



CITY OF KNOXVILLE

**City of Knoxville, Tennessee
Annual Action Plan
Program Year 2
Program Year 2016-2017**

Prepared By:

City of Knoxville Community Development
400 Main Street
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Draft
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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

This is the first annual update to the Five Year Consolidated Plan that was completed by the City of Knoxville in May of 2015. The Consolidated Plan, covering program years (PY) 2015 through 2019, involved an extensive community and public participation process with numerous public meetings and over 900 surveys received regarding community needs. The Annual Action Plan for the current year (July 2015 through June 2016) was part of the Consolidated Plan.

The following then is the <draft> Annual Action Plan for Year Two covering the program year 2016-2017, beginning July 1, 2016. By the time the final Annual Action Plan is completed in May 2016, two public meetings will have been held, as well as consultation meetings with key stakeholders in the four priority areas of community needs identified through the Consolidated Planning process. Comments from the January 12, 2016, public meeting (and consultation meetings held on the same night) are in the attachments section of this Plan. Comments from the 30-day public comment period, running from March 15 to April 15, 2016, and a second public meeting scheduled for April 11, 2016, will be added in the attachments section also for the final draft of this Plan.

The local feedback received thus far show that social services and housing assistance for the homeless and the precariously housed are still a huge need. The demand for rental housing is far exceeding the supply. Congress has recognized the need and has had HUD set aside money for the Affordable Housing Trust Fund which will provide states some resources to encourage more development of affordable rental housing. The City of Knoxville also recognizes the need for an increase in affordable rental housing to house extremely low income (defined as 0-30% of area median income) and very low income (defined as 30-50% of area median income) households and the following Annual Action Plan reflects those goals.

It is important to note that the direct allocation of funds from the U.S. Department of Housing and Urban Development (HUD) to the City of Knoxville have been decreasing since 2010: CDBG by 34%; HOME Investment Partnership (HOME) by 47%; and the direct allocation of Emergency Solutions Grant (ESG) funds for homeless services was reduced to \$0 three years ago. The challenge is to continue to meet the goals the City sets with community priorities, with less federal funds each year. Having some unspent funds from previous years is helping to make up the difference with the reduction of federal funds, but this is a short term circumstance. The City is fortunate to have many partners in the community who do this important work, help many people, and spend funds effectively with impressive, measurable outcomes - and all with inadequate resources.

Federal dollars allocated to these community initiatives are rarely the only funds invested. The City strongly encourages local leverage on CDBG funded activities and requires matching dollars on activities that benefit the homeless and for HOME funded activities. These may be other public funds, private contributions (through subrecipient organizations) or other local dollars. Leveraged and matched amounts are considered when applications for funding are rated and then documented at completion.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City of Knoxville, through its Consolidated Planning process, developed a list of high priority need areas for the allocation of CDBG and HOME funds for the five years of the Plan. These are: Strengthening Neighborhoods, Promoting Economic Development, Reducing and Ending Homelessness and Promoting Affordable Housing. Many of these activities overlap. For example, improving the existing housing stock improves neighborhoods, employs people who do the work, and helps people afford to stay in their homes.

Community Development Block Grant (CDBG) funds are being allocated to activities that help to offset the impact of poverty. Keeping affordable housing affordable by providing low income households with housing rehabilitation in both owner occupied and rental housing, as well as emergency and minor home repairs, weatherization to lower utility costs, and accessibility improvements to avoid displacement are all high priority activities. These activities create work and keep local people employed as well. Promoting economic development initiatives that maintain and create new local jobs and assist those who are disadvantaged to gain marketable job skills begin to address underlying income disparities in the community. Providing housing and services to those with special vulnerabilities is also a high priority need for the City of Knoxville. Lastly, resolving blighted conditions in neighborhoods strengthens the local tax base that supports services to residents.

The total amount of CDBG funds available (see the "Resources" section of this report) is \$2,376,631: \$1,324,336 is the HUD allocation for PY2016; \$150,000 is the estimated program income; and there are estimated to be about \$902,295 in unspent funds from prior years (as of July 1, 2016). Of the CDBG allocation amount (plus program income received), up to 15% (\$198,650) may be used for public service activities and up to 20% (\$294,867) for general program administration.

Of the *total* CDBG funds budgeted for this second year: \$1,118,397 (47%) is allocated for Affordable Housing activities; \$440,188 (19%) for direct Economic Development activities; \$273,412 (12%) for activities to Reduce and End Homelessness; \$249,767 (10%) for initiatives that Strengthen Neighborhoods; and about \$294,867 (12%) for program administration.

CDBG funds in the amount of \$1,298,397 (includes some funds to permanently house homeless individuals) will address the needs of affordable housing. A total of \$689,367 is budgeted for the rehabilitation of 77 units of affordable rental housing and the acquisition of land for the development of a state funded group home housing 6 seniors and 24 new (HOME funded) rental housing units. Of the 77 units, it is estimated that 63 rental units (82%) will be affordable to those households at the very lowest income levels (0-50% of area median income). A total of \$609,030 is budgeted for the rehabilitation (including weatherization, emergency and minor home repairs, and accessibility modifications) of approximately 128 owner occupied housing units. Of these, it is estimated that 97 units (76%) will be for households within the 0-50% range of area median income.

Included in these priority areas are three public service activities, accounting for about 11% (\$149,505) of the PY2016 HUD allocation amount. These activities will provide: daytime care for people with Alzheimer's disease; job training and work/life skills training for disadvantaged, at-risk, young adults; and lastly, community organizing in the Lonsdale neighborhood to help guide the City's Model Block redevelopment program there.

HOME funds are used only for affordable housing activities. The total amount of HOME grant funds budgeted (see the "Resources" section of this report) for PY2016 is \$1,966,049: \$736,049 is the HUD allocation amount for PY2016; \$540,000 in estimated program income; and about \$690,000 in estimated carryover/unspent funds from previous years (as of July 1, 2016).

Of the *total* HOME amount available: \$925,000 (47%) is budgeted for affordable rental housing rehabilitation and development and \$913,445 (46%) is budgeted for owner occupied affordable housing rehabilitation or development. The remaining 7% is reserved for program administration. It is estimated that 64 affordable rental housing units (at least 24 of which will be newly constructed units) will be either rehabilitated or developed, with all 64 units available to households within the 0-50% range of area median income. It is estimated that 18 owner occupied houses will be rehabilitated or newly constructed, 15 of which will house households within the 0-50% of median area income range. Five households will receive down payment assistance if they're purchasing a Community Housing Development Organization (CHDO) home.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Program Year 2015 funds were allocated to activities that the 2015-2019 Consolidated Plan meet high priority needs. Some activities were proposed by subrecipient partners in the community and others to in-house activities that meet high priority needs. .

CDBG funds in the amount of \$1,355,235 (2015 HUD allocation plus program income) and \$111,410 (prior year funds) were allocated in the following percentages to the four priority areas: Promoting Affordable Housing (55%); Strengthening Neighborhoods (20%); Promoting Economic Development (10%) and Reducing and Ending Homelessness (3%). Program administration may be up to 20% of the annual allocated funds, but were closer to 12% when prior year funds were considered.

The percentage committed to Reducing and Ending Homelessness is a little misleading. Although the City of Knoxville stopped receiving a direct allocation of HUD funds for homeless programs or Emergency Solutions Grant (ESG) beginning in PY2014, the City allocated local funds in the amount of \$128,500 for homeless activities. In addition, the State of Tennessee, with its allocation of HUD ESG funds allocated to the Tennessee Housing Development Agency (THDA), granted the City \$130,308 in PY2015 for homeless activities.

Almost 95% of the PY2015 HOME Investment Partnership (HOME) grant allocation, program income, and prior year funds (\$2,015,586) were directed toward the goal of Promoting Affordable Housing. This is according to HUD rules for the HOME program (the remaining amount was allocated to program administration).

Activities funded under the current program year (beginning July 1, 2015 and ending June 30, 2016) are making good progress towards meeting both accomplishment and expenditure of funds goals. At about the program year's midpoint, funds have been used to: rehabilitate over 70 owner occupied and rental houses; construct a new roof for a building housing over 120 homeless senior citizens; complete 8 (1 CDBG-funded) commercial façade renovations, with 10 more underway (7 CDBG funded); acquired and sold 2 blighted properties, with 6 more underway; move over 400 people (comprising more than 90 households) who were homeless into permanent housing; house almost 300 homeless people temporarily; provide case management services to over 450 people; and prevent homelessness for over 300 people (comprising 180 households). Eighteen Section 3 jobs have been created thus far.

One CDBG activity, the Lonsdale infrastructure project is on hold, pending additional community input and discussion regarding the original goals of the Lonsdale Model Block program. Originally, the City and its housing partners thought the best use, of the 40 some odd City-acquired lots in the community, would be for single family housing development. However, with the increasing need for additional rental housing and a history of relatively low sales numbers for single family houses in the neighborhood, some more consultation with the community and housing developers is needed about the future of the project.

Although the Consolidated Plan and the priorities it sets covers five years, it's important to keep abreast of any changes and emerging trends in the community that might impact needs and priorities. The City conducts public hearings and consults with partner agencies as part of its Annual Action Plan process to make sure the Consolidated Plan stays relevant.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The Five Year Consolidated Planning process that the City of Knoxville began in late 2014 lasting through mid-May 2015, included extensive community involvement and a formal public participation process. Numerous public meetings were held with diverse populations across Knoxville. Over 900 surveys were received regarding community needs. The community input was gathered, counted, analyzed and prioritized. The top priority needs were grouped into four main areas: Strengthening Neighborhoods, Promoting Economic Development, Reducing and Ending Homelessness and Promoting Affordable Housing.

Consultation meetings were held with key stakeholders in these four areas as part of a public hearing in January 2016. The input received from those stakeholders confirmed that the needs identified not only still exist, but in some areas such as the need for affordable rental housing, are becoming even more pronounced.

Citizens were invited by public notices in community newspapers and the City's website, by postcard in some cases, email and in the City's Office of Neighborhoods weekly newsletter to attend the public meeting and heard a summary of the Consolidated Plan priorities, information about the draft Annual Action Plan, and were encouraged to participate in the consultation meetings. The City specifically invited neighborhood leaders, business owners, affordable housing providers, homeless services providers and others who may have attended previous public meetings or expressed an interest associated with the Consolidated Plan process. Please see, in the attachments section of this Plan, a summary of the January 12, 2016, public meeting and consultation meeting for more detail.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Please see, in the attachments section of this Plan, a summary of the January 12, 2016, public meeting and consultation meetings for more detail. Comments were grouped into seven themes: Better communication about Community Development Programs and Services, Economic Development Programs and Services, Homeless Services Coordination, Permanent Supportive Housing, Affordable Rental Housing, Affordable Homeownership, and Neighborhood Improvements.

6. Summary of comments or views not accepted and the reasons for not accepting them

There were no comments or views that were not accepted.

7. Summary

There is little change in the high priority needs identified by the Consolidated Plan completed last May. National trends show, and consultation feedback received from our partner agencies confirm, that affordable rental housing, especially for extremely low and very low income households, is becoming even more limited. Knoxville is seeing a marked change in the availability of affordable rental housing in recent years. The affordability periods on former tax subsidized multi-family housing are expiring and the developments are being converted to market rate housing. Private multi-family rental housing, that had been affordable to the very lowest income families, is being upgraded to attract university students with rents unaffordable to most current tenants (see attached). Programs receiving rapid re-housing and homelessness prevention funds for assisting the homeless and near-homeless are facing the 'double whammy' of having difficulty finding affordable units to move people into and then having to re-house people formerly housed because their unit has since become unaffordable.

The City of Knoxville Community Development Department will continue to prioritize affordable housing activities with the use of CDBG and HOME funds. Keeping both owner-occupied and rental housing affordable and in good repair as well as constructing new affordable rental housing will remain priority activities. This includes funding housing rehabilitation of both owner occupied and rental housing to bring housing that is in disrepair up to City Code. Included in this category are: energy efficiency improvements, as they help to keep housing affordable by lowering utility bills; accessibility improvements; and emergency and minor home repairs that maintain basic repairs on homes as well as preventing displacement of people.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	KNOXVILLE	
CDBG Administrator	KNOXVILLE	Community Development
HOPWA Administrator		
HOME Administrator	KNOXVILLE	Community Development
ESG Administrator	KNOXVILLE	Community Development
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative (optional)

The City of Knoxville Community Development Department receives Community Development Block Grant (CDBG) and HOME Investment Partnership grant funds currently. The City's *direct* allocation of Emergency Solutions Grant (ESG) funds to assist the homeless were discontinued by the U.S. Department of Housing and Urban Development (HUD) beginning in PY2014.

Consolidated Plan Public Contact Information

Linda Rust is the Community Development Administrator for the City of Knoxville and is the public contact for the Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports (CAPER). She may be reached at 865.215.2120, LRust@knoxvilletn.gov, or at 400 Main Street, Room 515, Knoxville, TN 37902.

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

Extensive consultation with both public and private housing and service providers were held in conjunction with the City's preparation for its Five Year Consolidated Plan completed in May 2015. In preparation for the Annual Action Plan update to the Consolidated Plan, consultation meetings were held in January 2016. The consultation meetings were held to discuss the four main priority areas that came out of the Consolidated Planning process: Strengthening Neighborhoods, Promoting Economic Development, Reducing and Ending Homelessness and Promoting Affordable Housing. For a complete listing of participants and summaries of the groups' input, please see in the attachments section, an attachment labeled "January 12, 2016, AAP Consultation Meetings."

