

Executive Summary

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

1. Introduction

Similar to other urban areas undergoing revitalization across the nation and within the state of Tennessee, the availability of affordable *rental* housing has become a high priority need in the city of Knoxville. Data collected both nationally and locally, along with ongoing consultation with homeless service and affordable housing providers show the demand for rental housing is far exceeding the supply, with the lowest income households bearing the brunt of the affordable rental housing shortage. Formerly subsidized units are being turned-over to market rate as affordability periods expire. Rising land values and construction costs, and uncertainty in federal funding programs are also deterring the development of new affordable rental housing.

As some city neighborhoods begin to redevelop and thrive economically, concerns about gentrification and involuntary displacement of both the lowest income as well as average wage earner households are being expressed. Lower-income homeowners, particularly the elderly/disabled on fixed incomes, single-parent families and other households with a high housing cost burden, have difficulty making necessary repairs to their homes. Landlords who are offering (or interested in offering) affordable rents or taking Section 8 vouchers sometimes have difficulty in affording the repairs and updating that are needed for older, rental buildings.

The City is responding to these challenges by adjusting its Consolidated Plan goals and strategies. Beginning with its PY2016 Action Plan, the City included funding for the development of new, and maintenance of existing, affordable rental housing, along with owner-occupied housing rehabilitation. The City also asked its non profit housing partners to make their programs more accessible to low- and moderate-income renters. In the current program year, the City focused its federal funds on the development of new affordable rental units and asked its subrecipient housing partners to set goals for serving rental households. Additionally, Knoxville City Council approved Mayor Rogero's proposal to use \$2M in local, general operating funds to create the Affordable Rental Development Fund (ARDF) to provide assistance to developers of new affordable, rental housing. A year into the program, 206 total rental units are under construction and another 440 are in the review process. An additional \$2.5M in local funding has been allocated for the ARDF in PY2018-2019. These local funds combined with HUD funds are beginning to make an impact. The Southside Flats development, for example, will create 172 new units, affordable to those households earning up to 60% AMI, accessible to jobs, public transit, and located in the heart of a redevelopment area.

Community interest in affordable housing is also increasing. Within the last year, Community Development staff were invited to speak about affordable housing at over a dozen community and city-advisory group meetings. Several community organizations have begun actively advocating for funding for affordable housing.

By placing a heavy emphasis on the availability and affordability of housing to both LMI renters and homeowners, this Action Plan also addresses other community needs identified in the Consolidated Planning process. Both the addition of new affordable units and rehabilitation of existing, substandard affordable units promote rapid re-housing efforts and prevent homelessness. Neighborhoods are strengthened when substandard and blighted homes are rehabilitated. Jobs that are created and retained directly through construction activities, and indirectly through the purchase of construction materials and supplies, promote economic development.

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.

This is the annual update to the Five Year Consolidated Plan, completed by the City of Knoxville in May 2015, proposing activities planned for the fourth program year (PY) 2018-2019. Four community needs categories were identified through the Consolidated Planning process - Strengthening Neighborhoods, Promoting Economic Development, Reducing and Ending Homelessness, and Promoting Affordable Housing. Promoting affordable housing has always been a priority activity and indeed, positively impacts the other community needs identified. HUD funds are primarily being allocated in PY2018-2019 to activities that help to keep housing affordable and available to low and moderate-income households. These activities include providing assistance along the affordable housing spectrum from rehabilitating existing housing to new construction for both owner-occupied and rental housing. Housing rehabilitation may include major housing repairs (including reconstruction if the house cannot be repaired), emergency and minor home repairs, weatherization to lower utility costs for high cost-burdened households, and accessibility improvements to avoid displacement of vulnerable households. New construction of affordable rental housing is a priority and will be funded largely through the City's Affordable Rental Development Fund, with HOME funds, and possibly CDBG for non profit developers. Federal funds will also be used for new construction of affordable homeowner housing. Construction activities create work and keep local people employed. Promoting economic development initiatives that maintain and create new local jobs, as well as workforce development programs that assist disadvantaged people with marketable job skills, begins 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.

A small amount of HUD funds for PY2018-2019 will be used for public service activities and for maintenance of blighted properties in neighborhoods.

3. Evaluation of past performance

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

Since 1994, the City has spent a total of \$34.3M in HOME funds on affordable housing in the city of Knoxville, the majority (84%) of which have been used to facilitate home-ownership for low/moderate income households. The emphasis on constructing modest, affordable, owner-occupied homes helping low/moderate income households maintain homeownership through housing rehabilitation, emergency and minor home repairs, and accessibility modifications, etc. and assisting low/moderate income homebuyers with purchasing their first home was due to the belief that homeownership is the best way for most low/moderate income households to achieve and maintain stability. Investing in one's own home, rather than paying rent, is the best way for most households to build wealth and create opportunity to change their long-term economic trajectory.

During the same time period, the City spent almost \$5.4M (about 16%) of its HOME dollars on constructing or rehabilitating 277 affordable *rental* housing units. The City has also supported KCDC, Knoxville's public housing authority, with approximately \$13M in local, capital funds over the past 10 years, assisting with the construction of infrastructure in the Five Points Redevelopment area of East Knoxville. Upon completion, there will be 462 units of affordable rental housing, 267 of which will be family units, in the Five Points development (212 are completed to-date).

As the lack of availability of affordable, rental housing has become urgent in recent years, the City has refocused its strategies and used HOME (and some CDBG) funds to support several affordable rental housing projects. Rehabilitation has been completed on 15 (13 HOME) affordable, rental units on Washington Pike with Helen Ross McNabb Center for housing chronically homeless veterans and 24 (9 HOME) units on Jenkins Road (Normandy Chateau) for Knox Housing Partnership/HomeSource East Tennessee. Property was acquired in 2016 for the development of 2 group homes (6 units) by HomeSource East Tennessee for seniors or other persons with special needs, and the eventual development of an additional 24 units of affordable rental housing. During the current program year, rehabilitation has begun on 21 (10 HOME) units with Benson-Brackins developers on Pocahontas Drive and 40 units on Valley View Drive with Premier Properties. Work on the development of 172 units of affordable rental housing has also recently begun on Southside Flats by Elmington Capital Group on East Martin Mill Pike. Local, Affordable Rental Development Funds are also supporting the development of 10 units with Helen Ross McNabb Center on Middlebrook Pike and 24 (10 HOME) units with Restoration House on Robinson Road.

During the current program year, HOME and CDBG funds have also been used to: rehabilitate 8 owner-occupied houses; construct 3 CHDO-developed houses, with 4 in progress; and assist 3 home buyers

with down payment assistance purchasing a CHDO-developed home (with 2 in progress). Accomplishments for other activities that meet 2015-2019 Consolidated Plan high priority needs include, at about the year's midpoint: one class (10 students) has successfully completed workforce development training and another class is underway; 19 homeless service agencies have received HMIS assistance; 2 commercial façade activities (using prior year funds) are underway; and 9 non-profit organizations or owners of blighted properties have been assisted with design and technical assistance.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

During the current program year, the City facilitated on-going consultation with both homeless service and affordable housing providers (including KCDC) through the Mayor's quarterly meetings of the Roundtable on Homelessness and monthly meetings of the Knoxville Homeless Coalition.

Also during the current program year, CD staff presented affordable housing data and information about available housing programs to several organizations, including the: Metropolitan Planning Commission (August 2017); East Tennessee Regional Leadership Association Conference (November 2017); 'South of the River' Democrats (February 2018), City's Business Advisory Committee (February 2018); and to City Council twice (March and May, 2018). Staff also presented to two local organizations advocating for affordable housing, Justice Knox (January 2018) and the Knoxville Branch of the NAACP, Affordable Housing Study Group (February 2018). A time for comments and question/answer time was had after staff presented. Please see comments and feedback in the attachments section.

