

RESPONSE: We do not currently provide low interest loans to expanding small businesses with CDBG money. We do fund a small business loan program with EZ dollars that is managed by the Urban League, but as you mentioned 50K is the limit. Most of our job creation efforts currently are funded through EZ except for one job training program (commercial driving license) that is funded through CDBG this year but didn't make it through this year's review process.

Broaden Public Participation

Various efforts were made to broaden participation in the development of the plan to minorities, non-English speaking persons and persons with disabilities by having the Public Meetings and TA workshops in more than one location and time of day, all accessible to persons with disabilities; and through outreach to 850 persons and/or agencies on the City's mailing list. This list includes a variety of organizations that should result in very broad outreach.

Explanation of Comments Not Accepted

N/A

Institutional Structure

1. Describe actions that will take place during the next year to develop institutional structure.

Program Year 3 Action Plan Institutional Structure response:

Develop Institutional Structure

As stated above in Enhance Agency Coordination, in order to improve institutional structure and enhance inter-agency coordination, representatives from the City's Community Development Division participate in many of the coordinating bodies described in the institutional structure section of the *Consolidated Plan*. These include: Partnership for Neighborhood Improvement, East Tennessee Coalition for the Homeless, Affordable Housing Trust Fund Board, Equality Coalition for Housing Opportunity, and East Tennessee Community Design Center. The City is the grantee and fiscal agent for the Empowerment Zone, and staff participates in task forces or committees as necessary to improve services and quality of life within the community.

Monitoring

1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Program Year 3 Action Plan Monitoring response:

Monitoring

The Community Development Division Director oversees the planning and budgeting process to ensure that projects are developed consistent with grant requirements. This

planning process also ensures that each funded project is consistent with the *Consolidated Plan* and makes progress toward identified community development objectives.

All subgrantee projects are assigned to a Project Manager or Specialist for oversight, monitoring, and technical assistance. The Community Development Administrator drafts contracts with input from the subgrantee and Project Manager. The City Law Department finalizes the contracts in order to ensure compliance with applicable laws and regulations.

Subgrantees submit quarterly progress reports and a completion report. Reports are reviewed by the Project Manager/Specialist to ensure contract compliance. Funds are typically provided to subgrantees on a reimbursement basis. Reimbursement requests are submitted to the City on a quarterly or as-needed basis, and contain supporting documentation for all expenses for which reimbursement is requested. Requests are reviewed, revised (if necessary), and approved by the Project Manager/Specialist, then reviewed and approved by the Community Development Administrator. The Finance Specialist prepares a check request, which is approved by the Community Development Administrator and Division Director prior to submission to the City Finance Department.

Subgrantee monitoring is performed on an informal basis through telephone, email, and periodic meetings between City and subgrantee staff. Formal monitoring is performed on an annual basis (except in the case of low risk subgrantees or projects). Formal monitoring is conducted by the Project Manager and/or Community Development Administrator at the subgrantee's office, and includes review of agency policies, procedures, financial records, and project documentation. A written report is issued following a formal monitoring session, and any findings or concerns that require subgrantee action are followed up on by both the subgrantee and City staff.

For City-operated housing activities, applications for assistance are analyzed by Housing Finance Specialists for compliance with program guidelines. Housing Rehabilitation Specialists provide detailed specifications for ensuring that the activity meets Neighborhood Housing Standards and cost estimates to ensure that construction bids are reasonable and allowable. During the construction process, all activities are monitored by Housing Rehabilitation Specialists for compliance with the terms of the construction contract and Neighborhood Housing Standards. The Housing Construction Manager reviews and approves work and activities during each step of the rehabilitation process – financial analysis, write-up/cost estimate, bid, and construction. The Community Development Administrator periodically conducts in-house monitoring.

Payment for contractor and other housing activity expenses are processed by the Housing Finance Specialists and approved by the Housing Construction Manager and Division Director prior to payment.

The Finance Specialist oversees the Division's overall expenditures and financial status, and assists the Community Development Administrator in drawing funds from HUD on a regular basis.

Special regulatory requirements are addressed by several staff members. The environmental review and release of funds process is currently handled by the Community Development Administrator with Project Specialists conducting site-specific reviews for individual sites.

For projects requiring procurement and federal labor standards compliance, the assigned project monitor provides technical assistance to the agency performing the project, oversees the bid process, works with contractors, and reviews certified payroll.

Several of the Division's housing staff are certified risk assessors for lead based paint hazards. These staff members perform inspections, testing, assessments, and clearance for homes the City funds through the rehabilitation or other housing programs. When time is available, technical assistance, inspections, and assessments are also provided for CDBG and HOME funded non-profit agencies on an as-needed basis.

Citizen participation is largely overseen by the Fair Housing Specialist and Division Director, and City staff participates in community forums, neighborhood meetings, and other agencies' planning processes.

Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

Program Year 3 Action Plan Lead-based Paint response:

Reduction of Lead Based Paint Hazards

The City will continue to implement HUD and state requirements for identification and mitigation of lead based paint hazards in housing. Lead inspections, testing, risk assessments, safe work practices, resident notification, and clearance have all been integrated into the housing rehabilitation programs. When necessary, the City also provides technical assistance to non-profit agencies that are performing housing activities with City CDBG, HOME, or ESG funds. The City will also coordinate with Middle Tennessee State University Lead Elimination Action Program (LEAP) by referring eligible families for lead-hazard reduction assistance. These activities will reduce the number of housing units with lead paint hazards and increase the City's inventory of lead safe housing for low and moderate-income persons.

HOUSING

Specific Housing Objectives

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Program Year 3 Action Plan Specific Objectives response: