



## **Second Year Annual Action Plan**



**For the HUD  
CDBG, HOME, and ESG  
Programs**

**For the one-year period  
July 1, 2011 – June 30, 2012**

**FINAL  
May 13, 2011**

**City of Knoxville  
Community Development Department  
400 Main Street, 5<sup>th</sup> Floor  
Knoxville, TN 37902**

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Annual Action Plan is due every year no less than 45 days prior to the start of the grantee's program year start date. HUD does not accept plans between August 15 and November 15.

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## **ACTION PLAN**

### Executive Summary 91.220(b)

1. The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.



## ACTION PLAN

### Executive Summary

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This is the Second Year Annual Action Plan for the Five-Year Consolidated Plan for the use of Community Development Block Grant (CDBG), HOME Investment Partnerships Grants (HOME) and Emergency Shelter Grants (ESG) for the program year beginning July 1, 2011.

In addition to CDBG, HOME and ESG programs, the City received stimulus funds in 2009 and is implementing Neighborhood Stabilization Program-1 (NSP-1), Community Development Block Grant – Recovery (CDBG-R), and Homelessness Prevention and Rapid Re-Housing (HPRP) programs. The projects being implemented with these funds will continue until they are completed and all funds are expended within the grant periods.

Additionally, the City of Knoxville was awarded a \$4.3 million Sustainable Communities Regional Planning Grant from the HUD Office of Sustainable Housing and Communities (OSHC) in 2010. This three year planning effort will be completed by January 31, 2014.

The City of Knoxville Community Development Department is the lead agency responsible for the development and implementation of the Annual Action Plan. The strategies and projects outlined in this plan are intended to benefit low and moderate income residents, improve neighborhoods with high concentrations of low and moderate income residents and positively impact the city as a whole. Strategies will coordinate with other federal and state grant programs and local initiatives to meet the objectives outlined in the plan. The Annual Plan will focus on the five goals established in the Five-Year Consolidated Plan shown below which are Homeownership, Rental Housing, Homelessness, Neighborhood Stabilization and Economic Development.

### Five-Year Consolidated Plan Goals, Specific Objectives and Priorities

FEDERAL OBJECTIVES	LOCAL GOALS and SPECIFIC OBJECTIVES	PRIORITY -LEVEL
<b>Provide Decent Housing (DH)</b>	<b>A. HOMEOWNERSHIP</b>	
	1. Increase the supply of affordable owner-occupied housing.	High
	2. Improve the quality and energy efficiency of owner-occupied housing.	High
	3. Improve access to fair and affordable owner-occupied housing.	High
	4. Increase the supply of visitable owner-occupied housing.	High
	<b>B. RENTAL HOUSING</b>	
	1. Increase the supply of affordable rental housing.	High
	2. Improve the quality and energy efficiency of affordable rental housing.	High
	3. Improve access to fair and affordable rental housing.	High
	4. Increase the supply of visitable rental housing.	High
	<b>C. HOMELESSNESS</b>	
	1. Increase the supply of permanent supportive housing for persons who are homeless.	High
	2. Improve access to permanent supportive housing for persons who are homeless.	High
	3. Provide supportive services for persons who are homeless or at risk of becoming homeless.	High
<b>Create a Suitable Living Environment (SL)</b>	<b>D. NEIGHBORHOOD STABILIZATION</b>	
	1. Mitigate the impact of vacant, blighted and foreclosed properties.	High
	2. Eliminate environmental hazards that impede redevelopment.	High
	3. Improve the safety and livability of neighborhoods through redevelopment and revitalization.	High
	4. Strengthen neighborhoods by increasing the capacity of resident and stakeholder-led organizations.	High
	5. Support quality facilities and services available to the public.	Medium
	6. Promote the development of mixed-income neighborhoods.	High
	7. Improve mobility and access to transportation.	High
<b>Create Economic Opportunities (EO)</b>	<b>E. ECONOMIC DEVELOPMENT</b>	
	1. Increase access to economic opportunities for businesses in LMI areas.	High
	2. Increase access to economic opportunities for LMI persons.	Medium
	3. Remediate and redevelop brownfields.	Medium

Community Development receives city general funds for initiatives such as the chronic problem properties, commercial façade and property acquisition programs – all of which complement or enhance activities funded through this plan. These initiatives help improve the built environment in low and moderate income neighborhoods. Additionally, the Office of Neighborhoods,

funded with city general funds, assists neighborhood organizations in building capacity and creating stable communities.