In preparation of this Annual Action Plan, citizens were invited to a public hearing on February 5, 2018, by public notices in community newspapers and the City's website, and through the City's Office of Neighborhood's weekly newsletter. Over 30 people attended the public meeting, including community/neighborhood residents, representatives from several health and grassroots advocacy groups, newly-elected representatives from City Council and County Commission, and staff from several non-profit housing and service providers. Participants heard an overview of the Community Development's mission and expected outcomes, descriptions of the Consolidated Plan and the 2018-2019 Annual Action Plan update and timeline, HUD funding and its constraints, a summary of progress on meeting affordable rental housing goals, consultation activities and how the City works with its community partners, and proposed high priority activities for PY2018-2019. After the presentation, those who wished to share comments stayed to participate in small-group sessions. Please see the attachments section for a full listing of the comments received.

Mayor Rogero also made 'Equity in Housing' a feature of the City's mid-year Budget Retreat in February. Community Development staff held several smaller, face-to-face meetings to discuss equity issues with KCDC, Neighborhood Housing Inc./Workforce Development, the City of Knoxville's Small Business Liaison, and TN Achieves.

The draft plan was completed and available for a 30-day public comment period starting April 6 and ending May 7, 2018. While HUD had not yet received its allocation amounts for the 2018-2019 program year, a Notice from HUD dated January 24, 2018, *advised that grantees use a "Contingency Provision" for describing how it will allocate funds once actual funding amounts are made known.* The City chose to proceed with publicizing its draft Plan and held its public comment period using estimates based on level funding (rather than actual amounts of funding) and percentages of the 2018-2019 allocation amounts for proposed activities. One comment by email was received during the 30 day public comment period. Please see the attachments section. A second public meeting was held on May 7, 2018, and 14 citizens were in attendance. Community Development staff gave a presentation outlining the proposed activities in the draft and gave information about the actual allocation amounts from HUD received on May 2, 2018, and how the funds would be distributed according to percentages from the draft plan. Comments and question/answer time was held afterward. Please see the public meeting comments section for detailed description.

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 the attachments for a full description of comments received.

At the February 5, 2018, public meeting, comments were received in three main topic areas: Neighborhoods, Homelessness, and Affordable Housing. Concerns were expressed about gentrification, blighted properties, developing "complete neighborhoods," and how HUD's disparate impact rule will address mixed income areas. The unique needs of specific homeless populations (transgender individuals, families, the chronically homeless, youth) and their difficulty in obtaining appropriate shelter and housing and gaps in health services were discussed. Comments regarding affordable housing included both rental and owner-occupied housing. The lack of rental housing stock for single individuals, single-family and multi-family rental; expiring affordability periods; access issues for those with criminal records (especially sex offenders), mental health and addiction challenges, and proposed changes in HUD public housing requirements. The need for additional permanent supportive housing, especially for seniors and the need for a holistic approach to health, housing and social services were shared. More diversity in the kinds of affordable rental housing, not just "public housing", for the East Knoxville area. Concerns about low income homebuyers competing with investors, increased property costs, and homeowners needing better access to information about repair assistance programs, rounded out the discussion.

One comment was received during the public comment period and concerned youth homelessness. The author requests the City to: appropriate funding to provide youth a safer and smaller emergency shelter environment tailored toward their unique needs and develop non time-limited youth supportive housing, similar to permanent supportive housing programs with intensive case management to help youth navigate the resource network to meet their needs and maintain housing.

The May 7, 2018, public meeting included many comments about the overall City budget proposal presented by the mayor the week before, and affordable housing as a priority within the budget. Concerns were expressed about blight remediation and involuntary displacement, gentrification, public housing subsidies, the impact of MPC's Recode Knoxville initiative for affordable housing in the city, definitions of affordable housing, and prioritizing affordable housing.

Feedback from local community groups such as Justice Knox and the local NAACP are also supportive of the development of additional affordable rental housing in the city. Justice Knox requests that the City: identify dedicated sources of funding for its Affordable Rental Development Fund (especially for the lowest income and for a 30 year affordability period); create a community oversight board to make recommendations for the Fund; and host an affordable housing summit in the Fall of 2018. The NAACP also presented a resolution to the City that addresses concerns about gentrification and involuntary displacement of average-income workers in the central areas of the city, high transportation costs and poverty in suburban areas, and a fear of displacement of people, businesses, and churches in historically African American neighborhoods. They asked the City: for an inventory of affordable housing; to establish quantitative goals for affordable housing in redeveloping areas; and to approve a plan to promote and remove any impediments from the development of workforce housing in neighborhoods.

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

All comments and requests are valued and are under consideration. There were no comments or views that were not accepted.

7. Summary

There is little change in the high priority need for Affordable Housing and correspondingly, Preventing and Ending Homelessness identified by the Consolidated Plan, completed in May 2015. National trends show, and consultation feedback received over three+ years from our local partner agencies confirm, that affordable rental housing, especially for extremely low and very low income households, is becoming even more limited in the city of Knoxville. While some relief may come later in the year when KCDC completes Phase II of the Five Points housing development (adding 84 units of family housing), Knoxville is still seeing a marked decrease in the availability of affordable, rental housing. In addition to some of the factors described earlier, such as expiring affordability periods on tax subsidized multi-family housing and conversion to market rate housing, private multi-family housing is being upgraded to attract university students with rents unaffordable to most current tenants. Programs receiving rapid re-housing and homelessness prevention funds for assisting the homeless and near-homeless continue to face not only difficulty finding affordable units to move people into, but also having to re-house people formerly housed because their unit has since become unaffordable to them. Comments and other feedback received from the public advocating for prioritizing affordable housing (including permanent supportive housing and housing for homeless youth) has only increased over the years, as well.

The City of Knoxville Community Development Department will continue to prioritize, with the use of CDBG and HOME funds, affordable housing activities, especially the new development and maintenance of affordable rental housing (including permanent supportive housing) to the lowest income households

(0-60% of AMI). The City has also allocated local dollars to the Affordable Rental Development Fund (ARDF), increasing it to \$2.5M for PY2018-2019.

Keeping both owner-occupied and rental housing affordable and in good repair as well as constructing new affordable rental housing 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/Housing Standard. Included in this category are: energy efficiency and related improvements to keep housing affordable by lowering utility bills; accessibility modifications to keep people from being displaced; and emergency and minor home repairs to help maintain the condition of the housing stock and keep people in their homes.

A small amount of unspent, prior-year CDBG funds will be used for maintenance of blighted properties and some funds from the PY2018-2019 CDBG allocation will be used for design and technical assistance to organizations/businesses in redevelopment areas and for workforce development, a public service activity.

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		
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 directly through the U.S. Department of Housing and Urban Development (HUD). The City's direct allocation of Emergency Solutions Grant (ESG) funds from HUD to assist the homeless was discontinued by the U.S. Department of Housing and Urban Development (HUD) beginning in PY2014-2015. Since that time, the City is receiving a portion of the State of Tennessee's allocation of ESG through the Tennessee Housing Development Agency.

Consolidated Plan Public Contact Information

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

1. Introduction

The City of Knoxville's Community Development staff meets with its partners in affordable housing and community development activities on a regular and year-round basis through monthly homeless coalition meetings, quarterly meetings of the Mayor's Roundtable on Homelessness, board meetings of various partner agencies, and in special topic meetings and workshops. The Roundtable has continued to work with an ad-hoc group to foster the development of Permanent Supportive Housing in Knoxville.

The City is also responsive to requests to share information with community advocacy groups. CD staff made presentations to the Justice Knox and NAACP Affordable Housing Study Group in January and February 2018. It is through these relationships with the community, and with other service and housing providers that the City stays informed and involved.

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))

The City leads the effort to coordinate public and assisted housing and service providers through its Office on Homelessness, the Knoxville-Knox County Homeless Coalition (meeting monthly), the Mayor's Roundtable on Homelessness (meeting quarterly), and the Knoxville-Knox County Continuum of Care, as well as through its relationship and support of the public housing authority (KCDC) and case management services to its more vulnerable residents.