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

Community Development staff held four consultation meetings in January 2016 to update the Consolidated Plan. Represented at these meetings were public (KCDC - Knoxville's PHA) and assisted housing providers (including Home Source East Tennessee, Positively Living, Helen Ross McNabb Center, East Tennessee Housing Development Corporation, Knoxville Habitat for Humanity, and Knoxville Leadership Association's Neighborhood Housing, Inc.), and private and governmental health, mental health and service agencies (Knoxville-Knox County Community Action Committee, Tennessee Department of Children's Services, Knox County Public Defender's Office, Compassion Coalition, Volunteers of America, and Connect Ministries). Multiple agencies provide both assisted housing and services such as Helen Ross McNabb Center, Volunteer Ministry Center, Salvation Army, Catholic Charities, and Positively Living also participated in the consultation activities.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

Knoxville's Consolidated Plan development and implementation is coordinated at a high level with the Knoxville-Knox County Continuum of Care (CoC). The CoC's planning and implementation process is coordinated by Knoxville Community Development staff on behalf of the Knoxville-Knox County Homeless Coalition, which operates as the designated CoC organization. The City of Knoxville, along with the CoC and other community partners has adopted a community *Plan to Address Homelessness*, which establishes strategies and priorities for addressing all homeless persons, including specific components

for chronic homelessness, families with children, veterans, and unaccompanied youth. This community plan is used to guide CoC efforts and is reflected in the priorities set forth in this Consolidated Plan.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Knoxville has adopted a coordinated community-wide *Plan to Address Homelessness*, which guides strategies and priorities for the CoC, for policies and procedures for the administration of Knox HMIS, for setting priorities for the allocation of ESG resources, and for establishing priorities for addressing homelessness within this Consolidated Plan. The entire purpose of the community's adopted *Plan to Address Homelessness* is to coordinate all of the community's resources – public, private, philanthropic, and faith-based – around a single set of priorities and strategies geared to prevent, reduce and end homelessness in Knoxville. As such, the CoC, ESG, HMIS and this Consolidated Plan are all coordinated together around these shared priorities and goals.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities.

Below is a table showing the agencies and organizations that participated in the consultation meetings on January 12, 2016.

City of Knoxville Community Development	City of Knoxville Grantee	All	400 Main Street, Knoxville, TN 37902	042453530
Knoxville's Community Development Corporation (KCDC)	PHA	PR, NA-35, MA-25, SP- 50, AP-60 and throughout	901 N Broadway St, Knoxville, TN 37917	07-491-4243
Home Source East Tennessee (formerly known as Knox Housing Partnership (KHP))	Non profit affordable housing provider and CHDO	PR, NA, MA, SP and AAP.	109 Winona St, Knoxville, TN 37917	95-926-9135
East Tennessee Housing Development Corporation	Non profit affordable housing provider and CHDO	PR, NA, MA, SP and AAP.	118 North Peters Road # 127 Knoxville, TN 37923	96-356-1365
Knoxville Habitat for Humanity	Non profit affordable housing provider	PR, NA, MA, SP and AAP.	1501 Washington Avenue, Knoxville, TN 37917	83-077-2190
Helen Ross McNabb Center	Non profit community mental health center and permanent supportive housing provider	PR, NA, MA, SP and AAP.	201 West Springdale Avenue, Knoxville, TN 37917	07-153-5470
Positively Living	Non profit permanent supportive	PR, NA, MA, SP and AAP.	1501 East 5th Avenue Knoxville, T N 37917	13-562-2459

	housing provider			
Knoxville Area Urban League	Non profit	AAP	1514 East 5 th Avenue, Knoxville, TN 37917	
Knoxville Leadership Foundation Neighborhood Housing Inc.	Non profit housing provider, CHDO	PR, NA, MA, SP and AAP.	901 East Summit Hill Drive, Knoxville, TN 37915	05-634-2533
Knoxville Knox County Community Action Committee (CAC)	Non profit community action agency and provider of housing construction and weatherization services	PR, NA, MA, SP and AAP.	2247 Western Avenue, Knoxville, TN 37921	13-972-7627
Volunteer Ministry Center	Non profit homeless services agency and permanent supportive housing provider	PR, NA, MA, SP and AAP.	511 N Broadway St, Knoxville, TN 37917	615596178
University of Tennessee at Knoxville	Public university (and HMIS provider)	PR, NA, MA, SP, AP, AAP	1331 Circle Park Drive Knoxville, TN 37996	058055950
Knoxville Chamber	Accredited Chamber of Commerce	PR, NA, AAP	17 Market Square #201, Knoxville, TN 37902	786566963

Knoxville Knox County Metropolitan Planning Commission (MPC)	Local government planning agency	PR, NA, MA, SP, AP, AAP	400 Main Street, 4 th floor, Knoxville, TN 37902	
Salvation Army	Non profit homeless and social service, and housing provider	PR, NA, MA, SP, AP, AAP	409 N Broadway St, Knoxville, TN 37917	125133707
East Tennessee Community Design Center	Non profit design and technical assistance service provider	PR, NA, MA, SP, AP, AAP	1300 N Broadway St, Knoxville, TN 37917	106200074
Dandridge Neighborhood Watch	Neighborhood organization	PR, AAP	unknown	
Knoxville Focus	Media/news paper	PR	4109 Central Avenue Pike, Knoxville, TN 37912	
Knoxville City Council	Local legislative body	PR, SP, AP, AAP	400 W Main St # L108 Knoxville, TN	
Catholic Charities of East Tennessee	Non profit homeless and social services, and housing provider	PR, NA, MA, SP, AP, AAP	119 Dameron Avenue, Knoxville, TN 37917	606777795
Delrose NW	unknown	PR, AAP	6514 Deane Hill Drive Knoxville, TN 37919-6005	

Catholic Diocese Samaritan Place	Non profit homeless and social services, and housing provider	PR, NA, MA, SP, AP,AAP	3009 Lake Brook Blvd. Knoxville, TN 37909	016445282
Volunteers of America	Non profit homeless and veterans social service provider	PR, NA, MA,AAP	2821 East Magnolia Avenue, Knoxville, TN 37914	
Connect Ministries	Non profit social service provider	PR, NA, MA, SP, AP, AAP	2340 East Magnolia Avenue, Knoxville, TN 37917	
SEED	Non profit	AAP	1617 Dandridge Avenue, Knoxville, TN 37915	
Tennessee Dept. of Children's Services	State Gov., Child Welfare	AAP	2600 Western Avenue, Knoxville, TN 37912	
Knoxville Botanical Garden and Arboretum	Advocacy, education	AAP	2743 Wimpole Avenue, Knoxville, TN 37914	
Knox Heritage	Advocacy, historic preservation	AAP	3425 Kingston Pike, Knoxville, TN 37919	
Knox County Public Defender's Office	Local government	AAP	1101 Liberty Street, Knoxville, TN 37919	
East Knoxville Group	Advocacy group	PR, AAP	Meets at Burlington Library	

Glenview HOA	Advocacy, neighborhood	AAP		
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Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

There were not any agencies or organizations excluded from the consultation process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	City of Knoxville	Knoxville's Consolidated Plan development and implementation is coordinated at a high level with the Knoxville-Knox County Continuum of Care (CoC). The CoC's planning and implementation process is coordinated by Knoxville Community Development staff on behalf of the Knoxville-Knox County Homeless Coalition, which operates as the designated CoC organization. The City of Knoxville, along with the CoC and other community partners has adopted a community Plan to Address Homelessness, which establishes strategies and priorities for addressing all homeless persons, including specific components for chronic homelessness, families with children, veterans, and unaccompanied youth. This community plan is used to guide CoC efforts and is reflected in the priorities set forth in this Consolidated Plan.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The City of Knoxville will continue to partner with other public entities, such as the Knoxville Knox County Community Action Committee, the Metropolitan Planning Commission, Transportation Planning Organization, Knox County, and the State of Tennessee in the implementation of the Consolidated Plan.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

During the Consolidated Planning process from October 2014 to mid-May 2015, the City of Knoxville reached out in new ways to broaden citizen participation. Taking advantage of new technologies such as the use of the internet for online surveys, social media for better outreach, polling/touch pad software for group meetings, were some of the methods identified that could be utilized. Staff also wanted to better engage difficult to reach populations – the very low income, those who are homeless/formerly homeless, refugees, and other minority populations. The strategies chosen included: a community needs online survey (in English and Spanish); three public hearings/meetings (one at each stage in the development of the plan); five focus group meetings on key community development issues (affordable housing, the needs of senior citizens, equity issues, the needs of Hispanic/Latinos, and public housing); polling meetings with targeted populations (public housing residents' association, refugees, homeless/formerly homeless residents, and two senior citizen companion groups); and questionnaires to community agencies (workforce/job training, the needs of African Americans, refugees, the arts, the needs of veterans, the needs of those with disabilities, domestic violence, the United Way, mental health/substance abuse, and youth issues).

The City's Community Development staff held a public meeting on January 12, 2016, as they were updating the Consolidated Plan with this Annual Action Plan. Citizens were invited to stay for consultation on 'Strengthening Neighborhoods,' one of the four priority areas that came out of the Consolidated Planning process. Represented at the meeting and consultation were citizens, neighborhood leaders/representatives, the Knoxville-Knox County Metropolitan Planning Commission, Knoxville Leadership Foundation/Neighborhood Housing, Inc., and the director and staff of the City's Office of Neighborhoods.

A second public meeting is being held on April 11, 2016, and those comments and input will be included in the Attachments section.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	<p>Minorities</p> <p>Non-English Speaking - Specify other language: Spanish</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Neighborhood Organization leaders</p>	<p>Fifty five people attended the Public Meeting on January 12, 2016, and fifteen people attended the consultation group meeting on Strengthening Neighborhoods held immediately afterward.</p>	<p>Please see the attachment labeled "January 12, 2016 AAP Public Meeting" for a summary of all four consultation meetings, including the Strengthening Neighborhoods meeting.</p>	<p>There were no comments that were not accepted.</p>	
2	Newspaper Ad	<p>Non-targeted/broad community</p>	<p>Public Notice in the Knoxville News Sentinel newspaper on December 26, 2015.</p>	<p>There were no comments received from this outreach.</p>	<p>NA</p>	
3	Internet Outreach	<p>Non-English Speaking - Specify other language: Spanish</p>	<p>Notice in the Spanish language online newspaper, Mundo Hispano.</p>	<p>There were no comments received from this outreach.</p>	<p>NA</p>	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Postcard Mailing	People who have attended previous Community Development meetings or have requested to be on the list	Postcard Notice to Community Development's mailing list, sent out in late December 2015.	No comments were received from the postcard mailing.	NA	
5	Office of Neighborhoods newsletter	Non-targeted/broad community Neighborhood Organization leaders	Weekly newsletter delivered by email and regular mail to some.	There were no comments received from this outreach.	NA	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Letter/Mail	City of Knoxville Neighborhood Advisory Council (NAC); business owners who have had/expressed interest in façade grants; affordable housing providers – public and private (including CHDOs); and providers of homeless housing and services	Representatives of these groups were invited to attend the January 12, 2016, public meeting and consultation meetings following.	Please see the January 12, 2016, Consultation Meeting notes in the Attachments section.	NA	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

The City of Knoxville has seen a decrease in HUD allocation amounts over the last five years for all of its grant programs - CDBG, HOME and ESG. The City's CDBG allocation dropped over 34%, from \$2,032,567 in PY2010-2011 to \$1,324,336 in PY2016-2017 (a difference of \$708,231). Its HOME allocation has dropped almost 50% over the same time period, from \$1,391,991 in PY2010-2011 to \$736,049 in PY2016-2017 (a difference of \$655,942). The City's ESG allocation has been unpredictable over the last five years - an increase in PY2011-2012 of over 75%, to \$146,665, to a 22% decrease the following year to being cut altogether for, now, *three* program years: PY2014-2015, PY2015-2016 and the upcoming PY2016-2017.

As for the ESG cut, American Community Survey (ACS) data showed a decrease in general population from the City of Knoxville, not a decrease in homeless people or need. Fortunately, the City has identified other resources to offset the loss of ESG funds. The State of Tennessee allocated \$130,308 of its ESG funds from HUD to the City of Knoxville for both PY2014-2015 and PY2015-2016. The City expects the State to do the same for the PY2016-2017 year as well, but there is no guarantee that it will be continued. The City of Knoxville also allocated its own general funds to support homeless service activities during PY2014-2015 and PY2015-2016. Again, we anticipate that, absent the direct allocation of ESG funds, the funding will be continued.

Program income and carryover funds (funds left unspent from previous years) for both the CDBG and HOME programs help to offset the allocation reductions to some degree, although, it is expected that any benefit from those funds will be fairly short-lived. Program income will wane as HUD allocations allow fewer new loans to homeowners. Rules requiring that program income funds be spent first and deadlines for expending entitlement funds (what's allocated to the City) hamper the City's efforts to do smaller-scale rehabilitations activities (the way we receive program income) are more labor intensive and take more time. As the HOME rules change, we have to expend funds more quickly it will reduce the amount of smaller, single family homeowner activities we can do.

The other significant concern potentially, is HUD's move to eliminating the FIFO (first in, first out) rule for spending down funds that began with the current program year (PY2015-2016). Currently, the City can hold in reserve funds for activities that take a little longer to complete. With the rule change, each year's grant funds will be tracked by the year. If there is no change with program income being required to be drawn first, it will be challenging to spend each year's entitlement funds fully, putting future funds in jeopardy.

