

# City of Knoxville

## Housing and Neighborhood Development Department



Annual Action Plan Public Meeting  
January 31, 2023

# Agenda

- I. Community Agency Grants
- II. Housing and Neighborhood Development
  - A. The Five-Year Consolidated Plan
  - B. Annual Action Plan Update – Years 1 – 3.5
  - C. Year Four
    - 1. Results from Consultation Meetings
    - 2. Discussion / Public Comment
    - 3. Annual Action Plan Process / Timeline

# I. Community Agency Grants

There are two different application forms:

- 1) Arts and Culture
- 2) Community and Social Services

**DEADLINE**

Applications are due by 4:00 PM on Thursday, Feb. 23, 2023

Jennifer Searle  
865-215-2267  
jsearle@knoxvilletn.gov

# City of Knoxville FY 2023-24 Community Agency Grants Goals & Priorities



## II. Housing and Neighborhood Development

### A. The PY2020-2024 Five Year Consolidated Plan

U.S. Department of Housing and Urban Development (HUD)  
Community Planning Development (CPD) Funds:

**CDBG** – Community Development Block Grant

**HOME** – HOME Investment Partnerships Grant

**ESG** – Emergency Solutions Grant

- Required every 5 years, submitted August 2020
- Involved extensive community participation
- Set High / Low Priority activities for funding
- Has no funding attached to it



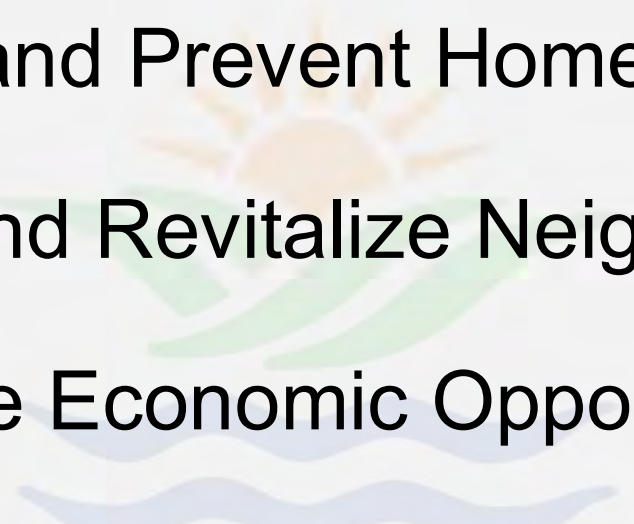
# **2020-2024 Five Year Consolidated Plan Priorities**

Reduce and Prevent Homelessness

Stabilize and Revitalize Neighborhoods

Create Economic Opportunity

Enhance the Availability, Accessibility and  
Quality of Affordable Housing



# HUD Funding

## Community Development Block Grant (CDBG)

- Activities Address:
  - Low- and Moderate-Income (LMI) people / households / areas
  - Slum or Blight
  - Urgency (urgent threat to community health and welfare)
  - Public Services

## HOME Investment Partnerships (HOME)

- Affordable Housing for LMI households

## Emergency Solutions Grant (ESG)

- Homelessness
  - Street Outreach
  - Emergency Shelter/Services
  - Homelessness Prevention
  - Rapid Re-Housing
  - HMIS



# Community Partners

Non-Profit Social Service Organizations

Non-Profit Housing Assistance Organizations

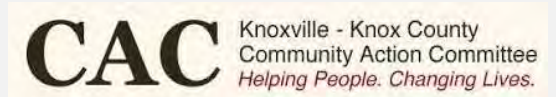
Non-Profit and For-Profit  
Housing Developers