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 Knoxville-Knox County CoC is the Knoxville Knox County Homeless Coalition. The City of Knoxville Office on Homelessness serves as the CoC Collaborative Applicant. 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 HMIS, for setting priorities for the allocation of ESG resources, and for establishing priorities for addressing homelessness within this Consolidated Plan. The Plan to Address Homelessness coordinates community 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 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

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
	Agency/Group/Organization Type	PHA Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	KCDC is the City's public housing authority and is a major partner on affordable rental housing development. KCDC staff participates on the Mayor's Roundtable on Homelessness consultation meetings. KCDC staff also advised in the preparation of the Annual Action Plan section AP-60 Public Housing). The City is partnering with KCDC using local funds in the redevelopment of the Five Points neighborhood. KCDC staff also met with City CD staff to discuss equity issues with affordable housing.
2	Agency/Group/Organization	Catholic Charities of East Tennessee
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Services - Victims Child Welfare Agency Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Catholic Charities staff attend the mayor's Roundtable on Homelessness and the public meeting on February 5, 2018.
3	Agency/Group/Organization	Compassion Coalition
	Agency/Group/Organization Type	Services-homeless Services-Health
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Compassion Coalition staff participates in the Mayor's Roundtable on Homelessness.
4	Agency/Group/Organization	Connect Ministries
	Agency/Group/Organization Type	Services-homeless Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CONNECT Ministries is currently funded by the City with State ESG dollars.
5	Agency/Group/Organization	ALZHEIMERS ASSOCIATION OF EAST TENNESSEE
	Agency/Group/Organization Type	Services-Elderly Persons Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Alzheimers Tennessee staff attended the February 5, 2018, public meeting.
6	Agency/Group/Organization	Cherokee Health Systems
	Agency/Group/Organization Type	Services-homeless Services-Health Regional organization
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Cherokee Health staff participated in the February 5, 2018 public meeting.
7	Agency/Group/Organization	Knox County Health Department
	Agency/Group/Organization Type	Services-homeless Services-Health Health Agency Other government - County Planning organization
	What section of the Plan was addressed by Consultation?	Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	KCHD staff participates in the Mayor's Roundtable on Homelessness.
8	Agency/Group/Organization	EAST TENNESSEE COMMUNITY DESIGN CENTER
	Agency/Group/Organization Type	Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	ETCDC staff participated in the February 5, 2018 public meeting.
9	Agency/Group/Organization	EAST TENNESSEE HOUSING DEVELOPMENT CORPORATION
	Agency/Group/Organization Type	Housing Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	ETHDC staff participated in the February 5, 2018 public meeting.
10	Agency/Group/Organization	Helen Ross McNabb Center
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Services - Victims Health Agency Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	HRMC staff participate in the Mayor's Roundtable on Homelessness and participated in the February 5, 2018 public meeting.
11	Agency/Group/Organization	Homesource east tennessee
	Agency/Group/Organization Type	Housing Services - Housing Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Homesource ETN staff participated in the February 5, 2018 public meeting.
12	Agency/Group/Organization	KNOXVILLE KNOX COUNTY COMMUNITY ACTION COMMITTEE
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services - Victims Other government - County Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CAC staff participate on the Mayor's Roundtable on Homelessness, in the February 5, 2018 and May 7, 2018 public meetings.
13	Agency/Group/Organization	Knoxville City Council
	Agency/Group/Organization Type	Other government - Local Planning organization

	What section of the Plan was addressed by Consultation?	Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City CD staff held a workshop regarding the draft Annual Action Plan with Knoxville City Council on March 22, 2018 and met with them again to review the draft and public comments on May 8, 2018. Several City Council members also attended the February 5, 2018 public meeting, participate on the Mayors Roundtable on Homelessness and also attend other affordable housing advocacy group meetings.
14	Agency/Group/Organization	Knoxville Knox County Metropolitan Planning Commission
	Agency/Group/Organization Type	Other government - County Planning organization Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	MPC staff contribute data, research and maps. CD staff presented information about the affordable rental housing shortage to the Metropolitan Planning Commission in August 2017.
15	Agency/Group/Organization	Knoxville Leadership Foundation
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Employment Business and Civic Leaders Foundation

	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	KLF staff participated in the Mayor's Roundtable on Homelessness, the February 5, 2018 public meeting, and met with City CD staff regarding equity issues with workforce development on march 22, 2018.
16	Agency/Group/Organization	US Dept. of Veterans
	Agency/Group/Organization Type	Services - Housing Services-Persons with Disabilities Services-homeless Services-Health Services-Employment Other government - Federal
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Needs - Veterans Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	VA staff participate in the Mayors Roundtable on Homelessness.
17	Agency/Group/Organization	KNOX AREA RESCUE MINISTRIES
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Needs - Veterans Homelessness Strategy Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	KARM staff participate on the Mayors Roundtable on Homelessness.
18	Agency/Group/Organization	University of Tennessee/Knox HMIS
	Agency/Group/Organization Type	Other government - State Planning organization Major Employer
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	UT HMIS staff participate on the Mayor's Roundtable on Homelessness and provide data and information for the 2018 State ESG application.
19	Agency/Group/Organization	VOLUNTEER MINISTRY CENTER
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Services-homeless Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	VMC staff participates on the Mayor's Roundtable on Homelessness.

20	Agency/Group/Organization	Volunteers of America
	Agency/Group/Organization Type	Services - Housing Services-Elderly Persons Services-Persons with Disabilities Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Needs - Veterans Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	VOA staff participate on the Mayor's Roundtable on Homelessness.
21	Agency/Group/Organization	YWCA
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services - Victims Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	YWCA staff participate on the Mayor's Roundtable on Homelessness.

22	Agency/Group/Organization	Salvation Army
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Employment Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Salvation Army staff participate on the Mayor's Roundtable on Homelessness.
23	Agency/Group/Organization	Family Promise
	Agency/Group/Organization Type	Services - Housing Services-homeless Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Family Promise staff participate on the Mayor's Roundtable on Homelessness.

24	Agency/Group/Organization	Positively Living
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Health Services - Victims Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Positively Living participate on the Mayor's Roundtable on Homelessness.

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

Any agency that wishes to be included in consultation activities is encouraged to be involved. There is no agency that is excluded from consultation activities.

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 that serves as the Collaborative Applicant on behalf of the Knoxville-Knox County Homeless Coalition, which is 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

Community Development staff were invited to make several presentations in the community on the need for affordable rental housing. Staff researched and consulted with the Knoxville-Knox County Community Action Committee (CAC), Knoxville's Community Development Corporation (KCDC), and the Knoxville-Knox County Metropolitan Planning Commission (MPC) to prepare an updated presentation highlighting the gaps in affordable rental housing. Staff presented this information to the Metropolitan Planning Commission in August 2017 (about 40 people were in attendance); the East Tennessee Regional Leadership Association in November 2017 (about 100 people in attendance); the City's Business Advisory Committee in February 2018 (8 people); City Council at its March 22 workshop and May 8, 2018 pre-City Council meeting; and to the CAC Community Leadership Class of 2018 (attended by about 20 people).

City CD staff also met in early 2018 with several grassroots organizations advocating for affordable housing. JusticeKnox is a faith-based community group studying how the lack of affordable and accessible housing is impacting those who are most vulnerable in our community. Justice Knox represents about 20 congregations in Knoxville with about 10,000 citizens from diverse backgrounds. They held over 400 "house meetings" in studying the lack of affordable and accessible housing. The Knoxville Chapter of the NAACP is also researching the impact of the lack of affordable housing on vulnerable people in the community. The NAACP created an Affordable Housing Study Group (about 25 people attend) that hosted City staff, among others involved in the development of affordable housing in Knoxville. The Knoxville NAACP membership approved a resolution dated January 6, 2018 (see attachments) that outlines their concerns. A presentation was also made to the 'South of the River' Democrats in February 2018.