This plan focuses on the Community Development Department's core competencies, the leveraging of resources, and coordination with other city departments and partner agencies. This comprehensive approach helps to achieve the goals of the consolidated Plan as well as the Mayor's goals of building stronger and safer neighborhoods to make Knoxville a great place to live, work and raise a family.

### **Plan Priorities, Objectives and Outcomes**

Table 2C located in Appendix A indicates the Objectives and Outcomes outlined in the 2010-2015 Consolidated Plan.

Table 3A below indicates the specific annual objectives, projects and activities to be implemented in program year 2011-2012.

HUD Table 3 A Summary of Specific Annual Objectives PY 2011-2012 - Grantee Name: City of Knoxville, Tennessee

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2011		Funds	Amount	Performance Indicators	Proposed Accomplishments 2011
<b>Availability/Accessibility of Decent Housing (DH-1)</b>							
<b>DH-1 Specific Objective: Decent Housing Outcome: Availability/Accessibility</b>							
<b>DH1.1</b>	Priority Need Category: Homeownership / Improved quality for Low-moderate income homeowners						
		City of Knoxville - Owner Occupied Housing Rehabilitation	Rehabilitation of single-family homes owned by LMI persons. Improvements focus on code violations, resource efficiency, and health/safety issues.	CDBG	\$364,000	Number of units rehabilitated or replaced	27
				HOME	\$1,006,093		
<b>DH1.2</b>	Priority Need Category: Rental Housing/ Increased Supply for Low-moderate income renters						
<b>DH1.3</b>	Priority Need Category: Homeownership and Rental Housing/ Increased Supply for Low-moderate income renters and home buyers						
		Community Housing Development Organizations (CHDO) Projects	HOME eligible projects that will be performed by locally designated CHDOs.	HOME/CHDO	\$210,000	Number of affordable housing units constructed/rehabilitated/ acquired	7
<b>DH1.4</b>	Priority Need Category: Homeownership and Rental Housing/Improved quality for Low-moderate income renters and homeowners						
		CAC – Emergency Home Repair	Repair of emergency health and safety conditions in owner-occupied homes in the city of Knoxville. Repairs will be limited to \$5,000 and will typically include sewer repairs, electrical, plumbing, HVAC, accessibility modifications, and roof repair.	CDBG	\$300,000	Number of units rehabilitated or improved	100

		Neighborhood Housing Inc. - Minor Home Repair Program	Operation Backyard provides free minor home repairs to 25 applicants primarily through volunteers and typically includes roofing, accessibility features, window repair, and energy efficiency improvements.	CDBG	\$60,000	Number of units rehabilitated or improved	25
		DisAbility Resource Center – Ramps and Rails	Construction of ramps and other home modifications for people who are suddenly faced with severe limitations and require basic home modifications for accessibility	CDBG	\$20,000	Number of units rehabilitated or improved	20
<b>DH1.5</b>	Priority Need Category: Housing Programs/ Fair Housing Activities - Administration						
		City of Knoxville - Fair Housing Assistance Program	Program investigates housing discrimination complaints, performs community education and outreach, and training.	FHAP CDBG	\$25,000 \$54,000	Number of investigations Number of training events Number of persons assisted/trained	12 5 200
<b>DH1.6</b>	Priority Need Category: Homelessness/ Increased supply of Permanent Supportive Housing						

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2011	Fund	Amount	Performance Indicators	Proposed Accomplishments 2011	
<b>DH1.7</b>	Priority Need Category: Homelessness/Homeless services and homeless prevention services						
		Homelessness Prevention – Case management	Case management services to prevent homelessness	CDBG	\$100,000	Number of persons prevented from becoming homeless	140
		CAC - Homeward Bound	Place homeless persons into permanent housing through assistance such as rent and utility deposits. Homeless prevention through rent payments and utility.	ESG	\$15,831	Number of homeless households placed in permanent housing	50
						Number of persons prevented from becoming homeless	20
		Child & Family Tennessee - Family Crisis Center	Shelter, transitional housing and counseling for homeless domestic violence victims.	ESG	\$12,100	Number of homeless persons assisted through counseling	200
		University of Tennessee - Homeless Management Information System (HMIS)	Staff salaries for training & technical assistance to homeless shelters & agencies participating in this computerized database.	CDBG	\$10,000	Number of homeless persons with new or improved access to services	3000
						Number of partner agencies assisted w/ training and support	12
		Volunteer Ministry Center - Day Center/ Housing First	Funding for case management and operations and maintenance of the Day Resource Center with an emphasis on housing placement and prevention.	ESG	\$25,000	Number of homeless persons provided day resource services	1280
						Number placed in housing/homelessness prevention	70
		YWCA - Transitional Shelter Residence Program	Counseling and case management for residents of transitional housing facility; funds for a portion of the utilities; flooring replacement for 4 rooms	ESG	\$15,300	Number of homeless women receiving shelter/ essential services.	158
						Number of units improved	2

