8%	←	8.30
Tipton Co	16.0%	22.78%	2.1%	←	2.00		10.6%	←	5.40
Nashville MSA			2.0%				9.4%		
Cannon Co	8.1%	5.04%	na	←	1.24		na	←	7.81
Cheatham Co	11.0%	16.89%	2.6%	←	1.20		6.9%	←	5.80
Davidson Co	11.5%	12.16%	2.5%	←	2.00		10.8%	←	6.50
Dickson Co	11.8%	14.48%	1.5%	←	1.40		5.7%	←	7.70
Hickman Co	6.8%	4.74%	1.5%	←	1.94		7.9%	←	7.75
Macon Co	8.2%	6.80%	0.6%	←	2.05		12.1%	←	12.10
Robertson Co	22.3%	21.34%	0.9%	←	1.40		9.0%	←	4.80
Rutherford Co	41.2%	44.03%	1.7%	←	2.10		8.6%	←	8.90
Smith Co.	8.4%	8.09%	na	←	1.95		na	←	6.72
Sumner Co.	21.7%	22.75%	2.3%	←	1.70		5.8%	←	6.90
Trousdale Co.	9.1%	10.66%	na	←	1.67		na	←	7.11
Williamson Co	39.6%	33.74%	1.8%	←	2.30		4.5%	←	5.70
Wilson Co	26.5%	25.17%	0.9%	←	2.00		6.1%	←	8.20

Counties with 'na' have populations that are too small for estimates from the American Community Survey, three-year data.

² Rental and Homeowner Vacancy rates were calculated based on the census formula for the Chattanooga and Knoxville MSAs and for counties added to the Nashville MSA since the 2000 census.

³ The latest housing unit data is from the American Community Survey, 2006-2008

Table 4. Population Change in Tennessee Metropolitan Areas

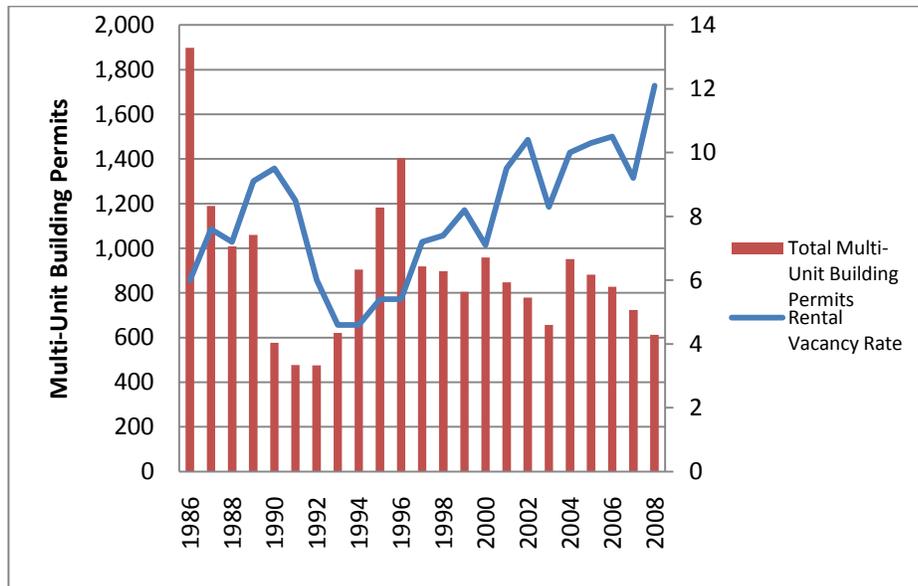
Metropolitan Statistical Area	2000-2009 Change in Population
Chattanooga	8.8%
Clarksville	12.6%
Jackson	5.0%
Johnson City	7.8
Knoxville	12.2
Memphis	6.7
Nashville	18.2

Source: U.S. Census, Population Division

Rental Market Trends

In the last few years, Tennessee has experienced a decline in the housing market, similar to the national trends. This decline has shown up in fewer housing permits issued for new construction for both single unit as well as multi-unit buildings, a rise in foreclosures and delinquencies and dramatic shifts in the rental housing market. As shown in Chart 5, multi-unit building permits have been trending downward consistently since 2004. However, since the late nineties, rental vacancy rates have been trending upward. In Chart 5, a market response can be seen with the expansion and contraction of building permits with increasing or decreasing vacancy rates. The current cycle of this trend is perhaps a bit longer with increasingly higher vacancies and larger declines in permits.

**Chart 5. Trend in Building Permits and Rental Vacancy Rate in Tennessee
1986 – 2008**



Source: U.S. Census - Annual Building Permit Data & Housing Vacancy Survey Data

Affordability Shifts among Income Groups

In this part of our analysis, households are grouped into one of the following four categories based on comparisons of household income to the median income of the area, after adjusting for household size:

- Extremely low income – below 30 percent of adjusted area median income
- Very low income – between 30 percent and 50 percent of the adjusted median
- Low income – between 50 percent and 80 percent of the adjusted median
- Moderate or higher income – above 80 percent of the adjusted median

These income groupings enable us make objective assessments of area income trends and the associated housing consequences over time. Much of this information is only available from the decennial Census data. Therefore, Tables 5 and 6 include information presented in the 2005 Consolidated Plan regarding Tennessee renters and rental housing stock. Limited updated information is available from the 2009 CHAS data⁴ and is presented in Tables 7 and 8 and include five income categories:

- Extremely low income – below 30 percent of adjusted median income
- Low income – between 30 percent and 50 percent of the adjusted area median income
- Moderate income – between 50 percent and 80 percent of the adjusted area median income
- Middle income – between 80 percent and 95 percent of the adjusted area median income
- Higher than middle income – above 95 percent of the adjusted area median income

⁴ 2009 CHAS data are based on the 2005-07 American Community Survey Data

Table 5. Housing Problems for All Renter Households

Name of Jurisdiction: Tennessee		Source of Data: CHAS Data Book				Data Current as of: 2000				
Household by Type, Income, & Housing Problem	Renters - Single-Family Units					Renters – Multi-family Units				
	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Household Income <=50% MFI	34,780	67,890	15,330	48,895	166,895	25,230	31,615	4,790	43,470	105,105
Household Income <=30% MFI	20,785	37,150	8,045	29,775	95,755	15,980	19,350	2,910	27,010	65,250
% with substandard/overcrowding	2.0	2.1	11.1	2.3	2.9	0.7	3.2	20.1	0.8	2.4
% Cost Burden 30% to 50%	17.3	14.2	21.1	11.4	14.6	21.1	13.7	18.0	10.3	14.3
% Cost Burden >50%	38.0	56.3	52.6	52.0	50.7	27.0	50.9	47.6	58.0	47.8
Household Income >30% to <=50% MFI	13,995	30,740	7,285	19,120	71,140	9,250	12,265	1,880	16,460	39,855
% with substandard/overcrowding	1.2	3.1	26.9	1.8	4.8	1.3	4.2	35.6	1.3	3.8
% Cost Burden 30% to 50%	31.1	46.8	39.1	45.2	42.5	25.7	51.5	37.8	54.6	46.1
% Cost Burden >50%	14.0	14.1	9.2	21.7	15.6	24.2	10.8	4.3	24.5	19.3
Household Income >50 to <=80% MFI	10,374	45,265	10,645	28,464	94,748	6,155	17,060	2,290	25,075	50,580
% with substandard/overcrowding	0.7	3.8	33.9	2.2	6.4	0.9	7.9	55.9	1.4	6.0
% Cost Burden 30% to 50%	21.1	19.8	13.7	25.6	21.0	24.9	23.7	9.6	33.8	28.2
% Cost Burden >50%	2.8	1.6	1.0	2.3	1.9	20.4	0.9	0.4	1.9	3.7
Household Income >80% MFI	10,840	90,410	14,915	50,075	166,240	7,465	31,259	2,715	46,104	87,543
% with substandard/overcrowding	1.2	3.0	30.4	2.0	5.0	2.4	6.0	62.4	2.0	5.3
% Cost Burden 30% to 50%	2.9	1.7	1.2	3.1	2.1	13.1	1.1	0.0	3.1	3.2
% Cost Burden >50%	0.8	0.1	0.2	0.2	0.2	8.2	0.0	0.0	0.1	0.7
Total Households	55,994	203,565	40,890	127,434	427,883	38,850	79,934	9,795	114,649	243,228
% with substandard/overcrowding	1.4	3.1	26.9	2.1	4.8	1.2	5.5	43.2	1.5	4.4
% Cost Burden 30% to 50%	18.7	14.8	15.1	16.4	15.8	21.2	16.7	14.9	18.9	18.4
% Cost Burden >50%	18.3	12.8	12.3	16.0	14.4	21.7	14.2	15.1	17.6	17.0

Table 6. Very Low-income Occupancy, Age and Adequacy of Affordable Housing Stock

Name of Jurisdiction: Tennessee		Source of Data: CHAS Data Book					Data Current as of: 2000					
Renters Units by # of bedrooms	Rent <= 30%			Rent >30 to <=50%			Rent >50 to <=80%			Rent >80%		
	0-1	2	3+	0-1	2	3+	0-1	2	3+	0-1	2	3+
# occupied units	46,010	56,500	49,890	51,295	105,900	52,955	72,295	129,840	62,945	15,975	14,270	13,555
%occupants <=30%	65.1	44.0	33.0	54.5	42.9	35.9	59.8	48.7	44.5			
%built before 1970	45.3	54.4	58.1	50.4	46.8	51.9	26.8	30.1	40.5			
%some problem	29.2	22.0	16.2	46.0	39.3	34.7	46.7	37.9	37.6			
#vacant for rent	3,740	9,715	5,345	7,555	17,220	5,710	4,650	7,815	2,415	1,155	710	490
Owned or for-sale units by # of bedrooms				Value <= 50%			Value >50 to <=80%			Value >80%		
				0-1	2	3+	0-1	2	3+	0-1	2	3+
# occupied units				16,600	151,915	291,800	7,985	98,875	402,475	10,100	69,245	512,470
%occupants <=30%				45.6	38.0	25.5	51.8	42.8	26.2			
%built before 1970				45.6	53.2	47.9	47.8	56.0	38.0			
%some problem				43.0	28.9	25.5	40.8	23.3	18.4			
#vacant for rent				7,555	17,220	5,710	245	2,995	7,165	435	2,020	9,550

Units with a current gross rent (rent and utilities) that are affordable to households with incomes:

- Rent 0-30%** at or below 30% of HUD Area Median Family Income. Affordable is defined as gross rent less than or equal to 30% of a household's gross income.
- Rent 30-50%** greater than 30% and less than or equal to 50% of HUD Area Median Family Income.
- Rent 50-80%** greater than 50% and less than or equal to 80% of HUD Area Median Family Income.
- Rent > 80%** above 80% of HUD Area Median Family Income.

Homes with values affordable* to households with incomes:

- Value 0-50%** at or below 50% of HUD Area Median Family Income
- Value 50-80%** greater than 50% and less than or equal to 80% of HUD Area Median Family Income.
- Value > 80%** above 80% of HUD Area Median Family Income.

* Affordable is defined as annual owner costs less than or equal to 30% of annual gross income. Annual owner costs are estimated assuming the cost of purchasing a home at the time of the Census based on the reported value of the home. Assuming a 7.9% int

Table 7. Housing Problems for Tennessee Households: All Renters and All Owners

Name of Jurisdiction:	Source of Data:		Data Current as of:
Tennessee	CHAS Data Book 2009		2005-07
Household by Type, Income, & Housing Problem	Total Renters	Total Owners	Total Households
Household Income <=50% HAMFI	316205	270,875	587,075
Household Income <=30% HAMFI	184205	121,930	306,130
% with substandard/overcrowding	1.48	1.32	1.55
% Cost Burden 30% to 50%	12.28	19.25	15.25
% Cost Burden >50%	56.97	50.64	55.02
Household Income >30% to <=50% HAMFI	132,000	148,945	280,945
% with substandard/overcrowding	1.22	1.45	0.97
% Cost Burden 30% to 50%	44.8	22.81	33.49
% Cost Burden >50%	24.98	25.7	25.63
Household Income >50 to <=80% HAMFI	152,910	253,280	406,185
% with substandard/overcrowding	1.12	1.58	0.76
% Cost Burden 30% to 50%	31.3	26.78	28.85
% Cost Burden >50%	27.73	10.3	7.59
Household Income >80% HAMFI	58630	130,025	1,389,715
% with substandard/overcrowding	5.66	1.28	0.44
% Cost Burden 30% to 50%	59.69	23.12	7.91
% Cost Burden >50%	9.87	4.16	1.1
Total Households	713,345	1,669,630	2,382,975
% with substandard/overcrowding	1.14	0.51	0.7
% Cost Burden 30% to 50%	19.36	13.76	15.43
% Cost Burden >50%	20.09	8.58	12.02

Affordability shifts may occur over time either on the demand side due to changes in the income distribution of area households or in the supply side due to changes in the number and assortment of rental units affordable to lower income groups. Overall, there was an increase in rental housing units. However, that increase did not increase affordability for renter households. A decrease of units occurred primarily in the category of units affordable to households to those at or below fifty percent of the area median income. While rental vacancy rates are rising rapidly, rent prices have not yet adjusted to the new market place which may demand lower rents to ensure successful occupancy rates.

Table 9a. Renter-occupied Units Affordable to the Income Groups Residing in Them 2000 & 2009				
Income Group	2000	2009	Change from 2000 to 2009	Percent Change
< 30% of HAMFI	152,465	136,255	-16,210	-10.6
31-50% of HAMFI	210,243	204,700	-5,543	-2.6
51-80% of HAMFI	265,184	352,675	87,491	33.0
>80% of HAMFI	43,854	56,990	13,136	30.0

Table 9b. Number of Renter Households in the Income Groups 2000 & 2009				
Income Group	2000	2009	Change	Percent Change
< 30% of HAMFI	161,154	184,205	23,051	14.3
31-50% of HAMFI	111,053	132,005	20,952	18.9
51-80% of HAMFI	145,520	152,905	7,385	5.1
>80% of HAMFI	230,966	227,405	-3,561	-1.5
Total	648,693	696,520	47,827	

Source: 2000 SOCDs CHAS Data: Affordability Mismatch Output for All Households
Source: 2009 CHAS Data, Table 15C

Occupancy patterns of rental units in 2009 are provided in Charts 6 and 7 and 2000 numbers are in Charts 8 and 9. Half of the units affordable to the lowest income group, (less than 30% of median), were occupied by higher income groups in 2009, a slightly smaller percentage than in 2000. A similar loss of their share of affordable units to higher income households was also experienced by the very low income group (30 to 50% of median). The proportion of Tennesseans who live in units not affordable to their income group also rose from 56 to 62 percent among the lowest income group and from 36% to 42% in the very low income group.

Chart 6.

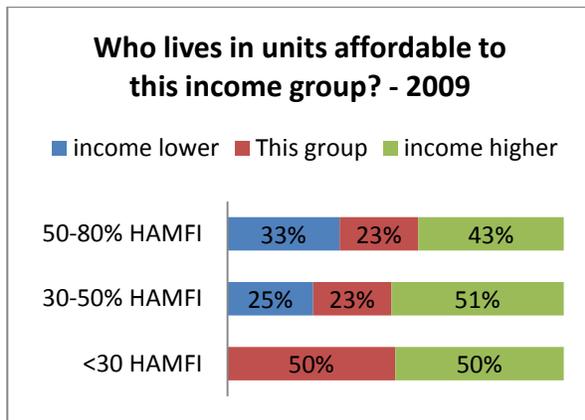


Chart 7.