City CD held a formal public meeting on February 5, 2018, in preparation for the development of the PY2018-2019 Annual Action Plan. Citizens were invited to the meeting by public notices in the Knoxville News Sentinel newspaper and through Mundo Hispano, a Spanish-language online newspaper, on the City's website, through the City's Office of Neighborhood's newsletter and the City's FaceBook page. Over 30 people, including citizens, neighborhood leaders/representatives, grassroots community advocacy agencies, housing developers, non-profit organizations and service providers, and staff from various city departments were in attendance. Please see a summary, in the attachments section.

The draft Plan was completed and available for comment during a thirty-day public comment period beginning April 6, 2018. Notice was given through the Knoxville News Sentinel newspaper, online through Mundo Hispano, through the City's Office of Neighborhood's Newsletter and online through the City's website and calendar. One written (emailed) comment was received during the public comment period. Please see the attachments section.

A second formal public meeting was held at the end of the public comment period on May 7, 2018. Citizens were invited to the meeting by public notices in the Knoxville News Sentinel newspaper and through Mundo Hispano, a Spanish-language online newspaper, on the City’s website, through the City’s Office of Neighborhood’s newsletter and through the City’s FaceBook page. Over 15 people, including citizens, neighborhood leaders/representatives, grassroots community advocacy agencies, housing developers, non-profit organizations and service providers, and City CD staff were in attendance. Please see, in the attachments section of this Plan, a summary of the public meeting.

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	Newspaper Ad	Non-targeted/broad community	Notice to the public of the City's first public meeting date, place, and time through the Knoxville News Sentinel.	No comments received	NA	
2	Internet Outreach	Non-English Speaking - Specify other language: Spanish	Spanish-speaking community advised of public meeting through Mundo Hispano, a Spanish language online news site.	No comments received	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)
3	Internet Outreach	neighborhood organizations	Neighborhood organization members and leadership were informed of public meeting through the City's Office of Neighborhood's Newsletter, which is mailed, emailed and available online.	No comments received	NA	
4	Internet Outreach	Non-targeted/broad community	Notice of public meeting on the City's web page and calendar.	No comments received.	NA	
5	Internet Outreach	Non-targeted/broad community	The City published notice to the first public meeting on its FaceBook page.	No comments, but 5 likes and 11 shares.	NA	

6	Public Hearing	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>Over 30 people attended the public meeting, including community/neighborhood residents, representatives from several health and grassroots advocacy groups, newly-elected representatives from City Council and County Commission, and staff from several non-profit housing and service providers. Participants heard an overview of the Community mission and expected outcomes, descriptions of the Consolidated Plan and the 2018-2019 Annual Action Plan update and timeline, HUD funding and its constraints, a summary of progress on meeting</p>	<p>After the presentation, those who wished to share comments stayed and worked in small-group meetings. Please see the attachments section for a full listing of the comments received from participants at the February 5, 2018, public meeting.</p>	<p>All comments were accepted.</p>	
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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)
			affordable rental housing goals, consultation activities and how the City works with its community partners, and proposed high priority activities for PY2018-2019.			

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)
7	NAACP Affordable Housing Study Group meeting	Minorities	CD staff presented information about the need for affordable housing to about 25 people attending the NAACP's Affordable Housing Study Group meeting on February 13, 2018.	Comments included: there's a need for more housing stock (including Accessory Dwelling Units - ADUs), rent control, shared-living to lower costs, KUB weatherization, more Section 8 vouchers, and a guaranteed basic income. Please see the NAACP's resolution dated January 6, 2018, outlining their requests of the city.	All comments were accepted.	

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)
8	Justice Knox meeting	<p>Minorities</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	CD staff presented to a leadership subset of Justice Knox, an ecumenical organization, of about 9 people on January 3, 2018.	The group had many questions about what constituted affordability, the incomes of people impacted, and how many units of affordable housing are needed. See a draft of their "Affordable Housing Asks" in the attachments.	All comments were accepted.	
9	Newspaper Ad	Non-targeted/broad community	The public was advised, through the Knoxville News Sentinel, of when the draft Annual Action Plan would be released and available for public comment. Notice was also given of the second public meeting date, place, time for the public to also give comment.	One email comment was received during the public comment period. Please see the attachments section for detail.	The comment was accepted.	

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)
10	Internet Outreach	Non-English Speaking - Specify other language: Spanish	The Spanish-speaking community was advised through Mundo Hispano, a Spanish language online news site, of the release of the draft Annual Action Plan and the 30 day public comment period, as well as the second public meeting date, time and place.	No comments were received	NA	
11	Internet Outreach	neighborhood organizations	Neighborhood organization members and leadership were informed through the City's Office of Neighborhood's Newsletter (which is mailed, emailed and available online) of the release of the draft Annual Action Plan, the 30 day public comment period and the second public meeting.	No comments were received.	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)
12	Internet Outreach	Non-targeted/broad community	Notice of the availability of the draft Annual Action Plan, 30 day public comment period, and second public meeting on the City's web page and calendar.	No comments were received.	NA	
13	Internet Outreach	Non-targeted/broad community	The City published notice about the availability for the draft Annual Action Plan, 30 day public comment period, and an invite to the second public meeting on its FaceBook page.	No comments, 2 likes.	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)
14	Public Meeting	Minorities Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	Over 15 people, including citizens, neighborhood leaders/representatives, grassroots community advocacy agencies, housing developers, non-profit organizations and service providers, and City CD staff were in attendance.	Please see, in the attachments section of this Plan, a summary of the public meeting.	All comments were accepted.	
15	Newspaper Ad	Non-targeted/broad community	The public was advised, through the Knoxville News Sentinel, of the second public meeting date, place, and time.	No comments were received.	NA	
16	Internet Outreach	Non-English Speaking - Specify other language: Spanish	Spanish-speaking community advised of second public meeting through Mundo Hispano, a Spanish language online news site.	No comments were received.	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)
17	Internet Outreach	Non-targeted/broad community	The City published another notice for the second public meeting on its FaceBook page.	No comments were received, but it had 3 likes.	NA	

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The City of Knoxville received an almost 25% increase (\$538,884) in its allocations from the U.S. Department of Housing and Urban Development (HUD) for PY2018-2019. The allocation for Community Development Block Grant (CDBG) funds increased over 15% (\$218,031) from the current year. The allocation for HOME Investment Partnerships (HOME) funds increased over 41% (\$320,853) from the current year. HUD did not reinstate a direct allocation of Emergency Solutions Grant to the City of Knoxville in PY2018-2019.

Program Income is derived from payments on loans the City made to low and moderate-income homeowners who participated in the Owner-Occupied Housing Rehabilitation program, funded by CDBG and HOME funds. Federal regulations require, generally, that CDBG Program Income funds be used to pay program expenditures before funds are drawn down from HUD. The requirements for the expenditure of HOME Program Income allow for the funds to be allocated and budgeted to projects and activities in the Annual Action Plan.

Any unspent prior year funding is the result of activities that were cancelled, delayed indefinitely, not committed, or were completed under-budget. These funds are reallocated in the budget and Annual Action Plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				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	1,609,007	150,000	509,326	2,268,333	2,000,000	For PY2018-2019, the CDBG allocation were increased by over 15%.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				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	1,097,110	500,000	0	1,597,110	1,200,000	For PY2018-2019, the HOME allocation was increased by over 41%.
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	0	The city's direct ESG allocation from HUD was not restored in PY2018-2019.