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2011		Fund	Amount	Performance Indicators	Proposed Accomplishments 2011
		Catholic Charities – Samaritan Place	Non-salary operational/maintenance costs for an elderly transitional housing facility.	ESG	\$10,000	Number of homeless elderly served	40
<b>Affordability of Decent Housing (DH-2)</b>							
<b>DH-2 Specific Objective: Decent Housing Outcome: Affordability</b>							
<b>DH2.1</b>	Priority Need Category: Homeownership / Increase the number of LMI home owners						
		Community Housing Development Organizations	CHDO operating funds for increasing the capacity of local CHDOs.	HOME		Number of CHDO organizations supported with operating funds	
		City of Knoxville - Downpayment Assistance	Downpayment assistance for income eligible and first-time homebuyers.	HOME	\$200,000	Number of LMI homebuyers	15
<b>Sustainability of Decent Housing (DH-3)</b>							
<b>DH-3 Specific Objective: Decent Housing Outcome: Sustainability</b>							
<b>DH3.1</b>	Priority Need Category: Homeownership and Rental Housing/ Improve the quality and appearance of homes occupied by LMI residents						

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2011		Fund	Amount	Performance Indicators	Proposed Accomplishments 2011
<b>Sustainability of Suitable Living Environment (SL-3)</b>							
<b>SL-3 Specific Objective: Suitable Living Environment</b>				<b>Outcome: Sustainability</b>			
<b>SL3.1</b>	Priority Need Category: Neighborhood Stabilization / Technical Assistance Non-profits and Neighborhood Organizations						
		East TN Community Design Center - CDBG Technical Assistance	Technical assistance & capacity building services to organizations for housing, infrastructure, and other improvements.	CDBG	\$50,000	Number of organizations assisted with Technical Assistance	12
<b>SL3.2</b>	Priority Need Category: Neighborhood Stabilization / Public Facilities & Infrastructure						
		City of Knoxville - Community & Economic Development Projects	Unbudgeted funds for unexpected high priority projects, redevelopment projects or project overruns.	CDBG	\$4,648	Number of neighborhood improvements or redevelopment plans initiated	N/A
<b>SL3.3</b>	Priority Need Category: Neighborhood Stabilization / Mitigation of Blighted properties						
		City of Knoxville – Blighted Property Acquisition	Acquisition and disposition of blighted properties for use as affordable housing and/or commercial development in redevelopment or other target areas	CDBG	\$150,000	Number of parcels acquired	12
						Number of units rehabilitated or constructed	12
						Number of new homeowners	12
<b>Sustainability of Economic Opportunity (EO-3)</b>							
<b>EO-3 Specific Objective: Economic Opportunity</b>				<b>Outcome: Sustainability</b>			
<b>EO3.1</b>	Priority Need Category: Economic Opportunity / Commercial Façade Improvements for Economic Development and Job Creation						

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2011		Fund	Amount	Performance Indicators	Proposed Accomplishments 2011
		City of Knoxville – Commercial Façade Program	Improve economically distressed areas by eliminating blight, improving property values, creating jobs and enhancing the commercial viability.	CDBG	\$225,000	Number of Façade improvements	4