We have based the figures below on the assumption that the City's funding allocations for future years will continue to decrease. We conservatively estimated that the City's CDBG allocations will

continue to be reduced by about 4% per year; HOME allocations will be cut by about 13% per year; and a direct ESG allocation will be reinstated to the City by PY2017-2018.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,324,336	150,000	902,295	2,376,631	4,713,559	A conservative estimate of a 4% decrease in the CDBG HUD Allocation each year was used to estimate across years 2017-2019.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	736,049	540,000	690,000	1,966,049	4,436,159	HOME funding has fluctuated over the last couple of years. A conservative estimate of a 4% decrease in the HOME HUD Allocation each year was used to estimate across years 2017-2019.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	0	0	0	0	390,000	The City expects its ESG allocation to be reinstated in PY2017-2018 at \$130,000 per year.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

On February 11, 2016, Community Development received notice of the 2016 formula allocations for Program Year Two. The City received a 2% decrease in CDBG and a 6.5% increase in HOME from the prior year's allocation. Unfortunately, the City did not get its direct allocation of ESG funds reinstated for PY2016.

The total amount of funding allocated for the two formula grants is \$2,060,385. For anticipated allocations for the remainder of the Consolidated Plan, the City estimates reflect a 4% reduction each year for CDBG and HOME each year. It is hoped that the City will get its direct allocation of ESG funds reinstated in PY2017. These budget estimates do not include program income estimates or match requirements.

Although the City anticipates a renewal of its HUD Lead Hazard Control and Healthy Homes Grants, it's not clear if it will be renewed or how much funding will be received. While neither the allocation process nor the funding for the new federal Housing Trust Fund is clear at this point in time, the City is hopeful it will help to fund rental housing initiatives for very low income households in Knoxville. The City will also continue to investigate and make application for additional funding streams that remain consistent with its mission and those that will also further the goals of the Consolidated Plan. The City will also continue to work with its partners in the community to encourage each of them to continue to leverage available funding sources and build capacity.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Knoxville owns vacant and improved property throughout the jurisdiction, most of which has been acquired over the years to address slum and blight. In the Consolidated Plan, the City has plans for acquiring additional properties leading to the redevelopment of a portion of the Lonsdale neighborhood into a 'Model Block.' Other properties owned by the City are made available through the City's Homemakers program or to Community Housing Development Organizations (CHDO) for the development of affordable housing.

Discussion

Program income and carryover funds (funds left unspent from previous years) for both the CDBG and HOME programs help to offset the CDBG allocation reductions to some degree, although, it is expected that any benefit from those funds will be fairly short-lived. Program income will wane as HUD allocations allow fewer new loans to homeowners. Rules requiring that program income funds be spent first and deadlines for expending entitlement funds (what's allocated to the City) hamper the City's efforts to do smaller-scale rehabilitations activities (the way we receive program income) are more labor intensive

and take more time. As the HOME rules change, we have to expend funds more quickly it will reduce the amount of smaller, single family homeowner activities we can do.

The other significant concern potentially, is HUD's move to eliminating the FIFO (first in, first out) rule for spending down funds that began in PY2015-2016. Currently, the City can hold in reserve funds for activities that take a little longer to complete. With the rule change, each year's grant funds will be tracked by the year. If there is no change with program income being required to be drawn first, it will be challenging to spend each year's entitlement funds fully, putting future funds in jeopardy.

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Blighted Property Acquisition and Maintenance	2015	2019	Affordable Housing Non-Housing Community Development	City of Knoxville	Strengthen Neighborhoods Promote Affordable Housing	CDBG: \$137,182	Housing Code Enforcement/Foreclosed Property Care: 80 Household Housing Unit Other: 3 Blighted units
2	Blighted Property Redevelopment	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$30,000	Other: 3445 Other (LMI HH in Census Tracts)
3	Design and Technical Assistance	2015	2019	Non-Housing Community Development	City of Knoxville	Strengthen Neighborhoods Promote Economic Development	CDBG: \$48,000	Other: 13 Other
4	Commercial Facade Improvement Program	2015	2019	Non-Housing Community Development	City of Knoxville	Strengthen Neighborhoods Promote Economic Development	CDBG: \$325,268	Facade treatment/business building rehabilitation: 6 Business
5	Public Facility Improvement	2015	2019	Non-Housing Community Development	City of Knoxville	Strengthen Neighborhoods Reduce and End Homelessness	CDBG: \$93,412	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 125 Persons Assisted
6	Public Services	2015	2019	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$149,505	Public service activities other than Low/Moderate Income Housing Benefit: 36 Persons Assisted

7	Owner Occupied Housing Rehabilitation	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$179,030 HOME: \$663,445	Homeowner Housing Rehabilitated: 13 Household Housing Unit
8	Emergency Home Repair	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$250,000	Homeowner Housing Rehabilitated: 64 Household Housing Unit
9	Minor Home Repair	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$120,000	Rental units rehabilitated: 16 Household Housing Unit Homeowner Housing Rehabilitated: 31 Household Housing Unit
11	Energy Efficiency Improvements	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End	CDBG: \$250,000	Rental units rehabilitated: 50 Household Housing Unit Homeowner Housing Rehabilitated: 33 Household Housing Unit

						Homelessness Promote Affordable Housing		
12	Rental Housing Rehabilitation and Development	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$219,367 HOME: \$600,000	Rental units rehabilitated: 40 Household Housing Unit
13	New Affordable Housing Construction	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$100,000 HOME: \$500,000	Rental units constructed: 30 Household Housing Unit Homeowner Housing Added: 5 Household Housing Unit
14	Down payment and Closing Cost Assistance	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Affordable Housing	HOME: \$75,000	Direct Financial Assistance to Homebuyers: 5 Households Assisted
15	Administration	2015	2019	Program Administration	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote	CDBG: \$294,867 HOME: \$127,604	Other: 1 Other

						Affordable Housing		
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1	Goal Name	Blighted Property Acquisition and Maintenance
	Goal Description	<p>To improve and promote quality of life in neighborhoods, the City of Knoxville will fund \$137,182 (see breakdown below) in CDBG funds to operate programs and fund activities for the acquisition and maintenance of properties to mitigate the negative impact of blighted properties.</p> <ul style="list-style-type: none"> • Blighted property acquisition – \$83,432 in CDBG funds for acquisition and disposition of 3 residential and/or commercial properties to mitigate the negative impact of blighted properties. • \$35,000 in CDBG funds for the maintenance of 80 blighted and abandoned lots that will eventually be redeveloped, by using Section 3 businesses/contractors and subcontractors to the maximum extent feasible. • \$18,750 in CDBG funds for project delivery expenses.
2	Goal Name	Blighted Property Redevelopment
	Goal Description	<p>To improve and promote quality of life in neighborhoods, the City of Knoxville will fund \$49,585 in CDBG funds to fund activities that will guide the development of the City's Model Block Redevelopment Program for the Lonsdale community:</p> <ul style="list-style-type: none"> • The East Tennessee Housing Development Corporation will receive \$19,585 to implement the Lonsdale Community Initiative program. <i>This will be funded under Public Service Activity under Goal 6 in this section of the Annual Action Plan.</i> The goal of the initiative is to “bring together a diverse population that has often been divided by race, country of origin, unspoken “boundaries” and different languages to create a shared vision” that will help guide the redevelopment of 40 City-owned lots into affordable housing. • In conjunction with this effort, the City will set aside \$30,000 for a feasibility study.
3	Goal Name	Design and Technical Assistance
	Goal Description	<p>To strengthen neighborhoods, as well as promote economic development, the City of Knoxville will fund planning and design technical assistance to organizations and others (such as developers) focused on neighborhood stabilization projects.</p> <ul style="list-style-type: none"> • Subcontract with East Tennessee Community Design Center for \$48,000 in CDBG funds for design and technical assistance to 13 organizations and others focused on neighborhood stabilization projects.

4	Goal Name	Commercial Facade Improvement Program
	Goal Description	<p>In order to promote economic development and the improvement of quality of life in neighborhoods, the City of Knoxville will use \$325,268 in CDBG funds (see breakdown below) to operate the Commercial Facade Improvement Program. The Commercial Façade program is a deferred payment loan program for exterior improvements to commercial businesses located in LMI areas to improve property values, create jobs and enhance commercial viability.</p> <ul style="list-style-type: none"> • The City of Knoxville will operate the Commercial Facade program that will use in \$250,000 CDBG funds to improve the appearance of 6 commercial buildings in redevelopment areas as well as assist businesses in expanding their operations, resulting in job creation. Construction work will be completed by using Section 3 businesses/contractors and subcontractors to the maximum extent feasible. • \$28,750 in CDBG funds will pay for project delivery expenses.
5	Goal Name	Public Facility Improvement
	Goal Description	<p>To improve quality of life of abused, neglected and/or abandoned children and youth, the City of Knoxville will use \$93,412 in CDBG for renovations to Catholic Charities' Columbus Home. Renovations will include new flooring and a new laundry room. Columbus Home intends to serve, over the course of one year, approximately 125 abused, neglected, and abandoned children, ages birth to age 17 (presumed LMI benefit) who stay at the facility for two weeks, until adoption or foster home placement.</p>

6	Goal Name	Public Services
	Goal Description	<p>To strengthen quality of life, strengthen neighborhoods and promote economic development, the City of Knoxville intends to fund \$149,505 in CDBG funds to public service activities. These include:</p> <ul style="list-style-type: none"> • East Tennessee Housing Development Corporation (discussed under blighted property redevelopment) with \$19,585 to implement the Lonsdale Community Initiative that will have an impact on Low Mod Census Tracts (estimated at 3,445 low/mod households) in the Lonsdale neighborhood; • Alzheimer’s Tennessee with \$15,000 to serve 16 elderly/disabled adults (presumed Low Mod Income) at the Howard Circle of Friends Adult Daycare Center; and • Neighborhood Housing, Inc. with \$114,920 for Workforce Development to assist approximately 20 Low Mod Income individuals with construction job training in a 16 week program that provides certification and job placement, as well as job experience and life skills training for disadvantaged young adults. This program is part of a critical support strategy for young adult career engagement and workforce development that seeks to alter the life course of young adults on a path to repeat recidivism, academic failure, and long term unemployment.
7	Goal Name	Owner Occupied Housing Rehabilitation
	Goal Description	<p>To promote affordable housing, improve and promote quality of life in neighborhoods, promote economic development, and reduce and end homelessness, the City of Knoxville use CDBG and HOME funds to operate the Owner Occupied Housing Rehabilitation program (see funding breakdown below). The program involves the rehabilitation of single family homes owned by LMI persons and constructed by using Section 3 businesses/contractors and subcontractors to the maximum extent feasible. Improvements focus on code violations, energy efficiency and health/safety issues.</p> <ul style="list-style-type: none"> • \$60,000 in CDBG funds and \$663,445 in HOME funds for the operation of an owner-occupied housing rehabilitation program that will benefit 13 LMI homeowners who need code related repairs on their homes. The City of Knoxville currently requires <i>Energy Star New Homes</i> certification for all replacement homes built under the City’s rehabilitation program and the maximum energy efficiency, with a minimum of Energy Star certification for rehabilitated houses. • \$119,030 in CDBG funds for project delivery expenses.

8	Goal Name	Emergency Home Repair
	Goal Description	To promote affordable housing, improve and promote quality of life in neighborhoods, promote economic development, and reduce and end homelessness, the City of Knoxville will fund The Knoxville Knox County Community Action Committee (CAC) \$250,000 in CDBG funds to provide 64 LMI homeowners with emergency/minor home repairs code-related, basic life and safety repairs to their homes. Section 3 businesses/contractors and subcontractors will be used to the maximum extent feasible.
9	Goal Name	Minor Home Repair
	Goal Description	To promote affordable housing, improve and promote quality of life in neighborhoods, promote economic development, and reduce and end homelessness, the City of Knoxville will fund Knoxville Leadership Foundation’s Neighborhood Housing, Inc. (NHI) \$120,000 in CDBG funds to provide 47 households with minor home repairs in LMI owner-occupied homes (estimated at 31 homeowners and 16 renters). The minor home repairs include mostly exterior repairs and accessibility modifications and will use volunteers mostly to assist with labor through NHI’s Operation Back Yard program. Section 3 businesses/contractors and subcontractors will be used to the maximum extent feasible.
11	Goal Name	Energy Efficiency Improvements
	Goal Description	To promote affordable housing, improve and promote quality of life in neighborhoods, promote economic development, and reduce and end homelessness, the City of Knoxville will fund the Knoxville Knox County Community Action Committee (CAC) \$250,000 in CDBG funds to operate the Weatherization, Health and Safety program to assist 83 LMI households (estimated at 33 homeowners and 50 renters) with energy efficiency, health and safety related improvements. Section 3 businesses/contractors and subcontractors will be used to the maximum extent feasible.

12	Goal Name	Rental Housing Rehabilitation and Development
	Goal Description	<p>To promote affordable housing, improve and promote quality of life in neighborhoods, promote economic development, and reduce and end homelessness, the City of Knoxville will use fund CDBG and HOME funds to operate the Rental Housing Rehabilitation program (see funding breakdown below). The program involves the rehabilitation and/or development of units to be occupied by LMI renters. Improvements focus on code violations, energy efficiency and health/safety issues. Section 3 businesses/contractors and subcontractors will be used to the maximum extent feasible. The City will continue to require the maximum energy efficiency, with a minimum of Energy Star certification.</p> <ul style="list-style-type: none"> • The City of Knoxville will use \$100,340 in CDBG funds and \$600,000 in HOME funds to provide approximately 40 LMI households with rental housing rehabilitation and/or develop up to 40 units of affordable rental housing. • \$119,027 in CDBG funds for project delivery expenses.