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

The City of Knoxville utilizes local funds to support activities to address the four priority areas identified during the Consolidated Planning process. 1. Strengthening Neighborhoods: the City funds the City Office of Neighborhoods (\$216,850 for PY2018-2019); the acquisition and stabilization of blighted/abandoned/chronic problem properties available for the Homemaker's program (\$500,000 for PY2018-2019); Historic Preservation (\$500,000 for 2018-2019); Community Schools (\$325,000 for PY2018-2019); 2. Promoting Economic Development: the City supports the Commercial Façade Improvement program (\$500,000 for PY2018-2019), among other programs assisting small and minority-owned businesses in the city; 3. Reducing and Ending Homelessness: the City supports the City Office on Homelessness and grants to agencies that assist the homeless (estimated to be \$1,056,440 for PY2018-2019); 4. Promoting Affordable Housing: the City funds the Affordable Housing Trust Fund with the East Tennessee Foundation with local funds (\$323,000 for PY2018-2019); KCDC (Knoxville's PHA) with local funds to support infrastructure development in the Five Points neighborhood housing revitalization plan – the original commitment was for \$8M over ten years, and over \$8.7M has been awarded in nine years; and \$2.5M to continue funding the Affordable Rental Development Program (ARDF) that will leverage investment in the development of new affordable rental housing.

The City of Knoxville, as a Participating Jurisdiction (PJ), is required to make contributions to housing that qualifies as affordable housing under the HOME program throughout the fiscal year. Normally, the contributions must not total less than 25% of the funds drawn by the City in that fiscal year (not including funds drawn for administrative and planning costs, and certain CHDO expenses). However, when a local jurisdiction meets one of the distress criteria, it is determined to be in fiscal distress and receives a 50% reduction of match. Knoxville qualifies as distressed based on the poverty criterion, its percentage of persons in poverty is 25.7% (it must be at least 19.9% to qualify). Therefore its match requirement is reduced to 12.5%. The City of Knoxville will provide HOME match during the year with both local funds (Affordable Rental Development Fund, described above) and HOPE III Program Income. These funds will be provided to new HOME rental projects in order to create additional affordable units.

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. These properties are made available through the City's Homemaker's program or to Community Housing Development Organizations (CHDOs) for the development of affordable housing.

Discussion

Additional federal funds and increased local dollars mean that the City has over \$1M more available in PY2018-2019 than the current program year to allocate to affordable housing initiatives. Most of that increase is being allocated to develop new affordable rental housing, however increases will also be seen in rehabilitation of existing housing and development of new owner-occupied housing.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

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	CDBG: \$15,138	Housing Code Enforcement/Foreclosed Property Care: 80 Household Housing Unit
2	Design and Technical Assistance	2015	2019	Non-Housing Community Development	City of Knoxville	Strengthen Neighborhoods Promote Economic Development	CDBG: \$50,000	Other: 13 Other
3	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	CDBG: \$119,000	Public service activities other than Low/Moderate Income Housing Benefit: 31 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Owner Occupied Housing Rehabilitation	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Affordable Housing	CDBG: \$425,930 HOME: \$242,624	Homeowner Housing Rehabilitated: 10 Household Housing Unit
5	Emergency Home Repair	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$416,991	Homeowner Housing Rehabilitated: 90 Household Housing Unit
6	Minor Home Repair	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$112,630	Homeowner Housing Rehabilitated: 45 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Energy Efficiency Improvements	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$112,630	Rental units rehabilitated: 22 Household Housing Unit
8	Accessibility Modifications	2015	2019	Affordable Housing Non-Homeless Special Needs	City of Knoxville	Strengthen Neighborhoods Reduce and End Homelessness Promote Affordable Housing	CDBG: \$64,360	Rental units rehabilitated: 10 Household Housing Unit Homeowner Housing Rehabilitated: 9 Household Housing Unit
9	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: \$599,852 HOME: \$601,075	Rental units constructed: 30 Household Housing Unit Rental units rehabilitated: 15 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
10	New Affordable Housing Construction	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	HOME: \$427,873	Rental units constructed: 7 Household Housing Unit Homeowner Housing Added: 8 Household Housing Unit
11	Down payment and Closing Cost Assistance	2015	2019	Affordable Housing	City of Knoxville	Strengthen Neighborhoods Promote Affordable Housing	HOME: \$165,827	Other: 9 Other
12	Administration	2015	2019	Program Administration	City of Knoxville	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing	CDBG: \$351,801 HOME: \$159,711	Other: 2 Other

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Blighted Property Acquisition and Maintenance
	Goal Description	The City of Knoxville will provide the bulk of the funding through local (City) funding sources to acquire and maintain blighted properties in PY2018-2019, however \$15,138 in prior year CDBG funds will assist with the mowing/maintenance of approximately 80 blighted properties in low/moderate income neighborhoods.
2	Goal Name	Design and Technical Assistance
	Goal Description	The City of Knoxville will use \$50,000 (3%) of its PY2018 CDBG allocation, through a subrecipient agreement, for the East Tennessee Community Design Center to provide design and technical assistance to approximately 13 community non-profit agencies and developers/owners of properties in low/moderate income census tracts to assist with community redevelopment, blight remediation and development of businesses and other uses.
3	Goal Name	Public Services
	Goal Description	The City of Knoxville will use \$81,000 (5%) of its PY2018 CDBG allocation and up to \$38,000 in prior year CDBG funds, through a subrecipient agreement, for Neighborhood Housing, Inc.'s Workforce Development program to provide job skills and life skills training to approximately 31 extremely low (0-30% AMI) income young adults (aged 18-29 years old) in certain low/mod, disadvantaged census tracts.
4	Goal Name	Owner Occupied Housing Rehabilitation
	Goal Description	The City of Knoxville will use \$209,171 (13%) of its PY2018 CDBG allocation and about \$120,219 of prior year CDBG funds, and \$142,624 (13%) of its PY2018 HOME allocation and about \$100,000 in estimated HOME program income funds, a total of about \$572,014 to assist approximately 10 households with owner-occupied housing rehabilitation: 2 extremely low income; 4 very low income; and 4 moderate income households. The City expects to use up to \$96,540 (6%) of its PY2018 CDBG allocation for project delivery expenses for owner-occupied housing rehabilitation activities.

5	Goal Name	Emergency Home Repair
	Goal Description	The City of Knoxville will use \$176,991 (11%) of its PY2018 CDBG allocation, about \$150,000 in estimated PY2018 CDBG program income, and up to \$90,000 in prior year CDBG funds, for a total of \$416,991, through a subrecipient agreement, to fund the Knoxville-Knox County Community Action Committee (CAC) to provide emergency home repairs energy efficiency and weatherization-related services (less than \$4,999 each unit) to approximately 90 homeowners: 33 extremely low income; 40 very low income; and 17 low/moderate income households.
6	Goal Name	Minor Home Repair
	Goal Description	The City of Knoxville will use \$112,630 (7%) of its PY2018 CDBG allocation, through a subrecipient agreement, for Neighborhood Housing, Inc.'s the Operation Back Yard program to assist approximately 45 homeowners with minor home repairs (less than \$4,999 each): 16 extremely low income; 16 very low income; and 13 low/moderate income households.
7	Goal Name	Energy Efficiency Improvements
	Goal Description	The City of Knoxville will use \$112,630 (7%) of its PY2018 CDBG allocation, through a subrecipient agreement, for the Knoxville-Knox County Community Action Committee (CAC) to provide energy efficiency and weatherization-related repair services to approximately 22 renter-households (17 extremely low income; 3 very low income; and 2 low/moderate income households).
8	Goal Name	Accessibility Modifications
	Goal Description	The City of Knoxville will use \$64,360 (4%) of its PY2018 CDBG allocation, through a subrecipient agreement, for Neighborhood Housing, Inc.'s Operation Back Yard program to provide accessibility improvements to approximately 19 disabled households: 10 renter-occupied households (5 extremely low income; 4 very low income; and 1 low/moderate income households) and 9 owner-occupied households (4 extremely low income; 3 very low income; and 2 low/moderate income households).