Specific Obj.#	Con Plan Project #	Consolidated Plan Specific Objective & Planned Activities for 2011		Fund	Amount	Performance Indicators	Proposed Accomplishments 2011
<b>Administration and Program Delivery</b>							
		City of Knoxville – ESG Administration	Staffing and other expenses necessary to operate the ESG program. This amount is capped at 5% of the total annual allocation.	ESG	\$4,117	See individual activities	
		City of Knoxville – CDBG Administration	Staffing and other administrative expenses necessary to operate the City's CDBG, Funds are capped at 20% allocation plus program income. CDBG FHAP admin of \$54,000 is included in that FHAP section.	CDBG	\$316,000	See individual activities	
		City of Knoxville - Housing Activities Delivery	Staffing and expenses necessary to implement the City's housing activities.	CDBG	\$490,000	See individual activities	
		City of Knoxville – HOME Administration	Staffing and other administrative expenses necessary to operate the City's HOME programs. Capped at 10% of funding plus program income.	HOME	\$157,000	See individual activities	

## Evaluation of Past Performance

The City is close to the end of the first year of its 2010-2015 five-year Consolidated Plan. Each year the Community Development Department prepares a Consolidated Annual Performance and Evaluation Report (CAPER) to report on progress for Consolidated Plan Goals. Table 2 C of the CAPER was updated to show progress on goals established in the 2005-2010 Consolidated Plan through June 2010.

In carrying out its Consolidated Plan, the City has made considerable progress toward meeting priority needs. Many of the activities performed contribute to stabilizing the City's lower income neighborhoods. Improvements to housing, commercial structures, and parks improve the appearance of neighborhoods and create a more appealing environment. Acquisition of blighted and deteriorated properties for redevelopment contributes to neighborhood stabilization and a decrease in crime. New housing development and homeownership programs promote pride in ownership and long term resident stability. Renovations to non-profit facilities that serve homeless individuals help organization better meet the needs of their clients.

Renovations were performed on both owner occupied and rental housing by the City of Knoxville and its partner nonprofit agencies. The scope of the renovations varied depending on the program and household's needs, with improvements ranging from emergency health and safety improvements to full scale renovations or replacement housing construction for homes too badly deteriorated to benefit from rehabilitation. The City of Knoxville has committed to Energy Star certification on all new replacement homes and CHDO constructed homes. Additionally, all new homes incorporate visitable features which allow persons to "age in place" and provide accessibility for all. EarthCraft Renovation certification is a new goal for homes rehabilitated under the Housing Rehabilitation Program.

Homeownership opportunities affordable to low and moderate income households were increased through downpayment assistance and new housing construction. Property acquisition contributes to future homeownership by clearing property titles and offering lots for sale.

The Commercial Façade program stabilized and enhanced commercial neighborhoods as well as contributed to the creation of jobs in the City. Redevelopment plan implementation, Empowerment Zone programs continuing with program income funding, and property acquisition also substantially contribute to job creation by facilitating new business growth and economic opportunities.

Housing, supportive services, and case management were provided to homeless persons through several of the City's partner agencies. Assistance varied according to need and agency, with projects providing emergency, transitional, and permanent support.



## **ACTION PLAN**

### Citizen Participation 91.220(b)

2. Provide a summary of the citizen participation and consultation process (including efforts to broaden public participation in the development of the plan.
3. Provide a summary of citizen comments or views on the plan.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.



## ACTION PLAN

### Citizen Participation

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#### Citizen Participation Plan

The City of Knoxville Community Development Department encourages the participation and input of citizens in the planning and implementation of its community development activities. This Citizen Participation Plan process applies to programs funded under the Community Development Block Grant (CDBG), HOME Investment Partnership Act (HOME), and Emergency Shelter Grant (ESG) programs of the U.S. Department of Housing and Urban Development (HUD). Through the Citizen Participation Process, citizens have the opportunity, and are encouraged, to express their views and concerns to assist in strengthening government operations with regard to community development in the City of Knoxville. A copy of the Citizen Participation Plan is located in Appendix C.

#### Citizen Input Meetings

The citizen-input meeting was held in the evening on December 9, 2010. Approximately 29 citizens attended. The meeting was facilitated by the City of Knoxville's Community Development Department administrator. It was held at the Luke Ross Building, 2247 Western Avenue, Knoxville, TN 37921 – a prominent location in a key area served by Community Development.

The announcement for this meeting was posted in the major newspaper in Knoxville, the Knoxville News Sentinel, and over 500 postcard announcements were U.S. mailed to individuals and organizations, including groups that serve persons with disabilities, minorities and persons of low- and very low-income who are residents of local target areas where funding is proposed to be used.