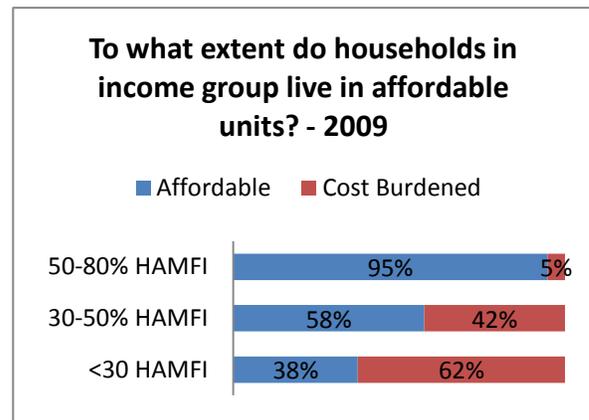


Chart 8.

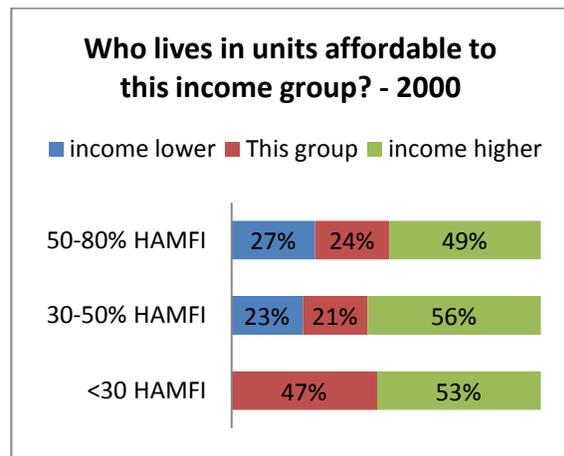
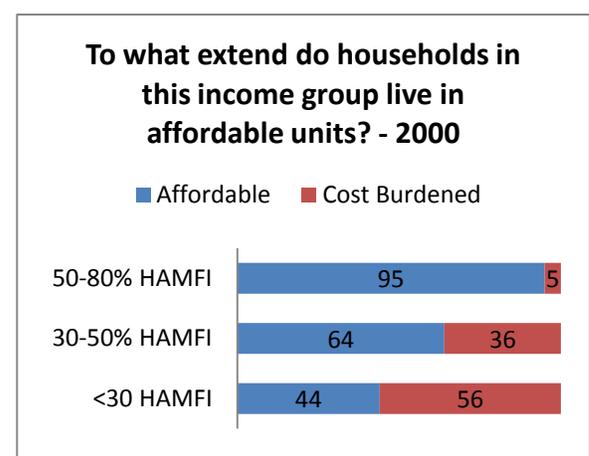


Chart 9.



Rental housing stock grew in the past two decades, but there are two ways in which the supply is mismatched with the demand. First, with the soaring rental vacancy rates in Tennessee’s urban counties, there are likely some areas that are overbuilt. However, with the high percentage of cost-burdened low income Tennesseans, the additional mismatch is that there is a rent cost gap in what is being charged and what tenants can pay, making it difficult for the lowest income households to find opportunity in a rental market that needs tenants.

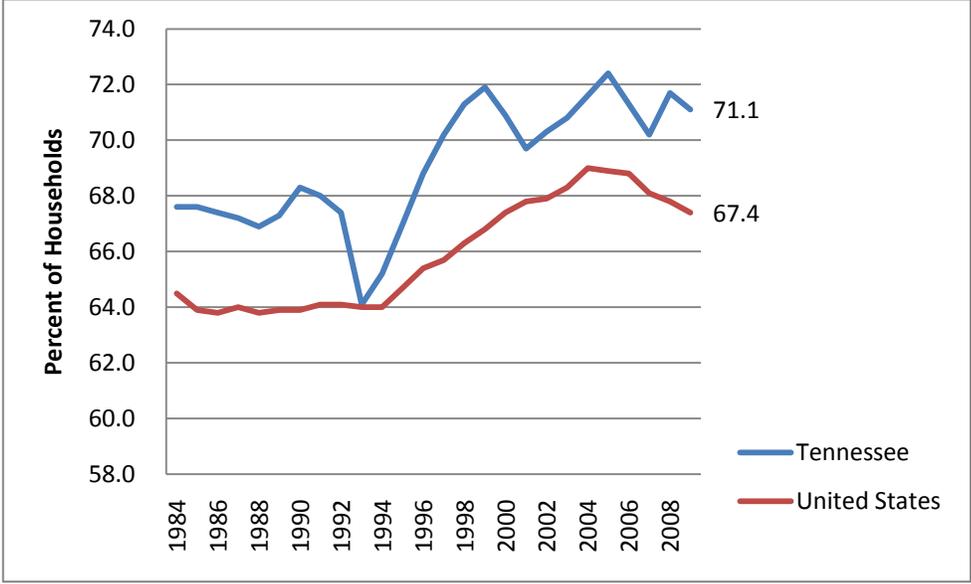
Homeownership Trends

Homeownership rates in Tennessee surged rapidly from 56 percent to 64 percent during the 1950s fueled partly by the post-war housing programs for returning veterans. Modest gains in homeownership since then have helped the rate to creep gradually to a 70 percent level by the year 2000 and it has wavered around that rate since then (see chart 10).

Data on homeownership by race is not available between decennial Census. Therefore, Chart 11 shows trends in homeownership rates through 2000, by race. African American households experienced gains in their homeownership rates during this period, although they retained a historical gap well below the

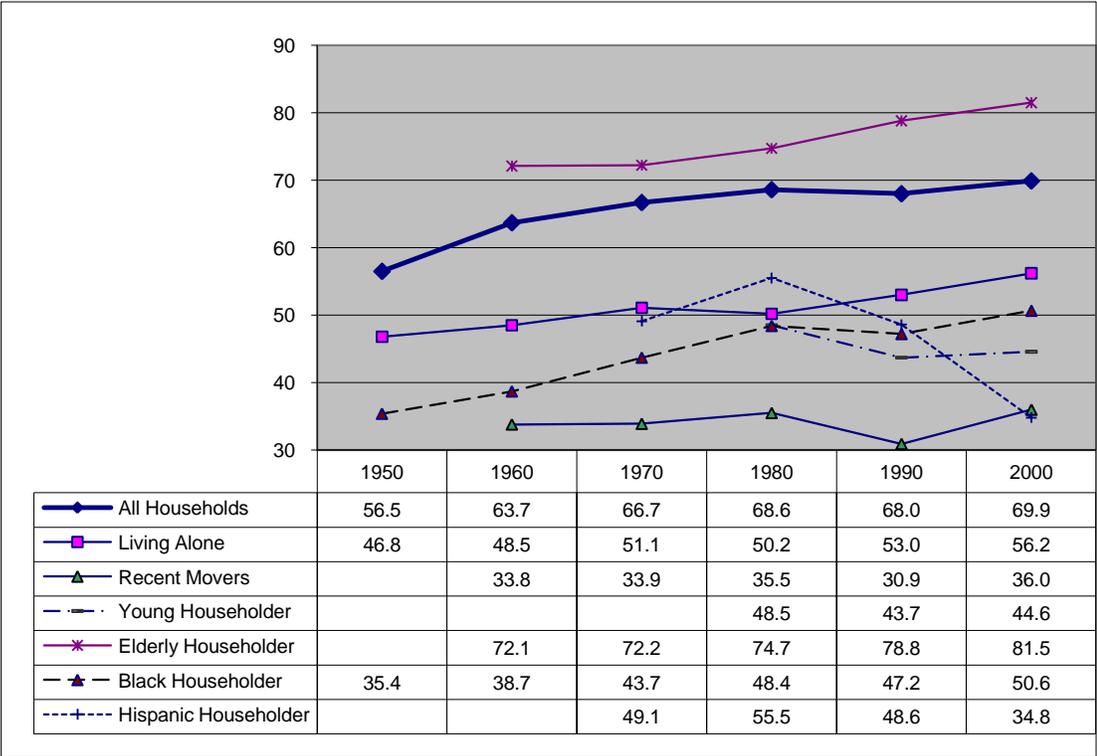
rates for all households in Tennessee. Hispanics, whose numbers in Tennessee have been increasing very rapidly in recent years, experienced a steep decline in their homeownership rates from 1980 to 2000.

Chart 10. Homeownership Rates: Tennessee and U.S. 1984 - 2009



Source: U.S. Census

Chart 11. Homeownership Trends for Selected Categories of Households

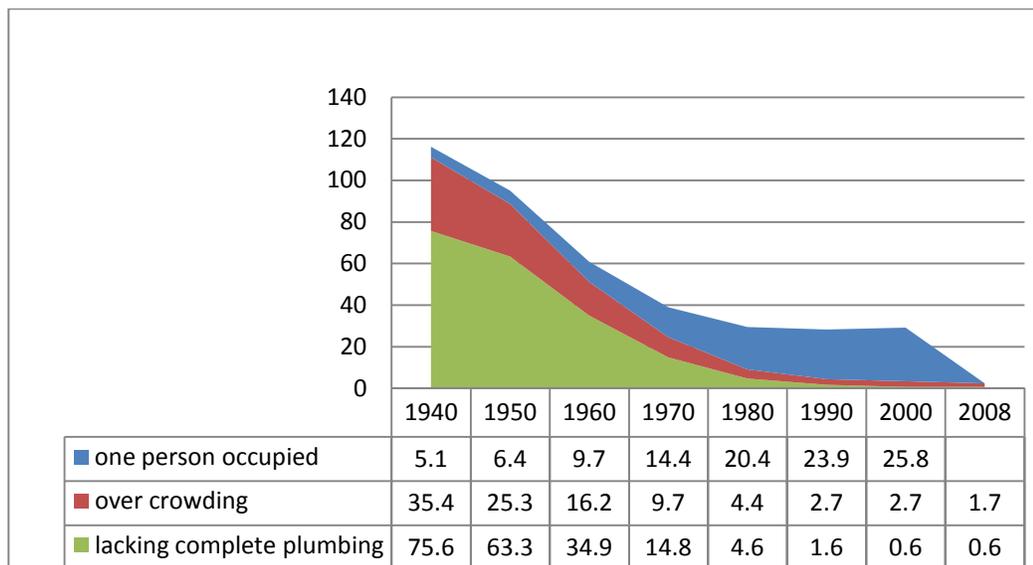


Source: 2000 CHAS Data

Other noticeable homeownership trends in Chart 11 include the following:

- Younger households (householders below age 35) do have homeownership rates in the upper forties, but well below their older counterparts. The transition of young persons to householders and homeowners parallels their evolution in the career world. Insecurity and relocations that are characteristics of one’s early career call for the rental housing option.
- It is also noteworthy that the elderly homeownership rate has been rising in Tennessee since 1970 and is at its peak in 2000.
- Recent movers (households who moved into the units during the 15 months prior to the Census) are least likely to own a home. As they get settled, they also gradually seek homeownership. Over 80 percent of all householders eventually become homeowners.
- Householders who live alone often opt to rent. However, their homeownership rates have been steadily rising to a level of 56 percent in the year 2000.

Chart 12. Percent of Tennessee Households, by other housing trends 1940 - 2008



Source for 2008: 2006-08 American Community Survey 3-year estimates

One-person households, quite rare in 1940, grew steadily over the ensuing decades so that by the turn of the century they accounted for a quarter of all Tennessee households. This housing trend parallels shifts in family formation including delayed marriages and rising divorce rates. Increases in the number of elderly women who outlive their husbands may also contribute to this trend.

The Tennessee housing market has undergone considerable improvement in housing adequacy, (see Chart 12). Overcrowding, which plagued over 35 percent of the households in 1940, has declined to its lowest level affecting less than 2 percent of the households in 2009. In 1940, three quarters of the households had inadequate plumbing, while in 2009, less than one percent did so.

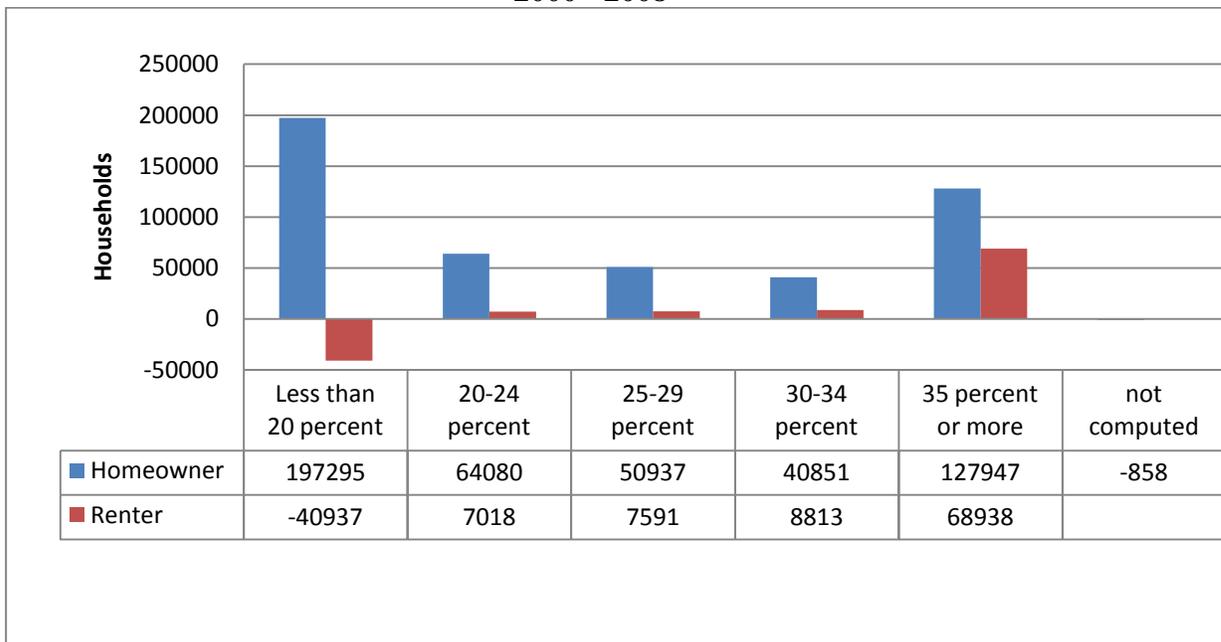
Housing Affordability

Substantial efforts to promote homeownership across the nation were underway in the 1990s and these efforts helped many states, including Tennessee, reach historically high homeownership rates. However, the push for homeownership has played a role in the historically high foreclosure rates that are occurring across the state. High foreclosure rates have also contributed to lower home prices, and for areas where prices are still increasing, to significantly slower growth in prices.

Households who had to spend over half of their income for housing-related expenses are severely cost burdened. Households who fall in this category in 2009 include 10 percent of renter households (approximately 72,000) and 4.3 percent of owner-occupied households (approximately 72,500). Overall, 11 percent of homeowners are paying more than 30 percent of income on housing and over 19 percent of renters are paying more than 30 percent.

The proportion of households whose housing costs exceeded 30 percent of their income is often used to measure the affordability deficit in a housing market. The changes in this indicator of affordability deficit are shown in Charts 13 and 14. Homeowners have been impacted on both ends of the spectrum. Statewide, the number of homeowners that are in the lowest burdened category (housing costs are less than 20 percent of income) has increased by 200,000. However, in the same time period, the number of homeowners with the greatest cost burden (housing costs greater than 35 percent of income) increased by over 100,000. Cost burdened renters have increased in number since 2000. Fewer renters fall in the least burdened category and 68,000 more renters fall in the most burdened category. Between 1990 and 2000, this proportion rose among owner households with mortgages in all metropolitan areas except the Jackson MSA. This decline in homeownership affordability was more pronounced in the eastern parts of the state. As a whole, the non-metropolitan areas of the state also experienced a similar decline in homeownership affordability.