9	Goal Name	Rental Housing Rehabilitation and Development
	Goal Description	<p>The City of Knoxville will use \$144,811 (9%) of its PY2018 CDBG allocation and about \$245,969 of prior year funds to rehabilitate affordable rental housing units. The City will also use \$351,075 (32%) of its PY2018 HOME allocation and about \$250,000 of its estimated HOME program income funds to rehabilitate and/or develop new affordable rental units, for a total of about \$991,855 to assist approximately 45 renter households with affordable housing: 19 extremely low income (0-30% AMI), 16 very low income (31-50% AMI) and 10 (51-80% AMI) households.</p> <p>The City expects to use up to \$209,072 (13%) of its PY2018 CDBG allocation for project delivery expenses for rental housing rehabilitation/development activities.</p>
10	Goal Name	New Affordable Housing Construction
	Goal Description	<p>The City of Knoxville will use \$427,873 (39%) of its PY2018 HOME allocation to fund Community Housing Development Organizations (CHDOs) to develop approximately 15 units of new affordable housing – estimated at 8 owner-occupied and 7 rental units serving: 3 extremely low income (0-30% AMI), 7 very low income households (31-50% AMI) and 5 low/moderate income (50-80% AMI) households.</p>
11	Goal Name	Down payment and Closing Cost Assistance
	Goal Description	<p>The City of Knoxville will use \$65,827 (6%) of its PY2018 HOME allocation and about \$100,000 in estimated HOME program income to assist approximately 9 homebuyers of affordable, CHDO-developed housing: 3 very low income (30-50% AMI) households and 6 low/moderate income (51-80% AMI) households.</p>
12	Goal Name	Administration
	Goal Description	<p>The City will use up to \$351,801 (20% of its PY2018 CDBG allocation and 20% of its CDBG estimated program income of \$150,000) to fund CDBG general administration expenses. The City will use up to \$159,711 (10% of its PY2018 HOME allocation and up to 10% of its HOME program income (as PA) estimated at \$500,000) for HOME administration expenses.</p>

Projects

AP-35 Projects – 91.220(d)

Introduction

This section is an outline of projects set up in HUD's IDIS system.

Projects

#	Project Name
1	General Administration
2	Housing Administration
3	Owner-occupied Housing Rehabilitation
4	Design and Technical Assistance
5	Community Housing Development Organization
6	Public Service Activity - Workforce Development
7	Down Payment Assistance
8	Emergency Home Repairs and Weatherization-Related
9	Minor Home Repairs and Accessibility Improvements
10	Rental Housing Rehabilitation Program
11	Blighted Property Maintenance

Table 7 - Project Information

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

As described in previous sections, affordable housing is a high priority need and the focus of the City's CDBG and HOME funds for PY2018-2019.

AP-38 Project Summary

Project Summary Information

1	Project Name	General Administration
	Target Area	City of Knoxville
	Goals Supported	Administration
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$351,801
	Description	General administration expenses for CDBG programs.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	These are administrative dollars.
	Location Description	
	Planned Activities	Administrative funds for CDBG programs.
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
	Needs Addressed	Promote Affordable Housing
	Funding	CDBG: \$305,612 HOME: \$159,711
	Description	Housing program delivery expenses, using CDBG and HOME to support both owner-occupied and rental housing rehabilitation and development.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	Project delivery/administration for housing programs.
	Location Description	
	Planned Activities	
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 Promote Affordable Housing
	Funding	CDBG: \$329,390 HOME: \$242,624
	Description	Owner-occupied housing rehabilitation expenses using both CDBG and HOME.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	The owner-occupied housing rehabilitation program will assist approximately 10 lmi households with code-related housing repairs: 2 Extremely Low Income (0-30% AMI), 4 Very Low Income (31-50% AMI), and 4 Low/Moderate Income (50-80% of AMI).
	Location Description	City of Knoxville
	Planned Activities	Code-related housing rehabilitation.
4	Project Name	Design and Technical Assistance
	Target Area	City of Knoxville
	Goals Supported	Design and Technical Assistance
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development
	Funding	CDBG: \$50,000
	Description	Design and Technical assistance CDBG expenses.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	It is expected that 13 organizations or businesses will benefit from design and technical assistance.
	Location Description	Redevelopment areas and other Low/Mod Income areas.
	Planned Activities	
5	Project Name	Community Housing Development Organization
	Target Area	City of Knoxville
	Goals Supported	New Affordable Housing Construction
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	HOME: \$427,873
	Description	HOME CHDO expenses.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 15 LMI families will benefit from new housing development.
	Location Description	City of Knoxville
	Planned Activities	
6	Project Name	Public Service Activity - Workforce Development
	Target Area	City of Knoxville
	Goals Supported	Public Services
	Needs Addressed	Promote Economic Development
	Funding	CDBG: \$119,000
	Description	CDBG expenses for workforce development.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 31 young adults will benefit from workforce development training.

	Location Description	Certain low/mod income census tracts, where young adults are at risk for poverty, unemployment and criminal activity, have been targeted inside the city of Knoxville.
	Planned Activities	
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: \$165,827
	Description	HOME expenses for down payment assistance on CHD)-developed houses.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately nine households will benefit from down payment assistance on a CHDO-developed home.
	Location Description	City of Knoxville
	Planned Activities	
8	Project Name	Emergency Home Repairs and Weatherization-Related
	Target Area	City of Knoxville
	Goals Supported	Emergency Home Repair Energy Efficiency Improvements
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$529,621
	Description	CDBG expenses for minor home repair and weatherization-related expenses.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	Approximately 112 lmi households will benefit from assistance: 90 owner-occupied households and 22 renter-households.
	Location Description	City of Knoxville
	Planned Activities	Minor home repairs and weatherization-related assistance.
9	Project Name	Minor Home Repairs and Accessibility Improvements
	Target Area	City of Knoxville
	Goals Supported	Minor Home Repair Accessibility Modifications
	Needs Addressed	Strengthen Neighborhoods Promote Economic Development Reduce and End Homelessness Promote Affordable Housing
	Funding	CDBG: \$176,990
	Description	CDBG expenses for minor home repair program and accessibility improvements.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 64 lmi households will benefit from minor home repairs and accessibility improvements: 54 owner-occupied households and 10 renter households.
	Location Description	City of Knoxville
	Planned Activities	
10	Project Name	Rental Housing Rehabilitation Program
	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: \$390,781 HOME: \$601,075

	Description	Expenses for rental housing rehabilitation (CDBG) and development/new construction (CDBG and HOME) of rental housing.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Approximately 15 lmi renter households will benefit from rental rehabilitation only (CDBG) and about 30 renter households will benefit from rehabilitation of existing rental units (CDBG and HOME) and/or the development of new rental units (HOME).
	Location Description	City of Knoxville
	Planned Activities	
11	Project Name	Blighted Property Maintenance
	Target Area	City of Knoxville
	Goals Supported	Blighted Property Acquisition and Maintenance
	Needs Addressed	Strengthen Neighborhoods
	Funding	CDBG: \$15,138
	Description	CDBG expenses for blighted property maintenance.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Maintenance of approximately 80 vacant, blighted properties.
	Location Description	City of Knoxville
	Planned Activities	

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 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City may choose to add more localized target or strategy areas later, as needs and/or opportunities arise.

Neighborhood Housing, Inc. (NHI)'s Workforce Development program is giving priority to young adults in specific Census Tracts (19, 20, 67, and 68) that have:

Low Opportunity - due to poverty, low income, a higher percentage of the population on public assistance, the lack of living wage jobs, high unemployment, high housing/transportation costs, a high free/reduced lunch eligibility, low education attainment, low college enrollment, low pre-school enrollment.

Low Accessibility – due to lack of physical activity centers, active transportation, public transit, vehicle availability, retail food availability, healthy food for children.

High Vulnerability – due to higher percentage of the population with disabilities, of a minority race/ethnicity, lack of English proficiency, a higher percentage of child population, senior population, single parent households.