Foundations

Homeless Coalition

KCDC

State of Tennessee



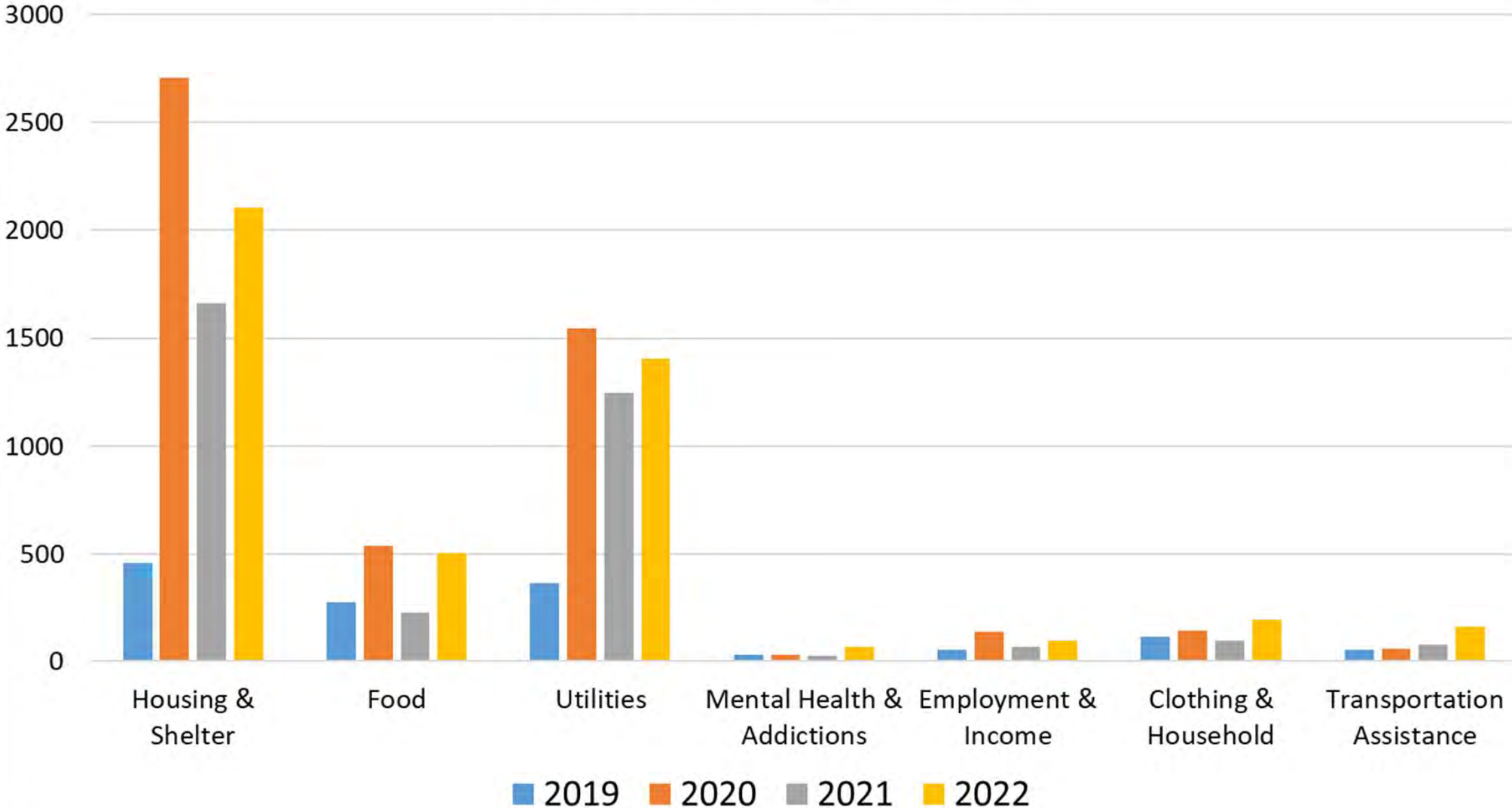


## **B. Annual Action Plans - Years 1 - 3.5**

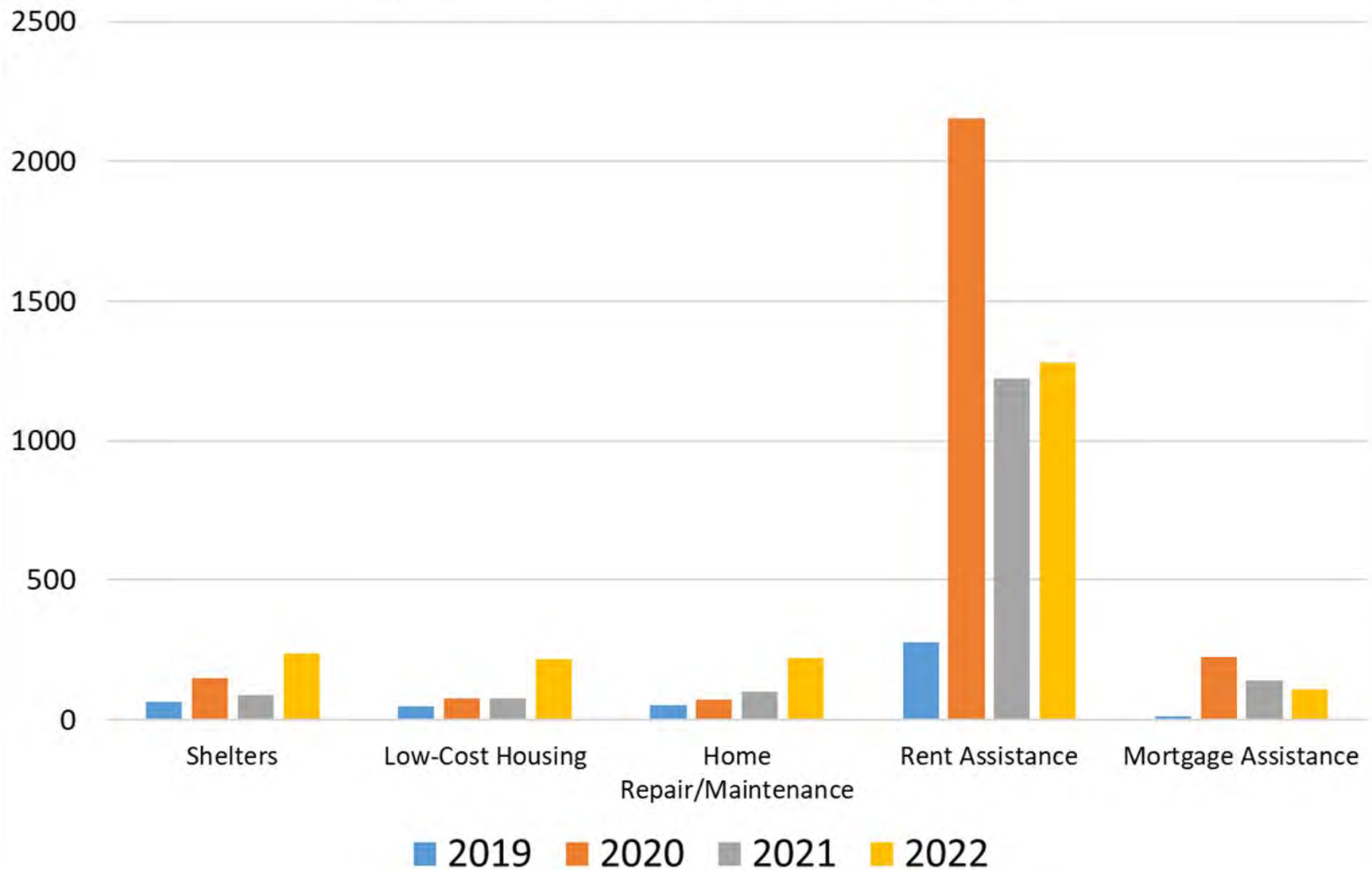
- Annual Action Plans Update the 2020-2024 Five-Year Plan
  - Consideration of changes in
    - **Community Needs**
    - **Opportunities and Challenges**
    - **Funding Sources and Amounts**
- 