**Chart 13. Change in Households by Tenure and Housing Cost Burden
2000 - 2008**

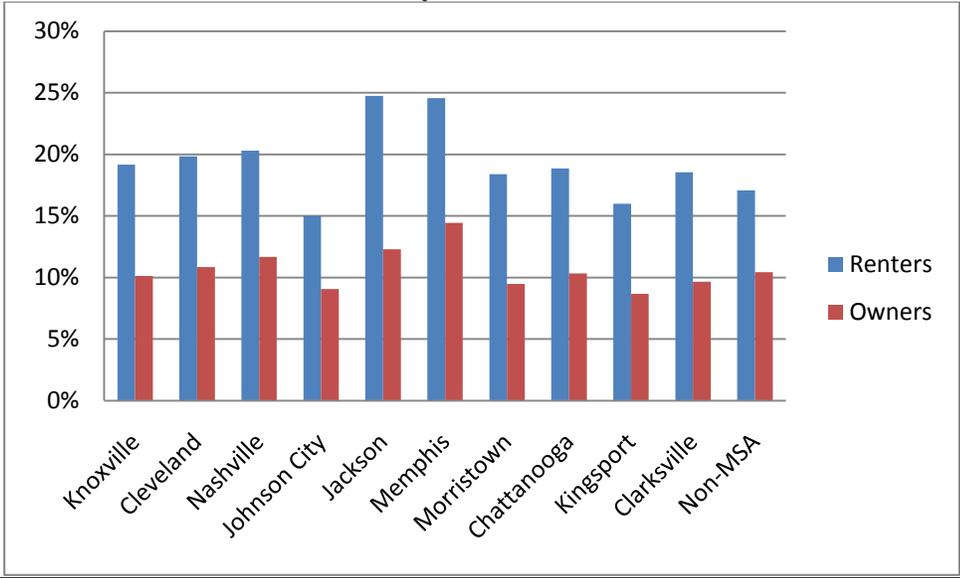


Source: 2008 data is U.S. Census, 2006-08 American Community Survey

Rental affordability either improved or remained more or less unchanged during the 1990's in all areas except the Jackson MSA, where rent-burden levels rose by a moderate 2.8 percentage points (see chart 14). Gross rent includes contract rent and other utility costs (energy/fuel cost for cooking, heating etc.) whether they are subsidized or not. Census measures of income do not include rental assistance payments. For these reasons, the rent burden provided by the census is indicative of the overall need for public rental assistance.

With an increase in renters who are cost burdened (as seen in Chart 13), some of these housing markets are likely witnessing an additional increase in housing cost burden than is represented in Chart 14.

Chart 14. Percent of Renters and Homeowners who are Cost Burdened, By MSA



Source: 2009 CHAS

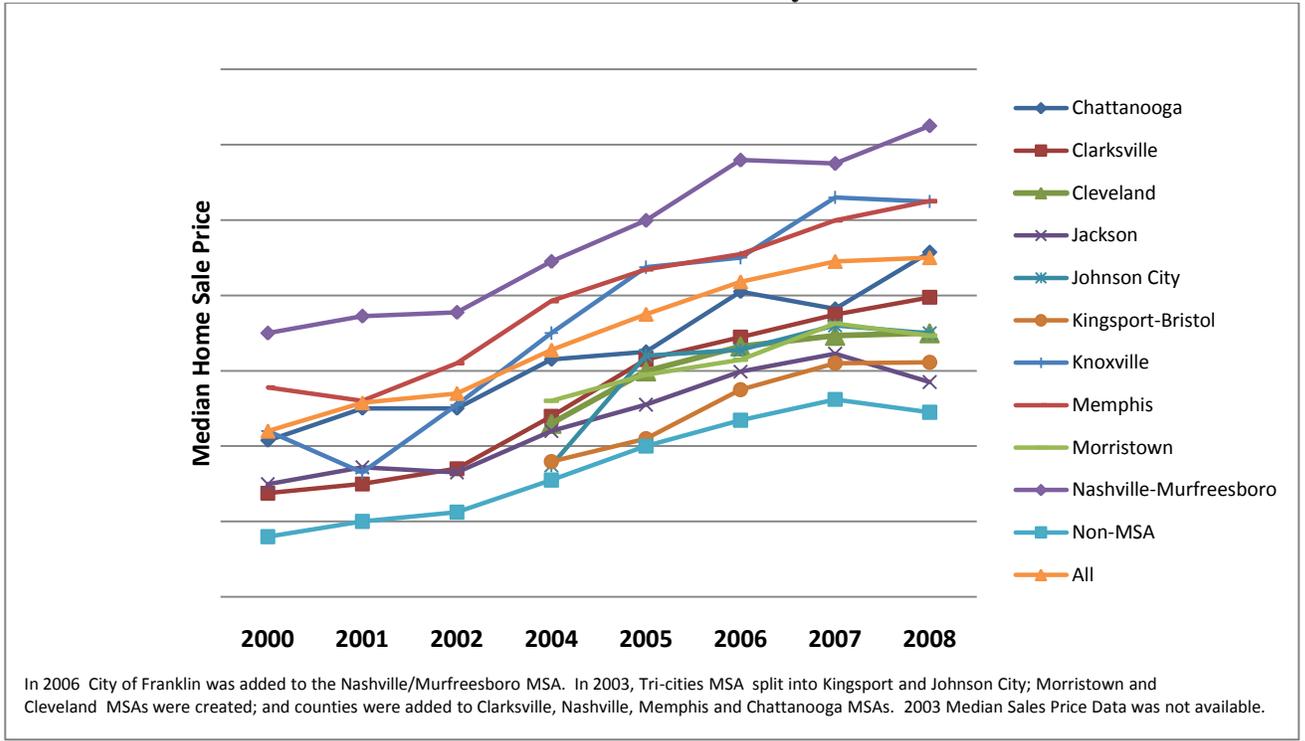
Table 10. Housing Problems for All Owner Households

Name of Jurisdiction: Tennessee		Source of Data: CHAS Data Book				Data Current as of: 2000				
Household by Type, Income, & Housing Problem	Owners with Mortgage					Owners without Mortgage				
	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners with mortgage	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners without mortgage
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Household Income <=50% MFI	28,455	47,705	11,175	20,869	108,204	99,220	24,905	3,334	20,250	147,709
Household Income <=30% MFI	13,235	20,000	4,330	11,105	48,670	46,295	11,950	1,545	12,625	72,415
% with substandard/overcrowding	0.3	0.8	4.6	0.7	1.0	1.5	2.6	23.6	3.8	2.6
% Cost Burden 30% to 50%	9.0	6.5	11.8	4.3	7.2	30.9	23.6	23.0	22.0	27.9
% Cost Burden >50%	78.2	77.1	76.7	72.9	76.4	25.3	27.5	20.7	32.1	26.8
Household Income >30% to <=50% MFI	15,220	27,705	6,845	9,764	59,534	52,925	12,955	1,789	7,625	75,294
% with substandard/overcrowding	0.2	0.5	11.0	0.0	1.5	1.0	2.5	31.9	2.2	2.1
% Cost Burden 30% to 50%	32.9	38.4	45.9	29.1	36.3	12.5	7.8	4.4	12.4	11.5
% Cost Burden >50%	55.8	48.7	29.8	63.2	50.7	2.5	1.9	1.1	3.0	2.4
Household Income >50 to <=80% MFI	20,019	72,920	17,445	23,660	134,044	64,210	26,434	3,488	11,550	105,682
% with substandard/overcrowding	0.2	1.3	14.3	0.4	2.6	0.6	1.9	23.5	2.3	1.9
% Cost Burden 30% to 50%	41.0	41.2	35.4	47.4	41.5	2.1	1.1	1.4	2.3	1.9
% Cost Burden >50%	22.7	14.5	7.7	20.5	15.9	0.6	0.5	0.2	0.7	0.5
Household Income >80% MFI	57,068	522,185	77,575	94,959	751,787	137,839	137,710	12,115	26,375	314,039
% with substandard/overcrowding	0.3	0.7	9.0	0.6	1.5	0.4	0.9	14.0	1.3	1.2
% Cost Burden 30% to 50%	15.2	8.7	7.6	17.2	10.2	0.3	0.1	0.3	0.3	0.2
% Cost Burden >50%	3.3	1.3	0.9	2.4	1.5	0.1	0.0	0.0	0.1	0.1
Total Households	105,542	642,810	106,195	139,488	994,035	301,269	189,049	18,937	58,175	567,430
% with substandard/overcrowding	0.3	0.8	9.8	0.5	1.6	0.7	1.3	18.2	2.2	1.6
% Cost Burden 30% to 50%	21.9	13.6	14.8	22.1	15.8	7.5	2.3	2.7	7.0	5.6
% Cost Burden >50	23.9	7.2	7.0	15.4	10.1	4.5	2.0	1.8	7.6	3.9

Trends in Home Sales Prices

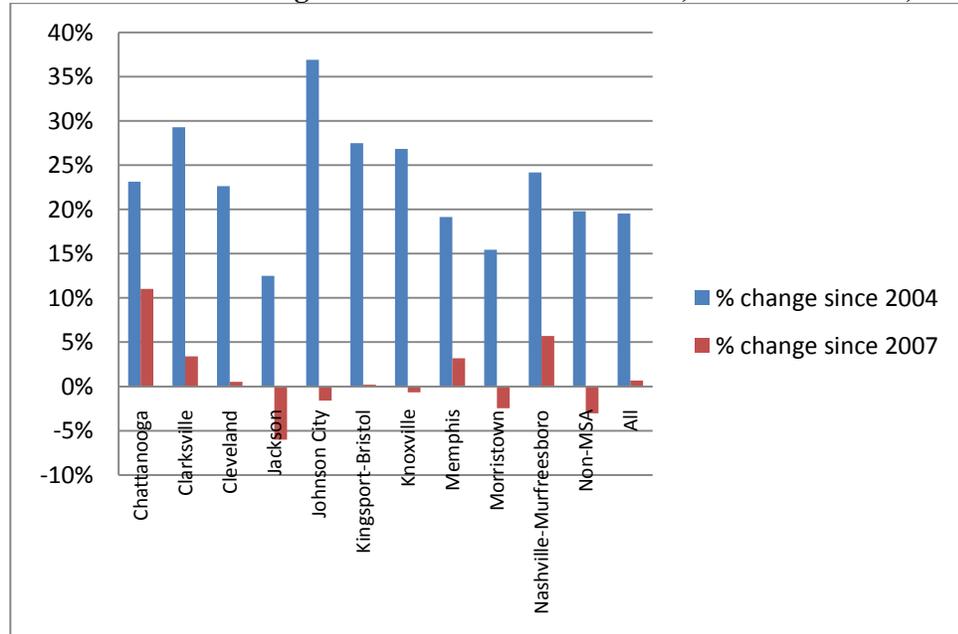
Prior to the later part of this decade, home prices had been consistently going up, based on both median sales prices overall and on repeated sales price data found in the House Price Index. Chart 15 shows that Tennessee MSAs' median sales prices show greater fluctuation in the latter years of the decade and show declines in some markets.

Chart 15. Median Home Sales Price by MSA 2000-2009



Source: THDA tabulations of home sales data obtained from the Property Assessment Division, Comptroller's Office, State of TN.

Chart 16. Percent Change in Median Home Sales Price, Tennessee MSAs, 2008

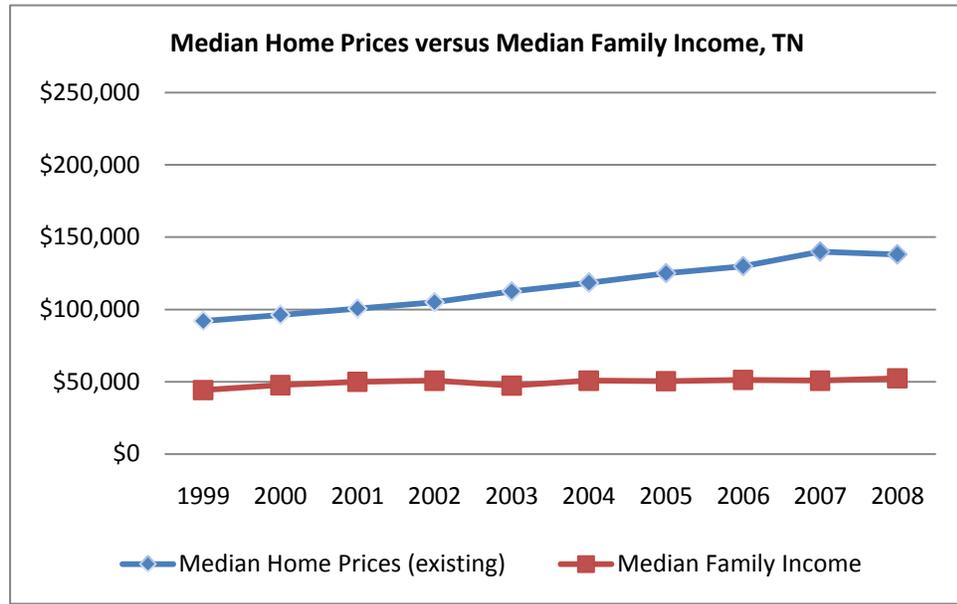


Source: THDA tabulations of home sales data obtained from the Property Assessment Division, Comptroller's Office, State of TN.

Similarly, Chart 16, shows these declines when examining the median price change over time. In the long run, sales prices are still in an upward trend, even with recent declines. Some metropolitan markets continue to see price growth, such as Chattanooga and Nashville. However, a softening of prices can be seen in multiple metropolitan areas in the state, most notably the Jackson MSA. Non-metropolitan areas of the state saw price increases since 2004, but have also witnessed declines in the most recent year that data is available.

Median home prices have slowed their growth and in the most recent year, decreased. This stops a recent trend of a widening affordability gap between the state’s median income and the state’s median home price.

Chart 17.



Source: U.S. Median Home Prices – National Association of Realtors® (NAR); Tennessee Median Home Prices – THDA tabulations of data obtained from the Property Assessment Division, Comptroller’s Office, State of Tennessee; Median Family Income – U.S. Department of Housing and Urban Development (HUD)

Owner cost calculations from the census data includes periodic repayments of all loans made on the basis of the owned primary residence, including first and second mortgages and home equity loans. 19.5 percent of mortgage holders in 2000 made payments on second mortgages and home equity loans. The 2000 Census data was prior to the housing crisis that was characterized by subprime mortgages with high interest rates, adjustable rate mortgages with automatic resets, and home equity loans that would lend beyond the value of the house. While we do not have corresponding figures around the percentage of mortgage holders with second mortgages and equity lines, we are aware of the significant burden that these products have placed on some homeowners. In many cases, junior mortgages contributed to the foreclosure of homes.

The Tennessee housing market has experienced multiple dramatic shifts in the past three to four years. Foreclosures are at sustained record highs, with one foreclosure filing for every 67 households last year in Tennessee (RealtyTrac®). The number of families who are cost burdened by rental and homeownership housing costs is increasing. Rental vacancy rates are increasing, quite steeply in some areas and new construction has slowed significantly. Finally, net population growth has slowed in the past few years. Homeownership remains at record highs though the foreclosure crisis and continued recession may show shifts in this trend in the coming years. The housing needs remain critical at the lower cost end of the

market, particularly for rental housing. While there are large, double digit vacancy rates in many of the state's urban counties, many of the units priced to be affordable to the lowest income Tennesseans are rented by those of higher income. Additionally, many low income Tennesseans remain cost burdened by their current housing situations. There is clearly a mismatch of where vacancies exist, what income level they target, and the citizens with critical housing needs.