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13	Goal Name	New Affordable Housing Construction
	Goal Description	<p>To promote affordable housing, improve and promote quality of life in neighborhoods, and promote economic development, the City of Knoxville will fund New Affordable Housing Construction/LMI housing development that will be implemented by locally designated Community Housing Development Organizations (CHDOs). A minimum of 15% (\$110,408) of HOME funds per year must go to CHDO designated projects/activities. Section 3 businesses/contractors and subcontractors will be used to the maximum extent feasible. The City of Knoxville currently requires <i>Energy Star New Homes</i> certification for any new home built by a nonprofit CHDO partner. The City of Knoxville is committed to promoting visitability to the greatest extent possible in all of the housing development projects.</p> <ul style="list-style-type: none"> • CHDO partners will use \$175,000 in HOME/CHDO funds to construct 5 new affordable homes for LMI households. • Home Source of East Tennessee (formerly known as Knox Housing Partnership) will use approximately \$100,000 in CDBG funds to acquire property for the development of two, three-bedroom, two bath group home buildings (with communal living and kitchen spaces) to house 6 senior citizens (rental housing) funded by the State of Tennessee as a CHOICES pilot program. HOME funds in the amount of \$325,000 will be used for the development of an additional 24 units of rental housing for senior citizens on the same site, but in separate apartment units. • CHDO operating – Operating funds may be used for CHDOs to build organizational capacity.
14	Goal Name	Down payment and Closing Cost Assistance
	Goal Description	To promote affordable housing and improve and promote quality of life in neighborhoods, the City of Knoxville will use \$75,000 in HOME funds to operate a Down Payment and Closing Cost Assistance program that will assist 5 LMI homebuyers of CHDO-developed housing.
15	Goal Name	Administration
	Goal Description	<p>Administration expenses for general program administration.</p> <ul style="list-style-type: none"> • Up to \$294,867 in CDBG funds • Up to \$127,604 in HOME funds

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

The City, in partnership with its subrecipients, intends to use its HUD allocation of CDBG and HOME funds to provide affordable housing assistance to 412 households: 130 homeless and other special needs individuals (presumed to be low income because of the nature of their homelessness); 107 extremely low (0-30% of median income); 127 very low/low (30-50% of median income); and 48 low/moderate income (50-80% of median income). The breakdown of CDBG and HOME goals are below.

CDBG funds will be used to assist approximately 205 households: 75 extremely low (0-30% of median income); 80 very low (30-50% of median income); and 45 low/moderate income (50-80% of median income). Of the 205 households, the City plans to provide, through its subrecipients, assistance with emergency and minor home repairs to 194 households: 128 homeowner (45 extremely low; 52 very low and 31 low/mod income households) and 66 rental units (24 extremely low, 28 very low, and 14 low/mod income households); permanent supportive housing (rental housing) to 5 homeless men (all presumed to be extremely low to very low income); and assistance with property acquisition for the development of 6 units for a senior group home (all presumed to be extremely low income). The City also plans to provide CDBG assistance to a non profit that provides temporary housing to 125 abused, neglected, or abandoned children and youth.

HOME funds will be used to assist approximately 82 households: 32 extremely low (0-30% of median income); 47 low (30-50% of median income); and 3 moderate income (50-80% of median income). Of the 82 households estimated, the City plans, through its own in-house programs and CHDOs, to provide rehabilitation and new construction of 18 owner-occupied and 64 rental units. Five households (estimated to benefit 1 extremely low and 4 very low income households) will also receive assistance with downpayment costs for CHDO-developed owner occupied units.

AP-35 Projects – 91.220(d)

Introduction

The following are projects that have been set up in HUD's IDIS system to reflect budgeted activities.

#	Project Name
1	CDBG General Admin (non housing)
2	Housing Administration
3	Owner Occupied Housing Rehabilitation
4	East Tennessee Community Design Center - Technical Assistance
5	CHDO set aside
6	Commercial Facade Improvement Program
7	Down payment Assistance
8	Knoxville Knox COunty CAC Emergency Home Repair and Weatherization Assistance
9	Neighborhood Housing, Inc. Minor Home Repair and Accessibility Improvements
10	Rental Housing Rehabilitation
11	Blighted Property Acquisition Program
12	Lonsdale Model Block
13	Catholic Charities Columbus Home
14	2016 PS Alzheimers Tennessee
15	2016 Public Service - NHI Workforce Development
16	Home Source Land Acquisition
17	Permanent Supportive Housing

Table 8 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The Consolidated Plan process determined the four main priority areas for allocating CDBG and HOME funds – Strengthening Neighborhoods, Promoting Economic Development, Reducing and Ending Homelessness and Promoting Affordable Housing. Through the January 12, 2016 public and consultation meetings, further input was received regarding these priority areas. Applications from community agencies were requested, received, and rated as to how well they met the Consolidated Plan priorities. Programs provided in-house by the Community Development department (housing rehabilitation, down payment assistance, commercial façade improvement, blighted property acquisition, maintenance and redevelopment) were also allotted funds based on past performance and meeting priority needs.

Obstacles include decreasing funds from the federal government, increased reporting responsibilities that are passed down to subrecipient organizations, as well as new regulations that require additional staff time.

Projects

AP-38 Projects Summary

Project Summary Information

Table 9 – Project Summary

1	Project Name	CDBG General Admin (non housing)
	Target Area	City of Knoxville
	Goals Supported	Blighted Property Acquisition and Maintenance Blighted Property Redevelopment Design and Technical Assistance Commercial Facade Improvement Program Public Facility Improvement Public Services Owner Occupied Housing Rehabilitation Emergency Home Repair Minor Home Repair Energy Efficiency Improvements Rental Housing Rehabilitation and Development Administration
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$294,867
	Description	General expenses for administering the CDBG program. Up to 20% of the HUD CDBG allocation plus up to 20% of CDBG program income may be used for general administrative expenses each year.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	City of Knoxville
	Planned Activities	General program administration for CDBG.

2	Project Name	Housing Administration
	Target Area	City of Knoxville
	Goals Supported	Owner Occupied Housing Rehabilitation Rental Housing Rehabilitation and Development New Affordable Housing Construction Down payment and Closing Cost Assistance Administration
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$238,057 HOME: \$127,604
	Description	Administration for the City's housing programs (including CHDOs).
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	The City of Knoxville estimates that approximately 88 households will be assisted through the City's housing programs (including CHDOs) . Five households of the 88 will also receive downpayment assistance for CHDO developed housing.
	Location Description	City of Knoxville.
	Planned Activities	Owner occupied and rental housing development and rehabilitation, CHDO housing development and downpayment assistance to homebuyers of CHDO developed housing.
3	Project Name	Owner Occupied Housing Rehabilitation
	Target Area	City of Knoxville
	Goals Supported	Owner Occupied Housing Rehabilitation
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$60,000 HOME: \$663,445
	Description	Project expenses for the City of Knoxville's Housing Rehabilitation programs.

	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	The City of Knoxville will assist approximately 13 households with owner occupied rehabilitation.
	Location Description	City of Knoxville
	Planned Activities	Owner occupied housing rehabilitation through the City of Knoxville programs.
4	Project Name	East Tennessee Community Design Center - Technical Assistance
	Target Area	City of Knoxville
	Goals Supported	Design and Technical Assistance
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development
	Funding	CDBG: \$48,000
	Description	Design and technical assistance to organizations and others (developers) to assist in relieving blighted conditions in neighborhoods.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Low mod area benefit
	Location Description	City of Knoxville
	Planned Activities	The East Tennessee Community Design Center will assist approximately 13 organizations/others with design and technical assistance to benefit blighted buildings, areas.
5	Project Name	CHDO set aside
	Target Area	City of Knoxville
	Goals Supported	Rental Housing Rehabilitation and Development New Affordable Housing Construction
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	HOME: \$500,000

	Description	CHDO set aside, plus Home Source CHDO activity.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	The CHDO set aside amounts will be used to develop 5 new houses and 24 new rental units, for a total of 29 housing units.
	Location Description	City of Knoxville
	Planned Activities	The CHDO set aside amounts will be used to develop 5 new houses and 24 new rental units, for a total of 29 housing units.
6	Project Name	Commercial Facade Improvement Program
	Target Area	City of Knoxville
	Goals Supported	Commercial Facade Improvement Program
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development
	Funding	CDBG: \$325,268
	Description	Commercial Facade Improvement Projects and Project delivery expenses.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	City of Knoxville
	Planned Activities	Commercial Facade Improvement grants to 6 blighted businesses in redevelopment areas.
7	Project Name	Down payment Assistance
	Target Area	City of Knoxville
	Goals Supported	Down payment and Closing Cost Assistance
	Needs Addressed	Strengthen Neighborhoods Promote Affordable Housing
	Funding	HOME: \$75,000
	Description	Down payment assistance to home buyers of CHDO-developed housing.

	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Five home buyers of CHDO-developed housing will benefit from down payment assistance.
	Location Description	City of Knoxville
	Planned Activities	Home buyers assistance for CHDO-developed housing.
8	Project Name	Knoxville Knox County CAC Emergency Home Repair and Weatherization Assistance
	Target Area	City of Knoxville
	Goals Supported	Owner Occupied Housing Rehabilitation Energy Efficiency Improvements Rental Housing Rehabilitation and Development
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$500,000
	Description	Emergency Home Repair and weatherization assistance.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	CAC will assist approximately 147 households with emergency home repairs and weatherization assistance. It is estimated that 97 units will be owner-occupied and 50 units rental.
	Location Description	City of Knoxville only.
	Planned Activities	The emergency home repairs will be for owner occupied units only, while the weatherization program may assist renters as well (in conjunction with the KEEM and Round It Up programs).
9	Project Name	Neighborhood Housing, Inc. Minor Home Repair and Accessibility Improvements
	Target Area	City of Knoxville
	Goals Supported	Minor Home Repair

	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$120,000
	Description	Minor Home Repair and Accessibility Improvements
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 47 households (estimated at 31 owner occupied units and 16 rental units) will be assisted with minor home repairs and accessibility improvements.
	Location Description	City of Knoxville
	Planned Activities	Minor Home Repair and Accessibility Improvements
10	Project Name	Rental Housing Rehabilitation
	Target Area	City of Knoxville
	Goals Supported	Rental Housing Rehabilitation and Development
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$100,340 HOME: \$600,000
	Description	City of Knoxville Rental Housing Rehabilitation and Development programs.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	The City of Knoxville will assist approximately 40 households with affordable rental rehabilitation and/or develop new affordable rental units.
	Location Description	City of Knoxville
	Planned Activities	City of Knoxville Rental Housing Rehabilitation and Development programs.
11	Project Name	Blighted Property Acquisition Program
	Target Area	City of Knoxville

	Goals Supported	Blighted Property Acquisition and Maintenance Blighted Property Redevelopment
	Needs Addressed	Strengthen Neighborhoods Promote Affordable Housing
	Funding	CDBG: \$137,182
	Description	Blighted property acquisition project expenses and project delivery expenses.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	The City of Knoxville estimates that approximately 3 lots/houses will be acquired to be developed and/or 80 lots maintained.
	Location Description	City of Knoxville
	Planned Activities	Blighted property acquisition and maintenance.
12	Project Name	Lonsdale Model Block
	Target Area	City of Knoxville
	Goals Supported	Blighted Property Redevelopment Public Services
	Needs Addressed	Strengthen Neighborhoods Promote Affordable Housing
	Funding	CDBG: \$49,585
	Description	Lonsdale Model Block
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Low Mod Area benefit; 3445 Low Mod people in Census Tract.
	Location Description	City of Knoxville
	Planned Activities	Lonsdale Model Block
13	Project Name	Catholic Charities Columbus Home
	Target Area	City of Knoxville
	Goals Supported	Public Facility Improvement

	Needs Addressed	Strengthen Neighborhoods Reduce and End Homelessness
	Funding	CDBG: \$93,412
	Description	Rehabilitation of Columbus Home - new floors and laundry area.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Catholic Charities serves approximately 125 abused, neglected, and abandoned children and youth each year.
	Location Description	Columbus Home.
	Planned Activities	Rehabilitation of Columbus Home - new floors and laundry area.
14	Project Name	2016 PS Alzheimers Tennessee
	Target Area	City of Knoxville
	Goals Supported	Public Services
	Needs Addressed	Strengthen Neighborhoods
	Funding	CDBG: \$15,000
	Description	Public Service Activity - Support for Howard Circle of Friends Day Center for adults with Alzheimers.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	The Adult Day Center will support 16 City of Knoxville residents with Alzheimer's disease.
	Location Description	City of Knoxville only
	Planned Activities	Public Service Activity - Support for Howard Circle of Friends Day Center for adults with Alzheimers.
15	Project Name	2016 Public Service - NHI Workforce Development
	Target Area	City of Knoxville
	Goals Supported	Public Services
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development
	Funding	CDBG: \$114,920

	Description	Support for NHI Workforce Development program.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	Neighborhood Housing will train 20 young adults in construction and other job related skills.
	Location Description	City of Knoxville
	Planned Activities	Neighborhood Housing will train 20 young adults in construction and other job related skills.
16	Project Name	Home Source Land Acquisition
	Target Area	City of Knoxville
	Goals Supported	Rental Housing Rehabilitation and Development
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$100,000
	Description	CDBG funds used for land acquisition for HOME Source.
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	HOME Source will acquire property to develop two group homes (state funded) with six units of rental housing to seniors and later, 24 units of affordable rental housing for seniors.
	Location Description	City of Knoxville
	Planned Activities	HOME Source will acquire property to eventually develop 24 units of affordable rental housing.
17	Project Name	Permanent Supportive Housing
	Target Area	City of Knoxville
	Goals Supported	Rental Housing Rehabilitation and Development
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing

Funding	CDBG: \$180,000
Description	CDBG funds added to complete Positively Living units. Development of permanent supportive housing for persons who are homeless.
Target Date	6/30/2017
Estimate the number and type of families that will benefit from the proposed activities	Five additional units to be completed within Positively Living's building.
Location Description	City of Knoxville
Planned Activities	Five additional units to be completed within Positively Living's building.