# Community Needs

## Top 2-1-1 Service Requests



## Top Housing & Shelter Requests



# Opportunities and Challenges

## CARES Act Funding Sources and Amounts

### CDBG-CV

\$2,889,714 (>2.5 x the 2019 CDBG Allocation)

- 100% Committed: 

	<u>Individuals Served</u>
• 38% - Housing Assistance *	1,901
• 18% - Homeless Services	326
• 15% - Mobile Meals	473
• 13% - Administration	
• 12% - Case Management	476
• 4% - Transitional Housing	<u>46</u>
	3,222
- 34% Remains to be drawn
- Deadline: 80% by June 2023 / 100% by June 2026

# Opportunities and Challenges

## CARES Act Funding Sources and Amounts

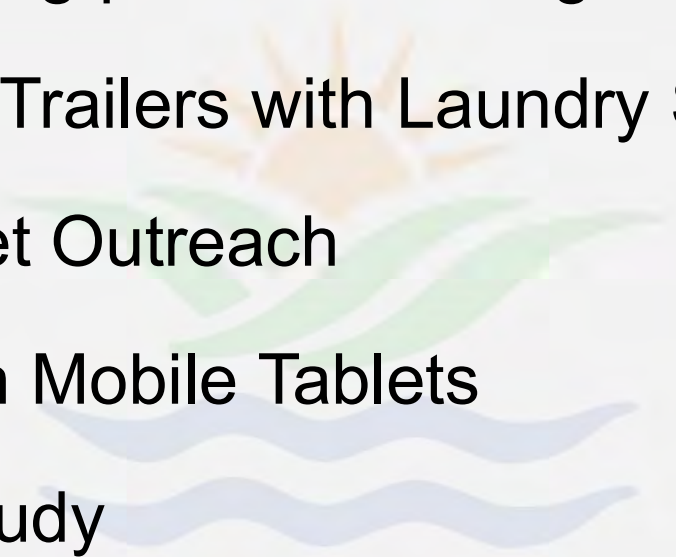
### ESG-CV

\$3,434,848 (22x the 2019 ESG Allocation)

- 100% Committed: 

	<u>Individuals Served</u>
• 44% - Emergency Shelter/Services	3,763
• 24% - Street Outreach	1,110
• 18% - Rapid Re-Housing	1,339
• 8% - Administration	
• 6% - HMIS	
• <1% - Homelessness Prevention *	<u>25</u>
	6,237
- <5% Remains to be drawn
- Deadline: September 2023

# Notable New Programming

1. Non-Congregate Shelter for Families, Elderly, and Youth
  2. Rapid Re-housing paired w/Emergency Housing Vouchers
  3. Mobile Shower Trailers with Laundry Services
  4. Increased Street Outreach
  5. Street Outreach Mobile Tablets
  6. HMIS Equity Study
  7. COVID-19 Housing Assistance Program
  8. Mobile Meals Kitchen Expansion
- 