A general overview of the Community Development Department and its current projects and activities was presented by the Community Development Administrator. The meeting was then opened for general comments.

The comments received at the meeting are as follows:

There were many comments focused on homelessness issues.

- More families are coming to CAC Homeward Bound for services

- Legal Aid is seeing increases in cases involving homelessness
- CAC has helped over 400 households in housing funding for this year with stimulus funds – the need has not decreased
- More women and families are homeless coming to CAC Homeward Bound seeking assistance
- Legal problems can lead to homelessness
- Being more proactive on legal issues can prevent homelessness
- Homeless Prevention – CAC Case management program has resulted in no evictions to street
- Funding under ARRA (homelessness prevention) has been highly successful but the funding is ending
- Legal Aid is facing loss of funds (ARRA) for same goal (homelessness prevention)
- Make clear that Permanent Supportive Housing is not just for the Ten Year Plan to End Chronic Homelessness
- Costs for homeless prevention is less than costs of working with homeless
- Homeless prevention costs average \$1400/per household (CAC) for rent or utility payments.
- A clarification is needed – permanent supportive housing is a nationally accepted approach and not necessarily in multi-unit buildings

Several comments focused on access and availability of affordable housing and housing problems

- Subsidized Housing is 99% occupied
- There is a housing affordability gap due to inability to make down-payments, deposits, first months rent, etc.
- Need for improved housing stock – 400 applications for home repair – significant repairs needed. Currently 200 on the waiting list.

Several comments focused on other community needs

- Funding needed for families caring for children who have aged out of Foster Care
- More support for Health Programs is needed – health problems can contribute to homelessness

- Service are needed for children aging out of Foster Care
- Seniors need supportive housing to avoid homelessness
- Residential setting is needed for pregnant teens with no major social issues
- Services are needed for pregnant teens who are not in crisis, but have need for support services
- Include in future priorities: health issues because they affect ones ability to stay in housing

Two written comments were provided at the meeting. A summary is below:

- Transitional housing is very important, especially as it relates to concerns about health problems leading to homelessness.
- There is a need for grants for non-profit facilities improvements, particularly the Boys and Girls Club facilities, which helps stabilize neighborhoods by improving the safety and livability of communities. Improved facilities can serve more children allowing parents to work, thus increasing families' incomes and creating missed-income neighborhoods.

## ACTION PLAN

### Citizen Participation

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#### Summary of Citizen Comments and Response to Comments

All comments on the Annual Action Plan will be included in this section.

A draft plan was available for review and public comment on March 18, 2011 until April 18, 2011 on the City's web-site and at various community locations including the downtown library and community centers in the west, east and south areas of Knoxville.

A second public meeting was held on April 7, 2011 at 5:30 PM at the Cansler YMCA. The meeting was advertized in the Knoxville News Sentinel, the City's Office of Neighborhoods weekly newsletter, the City of Knoxville web-site and over 500 postcard announcements mailed to individuals and organizations. There were 22 persons in attendance at the meeting and a summary of the comments are below.

There were several questions and comments regarding the funds for Homelessness Prevention Case management.

- There was a comment confirming that, at present, there is no designated agency for the \$100,000 in case management services to prevent homelessness.
- There were a number of comments about the increasing number of families who are losing their homes and the increasing need for services for this population.
- There was a question about whether KHP & KAUL are eligible for homelessness prevention money, since they are counseling people with no funding and may not be able to sustain this service. The answer was that the funds were directed for case management to prevent homelessness in the most vulnerable population, persons with disabilities lacking family support.
- There was a comment that stimulus funds are supporting a Legal Aid attorney who assists homeowners threatened by foreclosure; but the stimulus funds are running out.
- There was a comment that the CAC Case Management in KCDC housing has been critical in preventing homelessness and it was funded with stimulus money that will be ending.

There were several questions and comments regarding housing for chronically homeless persons.

- There was a question about if the UT Sutherland Avenue Apartments that are empty could be used for homeless housing. The answer was that UT will be razing the apartments and using the land for UT intramural sports fields.
- There was a comment that the scattered housing approach is more effective, both single and multi-family.
- There was a comment expressing concern about continued funding for large-scale projects.
- A VMC representative noted that VMC places clients not only in Minvilla but in other housing units depending on the needs of the client, even in single family homes.
- It was noted that the model for the City-County Ten Year Plan to date has been that a more concentrated approach (40-50 unit complexes) is more cost effective because of reduced travel time for case workers – a more efficient use of staff and resources.