DRAFT

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Knoxville has one target area, the entire city. The City may choose to add more localized target or strategy areas later, as needs and/or opportunities arise.

Geographic Distribution

Target Area	Percentage of Funds
City of Knoxville	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City of Knoxville has one target area, the entire city. The City may choose to add more localized target or strategy areas later, as needs and/or opportunities arise.

Discussion

The City of Knoxville has one target area, the entire city. The City may choose to add more localized target or strategy areas later, as needs and/or opportunities arise.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	5
Non-Homeless	264
Special-Needs	18
Total	287

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	40
Rehab of Existing Units	247
Acquisition of Existing Units	0
Total	287

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion

Not included in this total are the estimated 125 children temporarily housed at Columbus Home.

AP-60 Public Housing – 91.220(h)

Introduction

Knoxville’s Community Development Corporation (KCDC) is the City of Knoxville and Knox County public housing authority. Currently KCDC’s affordable housing portfolio includes 3,525 low-income public housing units, 3,948 Housing Choice Vouchers, and 82 Mod-Rehab units. Over the years, the agency has primarily used Capital Fund Program and Replacement Housing Fund grants to improve or replace deteriorated housing; these funds are limited, and they decline from year to year, leaving KCDC and agencies like it in a bind as far as future capital improvements are concerned.

Actions planned during the next year to address the needs to public housing

The decline in funding has caused KCDC to more creatively approach the capital needs of its properties. KCDC is looking at conversion of several of its low-income public housing properties to PBRA/RAD. RAD, short for Rental Assistance Demonstration, was designed by HUD to assist in addressing the capital needs of public housing by providing KCDC with access to private sources of capital to repair and preserve its affordable housing assets. PBRA/RAD allows for mixed financing options via loans and Low Income Housing Tax Credits, Knoxville Housing Development Corporation, City of Knoxville and private lenders in conjunction with Capital Funds, Operating Subsidy and Replacement Housing Factor funds.

KCDC anticipates conversion of approximately 2/3 of properties to PBRA/RAD within the next 18 months. The first conversion occurs on April 1, 2016, when Autumn Landing and Nature’s Cove become the first two RAD properties. Remaining conversions are planned in two phases, deemed Tranche I and Tranche II.

In conjunction with plans for RAD conversion, KCDC has worked hard during FY 2016 to address its properties’ capital needs via existing CFP and CDBG monies.

Below is a chart showing the status of FY2015 Capital Fund projects:

FY 2015 CAPITAL FUNDS UPDATE

ITEM DESCRIPTION	IN PROGRESS	COMPLETED
PTACS for High-Rises: Love, Cagle, Northgate	X	
HVAC Replacement Vista – 54 units	X	
Zone Valves at North Ridge Crossing – 20 valves	X	
Zone Valves at Valley Oaks – 14 valves	X	

Main Cut-Off Valves at Western Heights – 148 valves	X	
Hallway Window Repairs at Isabella Towers	X	
HVAC Roof units as needed at Main Office		X
Parking Lots at Taylor Homes		X
Smoke Alarms at Nature’s Cove		X
Smoke Alarms at Autumn Landing		X
Western Heights B&G HVAC Replacement (2 units)		X
ADA Parking Lot striping & signage		X
PTACS for High-Rises: Isabella		X
CDBG at Nature’s Cove for Bathroom Renovation		X
Roof Replacement at Passport Homes/Residences		X
Flooring Replacement at Vista		X
HVAC Replacement North Ridge Crossing		X
Western Heights B & G Club Flooring and Painting		X

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Residents participate and provide feedback related to KCDC’s planning and implementation of projects through the Knoxville Tenant Council, site-based resident associations and the Section 8 Advisory Board. Residents who are not working, participating in economic self-sufficiency programs, or are not elderly or disabled perform required community service monthly in order to contribute to their neighborhoods.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

KCDC is not designated a troubled housing authority.

Discussion

KCDC has received CHAP Awards for all Tranche I RAD properties. Beyond PBRA conversion activities for

Autumn Landing/Nature's Cove (TN003000031), KDCDC has been awarded a Portfolio-Wide Project-Based Rental Assistance conversion for Dr. Lee William's Senior Complex (TN003000009) and Walter P. Taylor Homes (TN003000008) that consists of five phases. Phase I at Dr. Lee Williams Senior Complex conversion contains new construction plans for a 90-unit elderly/disabled complex. Phase II at Walter P. Taylor Homes conversion contains new construction plans for an 84-unit family complex that will include a playground, computer stations, outdoor green space and a greenway path for walking and biking.

DRAFT

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Based on information in the 2014 Housing Inventory Count for the Knoxville-Knox County Continuum of Care, the Knoxville community provides a significant array of shelter, services and housing for the homeless. A large part of those beds and services slots are available to serve broad needs, but there are also some that are designated to serve specific populations and needs. Households with adults and children are served with a number of designated emergency shelter beds, with the majority of those designated specifically for families that are escaping domestic violence situations. Rapid Re-housing programs provide families with help to gain access to permanent housing. Chronically homeless households and military veterans benefit from designated permanent supportive housing beds, both in specialized housing developments and in scattered-site locations supported with housing choice vouchers. Unaccompanied youth, however, remain underserved. In the past, homeless youth were served with runaway shelter beds, but the runaway shelter was closed in 2015. Although there has been an attempt at a replacement, it is not as effective as it could be.

The Mayor's Roundtable on Homelessness brings together the leadership of area homeless service providers and other stakeholders to oversee implementation of the Knoxville's Plan to Address Homelessness. In 2015, the Roundtable adopted a set of standards of care for outreach, case management, and housing placements. This document fulfills an objective identified in the homelessness plan by creating a common set of expectations for these types of service, based on known best practices. These standards are intended both to assure a consistent level of services among the array of existing providers, and also assure that any new providers in the community are also prepared to meet expectations for meeting the needs of those experiencing homelessness in our community.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Street outreach programs are provided through CAC Homeward Bound, Helen Ross McNabb Center's PATH program, Positively Living and others. Outreach is conducted to inform unsheltered persons of available resources and to encourage them to take advantage of these resources. The Homeless Coalition convenes an interagency workgroup to coordinate efforts and resources to work with particularly challenging cases in order to get them off the streets, into permanent housing and connected with appropriate resources.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Knoxville's community homelessness plan seeks to coordinate and improve our emergency and transitional housing resources. In particular, the focus is on achieving positive outcomes for each individual family, and measurement of success in gaining access to permanent housing and needed

resources, rather than ongoing distribution of meals, shelter nights and so forth.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City of Knoxville is implementing several rapid re-housing initiatives, with a focus on shortening duration of homelessness, gaining access to appropriate, affordable, permanent housing, and gaining access to appropriate services and resources that will help each individual and family become stabilized in permanent housing. Programs are focused in particular on chronically homeless individuals and families, as well as veteran households and families.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The City of Knoxville is seeking to implement targeted homelessness prevention efforts that can successfully identify families and individuals at immediate risk of homelessness and provide the appropriate intervention that will prevent homelessness. Several years ago, the City created an initiative to provide case management for disabled and elderly public housing residents who are identified as being in immediate danger of eviction. Case management services have proved highly effective at remedying the circumstances that would cause eviction and helping the tenants remain stably housed. The local utility service is coordinating with the Knoxville-Knox County CAC to fund and carry out a weatherization program targeted to low income residents whose high utility bills are likely to endanger their ability to remain housed. Knoxville Utilities Board will be implementing a program to round up customers' utility bills to the nearest dollar and to use the funds raised to pay for the weatherization program. The City will continue to look for other similar interventions that can prevent homelessness by stabilizing individuals and families in their existing housing.

The City of Knoxville does not receive HOPWA funds.

One year goals for the number of households to be provided housing through the use of HOPWA for:
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family
Tenant-based rental assistance
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds
Total

DRAFT

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

Some barriers to affordable housing include: Complexity of the Development Process; Acquiring and Assembling Inner City Parcels; Increasing Cost of Development; Lack of Available Government Programs and Subsidies; and Choice in Affordable Housing Location.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Please see attachment.

Discussion

New programs have been designed to encourage private investment in older neighborhoods. Previously, incentives targeted to assist and encourage residential development were developed independently from commercial incentives. Policies on redevelopment try to coordinate residential redevelopment with adjacent neighborhood commercial development so that both come on line at the same time. This serves to support both efforts.

Additionally, mixed use development that combines ground floor use with upper level housing use is underway downtown as well as in smaller commercial nodes outside of the City center. The City's Commercial Façade Improvement program provides funds to assist in such development.

AP-85 Other Actions – 91.220(k)

Introduction

This section concerns other actions to address: obstacles to meeting underserved needs; fostering and maintaining affordable housing; lead based paint hazards; reducing the numbers of poverty level families; to develop institutional structure; and to enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

Current funding levels and funding restrictions inhibit the ability to meet all needs. The City continues to meet many community needs in our priority categories. The City encourages conversations between agencies in an effort to meet community needs in a coordinated way.

As part of its Sustainable Communities Regional Planning Grant, the City of Knoxville, through PlanET, completed a Fair Housing and Equity Assessment (FHEA) and documented issues that impact housing equality. The PlanET Equity Team was created to ensure that equity and access to opportunity are a core part of the PlanET effort. The PlanET Equity Team values creation of a region where there is access to opportunity, economic prosperity and inclusion, and an intention to build long term capacity to create fair, just, and impartial communities. The PlanET Equity Team will ensure that equity is a core part of the fabric of PlanET by focusing on: Prioritizing outreach efforts for those in our region identified as the most negatively affected by inequity; and Leading and organizing in the development of the PlanET Fair Housing and Equity Assessment (FHEA) and ensuring its inclusion and actionable impact within our region. See more information, including specific recommendations of the Plan East Tennessee Equity Profile, under attachments for this section.

The City will also continue to conduct the following activities that affirmatively further fair housing: Counseling and referrals, as necessary, to the Tennessee Human Rights Commission; Education and outreach to residents, housing providers, lenders, social/human service and general community; Dissemination of information to the local news media on fair housing and equality issues and activities; Participation in training sessions, workshops, and conferences; Developing and Promoting Fair Housing training with landlords who participate/are interested in participating in the City's Rental Housing Rehabilitation and Development program; Visible placement of equal opportunity housing logo on relevant City publications and housing programs that use City, CDBG, HOME, and ESG funding; Staff support and/or technical assistance to the Equality Coalition for Housing Opportunity, the Council On Disability Issues, Disability Resource Center, Knoxville-Knox County Homeless Coalition, and Dr. Martin Luther King Jr. Commemoration Commission; Operation and/or funding of programs which promote housing opportunities, such as homeownership education and down payment assistance, housing improvements, and new housing development; Monitoring and studying fair housing and equal opportunity compliance; and Promoting applicable civil rights legislation and regulations relative to fair

housing and equal opportunity.

To serve all citizens, Community Development will provide Braille materials, materials recorded on audiocassettes, and interpreters for the hearing impaired with a week's prior notice of special needs.

Community Development is committed to meeting the needs of non-English speaking residents in the case of public hearings where a significant number of non-English speaking residents are expected to participate. Foreign language interpreters and materials translated in the appropriate language will be provided with a week's prior notice of need. The City is supporting a local CHDO who works primarily in a redevelopment neighborhood with a large Spanish speaking population. The CHDO will be hiring a Spanish speaking financial coach who will work one on one with potential homebuyers to help them reach their goals, including homeownership.

Actions planned to foster and maintain affordable housing

Other than what it can fund directly with HUD funds, the City of Knoxville supports the development of new affordable housing by assisting KCDC, the public housing authority. Knoxville's Community Development Corporation (KCDC) is focusing on the revitalization of the Five-Points neighborhood which includes the Walter P. Taylor Homes public housing development. Previous phases of this plan included construction of 20 units of elderly housing, 25 family units on scattered sites in-fill lots and development of 85 units of elderly housing at the Residences at Eastport. Funded with low-income housing tax-credits, the next phase of construction will be 90 units of elderly/disabled housing on the WPT homes site. KCDC has also applied for tax-credits this year for 84 new family units, also to be constructed on the WPT homes site. The City of Knoxville has invested \$2,581,991.56 of local dollars on the revitalization to date. With the next two phases of housing construction, the City will provide \$2,400,000 for infrastructure improvements to include new streets, sidewalks, lighting and landscaping. The City has pledged a total of \$8 million in local funds to assist with the revitalization project.

The City also supports private developers of affordable housing by assisting with documentation required by the State of Tennessee for tax credits through the Tennessee Housing Development Agency (THDA).

Also to help foster relationships between public and private housing providers, the City of Knoxville will facilitate the development of an affordable housing focus group that will meet once quarterly to discuss affordable housing needs.

Actions planned to reduce lead-based paint hazards

According to CHAS data and HUD formulas, it is estimated that City-wide, 67% of the housing stock was built prior to 1978. Based on experience with housing rehabilitation and lead paint testing, it is estimated that 80% of the units built before 1978 contain lead paint hazards. Of these housing units, an

estimated 20,400 are occupied by low, very low, and extremely low income households.