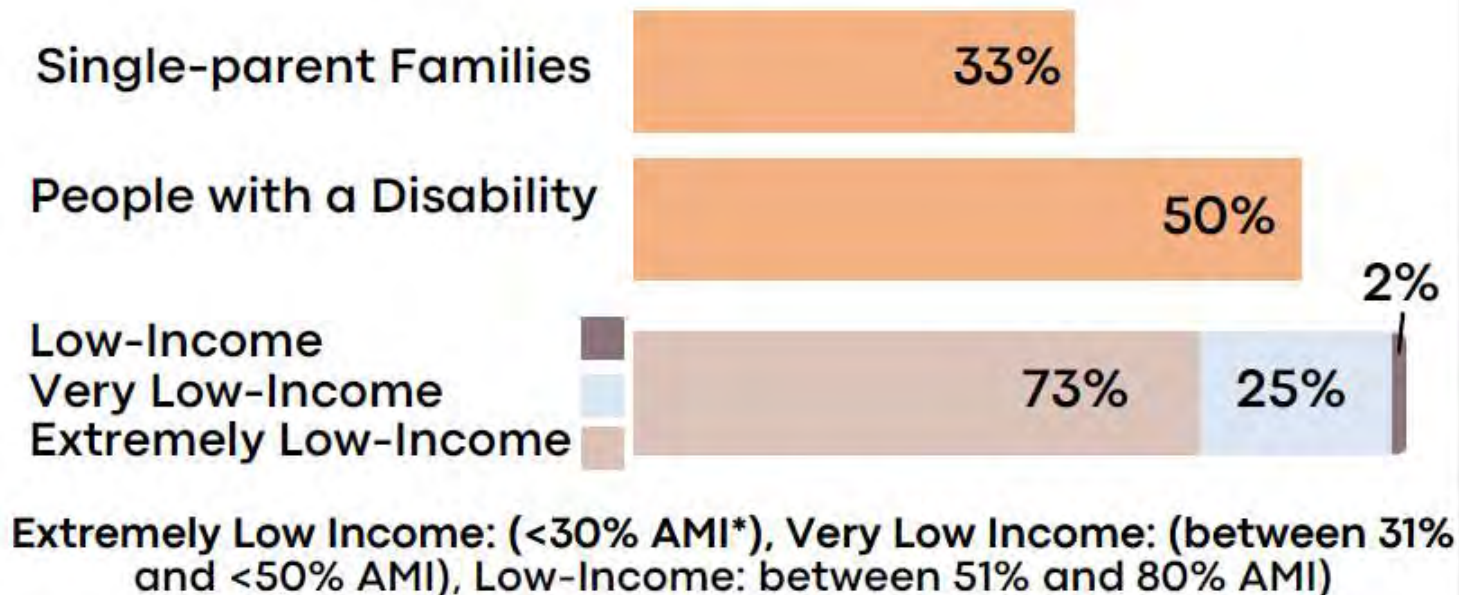
# HOME-ARP Funds

- American Rescue Plan (ARP) supplemental funds to the HOME Program
- Purpose: To create affordable housing and services to meet the needs of people experiencing or at-risk of experiencing homelessness
- **\$4,076,859** Allocated for the City of Knoxville (through 9/30/2030)
- Planning process: April 2022 - September 2022
  - 15-day Public Comment Period
  - Public Hearing
- Funds will be used to benefit qualifying populations through:
  1. Provision of supportive services - \$1,000,000 (25%)
  2. Development & support of affordable housing (Acquisition, rehabilitation, or construction) - \$2,900,000 (71%)
  3. Administration - \$176,859 (4%)

# Affordable Housing Development Stats

- **100%** of rental units are restricted to *LMI* households within 80% AMI
- An increasing number of units are set aside for *Permanent Supportive Housing*
- If tax credits are included, the required affordability period is 30 years
- For non-tax credit developments, the affordability period may be 20 years

## Demographics of Neighbors Housed



# Affordable Housing Development Stats

Apartment Community	Units	Total Cost	ARD\$ Committed	Status
Dogwood Springs (Elderly)	50	\$ 5,900,000	\$1,500,000	Underway
Caswell Manor (PSH)	48	\$18,315,384	\$1,440,000	Underway
Dogan-Gaither Flats (PSH)	16	\$ 3,860,368	\$ 480,000	Underway
Ammons at Asheville Hwy. (Families)	80	\$20,458,856	\$2,000,000	Underway
Inskip Flats (Families)	66	\$17,016,834	\$1,980,000	Underway
First Creek at Austin	161	\$54,544,488	\$1,500,000	Underway
Central Terrace	112	\$27,561,411	\$2,065,000	Underway

Completed: 783    Underway: 533    ARD Committed: \$17,830,000



The City's investment of \$17.83 M has created:  
**1,316 units (533 units underway)**