Old Age, Disability, and Housing Problems in Tennessee

In this section we focus just on age- and disability-related differences in the occurrence of housing problems in Tennessee at the state level. It is to be noted that many of the elderly and the disabled are housed in institutions and in group homes. The 2000 census count of all the people housed in this manner, irrespective of age and disability, is close to 149,000.

From Chart 18, we observe the extent to which housing problems, moderate and severe, were experienced by renters and owners in low-income categories when 2000 census was taken. Compared to the housing cost burden, other problems are much less pronounced. We have shown earlier that substandard units have declined in number continually since 1950. Overcrowding, a smaller problem when compared to cost burden, occurs primarily among renter households and remains noticeable among large families. Housing problems are intimately tied to the household income level. Almost eighty percent of the lowest income households, those with income below 30 percent of the local area median income, are subject to housing problems, most of them being burdened severely by their housing cost. Given this backdrop, let us examine how much these housing problems are prevalent among the elderly and the disabled in comparison to their counterparts in Tennessee. If we find, as one would anticipate, higher incidence of housing problems among these two groups, it will be pertinent to know whether this is explainable mostly in terms of their lower income levels and tenure choices. Chart 19 shows a similar trend persists in 2009 as it did in 2000. Generally, a high percentage of low income elderly Tennesseans have some form of housing burden (e.g. cost burden, overcrowding, etc.). Among owners, over 70 percent of low income elderly Tennesseans live with housing problems.

Chart 18. Housing Problems in 2000 by Tenure and Income Level

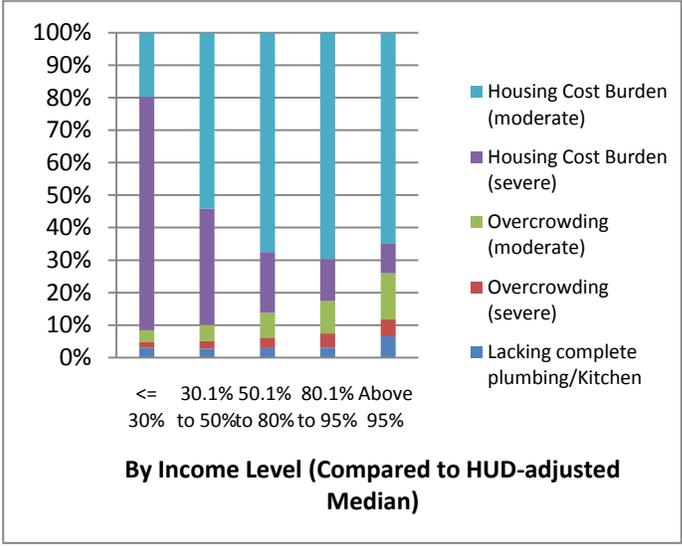
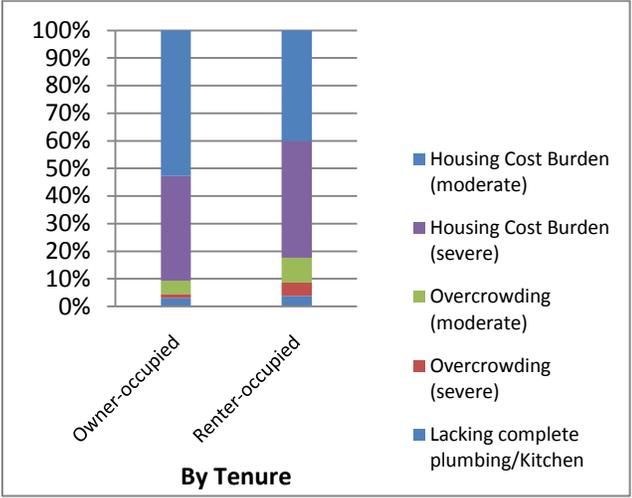
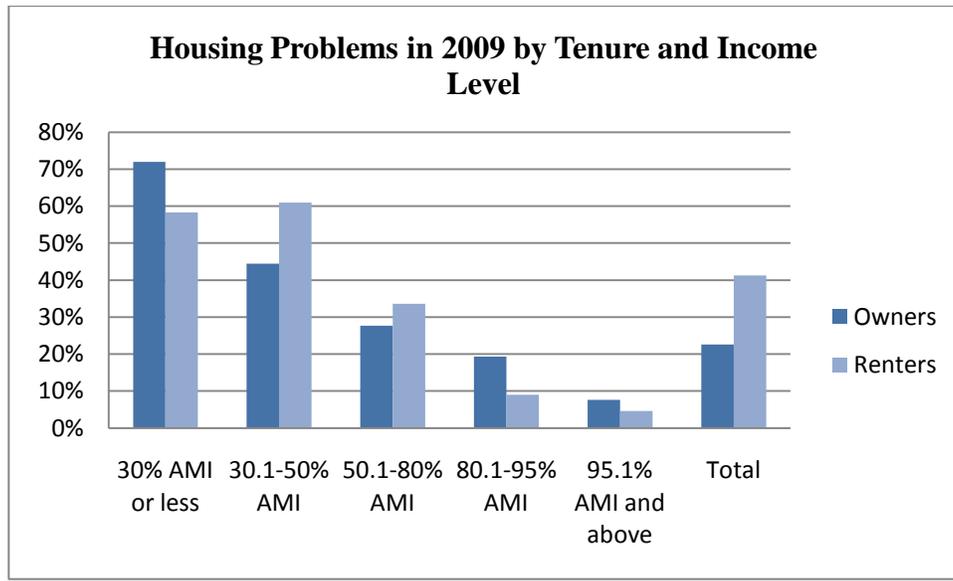


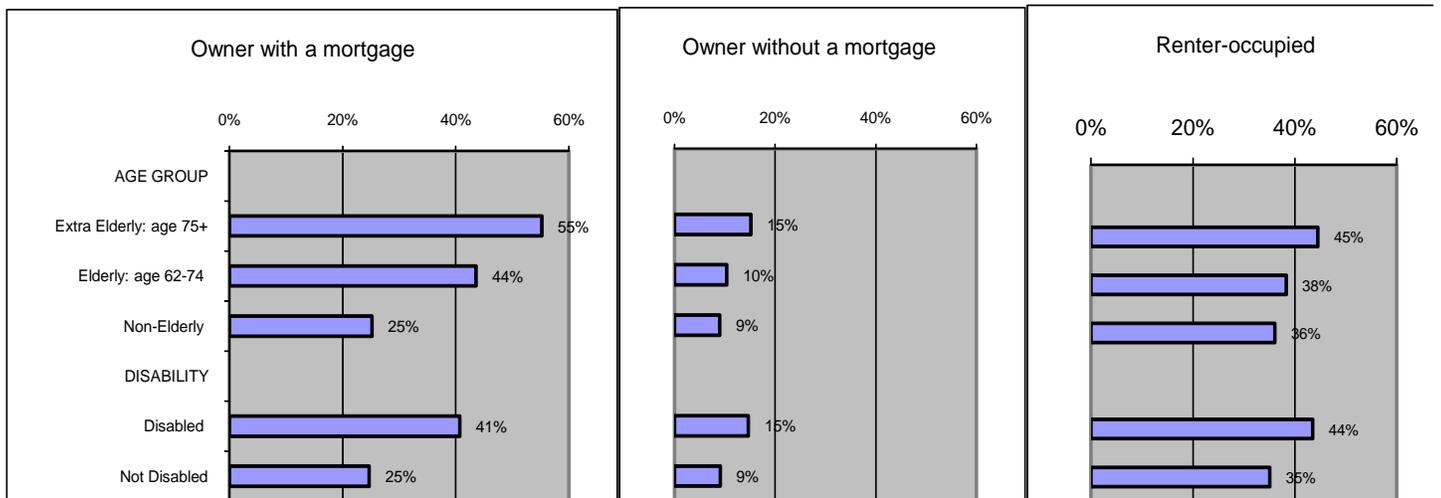
Chart 19.



Source: 2009 CHAS Data

Chart 20 shows the proportions experiencing any of the housing problems among disabled, elderly, and other households. It is evident from this chart that both the disabled and the elderly are prone to higher incidence of housing problems. The group who crossed the age 75 is the most vulnerable to these problems. Homeowners who have paid their mortgage off completely also have the minimum exposure to housing problems. However, the elderly and the disabled in this group, compared to other homeowners in this group, are more prone to housing problems.

Chart 20. Percent of Households with any of the Housing Problems



Source: 2000 CHAS Data

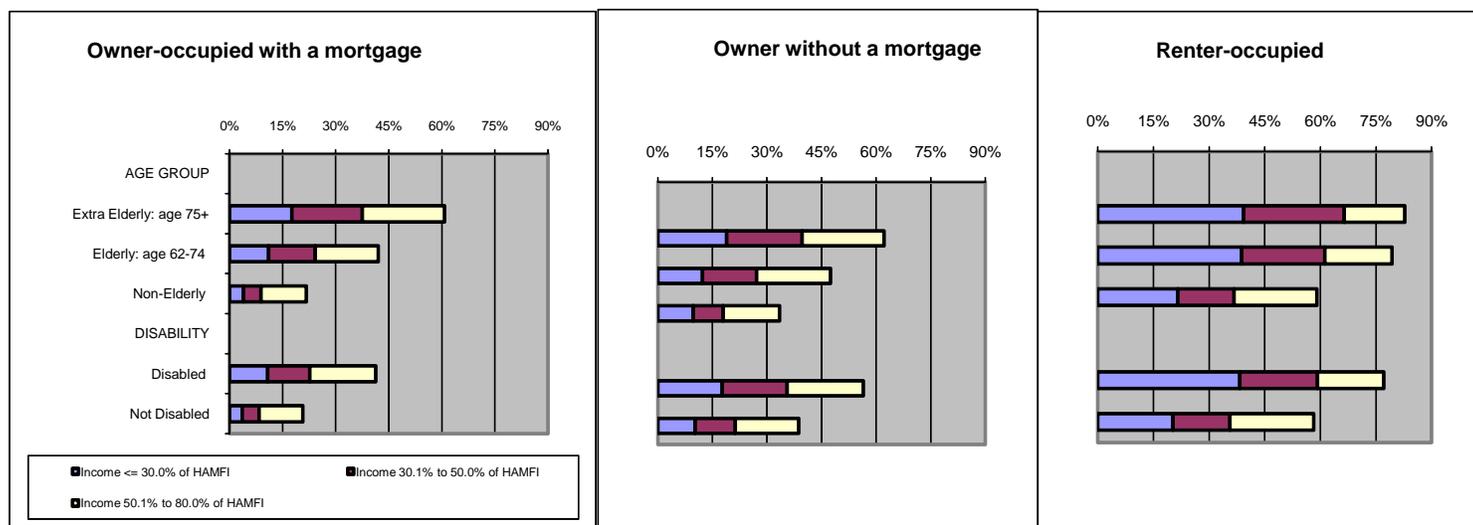
Table 11. Elderly Household by Type, Income & Housing Problems

Name of Jurisdiction: Tennessee		Data as of 2000 ELDERLY HOUSEHOLDS		
Household by Type, Income, & Housing Problem	Renters	Owners without Mortgage	Owners with Mortgage	All Elderly Households
	(E)	(J)	(O)	(P)
Household Income <=50% MFI	60,034	99,207	28,481	187,722
Household Income <=30% MFI	36,754	46,285	13,247	96,286
% with substandard/overcrowding	1.4	1.5	0.3	1.3
% Cost Burden 30% to 50%	18.9	30.8	9	23.3
% Cost Burden >50%	33.2	25.3	78.1	35.6
Household Income >30% to <=50% MFI	23,280	52,922	15,234	91,436
% with substandard/overcrowding	1.2	1.0	0.2	0.9
% Cost Burden 30% to 50%	28.9	12.5	32.9	20.1
% Cost Burden >50%	18.1	2.5	55.8	15.4
Household Income >50 to <=80% MFI	16,539	64,210	20,023	100,772
% with substandard/overcrowding	0.8	0.6	0.2	0.5
% Cost Burden 30% to 50%	22.6	2.1	41	13.2
% Cost Burden >50%	9.3	0.6	22.6	6.4
Household Income >80% MFI	18,305	137,843	57,062	213,210
% with substandard/overcrowding	1.7	0.4	0.3	0.5
% Cost Burden 30% to 50%	7.0	0.3	15.2	4.9
% Cost Burden >50%	3.8	0.1	3.2	1.2
Total Households	94,878	301,260	105,566	501,704
% with substandard/overcrowding	1.3	0.7	0.3	0.7
% Cost Burden 30% to 50%	19.7	7.5	21.9	12.9
% Cost Burden >50%	19.7	4.5	23.9	11.4

Table 12. Elderly Household by Tenure, Income and Housing Problems

Name of Jurisdiction:	CHAS Data as of 2009		
Tennessee	ELDERLY HOUSEHOLDS		
Household by Type, Income, & Housing Problem	Renters	Owners	All Elderly Households
Household Income <=50% MFI	34,790	73,790	208,075
Household Income <=30% MFI	18,595	42,805	95,000
Household Income >30% to <=50% MFI	16,195	30,985	113,075
Household Income >50 to <=80% MFI	7,505	24,305	132,830
Household Income >80% MFI	3,525	23,530	317,955
Total Households	109,160	549,700	658,860

Chart 21. Percent of Low Income Households Among the Elderly and the Disabled by Tenure



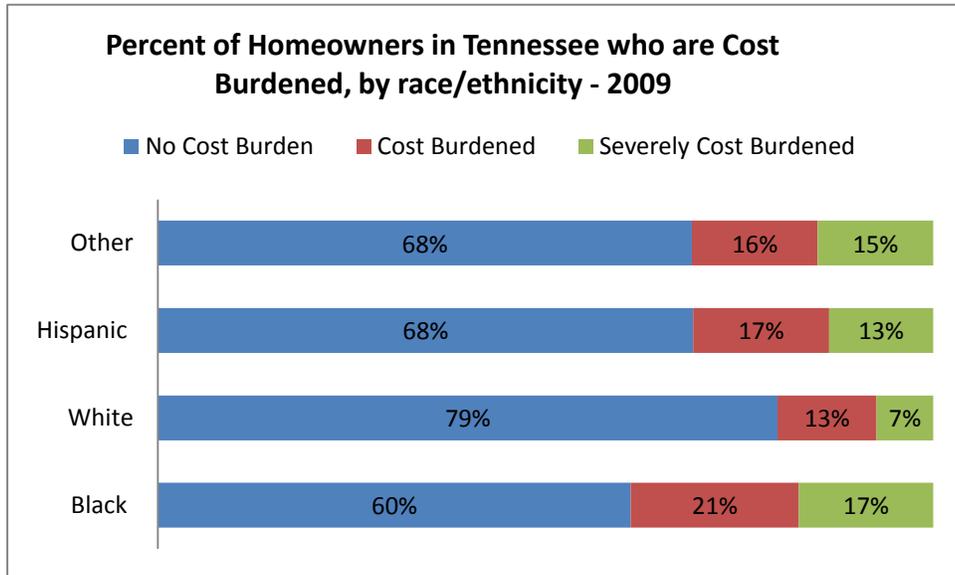
Source: 2000 CHAS Data

Chart 21 clearly indicates that the income deficits associated with aging and disability are significant in all three tenure categories. The relatively higher incidence of housing problems among the elderly and the disabled is also attributable to this preponderance of low-income households among them. Among them, the very low-income households are served by the Section 202 housing and tenant-based rental subsidies. Homeowners with very low income among them qualify for HOME rehab assistance. However, if they are still paying a mortgage and are burdened by the housing cost, they may be able to receive assistance through the THDA funded emergency home repair program.