There was a question and comment about the Carry over funds shown in the budget.

- There was a question about the process for redirecting carry-over funds: Can unused funds be redirected for Emergency Home Repair. The response made was that although unused funds are usually re-programmed the following year, sometimes unused funds can be re-directed to a specific project for an unmet need.
- There are 1,301 individuals on waiting list for emergency home repair at CAC Housing

There were several comments about the allocation of limited resources through the plan.

- There were two or three comments that the Draft Plan does a good job of allocating dwindling resources across a broad array of needs.
- There was one comment regarding the well thought out funding decisions embodied in the draft plan, and commending hard-working staff at Community Development Dept.

There was one question regarding the Down-Payment Assistance program

- There was a question about how the funds would be directed and the answer was provided that the funds would be directed to CHDO's.

The Annual Action Plan was presented to City Council at a workshop on April 14, 2011. Questions and comments from that meeting are included below.

There was a question regarding the Vestal Empowerment Zone project. Were all objectives achieved and was the \$500,000 allocated for the project spent in Vestal?

The response was made that some of the street improvements could not be done because of a required easement that could not be obtained but all of the funds were spent in Vestal on improvements including commercial facades, a pervious surface parking lot and a bus turn-around area for the Community Center. Improvements continue to be made in Vestal in the form of commercial facades.

There was a question about the Homelessness Prevention Case management project and if a subrecipient has been named. The answer was given that although the subrecipient has not yet been named, CAC is currently providing this activity in the KCDC high rises and has had very successful results. The funding source for the current program is HPRP (ARRA funding) which will be exhausted at the end of the calendar year.

There was another question about the Empowerment Zone regarding the completion of the program and if the Small business loan program is still being operated by the Knoxville Area Urban League. The response was, yes, the loan program is still operated by the KAUL although the City provides no funds for its operation. KAUL can use interest and fees collected for administrative expenses.

There was a question regarding funds directed to the Community Development Department and if the federal funds were the sole source for the operation of the department. The answer was provided that City General funds pay for certain staff members including the Director and her Executive Assistant, the Neighborhoods Coordinator and the Disabilities Services Coordinator. All other staff are funded with federal funds.

There was a question about the Commercial Façade Program and if funds will be available for the Magnolia Corridor. The response noted that the CDBG funds for the Façade program, \$225,000, are available for 4 facades, but the location has not been determined. A request for general funds for the façade program has been made as well. The comment was made that it is a successful program and encourages area improvement and results in economic development.

There was a question regarding the *Ten Year Plan* budget and if the case manager for Volunteer Ministry Center was included in the budget. The response was provided that the *TYP* budget is funded with City General funds and it is anticipated that that will be included again this year.

There was a question regarding the Fair Housing Assistance Program and the cases we investigate and what the procedure is if we determine "fault". It was explained that the City has a Fair Housing Hearings Board that hears at-

fault cases and can make a determination of Cause. Although the City can litigate a case, most cases are conciliated, resolving the issues.

There was a question about our outreach to homeless veterans. The response was provided that the *Ten Year Plan* office is in contact with the Veterans Administration here and there are housing vouchers with services included available. These vouchers (35 in Knoxville and 35 in Oak Ridge) are in addition to Section 8 vouchers.

There was a question regarding the impact of the decrease in federal dollars. The response explained that it limits the services we can provide. Funding for subrecipient projects has been decreased while some projects have been eliminated for next year, including My Front Yard and additional funding for the Blighted Properties Redevelopment Program. Our main focus now is on the Owner Occupied Rehab program, because we have staff to implement the project and it provides us some program income. We provide technical assistant for homeowners to whom we loan money, we oversee the job, but the contract is between the home owner and the contractor.

There was a comment about the commercial development on Heiskel Ave. and how great it looks.

There was a question about the Western Heights housing development and if the City was involved with the activity there. The response was that KCDC is reducing density at Western Heights by selective demolition, but the City is not involved in the project.

The Annual Action Plan was approved by City Council on May 3, 2011.



## **ACTION PLAN**

### Resources 91.220(c)(1) and (c)(2)

5. Identify the federal, state, and local resources (including program income) the jurisdiction expects to receive to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.
6. Explain how federal funds will leverage resources from private and non-federal public sources.