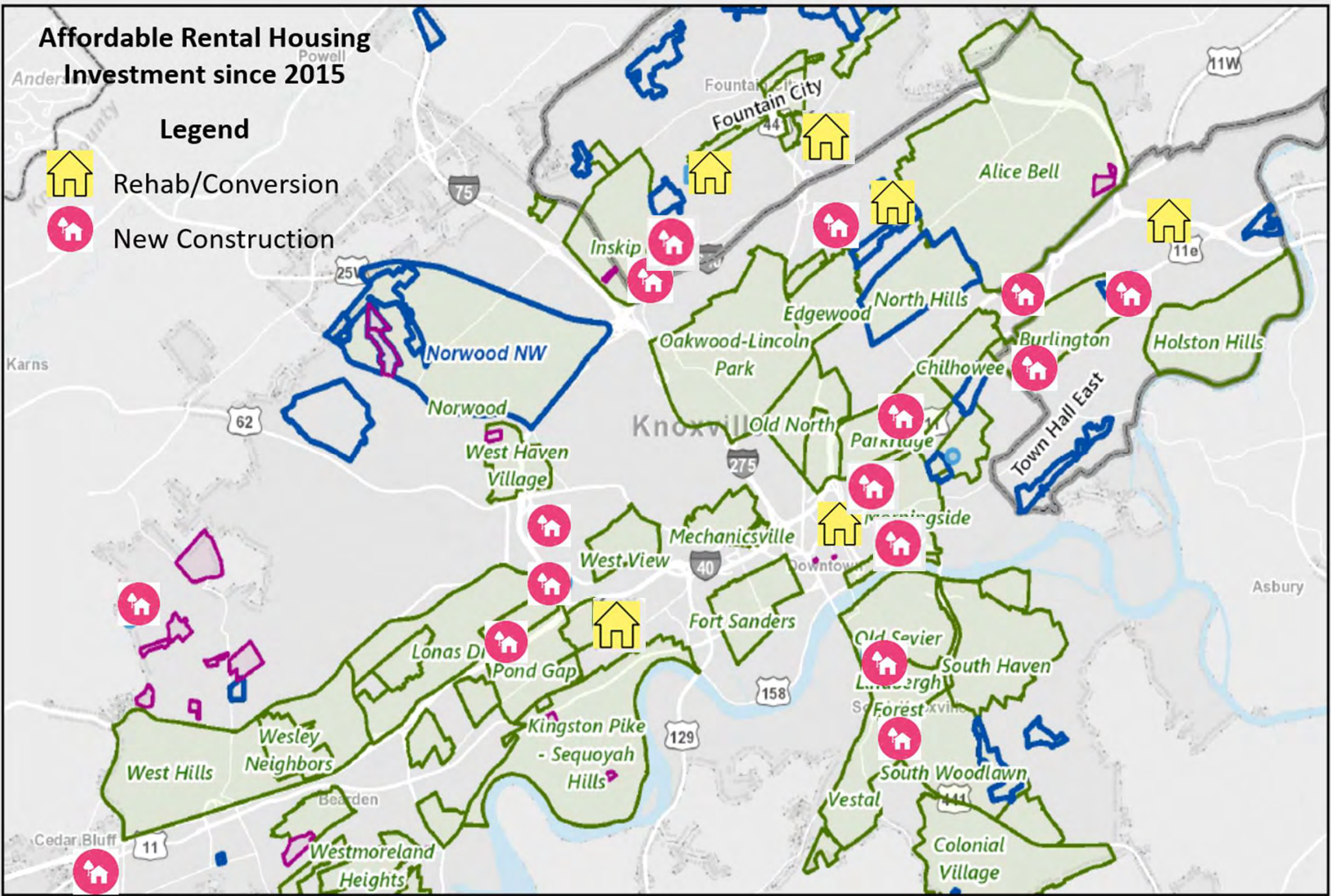
**For every \$1 of City Funds, \$16.02 is being leveraged**



# Affordable Rental Housing Investment since 2015

## Legend

-  Rehab/Conversion
-  New Construction







**Moss Grove**  
**9304 Sapling Grove Way**  
192 units  
Completed in November 2022







Above: **First Creek at Austin,**  
**1250 Burge Drive**  
161 units underway

Left: **The Ammons**  
**4625 Asheville Hwy**  
80 units (90% complete –  
opening mid-March 2023