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

Consultation with both homeless service and affordable housing providers (including KCDC, the local public housing authority) during the preparation of the PY2016-2017 Annual Action Plan, described the shortage of affordable rental housing for the lowest income households. Research by the City, KCDC and the Knoxville-Knox County Community Action Committee (CAC) also showed the loss of hundreds of Section 8 apartments and hundreds of households on waiting lists for Section 8 vouchers and public housing units. Average monthly rents had increased and more than one-third of rental units were over 35 years old. Updated data and consultation during PY2017-2018 demonstrates that the availability of affordable rental housing, especially for households at the lowest income levels, has continued to decrease. Input was also received from several local community organizations in early 2018, advocating for affordable housing for low income and vulnerable households. Based on all of these factors, the City is allocating the majority of its federal funds to affordable housing activities in PY2018-2019.

There continue to be affordability/availability challenges at every point along the continuum of housing. Moderate-income renters (defined as 80% or less of AMI), who would be potential home-buyers, face rising housing values/prices (including rising interest rates) and a still-sluggish mortgage lending market. Even those in the workforce and of moderate-income struggle to save for down payment and closing costs for a median-priced house. Homeownership is out-of-reach for many lower income households (defined as 50% or less of AMI), when even finding rental housing that is affordable is becoming more and more difficult. Consultation with housing and social service providers, as well as data collected over the last year show that the demand for rental housing is far exceeding the supply, with the lowest income households bearing the brunt of the affordable rental housing shortage. Lower-income households that are already homeowners, particularly the elderly/disabled on fixed incomes, single-parent families and other lower income families with a higher housing costs burden, also continue to have difficulty making necessary life/safety repairs on their homes.

These challenges are the basis for the focus of federal funding through this PY2018-2019 Annual Action Plan to increase both the supply and maintenance of the affordable housing stock, especially with regards to rental housing.

One Year Goals for the Number of Households to be Supported	
Homeless	15
Non-Homeless	240
Special-Needs	0
Total	255

Table 9 - 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	45
Rehab of Existing Units	210
Acquisition of Existing Units	0
Total	255

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

*Not included in this total are approximately 9 homebuyers who will receive down payment assistance on a CHDO-developed house (so as not to duplicate numbers).

Housing affordability and availability challenges are certainly not unique to Knoxville. Nor are the difficulties of trying to meet the growing need. The focus of the PY2018-2019 Annual Action Plan is to both maintain the city's affordable housing stock and to increase the number of affordable rental housing units for homeowners and, most especially, lower-income renter-households. Although the City of Knoxville has received increased CDBG and HOME funds for PY2018-2019, and committed its own, local funding of \$2.5M for affordable rental housing development, it is not meeting the affordable housing needs identified in the Consolidated Plan.

The City is fortunate to have many partners in the community who assist with its community development activities and spend funds effectively with impressive, measurable outcomes - and all with inadequate resources to meet the need. It is also important to note that 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 the City makes funding decisions.

AP-60 Public Housing – 91.220(h)

Introduction

Knoxville’s Community Development Corporation (KCDC) is the redevelopment and public housing authority for the City of Knoxville and Knox County, Tennessee. Currently KCDC’s affordable housing portfolio includes 3,525 low-income units being managed under the Low-Income Public Housing and Project-Based Rental Assistance Programs; 3,958 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.

KCDC is in the midst of converting its low-income public housing properties to PBRA/RAD. PBRA/RAD, short for Project-based Rental Assistance/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 through 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.

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

KCDC anticipates conversion of all Low-Income Public Housing (LIPH) properties to PBRA/RAD over the next two to three years. Mechanicsville, Five Points Senior Duplexes, and Valley Oaks were added to the list of converted sites in February 2017, with Lonsdale Homes, North Ridge Crossing, and The Vista at Summit Hill converting as of October 2017. The Verandas converted in the fall of 2017. Tranche II properties are anticipated to convert prior to the end of the 2018 calendar year. These include Montgomery Village, Passport, and Austin Homes. It is further anticipated that our four high rises and Western Heights Family-style Development will convert to PBRA by 2021.

KCDC is also using a combination of RAD and Low-Income Housing Tax Credits, as well as money from the City of Knoxville, to address the Five Points Redevelopment area. Ninety units of Elderly/Disabled designated housing were completed and leased during the summer of 2017 in the neighborhood. An additional 84 Family-Style units are currently under construction, with the units to be rented April through June 2018. Additionally, as a part of this redevelopment, a number of old units, formerly part of the Lee Williams Complex, were demolished in 2017. Five Points Redevelopment will continue on with phases III (80 Family-Style Units) and IV (82 Family-Style Units) to be built over the next two years. Additionally, the remaining units at Walter P Taylor Homes will be demolished in the fall/winter of 2018.

Project-Based Vouchers (PBV) are another means of providing more affordable housing in Knoxville. KCDC already administers 127 Project Based Vouchers, and we are in the process of securing an additional 173 vouchers for use in Knoxville/Knox County. Currently there are 73 units available for leasing with the additional 100 Project Based Vouchers coming online in the next year and a half.

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. Section 8 added 10 new homeowners to the Knoxville community through its Homeownership Program during calendar year 2017. LIPH 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 (Commitment to enter into Housing Assistance Payment) Awards for all converting RAD properties except for the four high rises and Western Heights. Applications for these LIPH properties to be a part of the Rental Assistance Demonstration will be submitted in 2018. Additionally, KCDC 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 four phases. KCDC will continue to manage remaining properties under the LIPH program until RAD conversion has been accomplished agency-wide. KCDC continually seeks opportunities to improve upon and add to Knoxville’s affordable housing stock via known opportunities, as well as new means.

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

Introduction

Based on information in the 2017 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.

In 2016, the Knoxville-Knox County CoC established a Homeless Youth Council (HYC), bringing together multiple service agencies that specialize in serving youth in order to identify and address the specific needs of youth and young adults who are at risk of or experiencing homelessness. In January 2017 and again in January 2018, a specialized homeless youth point-in-time count was conducted as a part of the regular, annual homeless point-in-time count. This information will be included with the overall PIT count data to better identify the needs of this population. The HYC will work to develop a coordinated plan to address youth homelessness in PY2018.

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.

The Knoxville-Knox County Continuum of Care is implementing a new Coordinated Entry System. This will function as required by CoC regulations and will provide a consistent process for intake, assessment, and prioritization for housing and services within the CoC. The City of Knoxville is funding an early diversion program for se workers, re-starting a successful program previously funded through a SAMHSA demonstration grant. The city is also proposing to fund additional street outreach to connect with the service-resistant unsheltered population. This is being developed in conjunction with the creation of a low-barrier daytime 'safe space' for the unsheltered population.

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 other temporary outcomes.

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 continuing to implement 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 continuing to implement an initiative that provides 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 has 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.

Discussion

The City of Knoxville's Community Homelessness Plan focuses on achieving positive outcomes for each individual family, and the measurement of success is in gaining access to permanent housing and needed resources, rather than temporary outcomes (ongoing distribution of meals, shelter nights, etc.).

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

Introduction:

Some barriers to the provision of sufficient affordable housing include: increasing land values in the city; increasing costs of development/construction; the lack of, or uncertainty of, available government programs and subsidies; the lack of choice in affordable housing location; and the challenges of acquiring and assembling inner city parcels for affordable housing development. The City plans to address some of the barriers to affordable housing by: 1) Continuing the locally-funded Affordable Rental Development program (ARDF), funded initially with \$2M (with another \$2.5M approved for PY2018-2019) to develop new, affordable rental housing units and 2) Participating in Recode Knoxville, an initiative of Mayor Rogero and approved by City Council in 2016, to have the Metropolitan Planning Commission (MPC) and hired consultants review and update the City's zoning ordinance. Community Development staff are meeting with the MPC and others, as needed, to make them more aware of the barriers to fair and affordable housing as described above.