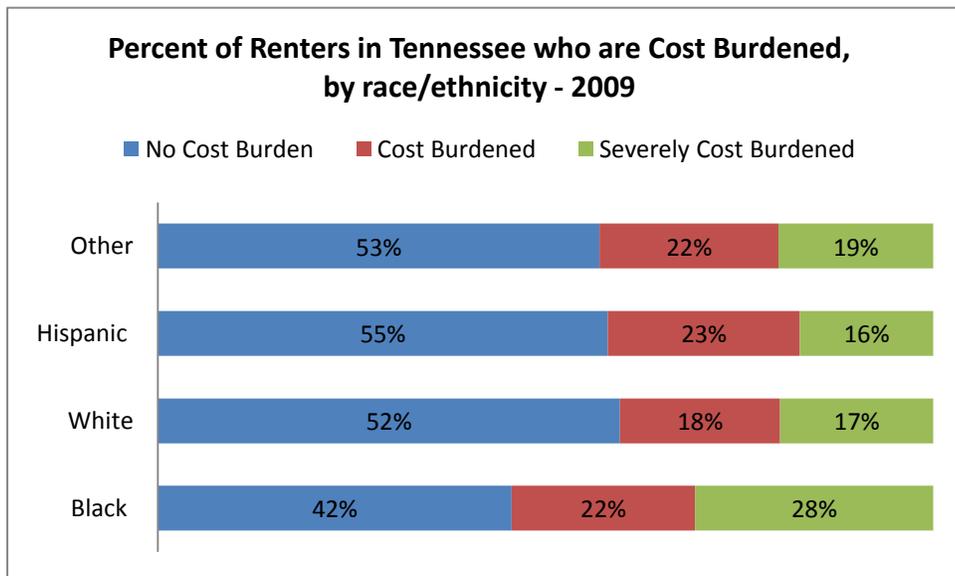
Minority Housing Needs

The proportion of households with housing cost burden among renters and among owner households with mortgages are shown in Chart 22. Rent burden and mortgage burden is disproportionately higher among non-white households. African-American homeowners and renters are the most disproportionately burdened. Overall, a higher percentage of renters, across all race and ethnicity categories experience housing cost burden, compared to homeowners.

Chart 22.



Source: 2009 CHAS Data



Source: 2009 CHAS Data

Table 13. Minority Housing Needs

MINORITY HOUSING NEEDS Data Source: CHAS 2000			ALL HOUSEHOLDS		BLACK HOUSEHOLDS			HISPANIC HOUSEHOLDS			# of Minority Households in excess problem categories
Household Income	Tenure	Family Type	All Households	% with Housing Problems	All Households	% with Housing Problems	Difference	All Households	% with Housing Problems	Difference	
Income < 30 %	Renter	Elderly	36,765	53.6	9,905	59.9	6.3	200	55.0	1.4	0
		Other Family	67,455	73.3	31,405	73.0	-0.3	2215	84.7	11.4	2,215
		Non-Family	56,785	67.3	15,080	64.1	-3.2	1250	69.2	1.9	0
	Owner	Elderly	59,530	64.3	9,180	69.1	4.8	195	66.7	2.4	0
		Other Family	37,825	75.0	8,685	80.7	5.7	410	89.0	14.0	410
		Non-Family	23730	67.3	3,790	68.5	1.2	95	57.9	-9.4	0
Income 30-50 %	Renter	Elderly	23,245	48.2	3,345	42.6	-5.6	125	56.0	7.8	0
		Other Family	52,170	66.6	17,710	66.9	0.3	2425	82.3	15.7	2,425
		Non-Family	35,580	74.1	8,035	72.8	-1.3	880	69.9	-4.2	0
	Owner	Elderly	68,145	32.2	6,515	47.7	15.5	280	39.3	7.1	6,515
		Other Family	49,294	65.8	9,940	72.7	6.9	695	82.7	16.9	695
		Non-Family	17,389	59.6	2,220	72.5	12.9	90	50.0	-9.6	2,220
Income 50-80 %	Renter	Elderly	16,529	32.7	1,980	19.9	-12.8	50	20.0	-12.7	0
		Other Family	75,260	31.4	20,585	35.0	3.6	3755	53.7	22.3	3,755
		Non-Family	53,539	33.4	11,650	29.2	-4.2	1410	40.1	6.7	0
	Owner	Elderly	84,229	17.7	6,110	30.4	12.7	280	12.5	-5.2	6,110
		Other Family	120,287	44.3	19,955	46.3	2.0	1485	60.9	16.6	1,485
		Non-Family	35,210	47.6	5,390	55.6	8.0	200	47.5	-0.1	0

When minority households are segmented by income, tenure and family type, segments with relatively higher incidence (over 10 percentage points) of housing problems include:

- Non-elderly renter families with income below 50 percent of the Area Median Income,
- Homeowner elderly households over 50 percent of the Area Median Income,
- Homeowner non-elderly family households in the 30-50 percent income bracket.

African-American and Hispanic households, as we noticed earlier, have ownership rates well below the overall ownership rates in Tennessee. Higher incidence of very low income households as well as a disproportionate amount of the subprime mortgages and other risky loan products among African American Tennesseans continues to impede progress towards homeownership on parity with other groups.

Housing Needs Projections: 2010 and 2015

Housing need projections and priorities are presented on the follow three tables, including Table 14 which is the HUD Table 2A. The unmet needs of Table 14 (HUD Table 2A) are based upon Table 15 Housing Problems for Tennesseans projections. The goals are based on anticipated accomplishments of the plan programs.

Needs projections for 2010 and 2015 are developed here based on three basic assumptions.

1. We have used the Tennessee population figures for the years 2010 and 2015 provided by the Tennessee Department of Health based on the cohort component methods of population projection. The 2003 Tennessee Population Estimates and Projections series uses Census data along with other population trend data to forecast population changes in the state. In 2008, the Tennessee Department of Health revised its methodology and improved its relationship to Census estimates. The difference between the two estimates for the state is 0.1 percent and is no more than 0.5 percent for any given county. This finding adds validity to the Health Department projections.
2. The average household size in Tennessee, as in other states, has been experiencing a secular declining trend over several years. We assume that this trend has hit a bottom and would remain unchanged at its 2000 level through this decade. Our projections of the number of Tennessee households in 2010 and 2015 are based on the 2006-2008 American Community Survey estimate of 2.49 persons per household.
3. Finally, what is crucial in assessing housing needs is to know how housing problems in Tennessee are prevalent across segments of households intersecting tenure, household income, and family type categories. For this we use the pattern of dispersion of housing problems in 2000 and in 2009 (when available) from the Census CHAS cross-tabulations of housing problems among these categories. Applying these patterns to the projected 2010 and 2015 households, we obtain the numbers with housing problems in various categories of households during those years

Simple interpolations of the corresponding estimates from these two sets of projections may yield estimates for the intervening years between 2010 and 2015. Tables 15 and 16 present the housing needs projections.

Table 14. Priority Needs Summary Table (HUD Table 2A)

PRIORITY HOUSING NEEDS (households)		Priority Need Level High, Medium, Low		Unmet Needs	Goals
Renter	Small Related	0-30%	H	49,058	2,386
		31-50%	H	35,598	1,562
		51-80%	M	28,936	11
	Large Related	0-30%	H	10,475	324
		31-50%	H	6,507	212
		51-80%	M	4,606	2
	Elderly	0-30%	H	23,165	431
		31-50%	H	15,648	288
		51-80%	M	23,093	60
	All Other	0-30%	H	47,554	9
		31-50%	H	35,988	17
		51-80%	M	35,330	5
Owner	0-30%	H	86,826	140	
	31-50%	H	74,413	780	
	51-80%	H	97,918	2,356	
Special Needs		0-80%	H	10,955	35
Total Goals					8,618

Table 15.

Housing Problems for All Tennessee Households: 2010 Projections											
Name of Jurisdiction:	Source of Data:								Data Projected as of:		
Tennessee	THDA projections using TN Dept. of Health projections of population & CHAS 2000 and 2009 data								2010		
Household by Type, Income, & Housing Problem	Renters					Owners					
	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	Total Households
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Household Income <=50% MFI	67,628	122,609	26,376	99,592	316,205	269,232	153,115	30,596	86,709	270,875	587,075
Household Income <=30% MFI	39,984	71,466	15,476	57,279	184,205	118,419	63,556	11,687	47,204	121,930	306,130
<i># with any housing problem</i>	331	878	928	566	2,726	508	326	390	386	1,609	4,745
<i># with Cost Burden >30%</i>	6,761	7,691	2,155	5,993	22,620	7,239	5,506	5,704	5,024	23,472	46,685
<i># with Cost Burden >50%</i>	16,073	40,489	7,392	40,995	104,942	15,265	15,869	13,654	16,958	61,745	168,433
Household Income 30-50% MFI	27,644	51,143	10,899	42,313	132,000	75,280	44,917	9,538	19,210	148,945	280,945
<i># with any housing problem</i>	94	480	859	182	1,610	481	397	1,137	144	2,160	2,725
<i># with Cost Burden >30%</i>	8,187	25,187	4,330	21,448	58,344	13,041	13,071	3,614	4,249	33,974	94,088
<i># with Cost Burden >50%</i>	7,367	9,931	1,318	14,358	32,974	11,737	16,427	2,463	7,652	38,279	72,006
Household Income 50-80% MFI	17,391	65,577	13,610	56,332	152,910	88,991	104,971	22,117	37,201	253,280	406,185
<i># with any housing problem</i>	24	577	920	184	1,713	85	269	3,323	325	4,002	3,087
<i># with Cost Burden >30%</i>	5,214	18,222	2,351	22,084	47,861	20,381	11,238	13,817	22,393	67,828	117,184
<i># with Cost Burden >50%</i>	17,855	10,137	1,335	13,062	42,402	7,940	6,454	2,652	9,043	26,088	30,829
Household Income >80% MFI	4,229	28,108	4,073	22,220	58,630	23,778	80,504	10,942	14,802	130,025	1,389,715
Total Households	100,813	301,340	53,875	257,318	713,345	434,991	889,483	133,800	211,355	1,669,630	2,382,975

Note: Because CHAS data are rounded and these projections are estimates, some lines will not add up consistently across sub-groups.

Table 16.

Housing Problems for All Tennessee Households: 2015 Projections											
Name of Jurisdiction:	Source of Data:									Data Projected as of:	
Tennessee	THDA projections using TN Dept. of Health projections of population & CHAS 2000 and 2009 data									2015	
	Renters					Owners					
Household by Type, Income, & Housing Problem	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	Total Households
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Household Income <=50% MFI	74,431	13,4943	29,029	109,610	348,013	296,226	168,466	33,663	95,402	298,033	646,226
Household Income <=30% MFI	44,009	78,659	17,034	63,044	202,746	130,271	69,917	12,856	51,929	134,133	337,013
# with any housing problem	365	967	1021	623	3001	559	358	429	424	1771	5,224
# with Cost Burden >30%	7,442	8,466	2,372	6,597	24,897	7,963	6,057	6,274	5,526	25,821	51,394
# with Cost Burden >50%	17,691	44,564	8,136	45,121	115,504	16,793	17,457	15,021	18,655	67,925	185,424
Household Income 30-50% MFI	30,422	56,284	11,995	46,566	145,267	82,839	49,427	10,496	21,138	163,900	309,213
# with any housing problem	104	528	945	201	1,772	529	437	1,252	159	2,377	2,999
# with Cost Burden >30%	9,010	27,719	4,765	23,604	65,080	14,351	14,383	3,976	4,676	37,386	103,555
# with Cost Burden >50%	8,107	10,929	1,450	15,801	36,288	12,915	18,077	2,710	8,420	42,122	79,251
Household Income 50-80% MFI	19,148	72,199	14,984	62,021	168,353	97,937	115,523	24,340	40,940	278,740	447,166
# with any housing problem	27	636	1,013	203	1,886	93	296	3,657	357	4404	3,398
# with Cost Burden >30%	5,741	20,062	2,589	24,314	52,694	22,429	12,368	15,206	24,644	74,647	129,007
# with Cost Burden >50%	19,658	11,161	1,470	14,381	46,684	8,738	7,102	2,918	9,951	28,710	33,939
Household Income >80% MFI	4,229	28,112	4,073	22,222	58,637	26,175	88,622	12,045	16,295	143,137	1,529,543
Total Households	110,972	331,706	59,304	283,248	785,229	478,713	978,885	147,248	232,599	1,837,445	2,622,674

Note: Because CHAS data are rounded and these projections are estimates, some lines will not add up consistently across sub-groups.

Additional housing related needs are reflected in the comments received at public meetings.

In early 2010, eight public meetings were held throughout the state in preparation of this plan. These meetings gave local officials and organizations and citizens involved in housing and community development the opportunity to discuss needs in their communities. The comments received at these meetings are reflected throughout the remainder of this plan. The participating organizations are listed in Appendix 2.

Barriers to Affordable Housing and Reduction of Barriers

Barriers to affordable housing exist throughout the state. Economic decline in many areas and the increasing cost of utilities is driving up housing costs so that low and moderate income families and individuals are unable to afford homes or must seek affordable housing one or more counties away from employment centers. The resulting increase in transportation costs also impacts the amount of income a household may put toward housing. According to the U.S. Bureau of Labor Statistics, in 2007 approximately 44 percent of the average income of households earning less than \$14,000 per year was spent on transportation. (U.S. Bureau of Labor Statistic, *Consumer Expenditure Survey*, 2008). Some areas of the state report little or no job opportunities, or job losses, making it difficult for families and individuals to afford even moderately price housing.

Participants at the public meetings described barriers to affordable housing as physical and attitudinal. Topography, poor drainage and soil conditions coupled with absence of potable water supplies and sanitary sewer service may present barriers to the development of affordable housing. Participants expressed concern about NIMBYism (Not In My Backyard) as the major barrier to affordable housing. Communities may resist the development of affordable housing, especially rental housing and housing for persons with special needs and mental illness.

In Tennessee, the enactment of regulations which effect housing, regulations such as zoning and building codes enforcement, derive from state law but take place at the local government level. In small communities and rural areas, these regulations may be minimal, compared to the large metropolitan areas. No clear defining line exists to determine when, for example, a building code, zoning regulation, or impact fee fails as a public policy to protect the individual housing consumer, or to provide a health or safety benefit, or exists without sound compensating public benefit.

In 1998, the Tennessee Growth Policy Act, commonly known as Public Chapter 1101, became law. P.C. 1101 called upon each county and the municipalities within that county to work together to prepare growth plans. While some fear arose that the act may negatively impact affordable housing, it should be noted that one of the goals of P.C. 1101 is to assure affordable housing.

Local, state, and federal regulations whether building codes, zoning, planning, or environmental regulations, may all have the original intent of protecting the housing consumer and assuring that development costs are distributed in an equitable manner, yet these regulations may become barriers to affordable housing.

Lack of available state funds for affordable housing production or preservation reduces the number of low-income persons that can be assisted with housing. Also, the number of existing dilapidated structures in the state decreases the amount of safe, affordable housing available to low-income persons. THDA continues to seek state funds for housing as well as dedicating a significant portion of its HOME

program funds for housing rehabilitation. The portion of CDBG funds used for housing also goes toward housing rehabilitation.