SAVE THE DATE



CASWELL MANOR  
RIBBON CUTTING

3rd May 2023  
11 am  
1501 E. Fifth Avenue

VOLUNTEER MINISTRY CENTER

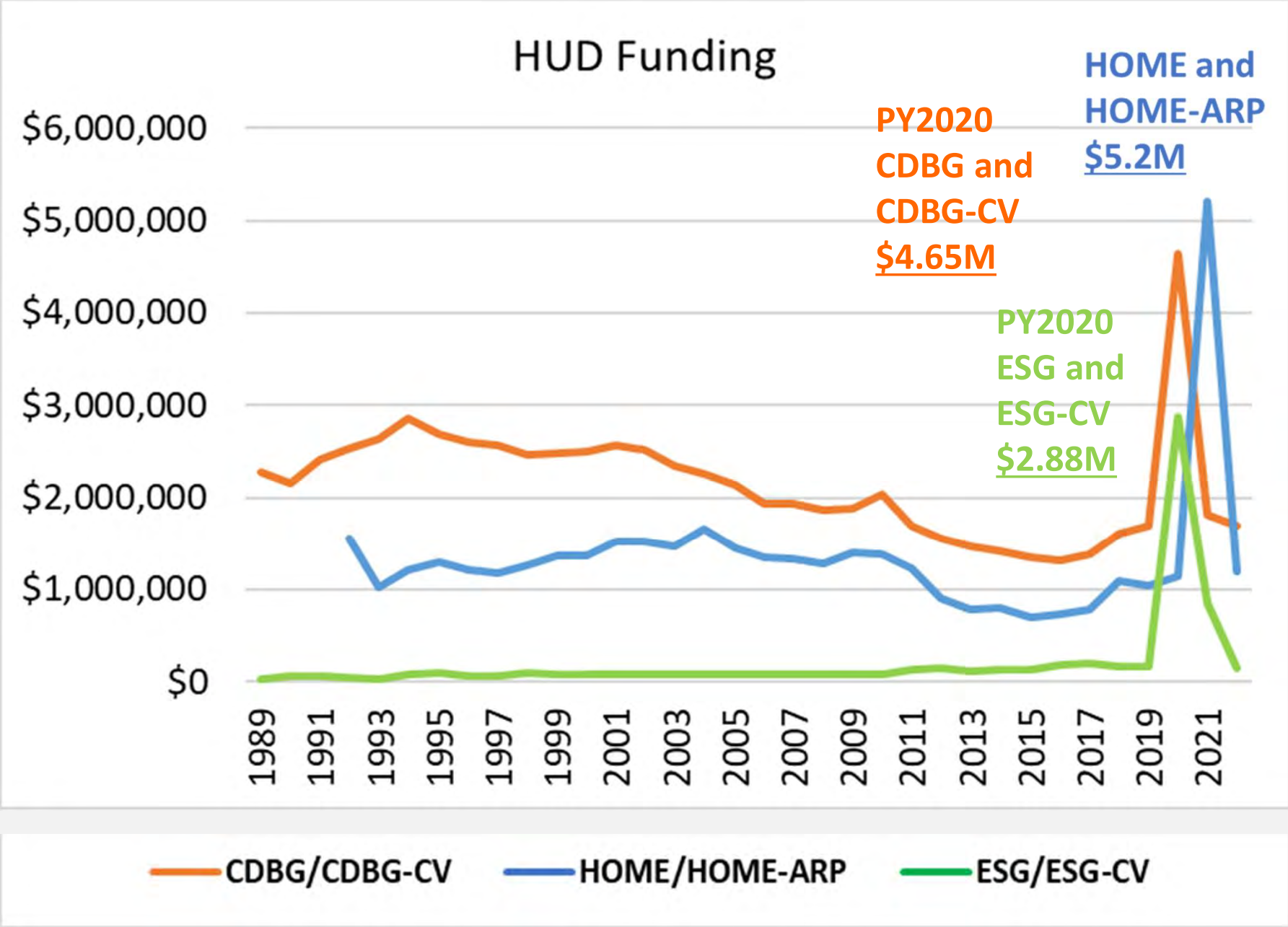
**VMC**

*Opening Doors for a Better Tomorrow*

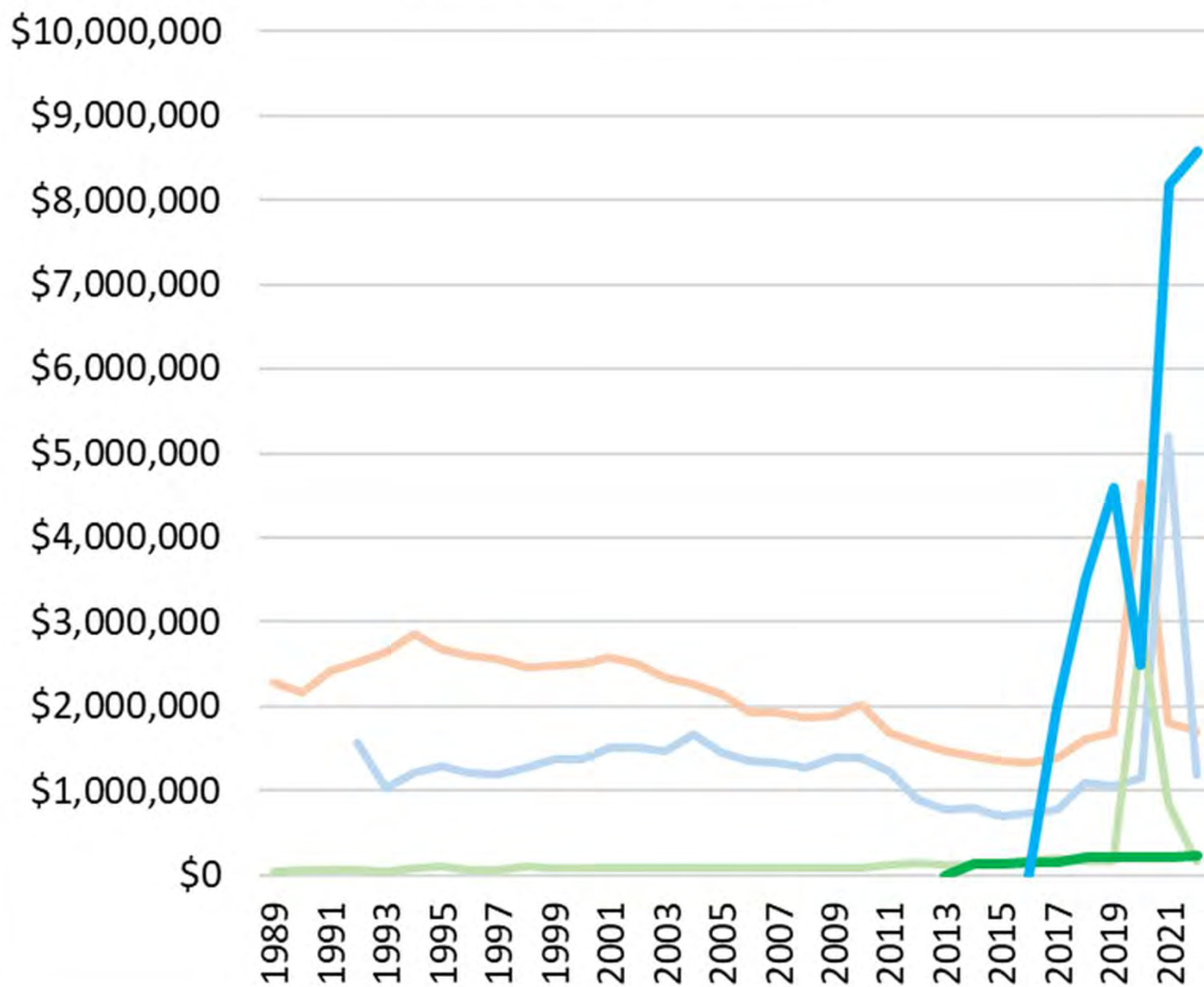
**Caswell Manor**  
1501 E. Fifth Avenue,  
48 units (PSH)



# Funding Sources and Amounts



## HUD + Local Funding



— CDBG/CDBG-CV — HOME/HOME-ARP — ESG/ESG-CV

— CoK Homeless General Funds — CoK Affordable Housing Fund



## C. Year Four Annual Action Plan

- PY 2023-2024
- Activities beginning July 1, 2023, through June 30, 2024
- Re-evaluating changes in:
  - **Community Needs**
  - **Opportunities and Challenges**
  - **Funding Sources and Amounts**
- Consultation with Community Partners
- Citizen Participation
- Notification of HUD funding should happen in February
- Due to HUD by May 15

# Anticipated HUD Funding

## Community Development Block Grant (CDBG)

- Low- to Moderate-Income (LMI) people / households / areas
- Public Services capped at 15%
- **Annual application process (begins February 1, 2023)**
- **\$1,699,579 in PY2022**

## HOME Investment Partnerships (HOME)

- Affordable Housing for LMI households
- **Applications accepted year-round**
- **\$1,199,741 in PY2022 (+ HOME-ARP \$4.07M)**

## Emergency Solutions Grant (ESG)

- Homelessness
- **Annual application process (begins February 1, 2023)**
- **\$152,501 in PY2022**

# Anticipated Local Funding (based on Current Year Funding)

## Homeless General Funds - \$240,000 (PY2022)

- Augments ESG w/annual application process - February 1, 2023