The City will continue to implement the HUD regulations for elimination of lead based paint hazards. The program to identify lead based paint hazards is an integral part of the total process for housing rehabilitation. All pre-1978 housing units, which are identified for the rehab program, receive a lead hazard screen and/or lead inspection to determine if lead hazards are present. If a lead hazard is identified, a risk assessment is prepared to define the hazards and to define the remediation necessary to eliminate the hazards. The actual remediation work is accomplished as part of the rehab work. All lead inspections/risk assessments are prepared by an EPA State certified inspector/risk assessor, being either a third party vendor or a Rehab Specialist staff member. All lead hazard control field work is completed by an EPA State certified lead abatement firm.

In August 2013, the City of Knoxville was awarded a three-year Lead Hazard Control Grant from HUD's Office of Healthy Homes and Lead Hazard Control in the amount of \$2.5 million to address lead based paint hazards in the City. With these funds, the City was able to add an education component as well as lead testing and abatement to all home repair programs.

These actions will reduce the number of housing units in the City with lead based paint hazards and increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families.

Actions planned to reduce the number of poverty-level families

The City of Knoxville Community Development Department implements programs that benefit low and moderate income individuals (LMI), families and neighborhoods in an effort to reduce poverty and improve the quality of life.

Programs that create home ownership opportunities provide LMI families with the ability to build wealth while serving to stabilize neighborhoods. Housing rehabilitation results in lower energy costs and savings to the homeowners. Economic development programs, such as the commercial façade program, create job opportunities in LMI neighborhoods by improving the business's ability to attract customers and grow. Development of affordable rental housing for LMI families and individuals increases their opportunity to save income and become self-sufficient.

The City of Knoxville, in cooperation with Knoxville's Community Development Corporation (KCDC), the city's redevelopment authority, implements redevelopment plans in low and moderate income areas to strengthen public and private investment and create job opportunities and neighborhood revitalization.

All families participating in Community Development programs will see an improvement in their

economic condition and it is anticipated that the number of families in poverty will be reduced.

The City of Knoxville Community Development Department applied for a Section 108 Loan Guarantee Program loan in September 2015 to assist in the redevelopment of a historic hotel building in Downtown Knoxville. The \$2.9 million loan will be used to fill the gap in development costs of a national brand hotel creating 61 full-time equivalent jobs. The total project cost is \$18.7 million. Approval of the loan is anticipated very soon.

Actions planned to develop institutional structure

The Knoxville/Knox County community has many qualified and experienced nonprofit agencies that assist the City in the implementation of the Consolidated Plan. Many of the existing programs, especially among homeless service providers, that are funded by the City have been redesigned for efficiency in the last several years as funding priorities have shifted. During this time, the City has continued to expand efforts to increase the number of opportunities for participation from outside organizations.

There continues to be a need to develop and encourage the participation of neighborhood organizations and other groups in the community development process. There are additional efforts to strengthen the capacity of Community Housing Development Organizations (CHDO) to carry out housing development activities funded through the City.

Actions planned to enhance coordination between public and private housing and social service agencies.

The City provides support to the Knoxville Homeless Coalition and hosts a quarterly Mayor's Roundtable on Homelessness that brings together public and private housing providers and social service agency representatives.

Discussion

The City is committed to addressing: obstacles to meeting underserved needs; fostering and maintaining affordable housing; lead based paint hazards; reducing the numbers of poverty level families; developing institutional structure; and enhancing coordination between public and private housing and social service agencies.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

This section describes the various program specific requirements for the Community Development Block Grant, HOME Investment Partnership, and Emergency Solutions Grant programs.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

- | | |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income: | 0 |

Other CDBG Requirements

- | | |
|---|--------|
| 1. The amount of urgent need activities | 0 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 70.00% |

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is

as follows:

The City does not plan to use forms of investment other than those specified in 24 CFR 92.205(b).

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The City uses recapture provisions to ensure affordability in the HOME assisted homeownership program. When HOME funds are used to assist homeownership, the housing will be subject to the following affordability period:

- Five years when the per unit HOME investment is under \$15,000
- Ten years when the per unit HOME investment is \$15,000-\$40,000
- Fifteen years when the per unit HOME investment exceeds \$40,000

If the house is sold by the homeowner during the affordability period, the City will recapture HOME funds out of net proceeds as follows:

- The amount of HOME investment to be recaptured will be reduced on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.
- If the net proceeds are not sufficient to recapture the balance owed on the HOME investment as determined above plus enable the homeowner to recover the amount of the homeowner's down payment, the City and the owner will share the net proceeds.
- The net proceeds are the sales price minus loan repayment (other than deferred payment loan HOME funds) and closing costs. The net proceeds will be divided proportionally according to the following formulas: A forgivable loan will be used to finance the HOME assistance to the homebuyer. The HOME balance will be forgiven in full at the end of the affordability period if the homebuyer remains the owner and the occupant for the full period. Additional HOME funds may be provided as a fully amortizing and repayable loan. The recapture provision will be enforced through the homebuyers financing agreement with the City, which will be secured by a Deed of Trust. The recaptured amount of HOME funds will be used for HOME eligible activities.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The City uses recapture provisions to ensure affordability in the HOME assisted homeownership program. When HOME funds are used to assist homeownership, the housing will be subject to the following affordability period:

- Five years when the per unit HOME investment is under \$15,000
- Ten years when the per unit HOME investment is \$15,000-\$40,000
- Fifteen years when the per unit HOME investment exceeds \$40,000

If the house is sold by the homeowner during the affordability period, the City will recapture HOME funds out of net proceeds as follows:

- The amount of HOME investment to be recaptured will be reduced on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.
- If the net proceeds are not sufficient to recapture the balance owed on the HOME investment as determined above plus enable the homeowner to recover the amount of the homeowner's down payment, the City and the owner will share the net proceeds.
- The net proceeds are the sales price minus loan repayment (other than deferred payment loan HOME funds) and closing costs. The net proceeds will be divided proportionally according to the formula above.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not intend to use HOME funds to refinance existing debt that is secured by multifamily housing during this program year.

**Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)**

1. Include written standards for providing ESG assistance (may include as attachment)

The City of Knoxville is not currently receiving (since PY2013) Emergency Solutions Grant (ESG) funding from HUD and does not expect to receive a direct allocation of ESG funds until after PY2016. However, the State of Tennessee, through the Tennessee Housing Development Agency (THDA), has allocated a portion of its ESG allocation from HUD to the City of Knoxville for the last

two program years (PY2014 and PY2015). The City hopes that THDA will allocate a portion of its 2016 funds to the City as well. The City of Knoxville administration and City Council have also allocated local general funds to homeless activities.

See this in the Attachments.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Knoxville Knox County CoC has designated Knox HMIS as its coordinated assessment system. Use of Knox HMIS for intake and assessment creates a "no wrong door" scenario that enables those seeking help to come into the system through any participating provider and, through the intake and assessment process, gain access to the resources that will most appropriately and effectively meet their needs.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City of Knoxville is not currently receiving (since PY2013) Emergency Solutions Grant (ESG) funding from HUD and does not expect to receive a direct allocation of ESG funds until after PY2015. However, the State of Tennessee, through the Tennessee Housing Development Agency (THDA), has allocated a portion of its ESG allocation from HUD to the City of Knoxville for the last two program years (PY2014 and PY2015). The City hopes that THDA will allocate a portion of its 2016 funds to the City as well.

The City has a "Request for Proposals" process where organizations and agencies can submit an application. The applications list the component areas of the ESG program. Prior to the submission of applications, the City holds a Technical Assistance Workshop to review ESG programmatic structure, go over specific questions in the application, and to answer questions.

Upon receiving applications, the City has a staff review team. Each application is rated on how the proposed program fits within the ESG programmatic components and meets a crucial homelessness-based need. Organizations and agencies are then recommended for funding. Contracts are developed which outline expectations, rules, regulations, policies and procedures.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City has a Mayor's Roundtable on Homelessness which is a forum for addressing long-term solutions. This group is diverse, and includes organizations, agencies, civic leaders and a formerly

homeless individual. The Knoxville-Knox County Homeless Coalition is a larger entity and has several former homeless individuals, many of whom now work at homeless shelters or human/social service agencies. All of the City's subgrantees have a homeless individual or a former homeless client on either their advisory council or board of directors. The City believes that these individuals provide a wealth of knowledge, and maintains documentation on file to support that this level of interaction occurs.

5. Describe performance standards for evaluating ESG.

There is a performance criteria section in each subgrantee contract. Two components include: (1) Quantifiable Performance Standards (the services an organization or agency will provide); and (2) Quarterly Performance Goal (a numerical projection of what an organization or agency will achieve each quarter).

On a quarterly basis, organizations and agencies submit reports describing services rendered and number of individuals served. The City reviews these reports to measure, validate and verify how services have improved and enhanced the lives of clients in compliance with ESG standards. At the end of the contract period, organizations and agencies provide a cumulative report, and the City uses this information to assess performance as well to formulate data for year-end reports.

The City also monitors each subgrantee on a yearly basis. Monitoring is done on-site. The focus of monitoring is :

- (1) To review operations: administrative, financial and programmatic;
- (2) To assess the reliability of internal controls (general management/business practices and procedures);
- (3) To verify contractual and regulatory compliance (city, state and federal);
- (4) To verify that goals and objectives (performance criteria and standards) are met.
- (5) To verify the civil rights requirements are met;
- (6) To test the reliability/validation of invoices and reports (documentation);
- (7) To determine if costs and services are allowable and eligible, and that clientele served is eligible; and
- (8) To ensure and assure that the agency has the capacity to carry out the project.

Discussion

The City has a monitoring checklist that spells out various criteria and items to review.

A monitoring summary report is sent within thirty days of the visit. As appropriate, an organization or agency has thirty days to respond to any concerns/findings.

DRAFT

PY2016-2017 Annual Action Plan Attachments

AP-10 Consultation – January 12, 2016 Consultation Summary of Meeting Notes.....page 2

AP-10 Consultation – January 12, 2016 Consultation Notes for each grouppages 4-10

AP-75 Barriers to Affordable Housingpage 11

AP-90 Program Specific Requirementspage 12

AP-10 Consultation Meeting Notes Summary

January 12, 2016 AAP Public Meeting

Synopsis of Small Group Consultation Meetings

Community Development Programs and Services

- Better communication and marketing
- Create a chart/brochure showing the need first, and then the applicable program, eligibility and who to call. This could be updated annually
- Place a real estate style sign to indicate when a city program (or city sponsored program) is involved. When completed, put up a large banner
- Use websites and social media to communicate
- Add more supportive resources to city website such as videos of conferences or workshops. This would allow neighbors to point others to such resources.
- Make more people aware of 211

Economic Development Programs and Services

- Better communication and marketing
- Have an Ombudsman/a central place to get information
- Have training available (on line) on how to access city services and programs
- Work with Patricia and Chamber to:
- Bring investors to a round table meeting to promote economic development and
- Host (on a regular basis) a brown bag lunch, "How to access ..." w/different guest speakers
- Highlight what a particular City department does (or what a local organization does) to support economic development - Communications

Homeless Services Coordination

- (Thanks to the City for the Landlord Summit)
- Place more emphasis on implementation and solution planning (workgroups) from the Mayor's Round Table on Homelessness since the key players are in the room
- Have the Mayor's Roundtable on Homelessness or the Homeless Coalition (maybe need a subcommittee?) to look at youth homelessness and lack of coordination in their care
- There are no services for homeless youth; no coordination at all; no quick entry to shelter
- There is no emergency shelter for youth that is appropriate (youth are often targeted and at-risk of rape and other crimes); KARM and SA are not appropriate/there is no runaway shelter anymore and no runaway outreach (youth won't seek services the same way as adults)
- Don't have a true count of the number of homeless youth in Knoxville
- Help veterans with housing by
- Develop landlord relations
- National push to end veterans homelessness - number of veterans who are homeless in Knoxville is decreasing (580 veterans literally homeless with 305 housed – this year)
- Number of former offenders are increasing (some are veterans) and criminal record keeps them from getting housing
- Some veterans become homeless again (can't pay their rent , get evicted)

- Veterans are engaged in services, but not necessarily case management services
- Help homeless families
- No family emergency shelters – men with children, large families (Family Promise is not an emergency shelter)
- No place for families with special needs children (ex. Autism)
- Intact families need to stay together in emergency shelters
- Not enough transitional housing for families

Permanent Supportive Housing

- More appropriate housing meaning a specific group may need smaller units with care coordination
- For the chronically homeless (changing definition)
- Expand the Catholic Charities Samaritan Place model for homeless seniors – a need identified over the last few years for seniors who don't meet criteria for nursing homes and for seniors who are being discharged from nursing homes

Affordable Rental Housing

- There's very little turnover in KCDC housing
- CAC cited 2-3 apartment developments becoming unaffordable and having to relocate families; Arbor Place is becoming gentrified; and Southwood is being marketed to UT students (went from \$350/month in rent to \$650-\$750/month)
- CAC has rapid re-housing funds (deposit \$) but have problems with lack of affordable housing to put people into
- Lack of affordable housing availability that is assessable (credit history, criminal history), accessible (physical issues/barriers, on public transportation) and appropriate (for level of support needed)
- Lack of affordable housing for families in all parts of town and specifically for large families.
- Lack of affordable housing for singles. Huge waiting list at KCDC for singles
- Problems with credit and insufficient income.
- Problems with substandard housing.
- Would like to see more money available for rental projects, possibly acquisition/rehab.
- As the rental market gets tighter, rent goes up.
- We need to find landlords who don't take advantage of people with mental illness. They tend to live in bad conditions.
- There are never enough vouchers.
- We are seeing lots of people who need them, especially seniors.
- KCDC only takes applications once a year.