The state addresses these barriers through the following goals:

Encourage the preservation of existing affordable housing units;

Increase the amount of affordable housing stock;

Rehabilitate existing housing stock to maintain affordable units and to decrease the number of deteriorated units;

Provide infrastructure improvements that encourage and support the development of affordable housing;

Encourage local officials and housing providers to work together to monitor for possible local regulations that may impact negatively the development of affordable housing;

Provide home buyer education throughout the state with the purpose of educating potential homebuyers about their rights in the home buying process.

Homeless Needs and Other Special Needs Populations

Homelessness

All 95 counties in the State of Tennessee receive some type of homeless services. The extent and scope of those services vary greatly depending on the area. The services are possible through the Emergency Shelter Grant, Community Service Block Grant program, and through McKinney Act Funds used in a variety of programs in the state. The vast majority of homeless shelters and services are found in the large cities and metropolitan areas. The scope of services received by homeless populations in the state include: emergency shelters, transitional housing, domestic violence shelters, food pantries, supportive services, crisis hotlines, congregate meal sites, and programs for homeless children.

The need for housing and support services for the homeless and other special needs populations is apparent. The U.S. Conference of Mayor's 2009 Homelessness Survey reports that requests for emergency shelter by homeless families increased by 8 percent, with the recession being the leading cause of the increase. According to the survey, the lack of affordable housing is the leading cause of homelessness. Other causes include mental illness and lack of support services, substance abuse and lack of support services, low-paying jobs, unemployment, domestic violence, and prisoner reentry.

The *2008 Homeless Assessment Report to Congress*, from the U.S. Department of Housing and Urban Development, Office of Community Planning and Development, provides the following data regarding the homeless population: 38% are families with children, 36.5% are chronic substance abusers, 26.3% are severely mentally disabled, 15.1% are veterans, 12.8% are victims of domestic violence, 4.2% are persons with HIV/AIDS, and 2.1% are unaccompanied youth.

Rural homelessness may be somewhat different from urban homelessness, according to the National Council on Homelessness. Rural areas have fewer shelters, and people experiencing homelessness are less likely to live on the street or in a shelter. Rather, they are more likely to live in a car or camper or with relatives in overcrowded, substandard conditions. For this reason, they may be more difficult to document.

Housing providers attending the Consolidated Plan public meetings reported similar instances of homelessness in Tennessee in both urban and rural areas. Occupancy rates in homeless shelters remain high, many constantly at maximum capacity, especially during the winter months. Providers continue to see women with mental and physical illnesses seeking shelter care, women with children who have special developmental needs, and working poor families unable to afford food and shelter. Providers also noted the need for emergency and transitional housing for ex-offenders, and for youth aging out of foster care. The participants noted that in small towns and rural areas of the state, fewer shelters and services exist; therefore, transportation to services is an added difficulty to those providing services in rural areas. While homelessness has traditionally been thought of as an urban problem, there has recently been a much greater need for emergency shelter and support services throughout the State.

Agencies receiving assistance through the Emergency Shelter Grant program continue to report the need to accommodate families with children. The vast majority of shelters in Tennessee cannot accommodate family units, thus the families encounter further disruption in their lives when fathers/husbands and older children must be sheltered apart from their wives/mothers and children. Agencies also report increasing numbers of homeless persons with mental illness and drug/alcohol problems for which placement options are limited.

According to information provided by the National Center on Family Homelessness, 9,619 homeless children/youth are enrolled in public schools. The majority of these children, 7,906, or 82%, are in K-8 school level, and 1,713 or 18%, are in school level 9-12. Additionally, the NCFH reports that more than 16,584 of Tennessee's children experience homelessness throughout the year. Of the approximately 327,000 children living in poverty in the State, roughly five percent are homeless.

It is important to note that the homeless youth program uses McKinney Act dollars that allow children/youth who are doubled or tripled up with other families to be counted as homeless. HUD guidelines however, do not allow persons doubled up to be counted as homeless. The following were reported as major needs for homeless children: Remedial help/tutoring, free lunch/breakfast, medical services, counseling, transportation, school supplies, parent training/involvement, case management, transportation, records transfer, and pre-school programs.

The Governor's Interagency Council on Homelessness is comprised of the governor and state agencies dealing with children, corrections, education, health, persons with disabilities, veterans affairs, and housing and is charged with "developing a long term plan to effectively address the homelessness challenge in Tennessee."

HUD Table 1A for the State Consolidated Plan represents the most current information available and is compiled from the local and regional Continuum of Care strategy areas within Tennessee in 2010. It should be noted that all Tennessee counties are represented in a continuum organization.

Data presented in Table 1 A indicates that the greatest unmet need is Permanent Supportive Housing for both Individuals and for Persons in Families with Children. Within the homeless population, individuals account for the largest number of homeless persons. Those with Chronic Substance Abuse and those who have Serious Mental Illness account for the largest number of persons within the homeless subpopulations. These needs were supported by the comments of housing and service providers attending the public meetings.

The Tennessee Housing Development Agency uses available ESG funds to provide for the development of increased homeless services statewide. The Agency's ESG small city set-a-side has led to an increase in local resources for homeless programs. Cities such as Jackson, Clarksville, and Johnson City now use CDBG funds to match ESG or to supplement ESG-funded activities. The \$100,000 unmatched portion of ESG funds is allocated for a statewide prevention project to provide housing assistance for persons being discharged from mental health facilities and/or other institutions with no subsequent housing plan identified.

HUD Table 1. A.

Continuum of Care: Housing Gaps Analysis Chart

		Current Inventory in 2010	Under Development in 2010	Unmet Need/ Gap
Individuals				
Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	2,164	46	802
	Transitional Housing	1,942	64	690
	Permanent Supportive Housing	1,898	247	2,516
	Total	6,004	357	4,008
Persons in Families With Children				
Beds	Emergency Shelter	874	120	508
	Transitional Housing	1,178	164	267
	Permanent Supportive Housing	1,218	99	831
	Total	3,270	383	1,606

Continuum of Care: Homeless Populations and Subpopulations Chart

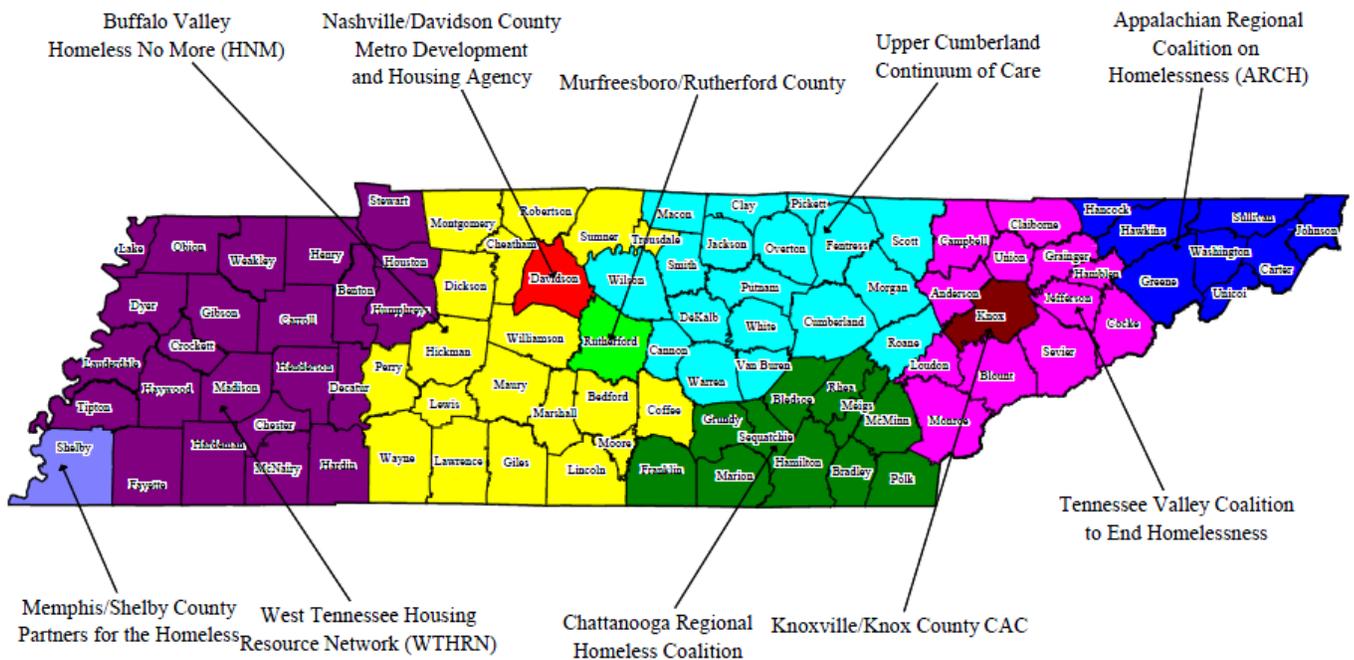
Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Example	75(A)	125(A)	105(E)	305
1. Homeless Individuals	3,972	1,719	2,698	8,389
2. Homeless Families with Children	199	300	370	869
2a. Persons in Homeless Families with Children	671	924	971	2,566
Total (lines 1 + 2a)	4,643	2,643	3,669	10,955
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
1. Chronic Homelessness	1,678		1,041	2,719
2. Seriously Mentally Ill	1,765			
3. Chronic Substance Abuse	2,716			
4. Veterans	890			
5. Persons with HIV/AIDS	169			
6. Victims of Domestic Violence	583			
7. Youth	72			

Continuum of Care

Since 1987 and the beginning of the McKinney Act, the policy of the State of Tennessee has been to support local decision-making in providing and developing new homeless services. Between 1987 and 1991 the State funded a full-time Homeless Coordinator position to lay this groundwork and help build local capacity. Throughout the HUD consolidation of housing and homeless State Plans, the emergence of the HOME program, and the evolution of the various McKinney Act supportive housing programs into the Continuum of Care, the State of Tennessee position has remained one of support of local, community-based supportive housing solutions.

A Continuum of Care is a community-based, planning and service organization that addresses the needs of homeless persons in order to help them reach maximum self-sufficiency. The Continuum of Care is developed through collaboration with a broad cross section of the community and based on an assessment of local homeless needs and resources. The Continuum of Care is recommended by HUD as a comprehensive and strategic approach to addressing homelessness.

There are currently ten Continuum of Care organizations active in Tennessee: the four large urban areas of Memphis, Nashville, Murfreesboro, and Knoxville; and six regional organizations, each providing Continuum of Care services in areas outside of the four urban areas. At this time, all ninety-five counties in the state are covered by a Continuum of Care organization.



Persons at Risk for Homelessness

Tennessee's economy is currently struggling with the worst unemployment rates in recent history which has greatly increased many persons risk for becoming homelessness. Many of those persons at risk for homelessness share similar characteristics:

- Single heads of household
- Low levels of education
- Unemployment/Under Employment
- Live in substandard housing units
- Are unable to afford adequate healthcare
- Experience mental illness and/or substance abuse
- Lack the necessary support services
- Pay 30 to 70 percent of their income to cover housing cost
- Are female

One of the greatest potentials for homelessness is the inability to pay rent or utility bills. Required payments of deposits for rental units and utilities intensify if a low-income family tries to move. Another related risk factor is the lack of affordable housing. Approximately 136,329 Tennessee households with income less than 30% of the median income have housing cost burden of over 50%.

Almost half of all renters with incomes less than 30% of median have a housing cost burden of over 50%. (Table 5) Over three-quarters of the homeowners with incomes at 0-30% of median, with a mortgage, have a housing cost burden of over 50%. (Table 10).

Rural homeless are especially affected by these factors including the lack of jobs or inadequate transportation to employment opportunities, the absence of safe, sanitary affordable housing, and other economic and personal problems.

The issue of persons at risk for homelessness in the state is addressed through the use of homeless prevention funds provided through the Emergency Shelter Grant Program. However, even with these efforts, homeless providers in small cities and rural areas continue to face the issue of inadequate funding streams as well as difficulty meeting the state match requirements for funds. The state must work with communities to improve local efforts to address homelessness through bringing together groups that can serve this population by combining resources. The state must continue to explore alternative methods for providing match dollars for homeless providers so that their funds can be used for much needed services, facilities and staff.

Other Special Needs

Developmental Disabilities

The state-level authorizing legislation for services for people with mental retardation and developmental disabilities (MR/DD) is Title 33. There are also many Federal-level laws that speak to the delivery, design, and accessibility of services and supports for people with MR/DD. For example, the Fair Housing Act, the Americans with Disabilities Act, the Vocational Rehabilitation Act, the Developmental Disabilities Assistance and Bill of Rights Act, and the Individuals with Disabilities Education Act. These laws, whether at the state- or federal-level, have allowed for the development of principles that guide services and supports to people with MR/DD.

It is relevant to summarize key aspects of these principles, as they have a tremendous impact on the delivery of housing, residential, day, and employment services in the MR/DD field. First, disability is a natural part of the human experience. Disability does not diminish a person's right to live independently, to exert control and choice over their lives, or to fully participate in and contribute fully to their communities. Second, individuals with MR/DD often require lifelong community services, individualized supports, and other forms of assistance that are most effective when provided in a coordinated manner. Third, it is important to provide people with the information, skills, opportunities, and support to make informed choices about their lives, live in homes and communities in which they can exercise their full rights and responsibilities as citizens, and pursue meaningful and productive lives. Lastly, a key principle guiding services and supports in the area of housing to people with MR/DD is that housing related activities, be they advocacy, capacity building, or systemic change activities, should result in individuals with MR/DD having access to and use of housing and housing support services in their community, including assistance related to renting, owning, or modifying an apartment or home.

Currently, services to people with developmental disabilities (other than mental retardation) are to be provided through the Department of Mental Health and Developmental Disabilities (DMHDD). However, for the last several years the DMHDD has been unable to provide these DD services, as there has been no money allocated through the legislative budget process. For people with mental retardation, services are provided by the Department of Finance and Administration, Division of Intellectual Disabilities Services (DIDS).

The DIDS delivers community-based services through three regional community services offices. The regional offices are situated in the grand divisions of the State: West, Middle and East Tennessee. Community-based services are provided by DIDS through contracts with private providers/agencies.

DIDS has been managing the requirements of three lawsuits for many years. Recently the Waiting list lawsuit ended in December 31, 2009 when that settlement expired. In the Arlington Remedial Order, an agreement was reached to create the West TN Community Homes, and the institution is currently scheduled for closure in the summer of 2010. In the Settlement Agreement, Green Valley was granted relief from the Settlement Agreement, and Clover Bottom is expected to close in the next 3 to 12 months.

DIDS offers several different types of programs for persons with intellectual disabilities, two of which include:

- Family Support, and
- Home and Community Based Waiver Services

Family Support is a community-based, state funded program that provides assistance to families with a family member who has a severe disability. Some of the services provided through the program are respite care, day care, home and vehicular modifications, specialized equipment and repair maintenance, specialized nutrition/clothing/supplies, personal assistance, transportation, homemaker services, housing costs, nursing/nursing aide, family counseling, recreation/summer camp, evaluation and training. This program is very flexible and other services may be provided based on the needs of the family.

Medicaid Home and Community Based Services Waiver programs were developed as an alternative to services provided in an institutional setting, and are the primary source of supports and services for people with intellectual disabilities who live in the community.