- \$1,583,617 since 2014

## Knoxville's Affordable Housing Fund - \$8,572,960 (PY2022)

- Launched in July 2021
  - Austin Homes Infrastructure - \$5.38 M (PY2021 and PY2022)
  - *Transforming Western* - \$4.2 M (PY2022)
  - Permanent Supportive Housing - \$1.5M
  - Administration - \$72,960 (PY2022)
- Affordable Rental Dev. Fund (ARDF) - \$2.5 M (PY2022)
  - \$20.1 M since July 2017
- Affordable Housing Trust Fund/East Tennessee Foundation
  - \$9.5 M since 1993 (\$200,000 in PY2022)



# 1. Results from Consultation Meetings

## Five Consultation Meetings

- Affordable Housing Needs
  - (1) Affordable Housing Stakeholders - 28 participants
  - (2) Knoxville's AHF Advisory Committee - 5 participants
- Homelessness Needs - 32 participants
- Non-Housing Community Development Needs – 9 participants
  - Economic development, public services, public facility and infrastructure improvements needs
- Sustainability – 4 participants

# Affordable Housing Needs

- Affordable rental units are needed in the pipeline
- Accessible, age-in-place, rental units
- Affordable units for singles, especially single men and youth aging-out-of foster care
- *Post-housing case management / eviction prevention*
- Down payment and closing costs assistance
- Incentives for developers of affordable housing
- Owner-occupied rehabilitation and Minor Home Repairs (including accessibility improvements) for seniors/disabled