Affordable Homeownership

- Lenders wants specific income but only higher end incomes (just under 80% AMI) qualifies. There is a problem getting people who are in the working class to qualify for purchase and not be over-income.
- FAHE-We need more flexibility on underwriting. They should be less strict.
- CHDOs are running out of money.

- Appraisals come back too low.

Neighborhood Improvements

- Blighted property
- Organize neighborhoods to lobby for needed policy changes at local and state level
- Make absentee landlords more accountable --- “to do the right thing by their tenants and the neighborhood.”
- More resources for neighborhoods fighting blight
- Info on how far we can push landlords (to address problems with their rental properties) and not get arrested
- Address not just the slumlords of single family housing but also the owners of larger buildings such as motels where guests are not adequately screened and properties are not maintained.
- Address the fact that lack of safety, empty buildings and proliferation of check cashing businesses on Chapman Highway make it difficult to attract good quality businesses.

AP-10 Consultation Meeting Notes - Promoting Affordable Housing

January 12, 2016 AAP Public Meeting

Introductions:

Each person introduced themselves and which agency they represented.

Question: What are the primary barriers that you experience in assisting /providing affordable housing?

- People do not have income to be able to pay for housing.
- There is a lack of affordable housing for families in all parts of town and specifically for large families.
- Problems with credit and insufficient income.
- Problems with substandard housing.
- More demand for housing than money allowed. We may be able to use other resources to help.
- Basic access barriers for older homeowners. They need upgrades to homes.
- (Homeownership) Lender wants specific income but only higher end incomes (just under 80% AMI) qualifies. There is a problem getting people who are in the working class to qualify and not be over income.
- FAHE-We need more flexibility on underwriting. They should be less strict.
- Cost to build a quality affordable home that is energy efficient and accessible.
- HUD funds go down but construction costs go up.
- CHDOs are running out of money.
- Appraisals come back too low.
- There is a limited pot of money from the City for CHDOs
- Rents get raised after renovations are done then the tenants have to relocate.
- Need more permanent supportive housing.
- Also more appropriate housing meaning a specific group may need smaller units with care coordination.
- Down Payment Assistance

- The City should consider raising the amount of funds available for that and upping the limit available per person.
- It is hard to find good, buildable lots.

Question: What issues are there with rental housing?

- There are never enough vouchers.
 - We are seeing lots of people who need them, especially seniors.
 - KCDC only takes applications once a year.
- Would like to see more money available for rental projects, possibly acquisition/rehab.
- Lease Purchase-Like the idea but it ties up money for too long.

Question: How/where do you receive information about the need for affordable housing?

- We hear from the people they are working with in their programs.

Question: I am hearing that there is a need for rental. What issues are seeing with this?

- They have relocated to rehab/update their current rental.
- As the rental market gets tighter, rent goes up.
- We need to find landlords who don't take advantage of people with mental illness. They tend to live in bad conditions.

Question: Would you be interested in being part of an Affordable Housing Roundtable that meets regularly? Quarterly? What would you want to get out of that time? What specifically would be useful to you?

- Consensus from the group was yes, they are interested.
- I would like to see what kind of innovative ideas are out there that I may not know.
- We can help each other out and find out what works.
- Send a survey to determine when and how often these should be held.

Other Comments:

- The City is easy to work with and it has been great to work with them.

AP-10 Consultation - Promoting Economic Development Small Group Meeting Notes

January 12, 2016 AAP Public Meeting

What can the City do to support small businesses?

Awareness (of City programs) – is it as obvious as it should be?

- Better communication and marketing of programs and services
- Have an Ombudsman
- Feasibility study – how do we make that happen? Get it implemented?
- Information on how to connect with other resources such as Knox Heritage, local investors, etc.
- Jobs and companies are leaving the area

- Bring investors to a round table meeting to promote economic development
- The City could have training available for accessing city services and programs
 - The City could host (on a regular basis) a brown bag lunch, “How to access ...”
 - Maybe a business could sponsor lunch
 - Have different guest speakers
- Communications – Erik Vreeland (or Tatia) can highlight what a City department does or what a local organization does to support economic development
- Having a comprehensive economic analysis and buying power in economically distressed areas with business districts would be helpful for planning business development and restoration
- Bundling all available resources in economically distressed areas would be more impactful (ie. Façade program, tax incentives, infrastructure along with energy efficiency financing) would work in the Magnolia Corridor, Burlington, Five Points, etc.
- Galvanize all the churches and faith-based organizations and get them involved with helping start, expand, and support business and economic development.

AP-10 Consultation – Reducing and Ending Homeless Small Group Meeting Notes

January 12, 2016 AAP Public Meeting

Main Issues:

Ending Chronic Homelessness

- More permanent supportive housing and other permanent housing options needed
- More project-based vouchers through KCDC needed
- Change in definition of chronically homeless (UTHMIS/HUD Webinar)
- Recovery support services needed (ease of access and availability)
- More bed space needed
- More mental health and case management treatment needed

Homeless Seniors

- Expand Catholic Charities Samaritan Place – a need identified over the last few years
- Seniors who don’t meet criteria for nursing homes
- Seniors who are being discharged from nursing homes

Homeless Youth and Young Adults

- Transitional housing needed
- Foster care services (kids are aging out of foster care)
- Lack of housing openings
- Not enough housing
- No services for homeless youth; no coordination at all; no quick entry to shelter
- Credit issues (youth don’t have work history) and landlords want bigger deposits
- No emergency shelter for youth that is appropriate (youth are often targeted and at-risk of rape and other crimes); KARM and SA are not appropriate
- There is no runaway shelter anymore and no runaway outreach (youth won’t seek services the same way as adults)

- Need the Mayor's Roundtable on Homelessness or the Homeless Coalition (maybe need a subcommittee?) to look at a better coordinated response
- Demographics
 - Number of females about equals the number of males
 - Some LBGQT population (difficulty staying with family who is not accepting)
 - Not equipped to live independently (like all youth)
 - Shame with being homeless in high school
 - Shelter, "supportive" housing has to be friendly (homeless youth have past experiences that make them not want to reach out)
 - Lisa Higginbotham (UT HMIS) said that she'd been to a homeless youth conference recently
 - Don't have a true count of the number of homeless youth in Knoxville
 - PIT counts homeless youth at HRMC only
 - No information from schools
 - Knox County Schools may be willing to get involved
 - Four youth are "couch" homeless at Halls High School
- Annette Beebe (CAC Homeward Bound) has been working with the KPD crime analysis unit on stats – they're willing to provide more info

Mental Health

- Street outreach is a big need

Veterans Homelessness

- Rapid Re-housing (utility and rental assistance) helps get people back in permanent housing quickly and overcome hurdles
- Rapid Re-housing has proven to be very effective (UTHMIS)
- Lack of affordable housing availability that is assessable (credit history, criminal history), accessible (physical issues/barriers, on public transportation) and appropriate (for level of support needed)
- Develop landlord relations
- Number of veterans is decreasing (580 veterans literally homeless with 305 housed – this year)
- Number of former offenders are increasing (some are veterans) and criminal record keeps them from getting housing
- Some veterans become homeless again (can't pay their rent , get evicted)
- Veterans are engaged in services, but not necessarily case management services
- National push to end veterans homelessness

Family Homelessness

- No family emergency shelters – men with children, large families (Family Promise is not an emergency shelter)
- No place for families with special needs children (ex. Autism)
- Intact families need to stay together in emergency shelters
- Not enough transitional housing for families
- Lack of affordable housing in general, in West Knoxville in particular

- There's very little turnover in KCDC housing (no incentive to move on even after getting a better paying job; there needs to be more of a transition phase when people make more money to help them adjust)
- CAC cited 2-3 apartment developments becoming unaffordable and having to relocate families
 - Arbor Place is becoming gentrified
 - Southwood is being marketed to UT students (went from \$350/month in rent to \$650-\$750/month)
- Walter P. Taylor is being torn down – more people being at least temporarily displaced

Homeless LGBTQ Population

- Face discrimination from landlords
- Not so much discrimination in shelters, although some LGBTQ homeless people struggle with barriers at faith based shelters

A Report from the Homeless Coalition – Chris Smith, President

- First landlord Summit was very successful
- Revisiting the family study
- Assessing affordable housing stock
- Identifying gaps and stating the problem better
- Standards of Case management
- Framing difficulties that homeless families face
- More action from the Mayor's Round table on Homelessness
 - Key players are in the room
 - Need to do more solution planning (workgroups)
 Each Agency represented gave a brief report:
Compassion Coalition
- Call Center addresses gaps that churches can assist with

VOA (veterans)

- Veterans have pride issues with being homeless (need specific outreach activity)

CAC Homeward Bound

- Huge waiting list at KCDC for homeless singles
- Three CAC case managers focusing on singles
- Have rapid re-housing funds but have problems with lack of affordable housing to put people in
- Problems with the requirement for a detainer warrant – 14 days – can't locate housing that fast

VMC

- Street outreach
- 90 people placed
- More case managers doesn't necessarily equal more people placed in housing
- 99% of people are in substandard housing and waiting can be problematic

Salvation Army

- 250 people served last year (homeless women and children, domestic violence victims)
- Have a family advocate/counselor working with families on life skills and trauma issues

UT HMIS

- Expanding coordination role
- Upcoming Point In Time Count and Biennial Study
- Possible new participants in HMIS
 - VASH/Veterans Administration
 - Knox County Health Department Indigent Care Office
 - HRMC Path program
 - HRMC homeless youth

AP 10 Consultation – Strengthening Neighborhoods Small Group Notes

January 12, 2016 AAP Public Meeting

Citizen Feedback/Neighborhood Breakout Group

Citizens who participated represented a diversity of neighborhoods across the city:

Central City	Mechanicsville	East Knoxville	Delrose Drive	North Knoxville	Gibbs Drive
Fairmont/Emoriland	Northwest Knoxville	Glenview		South Knoxville	
Lindbergh Forest	West Knoxville	Pond Gap		Sutherland Heights	

Were you previously aware of the programs the City offers to help improve neighborhoods?

Some said not at all, some said vaguely aware, and one or two said they were aware of specific work (such as acquisition of blighted property).

How can the City communicate programs better?

1) Offer brochures, fliers, posters and speakers through:

Parent Engagement programs in Community Schools

Community Recreation Centers

Boys & Girls Clubs

Teacher in Service Training

Neighborhood Associations

Library Bulletin Boards

Library workshops

2) One person stated – and others agreed – that they were confused and overwhelmed by the sheer number of the Community Development Department’s programs, what they offer, and who is eligible for which program. This person suggested a chart **showing the need first**, and then the applicable program, eligibility and who to call. This could be updated annually. Others seemed to agree this would be useful.

At this point, Social Work Intern Jordan Frye, who works for 311 this year, discussed the 211 program and distributed wallet size cards about 211. The group seemed unaware of 211.

3) When Community Development is working on a property, place a real estate style sign to indicate the city is involved. When completed, put up a large banner.

4) Neighborhood associations could identify families in need and then distribute necessary materials to them.

5) Send Office of Neighborhoods newsletter to schools.

Improvements you would like to see in your neighborhood?

1) Blighted property

- Organize neighborhoods to lobby for needed policy changes at local and state level.
- Make absentee landlords more accountable --- “to do the right thing by their tenants and the neighborhood.” (This was mentioned by several participants.)
- More resources for neighborhoods fighting blight.
- Info on how far we can push landlords (to address problems with their rental properties) and not get arrested.
- Address not just the slumlords of single family housing but also the owners of larger buildings such as motels where guests are not adequately screened and properties are not maintained.

2) Assistance with working in neighborhoods where the number of renters far exceeds the number of homeowners.

3) Do something about unethical developers of subdivisions with mandatory responsibilities such as retention ponds.

4) Provide training to first-time single home dwellers on how to be a good neighbor, educating them on the responsibilities of single home occupancy.

5) Fix failing retaining wall on Hollywood Drive that city (according to the participant) is responsible for.

6) Address sidewalk and access problems near Hollywood and Sutherland (specifics to be supplied later).

7) Make Kasey Krouse more available to neighborhoods regarding tree canopy improvements.

8) Provide advice to neighborhoods where lack of walkability, high truck traffic, and isolation makes it difficult to get neighbors out to meetings.

9) Use websites and social media to communicate with neighbors....but show folks how to use these tools.

10) Add more resources to city website such as videos of conferences or workshops. This would allow neighbors to point others to such resources.

11) Address perpetual yard sales on vacant lots.

12) Address proliferation of check cashing establishments.

13) More sidewalks are needed.

14) Address the fact that lack of safety, empty buildings and proliferation of check cashing businesses on Chapman Highway make it difficult to attract good quality businesses.

15) The city's 311 operators are not aware of the ordinance prohibiting parking in front yards.

16) With new inspector(s), codes enforcement in Historic Sutherland Heights is lax.

AP-75 Barriers to Affordable Housing

Negative Effects of Public Policies on Affordable Housing and Residential Investment

- Complexity of the Development Process;
- Acquiring and Assembling Inner City Parcels;
- Increasing Cost of Development;
- Lack of Available Government Programs and Subsidies; and
- Choice in Affordable Housing Location.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

In order to address barriers to affordable housing, the City will pursue the following strategies:

The City is marketing an increasing number of parcels through its Homemakers Program. The City will be reviewing these parcels for compatibility with the subdivision regulations and correcting many of the more difficult obstacles before transferring them to developers. Small parcels can be combined with others and re-platted into buildable lots of record, reducing the time and cost investment for the developer.