Examples of services include:

- Support Coordination
- Residential Services (supported living, residential habilitation, family model residential support)
- Day Services (both community and facility based)
- Behavior Services
- Physical, Occupational, and Speech Therapy Services
- Nursing and Nutrition Services
- Respite and Behavioral Respite Services
- Personal Assistance
- Transportation

The Tennessee Self-Determination Waiver Program offers services to persons with intellectual disabilities who have moderate service needs that can be satisfactorily met with a cost-effective array of home and community-based services that compliment other supports available to them in their homes and community. In addition to Case Management services provided by DIDS, persons may be eligible to receive the following services through this program:

- Day Services
- Behavior Services
- Physical, Occupational, and Speech Therapy Services
- Respite and Behavior Respite Services
- Personal Assistance
- Transportation

Based on the 2006-2008 American Community Survey, created by the Census Bureau, the population of Tennessee is 6,144,104 people. Recent studies indicate that people with developmental disabilities comprise between 1.2 and 1.65 percent of the United States population (federal Developmental Disabilities Act). From this information it can be estimated that between 73, 729 and 101,378 people in Tennessee have a developmental disability (including mental retardation).

As of January 2010, DIDS reported the following Waiting List information:

- 1) 6231 people statewide are on the waiting list, and
- 2) 6331 families on the Family Support waiting list;

There are several categories that are tracked regarding the DIDS Waiting List. They include: crisis, urgent, and active. The following reflects the breakdown by region of the number of people in the Crisis, Urgent and Active categories of the Waiting List.

Region	Crisis	Urgent	Active
East	23	347	1391
Middle	23	299	1325
West	25	84	1675
Statewide Total	71	730	4391

The Tennessee Council on Developmental Disabilities, developed in collaboration with the Vanderbilt University Kennedy Center, and then funded the Disability Pathfinder Information and Referral (I&R) Office at Vanderbilt University. According to their data tracking of all I&R inquiries, requests for “housing” information have been in the top five most needed service category for the last 11 years.

Persons with AIDS/AIDS Related Illnesses

According to the State Department of Health, AIDS cases in the State of Tennessee have been reported since 1982 and HIV has been reported since 1992. In the State of Tennessee Statewide Coordinated Statement of Need, the following statistical information is provided on the AIDS population in the state (<http://health.state.tn.us/statistics/std.htm>). At the end of 2008, 20,305 people were known to be living with AIDS/HIV in the state. Of these reported cases, 7,536 (37.1%) have been diagnosed with AIDS and 12,769 (62.9%) are HIV infected only. The larger metropolitan areas show higher percentages of infections than rural areas.

Seventy-five percent (75%) of people known to be living with AIDS/HIV are men and twenty-five percent (25%) are women. Fifty-eight percent (58%) are African Americans and thirty-nine percent (39%) are Caucasian: two percent (2%) are Hispanic and slightly less than one percent (<1%) are Native American, Aleutian/Eskimo or Asian Pacific Islander.

Approximately sixteen percent (16%) are age 15-24, thirty six percent (36%) of persons living with AIDS/HIV are age 25-34, thirty percent (30%) are age 35-44, and twelve percent (12%) are age 45-54. Less than one percent (<1%) are 13 years of age or less.

Based upon this information and comments from the public meetings, housing and utility assistance, support services, greater fair housing –related education, public education and prevention, and case management are critical needs for this population, most of whom are low- and very low-income.

Elderly

As previously discussed in Part 2, both the elderly and disabled are prone to higher incidence of housing problems. Those who are 75 years of age and older are the most vulnerable to housing problems.

According to the Census 2008 Estimates, between 2000 and 2008 the state experienced growth in older populations. The “over 60” population grew to 1,155,990, a 22.6% increase; the “over 75” in age increased to 370,782, or 15.7% and the “over 85” group increased to 106,162, a 30.3% increase. The aging of the population has implications for service needs as well as housing needs, as was reflected at many of the public meetings held in preparation of this plan. The complete data set can be found at <http://www.census.gov/popest/states/asrh/SC-EST2008-01.html>.

Important to note in the planning process is that at many of the public meetings held in the winter of 2010, affordable assisted living was discussed as an important need in communities throughout the state.

Priority Non-Housing Community Development Needs

The primary goal of community development is to create a better overall quality of life for everyone in the community. For the purposes of this plan, activities such as public utilities and sanitation, economic development, health and protective services for low and moderate income persons are considered.

The state used annual community meetings to determine needs and priorities for this area. This offered persons the opportunity to discuss community development needs and provide feedback on an on-going basis.

The public meetings held as part of preparation for the plan were used to determine priorities for non-housing community development activities. Local officials and affordable housing providers reported that the absence of potable water and sanitary sewer service in small towns and rural areas of the state can be a barrier to developing affordable housing. The absence of the services can threaten the health of persons living in these communities. Providers of services for homeless prevention programs expressed requests for CDBG activities to be extended to homeless prevention activities. The state notes that activities for homeless individuals are eligible under the Community Livability portion of CDBG funds. Homeless providers are encouraged to work with local governments to have applications submitted to CDBG for homeless programs under this category.

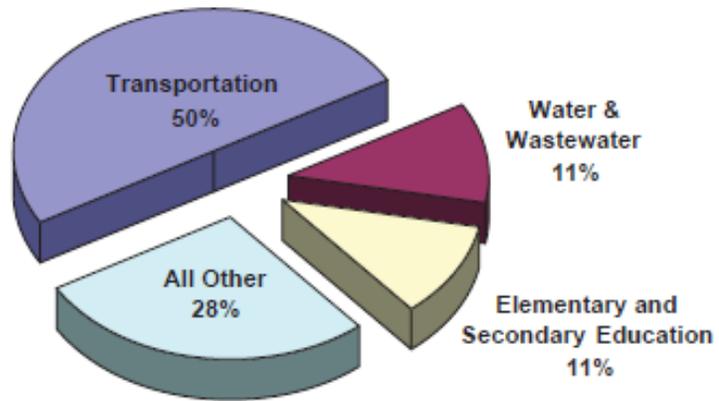
Participants in the public meetings indicated other community development needs such as rural fire protection, drainage, community centers and health clinics. The state allows local governments to assess their local needs when submitting an application for funding in the Small Cities CDBG program.

Further evaluation of needs for non-housing community development programs may be demonstrated by the results of an ongoing study by the Tennessee Advisory Commission on Intergovernmental Relations (TACIR). Created by state enabling legislation in 1978, TACIR was charged by the Tennessee General Assembly in 1996 to develop and maintain an inventory of public infrastructure needs, "in order for the state, municipal and county governments of Tennessee to develop goals, strategies and programs which would improve the quality of life of its citizens, support livable communities and enhance and encourage overall economic development in the state. (Public Chapter 817, Acts of 1996)

In September 2009, TACIR released the seventh statewide inventory of public infrastructure improvement needs, Building Tennessee's Tomorrow. The study, based upon information provided by local and state agencies, reported a grand total of \$34.2 billion in public infrastructure needs, a \$20.5 billion increase over the first inventory published in 1999. Water and wastewater needs totaled nearly \$3.9 billion or eleven percent of the grand total. While the inventory includes city, county, and state government estimates, 20% and 23% of the total estimated costs are for city and county governments, respectively. Transportation and education costs account for most of the state cost. The full report is available on the web at www.state.tn.us/tacir

The following chart demonstrates the water and wastewater needs as a portion of the total infrastructure needs in the state as reported by TACIR.

Chart 23. 2007-2012 State Infrastructure Needs



Tennessee. Tennessee Advisory Commission on Intergovernmental Relations. *Building Tennessee Tomorrow*. Nashville: TN. TACIR (2009).

PART III. HOUSING AND COMMUNITY DEVELOPMENT STRATEGIC PLAN

Design of the Strategic Plan and Priorities

The strategic plan was designed around the premise that the state's plan must be reflective of the multiplicity of needs found throughout the state, allowing communities the flexibility (where possible) of applying for available funds based on community priorities. In an attempt to establish these priorities, the state conducted public meetings requesting that communities give their priorities for use of Consolidated Plan funds in the state. Public meetings were held in local communities giving residents and organizations the opportunity to provide input on community needs. Dollar amounts were designated within programs to be reflective of the larger percentage of requests for funds in the state. The state recognizes, however, that because available funds are limited, many persons or groups within the state will not be funded even though their project is worthwhile and benefits those persons in need in the state.

The following are priorities for funding. The state will utilize its funding dollars at a higher priority in these areas.

Priorities for all Consolidated Plan efforts are for individuals who are low- and very low-income, from 0-50% of the median income. Although the HOME and CDBG programs serve moderate-income individuals up to 80% of median, these populations are not listed as high priority in all areas. Additionally, priority levels are based on specific data discussed in the need assessment relative to housing cost burden, population of persons living below poverty, community needs surveys, and economic and housing market conditions. Please note that program specific priorities and how they address state priorities are listed in the action plan's method of distribution section. While the information below provides a summary of state priorities, it is important to note that not all program funds support each individual priority. The time line for completion of the action steps is a yearly cycle which coincides with the state fiscal year beginning July 1, 2010 through June 30, 2011, and each subsequent year through June 30, 2015.

Housing

Preserve Affordable Housing Stock, Increase the Amount of Affordable Housing, and Increase Homeownership Opportunities

Action Steps

- Preserve affordable housing stock through housing rehabilitation targeted toward low-, very low-, and moderate-income populations in the state.
- Encourage the production of multifamily housing to serve low-income individuals in the state.
- Target funds toward housing for the elderly with emphasis on handicapped accessibility.
- Encourage the preservation of 2-3 bedroom affordable housing for low-income families in the state.
- Increase/Maintain the number of housing facilities in the state for homeless individuals.
- Increase the homeownership rate, especially among lower income and minority households.

Non-Housing Community Development

Provide for the viability of communities through insuring infrastructure, community livability, health and safety, and economic development.

Action Steps

- Provide for the safety and well-being of low- and moderate-income families in the state by improving the quality and quantity of water supplies in areas which do not have safe, reliable water sources.
- Provide safe, reliable wastewater services to low- and moderate-income families in underserved areas of the state.
- Provide economic development opportunities through the financing of infrastructure development, manufacturing facilities, and equipment, that support job creation for low and moderate income people.
- General enhancement of quality of life in low- and moderate-income neighborhoods throughout the state.

Provide for the housing and supportive services needs of homeless individuals and other special needs populations.

Action Steps

- Support the acquisition or rehabilitation of facilities to house homeless persons or those at risk for homelessness.
- Provide funds to assist persons at risk for homelessness
- Increase the amount of services provided to mentally ill homeless
- Encourage programs to support children in homeless facilities to receive preventive and emergency medical care as well as other developmental or cognitive services
- Provide supportive services and housing-related services for persons who are HIV positive or have AIDS.

Affirmatively further fair housing and assure access to business opportunities in the state for women and minority-owned business.

Action Steps

- Conduct an Analysis of Impediments of fair housing in the state;
- Convene fair housing and Title VI workshops in the state for local governments, grantees, housing providers, advocates, and consumers;
- Provide fair housing information throughout the state informing citizens of their housing rights;
- Encourage reporting of fair housing violations by making citizens aware of their rights and providing information on access to fair housing advocates and organizations in the state.

Performance Measures

The state will continue to report on program accomplishments toward achieving the strategic priorities of this five-year plan. Each year the annual performance report enumerates the ways in which the four consolidated plan programs, in addition to other state programs, address the priorities of the plan by reporting the resources used, number of units either rehabilitated or constructed, number of low- and moderate-income people served. The state will work with HUD and other agencies to enhance performance accountability.

In addition, our Consolidated Annual Performance Evaluation Report (CAPER) includes and will continue to include the program outcomes that address the objectives of providing for:

1. Suitable Living Environment,
2. Decent Affordable Housing, and
3. Creating Economic Opportunities.

Barriers to Affordable Housing

As identified previously, barriers to affordable housing exist throughout the state, may vary by area, and may be economic, social, physical, or regulatory. Growth in some areas of the state continues to drive up housing costs so that low and moderate income families and individuals are unable to afford homes. Neighborhood resistance to the development of affordable housing, NIMBYism, may pose a barrier to affordable housing, especially rental housing and housing for the mentally ill. Absence of essential infrastructure, water and wastewater services, may pose a barrier or impediment to the development of affordable housing.

In Tennessee, zoning, building regulations and codes enforcement are all enforced at the local level. In small communities and rural areas, these regulations may be minimal, compared to the large metropolitan areas. No clear defining line exists to determine when, for example, a building code, zoning regulation, or impact fee fails as a public policy to protect the individual housing consumer, or to provide a health or safety benefit, or exists without sound compensating public benefit.

Actions the state may take to combat barriers to affordable housing:

- encourage the rehabilitation or development of essential infrastructure to support housing development for low and moderate income people;
- encourage the development of affordable housing;
- educate housing providers, local officials and citizens about fair housing laws;
- increase the awareness of housing providers and local officials concerning regulations which may pose a barrier to affordable housing.

Additionally, Tennessee Housing Development Agency has created an inter-agency council to convene for the purposes of understanding how our combined forces, through collaboration, cooperation and coordination, can purposefully, effectively and positively impact obstacles to affordable housing statewide. Our first goal is to draft a series of policy briefs to address obstacles to affordable housing. The intent of the series is to provide a snapshot of the areas that may impact the development of affordable housing. It is not our intent to advocate for or against local planning and zoning decisions.

Instead, we hope the brief that focuses on local planning and zoning will serve to illustrate the range of options that county and local governments have employed to provide for affordable housing in their areas.

Lead Based Paint Hazards

The State of Tennessee addresses hazards of lead based paint in the state through the following programs/initiatives. In May 1999, by state legislation, the Tennessee Department of Environment and Conservation (TDEC) was given the necessary authority to have lead-based paint training in the state. The legislation also gave TDEC the authority to monitor lead abatement in the state to assure that contractors and owners of units comply with applicable laws. The division of solid waste management of TDEC received authorization from the Environmental Protection Agency (EPA) on January 17, 2001, to administer the program in the state. The state has established guidelines for training of lead-abatement contractors and their workers in the state.

Lead-based paint policies are also in effect for the CDBG and HOME programs in the state. Specifically, grantees must give participants notice of possible lead hazards within the unit when the house is pre-1978, informing them of possible lead dangers. For families with children under age seven, grantees must inspect units that might have lead contamination and provide the necessary abatement or encapsulation activities. Families must be given a federally approved pamphlet on lead poisoning prevention.

The Tennessee Department of Health, Childhood Lead Poisoning Prevention Program, provides lead poisoning information such as lead sources and prevention tips for parents and health care professional. The Prevention Programs requires TennCare, the state health system for uninsured persons, to test children enrolled in the program. The department links with the Tennessee Department of Environment and Conservation's information on lead assessment and abatement programs.

Anti-Poverty Strategy

The anti-poverty strategy is designed to examine how both the CDBG and the HOME programs address the needs of individuals in the state with incomes below 30% of the area median income (AMI). While both the HOME program and the CDBG program serve persons up to 80% of the AMI, it is important to note that both programs recognize the special circumstances faced by low or very-low income individuals and families.