## Trends

- Increasing rents
- Rising construction costs and interest rates
- Risk Mitigation funds for landlords
- Non profits want first review of City properties (tax sale, public lots)
- Consider Tiny Homes and container homes (need for diversity of housing types)
- Clean Energy Financing / EV-capable, EV-ready
- Land Banks

# Homelessness Needs

## Street Outreach

- Difficult because of housing pipeline issues (not enough housing to offer)
- Warming and Cooling Centers

## Emergency Shelter/Services

- Shelter Beds for youth (ages 18-24 years)
- Non-congregate Shelter (NCS) for elderly, families with children, and youth (ages 18-24 years)

## Homelessness Prevention

- Homelessness Prevention and eviction case management
- Shelter Diversion case management
- Direct financial assistance
- Landlord Incentives / Risk Mitigation
- Pre- and post-housing case management (financial literacy, maintaining housing)

## Rapid Re-Housing

- Case management post-housing placement
- Landlord Incentives / Risk Mitigation
- Direct Financial Assistance to Zero-Income individuals
- Pair with Emergency Housing and Housing Choice Vouchers

# Non-Housing Community Development Needs

## Social Services

- More integrated mental health services and addiction rehab
- Expansion of expungement services
- Landlord Summit is an underutilized resource

## Trends

- One-stop 'shop' for social services
- Larger role for the Courts to help prevent evictions

## Economic / Workforce Development

- Construction worker shortage
- Partnerships with large construction companies/apprenticeships
- Working w/ trades unions and The Chamber
- Better coordination w/ builders, TCAT, and private developers

## Trends

- The need for connection with LEP workers and apprenticeships
- Prepping employers (behavioral health)

# Non-Housing Community Development Needs

## Transportation

- Public Transit: Limited Routes and Schedules
- Barriers to getting a Driver's License

## Trends

- Microtransit
- Park & Ride Transit Options
- Electric Vehicle Infrastructure

## System Coordination

- Better communication and partnerships in the public sector (role for better City/County partnership, KAT, KCDC, Post-Secondary Institutions, Nonprofits, CoC, etc.)
- Increased private sector involvement and investments
- Diversify Outreach Efforts: Use Radio, Social Media, Etc.

## Trends

- City-wide Housing Strategies and Policies
- Climate Resiliency



# Priorities for 2023-2024

## Affordable Housing

- New Affordable Rental Units, including Permanent Supportive Housing
- Rental Housing Rehabilitation
- Owner-Occupied Housing Development (CHDOs)
- Down Payment Assistance for CHDO-developed Housing
- Owner-occupied Housing Rehabilitation
- Emergency Home Repairs for Owner-occupied Housing
- Accessibility Improvements

## Homelessness

- Homelessness Prevention
- Rapid Re-Housing
- Emergency Shelter, especially for Youth (ages 18-24 years)
- Street Outreach
- HMIS

## Workforce Development for Construction Career Ladder

## Integrative Mental Health and Addiction Services


## Design and Technical Assistance



# U.S. Department of Housing and Urban Development Community Resilience Toolkit



- New Development of Multi-family Rental Housing: Require installation of infrastructure to support EV (1 charging unit/25 housing units) and disallow Natural Gas
- New development/Reconstruction of Owner-occupied Housing: Require an electrical panel that supports EV and disallow Natural Gas
- Rehabilitation of Owner-occupied Housing: Require an electrical panel upgrade to support EV if the electrical system is being improved or replaced



## **2. Discussion**



Your Turn!

# 3. Annual Action Plan Process/Timeline

**Public Meeting #1 (tonight)**

**January 31, 2023**

Applications Released for  
CDBG and Homeless Grants

**February 1 (tomorrow!)**

[www.knoxville.gov/development](http://www.knoxville.gov/development)  
“Grant Opportunities”

Mandatory TA Workshops

February 7 & 8

Applications Due

February 22 (12:00 Noon)

Staff Prepare Draft Annual Action Plan

February – March 30

**Draft Available for Review (30 days)**

**March 31 – April 30**

**Public Meeting #2**

**TBD – April 25 (tent.)**

Staff Make Revisions as needed

April – May 3

**City Council Review / Vote**

**May 2**

Annual Action Plan due to HUD

May 15, 2023

City of Knoxville  
Community Agency Grants

Applications are due by 4:00 PM on Thursday, Feb. 23, 2023

Jennifer Searle  
865-215-2267  
jsearle@knoxvilletn.gov

City of Knoxville  
CDBG and Homeless Grants

Application are due by 12:00 PM (Noon) on Weds. Feb. 22, 2023

CDBG – Hope Ealey  
865-215-2290  
healey@knoxvilletn.gov

Homeless Grants - Bailey Walker  
865-215-2888  
bwalker@knoxvilletn.gov

Please send your comments or questions to

Linda Rust

[LRust@knoxvilletn.gov](mailto:LRust@knoxvilletn.gov)

or

P.O. Box 1630

Knoxville, TN 37901-1630

Thank you for joining us!

[www.knoxvilletn.gov/development](http://www.knoxvilletn.gov/development)