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

The City markets parcels through its Homemaker's Program, reviewing them 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. In the current program year, a private developer developed two rental houses (accepting Section 8 vouchers) on two Homemaker's lots in Lonsdale. The City continues to administer the Five Points Redevelopment area that contain properties that have remained undeveloped or underutilized due to marketability or title problems. The City, with non-federal funds, will continue to acquire abandoned property to clear title issues and offer lots for sale for redevelopment through the Homemaker's Program. Blighted properties throughout the city are acquired with City general funds and sold through the Homemaker's program, eliminating the blight and improving neighborhood stability. The City encourages 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. The City 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 focuses on efforts to alleviate vacant buildings and blight in neighborhoods. Choice in Affordable Housing Location: Development of affordable housing opportunities outside of LMAs 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 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.

Discussion:

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 from local sources 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, including to Affirmatively Further Fair Housing; fostering and maintaining affordable housing; lead based paint hazards; reducing the number of poverty level families; the development of institutional structure; and the enhancement of coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

While funding levels have increased from the current program year, funding is still insufficient to meet all affordable housing needs identified through the consultation and citizen participation process, nor all the community needs identified as high priority in the Consolidated Plan. However, the City continues to meet many community needs in priority categories, thanks to a diversity of funding sources (HUD, Tennessee Housing Development Agency, the City of Knoxville) and in the resourcefulness of its non-profit and for-profit community partners. The City continues to promote and encourage conversations between agencies and others in an effort to meet community needs in a coordinated way.

HUD has required cities and public housing authorities that receive federal funds for housing and community development to Affirmatively Further Fair Housing (AFFH) since the inception of the Fair Housing Act in 1968. The City of Knoxville's current PY2015-2020 Consolidated Plan incorporated information from the Plan East Tennessee Equity Profile, also known as the PlanET Fair Housing and Equity Assessment (FHEA), completed in 2014. See attachments. The City remains committed to understanding disparities in opportunity and promoting equity and wishes to share information and data gathered from HUD's AFH tool, as well as input received from key policy-makers in the course of the city's preparation for the AFH. Please see attachments under this section, entitled Addressing Equity – 'Specific Actions Under Review' for more information. The City intends to conduct an Analysis of Impediments in 2019, in conjunction with its next Consolidated Plan.

The City continues 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.

Actions planned to foster and maintain affordable housing

The City of Knoxville supports the development of new affordable housing in several ways. In July 2017, the City established a locally-funded Affordable Rental Development Fund with a \$2M initial investment for PY2017-2018, to support the development of new affordable rental housing. In its first year (PY2017-2018), the fund is supporting the development of 12 units of transitional housing for single mothers with children (Restoration House), 12 units of permanent supportive housing for veterans (Helen Ross McNabb Center on Middlebrook Pike), and 172 affordable rental units (Southside Flats – Elmington Capital Group). Mayor Rogero proposed, and City Council approved, an increase for PY2018-2019 to \$2.5M. The City also continues to assist KCDC, the public housing authority, with the revitalization of the Five Points neighborhood which includes the redevelopment of the Walter P. Taylor Homes public housing development. The construction of 20 units of elderly housing in infill duplexes and 90 units (Phase I), 17 family units on scattered sites in-fill lots and the development of 85 units of elderly housing at the Residences at Eastport. Under construction currently are 84 new family units on the Walter P. Taylor homes site. The City of Knoxville has invested \$8.7 of local dollars on the revitalization to date. With the next two phases - Phase III (84 family units) & Phase IV (82 family units) of housing construction, the City will provide funding for infrastructure improvements to include new streets, sidewalks, lighting and landscaping.

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).

The City coordinates with the Knoxville-Knox County Community Action Committee (CAC) and others to hold Landlord Summits to encourage landlords to provide affordable housing and educates them about available resources to help them maintain affordable housing, such as information about: free weatherization resources (through the Knoxville Knox County Community Action Committee's weatherization program); free lead testing (through the City's Lead Hazard Control program); the Cooperative Agreement to Benefit Homeless Individuals (CAHBI), serving veterans and other homeless individuals and families; social services programs, such as Section 8 Rental Assistance and other services;

and fair housing laws and the landlord/tenant act and how they are impacted.

It was reported by the Knoxville Homeless Coalition that landlords seemed much more engaged at the Landlord Summit this past year. Sponsored by City of Knoxville, Legal Aid, CAC, ECHO, KCDC, Knoxville-Knox County Homeless Coalition, the Summit's goal is to build partnerships with landlords, bridge communication gaps, and increase affordable housing stock. Landlords were registered with an 8-question survey including property types, types of landlords, property stock, leasing limitations, Section 8 enrollees, and geographical location. Most landlords surveyed replied that they do not want to lease to people with a criminal record, a lack of rental history, people with pets, or people with a poor credit history. The data gathered from the survey will be used by KCDC's Section 8 program to recruit, re-enroll, and support landlords interested in participation. It will also be used to have a better understanding of affordable housing in Knoxville/Knox-County.

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 City's housing rehabilitation 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 Lead Hazard Control and Healthy Homes 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. At completion, 243 inspection/risk assessments have been completed; 200 units have had lead hazard control work completed; and 100% of the funds have been expended.

In the coming months, the City will apply for and hopes to receive a further \$2.9M in Lead Hazard Control Grant funds from HUD's Office of Lead Hazard Control and Healthy Homes to continue the program.

All of 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 homeownership opportunities provide low and moderate income families with the ability to build wealth while serving to stabilize neighborhoods. Housing rehabilitation results in lower energy costs and savings to the homeowners. Development of affordable rental housing for LMI families and individuals increases their opportunity to save income and become self-sufficient. Housing rehabilitation and construction activities create job opportunities for LMI people, as well. The City tracks job creation and retention activities through Section 3 reporting.

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. Approval of the loan was received in April 2016 and the project was completed in December 2017. The \$2.9 million loan was used to fill the gap in development costs of the new Hyatt Regency Hotel and creating 61 full-time equivalent jobs. The total project cost was \$18.7 million.

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.

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

The City supports coordination between public and private housing and social service agencies through the Mayor's Roundtable on Homelessness that meets quarterly and the Knoxville Homeless Coalition

that meets monthly.

Discussion:

The City is committed to addressing: obstacles to meeting underserved needs, including to Affirmatively Further Fair Housing; 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 and the HOME Investment Partnership grant.

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(l)(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. Only direct subsidy to the homebuyer is subject to recapture. The recapture provisions are enforced during 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(I)(4)

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

Attachment labeled AP-90 further defines ESG written standards.

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 is beginning implementation of a coordinated entry system (CES) in compliance with HUD requirements. Operating in conjunction with KnoxHMIS, the CES was a best-practice assessment tool at intake. This tool prioritizes vulnerability of clients and creates a by-name list for prioritized referral for service and housing. The CES coordinator works with partner agencies to provide training on the assessment tool and to coordinate referrals and placements from the by-

name list.

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 has a “Request for Proposals” process where organizations and agencies can submit an application for homeless grants. Whatever the source of funding - City/local funds, THDA/State ESG funds, or in case of an eventual reinstatement, a direct allocation of ESG from HUD – the same criteria for the application is used. This is so that the City can use whatever funding is available to afford the most flexibility in meeting the needs of the homeless in its community. The application lists 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 staff team review each application and rate the proposals on how the program fits within the ESG programmatic components, how it meets a crucial homelessness-based need and which funding source is most appropriate for the request. Organizations and agencies are then recommended for funding to senior staff and the mayor. Agreements are developed which outline expectations, rules, regulations, policies and procedures, and are reviewed and approved by City Council before they are executed.

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 Mayor’s Roundtable on Homelessness 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.

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.

While the City no longer receives a direct allocation of funds from HUD, the State allocates a portion of their ESG funds to the City of Knoxville, through the Tennessee Housing Development Agency. Therefore, the City still maintains written standards for its reallocation to agencies assisting those people experiencing homelessness.