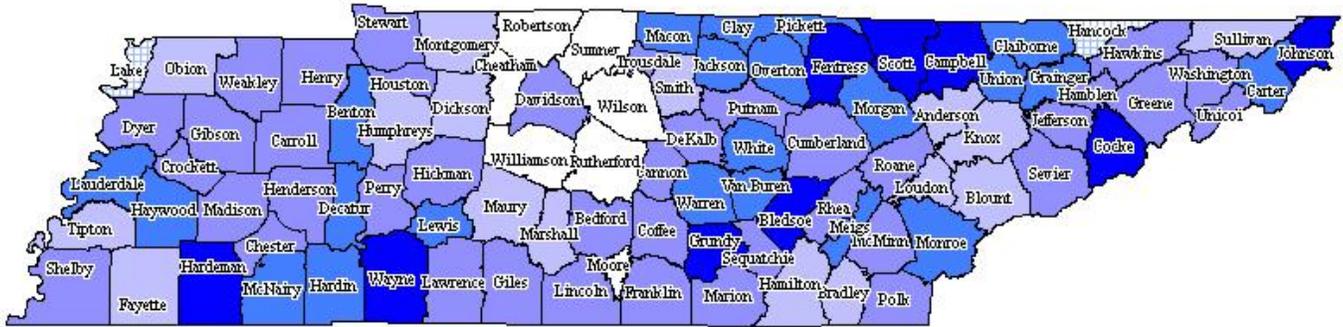
According to the 2008 American Community Survey from the U.S. Census Bureau, approximately 15.5% of all Tennesseans, live in poverty. Of those, 21.8% are children and 11.4% are elderly. While state unemployment levels are increasing, the Tennessee Department of Labor and Workforce Development reports that between February, 2009 and February, 2010 employment increases occurred in educational and health services, by 9,300 positions; state government gained 1,000 jobs; and real estate, rental and leasing was up by 900 positions. However, decreases occurred in manufacturing, down by 26,200 jobs; trade transportation and utilities lost 22,500 jobs; and mining and construction decreased by 15,100 jobs. The state unemployment rate in early 2010 was 10.7%. The full article may be viewed at <http://news.tennesseeanytime.org/node/4775> .

Location of Poverty in Tennessee

As the following map depicts, poverty exists in all 95 counties of Tennessee. Thirty-three counties have a poverty rate of 16% or greater and, of those 33, eleven counties have poverty rates greater than 20%. Poverty rates range from a high of 33.1 percent in Lake County to a low of 4.8 percent in Williamson County.

The following map indicates that poverty rates are higher in east Tennessee along the Kentucky border and in parts of southwest Tennessee.

**Poverty Data for Tennessee Counties
2000 US Census**



White	4.8 to 9.9	(7)
Lightest Blue	10 to 12.9	(16)
Light Blue	13 to 15.9	(39)
Medium Blue	16 to 19.9	(22)
Dark Blue	20 to 29.9	(9)
Dark Blue with Grid	30 to 33.1	(2)

Programs Addressing Poverty

It is imperative that programs in the state pay special attention to the plight of these individuals in the use of funds designed to benefit disadvantaged populations in the state. The state addresses these areas in the following way:

HOME Program: Data from the HOME program over the past five fiscal years reflect that 33% of HOME program funds have been used to assist persons with incomes less than 30% of the median income. The THDA Board of Directors has designated extremely low-income persons as a priority, requiring a yearly report on HOME beneficiaries to assure that at least 30% of funds are being used for persons below 30% AMI. In addition, as part of the rating system for ranking of qualified applicants, it is recommended that grantees use a formula that those households with the greatest need based on income and family size are served first.

CDBG Program: CDBG program administrators collect data on persons served at the below 30% AMI threshold. Also, as a part of its scoring mechanism for housing rehabilitation, project need points are awarded based on the number of persons with higher poverty levels in the state, specifically persons 62 years of age or above, and/or female heads of household, and/or handicapped individuals.

In addition to the HOME and CDBG program, the state's anti-poverty strategy is addressed through other initiatives within the state government, such as Workforce Development/Investment which involves a consortium of agencies in the state working together to assist persons in poverty find employment. The Section 8 Family Self Sufficiency Program helps low income families accrue assets and the (TANF) Temporary Assistance for Needy Families program, provides child care, help with transportation, as well as a number of other services to assist poor families in finding and maintaining employment.

Institutional Structure and Coordination

The four HUD programs covered by this plan are carried out by entities other than the State. Funds are awarded by the State to these entities, which include local governments and nonprofit organizations, who conduct the actual activities. Of the other federal and non-federal resources discussed in this plan, Section 8 is the only program directly administered in its entirety by the State. The Low-Income Housing Tax Credit program is awarded to other entities, and the Homeownership program is carried out by local lenders. Coordination with social service agencies occurs primarily at the local level with the exception of the Section 8 program. THDA, who administers Section 8, works very closely with other State agencies including the State Department of Human Services, the State Department of Health, and the Department of Mental Health and Developmental Disabilities.

THDA is designated as the agency to lead the coordination of the state's consolidated plan. However, developing the plan involved input from citizens, organizations, state, local and federal government officials, developers, chambers of commerce, public housing authorities, and housing professionals.

Meetings were held with a core group of individuals representing the agencies responsible for carrying out the programs, and with agencies which provide housing and support services. Eight public meetings were held throughout the state, with coordination by the development districts, to get input from citizens and local providers, local officials, public housing agencies.

The plan structure is designed to give some specific data on individual communities or groups which reflect trends in housing or other related data but that does not attempt to list needs by community. This allows communities the flexibility establishing their priority needs without the state attempting to do so.

Low-Income Housing Tax Credits

The Low-Income Housing Tax Credit (LIHTC) program is administered by THDA. The tax credits are allocated through an application cycle that includes a selection process, determination of credit amounts, reservations, and carry-over allocation. Ten percent of the total state authority is reserved for qualified not-for-profit applicants. The goal of the allocation strategy is to utilize the tax credits allocated to Tennessee to the fullest extent possible to create, maintain, and preserve affordable rental housing for low-income households.

The specific strategy for coordinating the LIHTC program with the development of housing affordable to low-and moderate-income families consists of the following:

1. Develop rental units affordable to households with as low an income as possible and for the longest time period possible.
2. Encourage the construction or rehabilitation of rental units in the areas of Tennessee with the greatest need for affordable housing.
3. Encourage the development of housing units for special needs populations including the elderly and persons who are homeless or have disabilities.
4. Discourage allocation of tax credits to developments for which tax credits are not necessary to create, improve or preserve rental housing for low-income persons.
5. Allocate only the minimum amount of tax credits necessary to make a development financially feasible and to assure its viability as a qualified low –income development throughout the credit period.
6. Encourage no-profit entities to develop rental housing for low- and very low-income households.
7. Encourage energy-efficient construction and rehabilitation.
8. Encourage fair distribution of Tax Credits among counties and developers or related parties.
9. Improve distribution among developments of varying sizes to ensure that developments with smaller number of housing units receive fair consideration, and
10. Allocate tax credits fairly.

Public Housing Resident Initiatives

The state, through the Section 8 Rental Assistance program, encourages public housing residents to become involved in management and participate in homeownership.

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.

With the passage of the Quality Work Responsibility Act and the requirement of the Public Housing Authorities (PHA) to develop a five-year plan has altered the relationship between the state and the public housing authorities. In some cases, we continue to search for a delicate balance between the priorities and regulations governing public housing and the affordable housing issues facing the state, especially lower income residents of the state.

The state is currently required to sign off on the Public Housing Authority five-year plan and attempts to support PHAs by streamlining the review process. The state also tries to assure that residents have been informed of the impact that such plans have on them. Of special concern are those instances when Public Housing Authorities request to tear down viable public housing units. The state recognizes that in some cases demolition of units is necessary in order to have safe and financially viable public housing. The state, however, does not provide a “rubber stamp” approach to such requests for demolition. In an effort to minimize loss of much needed affordable housing the state has specified guidelines in place for proposals to demolish or reduce public housing units. These guidelines give public housing authorities flexibility to demolish units in extreme circumstances, but also give the state the needed flexibility to request additional information. A determination can then be made by the state regarding whether the specific request is consistent with the Consolidated Plan. A copy of the guidelines for the consistency with the state’s plan is located in Appendix 4.

The state supports local PHA initiatives that provide self-sufficiency assistance to residents, encourages literacy, and provides safe places for children of public housing. The state further supports initiatives that serve the elderly and those with disabilities in public housing. The state does not assign priority to these populations over other poor families, rather the local PHAs assess their community needs and assign priorities.

Citizen Participation

In accordance with the guidelines of the Consolidated Plan, the notice describing the Plan is placed in major distribution newspapers throughout the state. The notice advises that copies of the Consolidated Plan are available for citizen review and may be viewed at any of the nine development district offices in the state, at the offices of THDA, and on the THDA web site, which also provides for online comment. The Consolidated Plan specifies a 30 day comment period will be provided for citizen review and comment. Therefore the Consolidated Plan for the State Fiscal Years 2010-2015 was presented for citizen comment from April 7, 2010 through May 9, 2010. Additionally, a Public Hearing was held on April 22. The State used technology to connect three locations across the state (Jackson, Nashville, and Alcoa) to conduct the Public Hearing.

Summary of Comments

A total of four citizens attended the Public Hearing on April 22, 2010. A summary of their comments is presented below:

NIMBYism is described as a barrier to the development of affordable housing, specifically when developing housing for special needs and mental illness. To the extent those barriers also exist with respect to affordable housing that is not necessarily targeted at people with disabilities, THDA and other involved agencies should explore and discuss what other discriminatory attitudes may be behind such NIMBYism –

potentially discrimination on the basis of race, which, if effectuated by local policy, could form the basis of a Fair Housing complaint.

The Consolidated Plan discusses homelessness throughout the state. Cities themselves are providing very little emergency shelter for homeless people. Instead, that shelter predominantly is provided by private, faith-based organizations that consider themselves largely exempt from civil rights laws such as the Fair Housing Act. As a result, shelter residents often face discrimination on the basis of disability (not being provided with reasonable accommodations because of disability) and religion (being forced to attend religious worship services as a condition of shelter). Despite every community's best efforts to move individuals out of homelessness, there will always be a need for emergency and long-term shelter, and it should be provided in a way that preserves the dignity and the civil rights of those seeking it.

The Consolidated Plan discusses the absence of potable water and sanitary sewer service in small towns and rural areas and how that can be a barrier to the development of affordable housing. I recommend further analysis to ensure that gaps in water and sewer service do not correlate with areas of greater minority concentration. There have been instances in other states in which local areas with high minority populations were denied water and/or sewer service, allegedly in violation of the Fair Housing Act.

HUD recently announced an interagency Partnership for Sustainable Communities to help improve access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities nationwide. HUD, DOT, and EPA will work together to ensure that these housing and transportation goals are met while simultaneously protecting the environment, promoting equitable development, and helping to address the challenges of climate change. The Partnership for Sustainable Communities established six livability principles that will act as a foundation for interagency coordination:

1. Provide more transportation choices.
2. Promote equitable, affordable housing.
3. Enhance economic competitiveness.
4. Support existing communities.
5. Coordinate policies and leverage investment.
6. Value communities and neighborhoods.

These principles should be referenced and considered for future projects in Tennessee.

Agencies and Organizations contributing to the State of Tennessee 2010 Consolidated Plan process through participation in public meetings, committee work.

AdvoCare	Jackson Housing Authority
AIM Center	Johnson Mayor's Office
AmSouth Bank	Joyful Care, Inc.
ARC of Hamilton County	Kingsport Housing & Redevelopment Authority
ARC of Washington County	LaFollette Housing Authority
ARCH	Lamar Dunn and Associates, Inc.
Bolivar Housing Authority	Life Care Family Services
Brownsville, City of	Life Solutions
Cannon County Government	Macon County Government
Carey Counseling Center, Inc.	Magellan Health Services
Catholic Charities	McKenzie, City of
Cedarwalk Supportive Living	Memphis Area Assn of Governments
Celebrate Recovery	Mortgage Assurance
Centerstone	Mountain City
CF Systems	Northeast Tennessee Minority Health Coalition
Chattanooga Council of Governments	Northwest Tennessee Area Agency on Aging and Disability
Chattanooga Homeless Coalition	Northwest Tennessee Development District
Chattanooga Times Free Press	Northwest Tennessee Human Resource Agency
Children and Family Services	Partnership for Family, Children, and Adults
Cleveland, City of	Promised Hope
Coalition Against Domestic and Community Violence	Quines Mental Health Center
Comcare, inc.	Ridgeview Resources for Living
Covington, City of	Scott Appalachian Industries, Inc
Crossville Housing Authority	Smith County Government
Damascus Road, Inc.	South Central Tennessee Development District
Dayton Housing Authority	Southeast Mental Health Center
Disability Resource Center	Southeast Tennessee Development District
East Tennessee Development District	Southwest Tennessee Development District
Fayette County Mayor's Office	Southwest Tennessee Human Resource Agency
Fentress County Government	Tennessee Mental Health Consumers Association
First Tennessee Development District	Tennessee Technology Center at Cookeville
Freewill Shelter Outreach	Tennessee Mental Health Consumers Assn. (West TN)
Frontier Health	Tennessee Small Business Development Center
Generations Mental Health Center	United Way of Jackson, Tennessee
Genesis House, Inc.	Upper Cumberland Area Agency on Aging & Disabilities
Grand Junction, City of	Upper Cumberland Development District
Greater Nashville Regional Council	Upper Cumberland Human Resource Agency
Hamilton County	USDA, Rural Development Housing
Hamilton County Social Services	Veterans Ministries
Hawkins Habitat for Humanity	Vocational Rehabilitation Upper Cumberland
Hope for Tennessee	Watauga, City of
Hope, Inc.	Waves, Inc.
Horizon Community Development Corporation	Weakley County Chamber of Commerce
HUD	West Tennessee Family Solutions
Human Resource Agency, Tullahoma	West Tennessee Legal Services
Jackson Center for Independent Living	Westgate Management
Jackson Community Development	White County Government

State of Tennessee
Request for Certification of Consistency
with the Consolidated Plan

When submitting a request for Certification of Consistency with the Consolidated Plan, please provide the following:

- Fill in the information on the Certification of Consistency Form except the name, title, and signature of the Certifying Official of the Jurisdiction. (Once approved, the certification will be returned to your agency. If you wish to receive a faxed or e-mailed copy, please indicate below.)
- Provide an overall summary of the activities/project proposed. **The summary must not exceed two (2) pages in length** and should include information on the types of activities proposed, project location, funding sources, amount of funds requested and the benefit(s) provided to recipients. (Requests for certifications that do not have an overall summary will not be reviewed and will be returned to applicant. If information in the overall summary is insufficient, the Tennessee Housing Development Agency (THDA) will contact the applicant for additional information.)
- If project or activities include demolition of public housing units, applicants should submit detailed information including, but not limited to, the following:
 - Housing market analysis that demonstrates an existing supply of available affordable housing in the community serving the population to be displaced.
 - Proof of resident public hearing with resident comments.
 - Demographic data that substantiates demolition of the types of units (1 bedroom/multi-units), information on the number of units to be demolished and the number of families being displaced.
 - A plan indicating where residents will move once units are demolished.
 - A plan for construction of replacement/new units if applicable.

If demolition is proposed, PHAs should submit plans for approval at least one month prior to submission of their plan to HUD. Additional information may be required.

Please fill out the following information and submit it with the Certification of Consistency Form and the overall summary. Please allow THDA a minimum of two weeks (minimum of one month for demolition) to review all requests and have certifications returned. All Request for Certification of Consistency with the Consolidated Plan forms should be mailed to the Tennessee Housing Development Agency (THDA), 404 James Robertson Parkway, Suite 1200 RPTS, Nashville, TN 37243, Attn: Terri Jaynes; e-mailed to tjaynes@thda.org; or e-faxed to 615-564-2700.

**State of Tennessee
Request for Certification of Consistency
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Applicant Name: _____

Applicant Address: _____

Project Name: _____

Project Location: _____

Federal Program Funds Requested: _____

Contact Person: _____

Phone Number: _____

Fax Number / E-mail Address: _____

Date that certification request submitted to THDA: _____

Date that applicant needs certification returned: _____

Check all that applies:

- Overall summary of activities/project included.
- Documentation regarding demolition.
- Return original certification with original signature.
- Fax certification to the above-listed fax number.
- E-mail certification to the above-listed e-mail address.

Questions about the Certification of Consistency for the Consolidated Plan form may be directed to the Research & Planning Division of THDA at 615-815-2127.