The City continues to administer the Five Points and Lonsdale redevelopment areas that contain properties that have remained undeveloped or underutilized due to marketability or title problems. The City will continue to acquire abandoned property to clear title issues and offer lots for sale for redevelopment through the Homemakers Program. Blighted properties throughout the city are acquired with City general funds and sold through the Homemakers program, eliminating the blight and improving neighborhood stability.

The City is encouraging alterations to designs of infill housing that make the new housing fit in better with the older existing homes. Design guidelines have been developed for use in redevelopment areas and for all City subsidized infill houses. This effort includes descriptions and illustrations of low cost modifications builders can make. In the long run, this will help maintain high property values for buyers and should have a substantial impact on neighborhood image and marketability. An I-H Zoning applies the infill guidelines area wide in selected neighborhoods. The City adopted an amendment to the zoning ordinance that makes development of substandard inner city parcels more feasible, reducing the time line and approval process in many cases.

Marketing of the City's programs is being emphasized and marketing efforts are underway. A listing of available Homemakers properties are posted on the City web site (<http://www.cityofknoxville.org>).

The City has adopted the International Building Code that contains a chapter "Existing Buildings" allowing designers additional alternatives to meet requirements when renovating older buildings. This option can make redevelopment of older buildings more practical and less expensive.

The City has adopted ordinances that streamline remediation of blighted and problem properties. The Abandoned, Blighted and Vacant Properties Committee will focus on efforts to alleviate vacant buildings and blight in neighborhoods.

Choice in Affordable Housing Location: Development of affordable housing opportunities outside of Low Mod Areas and/or areas of racial or minority concentration means that low-moderate income people/households have more choice in where to live, access to jobs and schools of their choice, and ultimately the opportunity to transition out of poverty. Choice in affordable housing location is restricted by decreasing financial resources to develop new affordable housing, land/property prices in non-Low/Mod Areas, public transit availability, to name a few. The City is committed to householder choice in location of affordable housing wherever feasible. The City will continue to develop affordable housing in Low Mod Areas and/or areas of racial or minority concentration to mitigate the impact to displaced LMI households where City/KCDC revitalization efforts occur. The City will work with HOME program resources and CHDO developers to develop more affordable housing outside of Low Mod Areas and/or areas of racial or minority concentration. The City will also review the Tax Credit applications it receives for endorsement inside the city for development of more affordable housing opportunities outside of Low Mod Areas and/or areas of racial or minority concentration.

AP-90 Program Specific Requirements Attachment

Include written standards for providing ESG assistance (may include as attachment)

The City of Knoxville and its Subgrantees will provide opportunities for the participation of homeless individuals in organizational policy-making body in accordance with 42 U.S.C. 11375(d), and will involve homeless individuals and families in providing work or services pertaining to facilities or activities assisted pursuant to this Agreement in accordance with 42 U.S.C. 11375(c)(7).

The City and its Subgrantees will comply with the requirements of 24 CFR, Part 24 concerning the Drug Free Workplace Act of 1988. The City and its Subgrantees may terminate assistance to any individual or family receiving assistance who violates the program requirements, but only in accordance with an established formal process that recognizes the rights of individuals, and which may include a hearing.

The City and its Subgrantees will policies and procedures for coordination among street outreach providers, emergency shelter providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers. Coordination with other targeted homeless services. (§576.400(b)) The City and its Subgrantees will coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people within the Knoxville-Knox County Continuum of Care, in order to provide a strategic, community-wide system to prevent and end homelessness. These programs may include: Shelter-Plus-Care Program, Supportive Housing Program, Section 8 Mod Rehab Program, HUD-VASH, Education for Homeless Children and Youth Grants, Grants for the Benefit of Homeless Individuals, Healthcare for the Homeless, Programs for Runaway and Homeless Youth, Projects for Assistance in Transition from Homelessness, Services in Supportive Housing Grants, Emergency Food and Shelter Program, Transitional Housing Assistance Grants for Victims of Sexual Assault, Domestic Violence, Dating Violence, and Stalking Program, Homeless Veterans Reintegration Program, Domiciliary Care for Homeless Veterans Program, VA Homeless Providers Grant and Per Diem Program, Health Care for Homeless Veterans Program, Homeless Veterans Dental Program, Supportive Services for Veteran Families Program, and the Veteran Justice Outreach Initiative.

System and program coordination with mainstream resources: (§576.400(c)) The City and its Subgrantees must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with mainstream housing, health, social services, employment, education, and youth programs for

which families and individuals at risk of homelessness and homeless individuals and families may be eligible. Examples of the programs include: Public Housing programs, housing programs receiving “Section 8” tenant-based or project-based rental assistance, Supportive Housing for Persons with Disabilities, HOME Investment Partnerships Program, Temporary Assistance for Needy Families, Health Center Program, TennCare, Head Start, Mental Health and Substance Abuse Block Grants, Services funded under the Workforce Investment Act, and others.

KnoxHMIS. The City and its Subgrantees will participate in and actively use the Knoxville-Knox County Homeless Management Information System (KnoxHMIS), for client intake, assessment, and service coordination. The only exceptions to this requirement will be in the areas of domestic violence and legal services as specifically noted by the US Department of Housing and Urban Development. The City and its Subgrantees are also required to participate fully in the Knoxville-Knox County Homeless Coalition and to coordinate with the Knoxville-Knox County Continuum of Care.

Eligible Participants

Homeless individuals and families shall be eligible for services supported by the Emergency Solutions Grant. Standard policies and procedures exist for evaluating individuals’ and families’ eligibility for assistance under the Emergency Solutions Grant. These policies and procedures closely follow HUD’s ESG interim rule regulations.

To evaluate an individual or family’s eligibility for assistance under ESG, the City and its Subgrantees must document the following, according to HUD regulations:

Homelessness status 24 CFR 576.500 (b) – The City and its Subgrantees maintain and follow written intake procedures to ensure compliance with the homeless definition in §576.2.

At-risk of homelessness status §576.500 (c):– The City and its Subgrantees document evidence relied upon to determine that individuals and families have met the definition of “at risk of homelessness” in §576.2.

Determinations of ineligibility §576.500 (d) – For each individual and family determined ineligible to receive ESG assistance, the records include documentation of the reason for that determination.

Annual income §576.500 (e) – For each family or individual receiving ESG assistance, annual income is documented in order to determine eligibility requirements for the program.

The City and its Subgrantees maintains documentation showing evidence of all participants’ eligibility. There are also policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.

Using a thorough intake and assessment process, families and individuals should be referred to housing and services for which they are eligible and which will best meet their needs. To be eligible for services, clients must be homeless or at risk of being homeless. The household’s total income must be at 30% area median income (AMI) requirement which falls in line with the Fair Market Rent (FMR) Documentation System for Tennessee.

The household must be either homeless (to receive rapid re-housing assistance) or at risk of losing its housing within 21 days after the date of the application (to receive homelessness prevention assistance). The household must meet the following requirements:

No appropriate subsequent housing options have been identified;

The household lacks the financial resources to obtain immediate housing or remain in its existing housing; and

The household lacks support network to obtain immediate housing or remains in its existing housing.

Additional risk factors will be considered in determining eligibility for assistance under ESG.

Income eligibility must be verified every three months and documented in the case file via paycheck stubs, unemployment check stubs, SSI, pension, child support, etc.

Rapid Re-Housing (Homeless Assistance) Eligibility:

In addition to the minimum ESG eligibility requirements noted above, to be eligible for ESG rapid re-housing assistance, participants must also meet one or more of the following conditions at the time of application: Sleeping in an emergency shelter; Sleeping in a place not meant for human habitation; Exiting a mental health, foster care or correctional institutional program; Victim of domestic violence. Families with young children, victims of domestic violence, youth aging out of foster care, and those who are coming from shelters or off the street will be the primary population for ESG Rapid Re-Housing Assistance. Short-term rental assistance is defined as up to 3 months of assistance. Medium-term rental assistance is up to 24 months. This is intended for consistency with the period for transitional housing.

Other Requirements:

Short-term and medium-term rental assistance requires that a program participant and a housing owner have a written lease for the provision of rental assistance. All leases must be notarized on an official form.

Habitability Standards and Lead Based Paint Compliance will be established by obtaining official documentation of the date of construction for the housing. Knoxville's Community Development Corporation will provide verification on the absence of lead paint in public housing/Section 8 units. The case file will include documentation on the habitability and lead paint standards. Lead standards will be determined by the date of construction or verification from landlords that the absence of lead requirements has been met.

Homelessness Prevention Eligibility: Families with young children, residents of Section 8 and public housing, and those who are at-risk of non-behavioral eviction are the primary populations for ESG Homelessness Prevention Assistance. A household that is at-risk of losing their housing may be eligible if there is documentation that their loss of housing is imminent, that they meet the 30% AMI requirements, that they have no appropriate subsequent housing options, and that they do not have any other financial resources and support networks to assist with maintaining current housing or obtaining other appropriate housing.

Imminent risk is viewed when a household would require emergency shelter or would otherwise become literally homeless but for ESG assistance. Homelessness Prevention costs are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant's current permanent housing or move into other appropriate permanent housing and achieve stability in that housing.

Other ESG Standards

There are standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance.

In providing ESG homelessness prevention assistance or rapid re-housing assistance, the Subgrantees will do so in accordance with the housing relocation and stabilization services requirements in §576.105, the short-term and medium term rental assistance requirements in §576.106, and the written standards and procedures established under §576.400.

There are standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time. Subject to the general conditions under §576.103 and §576.104, Subgrantees may provide a program participant with up to 24 months of rental assistance during any 3-year period. Per §576.106, this assistance may be short-term rental assistance, medium-term rental assistance, payment of rental arrears, or any combination of this assistance.

Short-term rental assistance is assistance for up to 3 months of rent. Medium-term rental assistance is assistance for more than 3 months but not more than 24 months of rent. Payment of rental arrears consists of a one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears.

When providing rental assistance, Subgrantees must ensure that the following requirements are met:

(1) Program recipients receiving project-based rental assistance must have a lease that is for a period of one year, regardless of the length of rental assistance; (2) Program participants receiving rapid re-housing assistance must be re-evaluated at least once every year and program participants receiving homelessness prevention assistance are required to be re-evaluated at least once every three months; and (3) no program participant may receive more than 24 months of assistance in a three-year period. There are standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participants receives assistance; or the maximum number of times the program participants may receive assistance. Except as provided for housing stability case management in §576.105(b) (2) of the Interim Rule, no program participant may receive more than 24 months of assistance in a 3-year period.

1. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Knoxville-Knox County CoC has designated Knox HMIS as its coordinated assessment system. Use of Knox HMIS for intake and assessment creates a "no wrong door" scenario that enables those seeking

help to come into the system through any participating provider and, through the intake and assessment process, gain access to the resources that will most appropriately and effectively meet their needs.

2. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City has a “Request for Proposals” process where organizations and agencies can submit an application. The applications list the component areas of the ESG program. Prior to the submission of applications, the City holds a Technical Assistance Workshop to review ESG programmatic structure, go over specific questions in the application, and to answer questions.

Upon receiving applications, the City has a staff review team. Each application is rated on how the proposed program fits within the ESG programmatic components and meets a crucial homelessness-based need. Organizations and agencies are then recommended for funding. Contracts are developed which outline expectations, rules, regulations, policies and procedures.

3. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City has a Mayor’s Roundtable on Homelessness which is a forum for addressing long-term solutions. This group is diverse, and includes organizations, agencies, civic leaders and a formerly homeless individual. The Knoxville-Knox County Homeless Coalition is a larger entity and has several former homeless individuals, many of whom now work at homeless shelters or human/social service agencies. All of the City’s subgrantees have a homeless individual or a former homeless client on either their advisory council or board of directors. The City believes that these individuals provide a wealth of knowledge, and maintains documentation on file to support that this level of interaction occurs.

4. Describe performance standards for evaluating ESG.

There is a performance criteria section in each subgrantee contract. Two components include: (1) Quantifiable Performance Standards (the services an organization or agency will provide); and (2) Quarterly Performance Goal (a numerical projection of what an organization or agency will achieve each quarter). On a quarterly basis, organizations and agencies submit reports describing services rendered and number of individuals served. The City reviews these reports to measure, validate and verify how services have improved and enhanced the lives of clients in compliance with ESG standards. At the end of the contract period, organizations and agencies provide a cumulative report, and the City uses this information to assess performance as well to formulate data for year-end reports.

The City also monitors each subgrantee on a yearly basis. Monitoring is done on-site. The focus of monitoring is:

- (1) To review operations: administrative, financial and programmatic;
- (2) To assess the reliability of internal controls (general management/business practices and procedures);
- (3) To verify contractual and regulatory compliance (city, state and federal);
- (4) To verify that goals and objectives (performance criteria and standards) are met.
- (5) To verify the civil rights requirements are met;

- (6) To test the reliability/validation of invoices and reports (documentation);
- (7) To determine if costs and services are allowable and eligible, and that clientele served is eligible;
and
- (8) To ensure and assure that the agency has the capacity to carry out the project.

Discussion:

The City has a monitoring checklist that spells out various criteria and items to review. A monitoring summary report is sent within thirty days of the visit. As appropriate, an organization or agency has thirty days to response to any concerns/findings.