

minority business and women's business enterprises have as equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction, and services.

8.

Minority Homeownership

The City anticipates that 40% of households assisted with HOME and/or ADDI homeownership assistance will be minorities.

Matching Funds

Match funding for the HOME Program has been provided primarily from the State of Tennessee HOUSE Program and the THDA Local Match Program. The City currently has match in excess of the match requirement. Additional match may be provided with HOUSE program income and HOPE3 sales proceeds.

Program Specific Requirements: ADDI

Planned Use of ADDI Funds

ADDI funds will be used for downpayment assistance for eligible first-time homebuyers. The base award will be \$5,000 and the base will be increased by \$2,500 for homebuyers below 60% of the Annual Median Income and an additional \$2,500 will be awarded for homes purchased in the Empowerment Zone. The City will ask local nonprofit organizations that provide homeownership counseling, training or other assistance to refer eligible homebuyers who need the assistance. Training is currently being provided by Knox Housing Partnership, Consumer Credit Counseling Service, Knoxville Area Urban League and UT Agricultural Extension Service.

Targeted Outreach

The City will work with KCDC to identify and target public housing residents and other assisted tenants who could use the assistance. We will target assisted tenants particularly by coordinating with the Section 8 for Homeownership Program.

Household Suitability

All households receiving ADDI assistance are required to successfully complete a homeownership education course. The City will use CDBG funding again in 2007 to provide homebuyer education, credit counseling, and IDA savings programs through Knox Housing Partnership.