## ACTION PLAN

### Resources

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Grant Program	Fund Type	Amount
CDBG	2011 Allocation	\$1,693,648
	Carryover/Reprogrammed Funds	\$290,000
	Projected Program Income	\$160,000
	Total CDBG	\$2,143,648
HOME	2011 Allocation	\$1,223,093
	Carryover/Reprogrammed Funds	\$0
	Projected Program Income	\$350,000
	Total HOME	\$1,573,093
ESG	2011 Allocation	\$82,348
Fair Housing Assistance Program	2011 Allocation	\$25,000
Total Plan Resources		\$3,824,089

#### Federal, State and Local Resources

The City receives several types of funding from the U.S. Department of Housing and Urban Development. Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Shelter Grant (ESG) program funds are all received on an entitlement basis. These are the three primary sources of funds the City will use to carry out the activities covered by the Annual Action Plan, which is the official application document for these programs. The City also receives Fair Housing Assistance Program funds (FHAP) from HUD on an annual basis.

- **CDBG** - The primary goal of the Community Development Block Grant program is to provide decent housing, a suitable living environment, and expanded economic opportunities for low and moderate-income persons or neighborhoods. Effective 2011, a four-person household earning up to \$49,050 per year could qualify for programs funded with CDBG monies. For 2011, CDBG eligible activities for subrecipients are focused on the

provision of the following essential services; housing improvement projects, design technical assistance to non-profit and community organizations, management of the homeless information and tracking system and the provision of case-management for homelessness prevention. Due to the decrease in the CDBG allocation, the amount of subrecipient funding has been decreased. CDBG projects that are implemented by the City focus on neighborhood stabilization and economic development through acquisition of blighted properties and façade improvement projects. Neighborhood stabilization is further strengthened by the housing rehabilitation program implemented by the City. The 2011 budget allocated \$1,693,648 in CDBG funding.

- **ESG** - Emergency Shelter Grant funding may only be used to assist persons who are homeless. It is typically used to operate and improve emergency shelters, provide essential services, and conduct activities that will help prevent future homelessness. Activities in this funding source are strongly tied to the *Knoxville-Knox County Ten Year Plan to End Chronic Homelessness*. The City awards ESG funds to subgrantees through a request for proposal process. Agencies using ESG funds through the City are required to provide a 1:1 match in the form of cash or in-kind donations. The ESG funding for 2011 is \$82,348. Additional funding may be allocated under the HEARTH act regulations later in the program year.
- **HOME** - Use of HOME Investment Partnerships Act funding is restricted to housing activities, including housing rehabilitation, new construction, homeownership assistance, and rental assistance. The program uses the same maximum income limits as the CDBG program, although additional restrictions may apply depending on the type of project. At least 15% of each year's HOME allocation is set aside for use by Community Housing Development Organizations (CHDOs). These are non-profit agencies that are required to maintain strong Board representation and input from the low/moderate income communities they serve. There are currently four CHDOs in Knoxville. The HOME allocation for 2011 is \$1,233,093.
- **Program Income** - The City receives program income from HOME and CDBG activities in the form of loan repayments from persons who have received CDBG or HOME funded loans for housing rehabilitation, or similar assistance and from sales proceeds from acquisition and disposition activities. These funds are turned around and put back into further loans or other HOME/CDBG eligible activities to benefit the community. The City projects \$160,000 CDBG and \$350,000 HOME program income for 2011. Additionally, the program income received from Empowerment Zone projects enable the City to continue implementing the Blighted Properties Redevelopment Program and the Business Expansion Loan Program.
- **Carryover/Reprogrammed Funds** - The City is reprogramming prior year funds that will not be committed as of the end of the 2010-2011 program year to fund new projects. This is prior year funding that is

available because of project cancellation, projects that required less than the budgeted amount for completion, or when alternate funding sources were made available for the project. Reallocated funds available in 2011 include \$290,000 of CDBG. There are no HOME funds to carryover this program year.

- **Fair Housing Assistance Program (FHAP)** - FHAP funding is received because the City's Fair Housing Ordinance has been determined substantially equivalent to the federal Fair Housing Act. Because of this, the City is able to investigate housing discrimination complaints, conduct outreach and education for citizens and housing practitioners, and conduct fair housing training. Anticipated FHAP funding for 2011 is \$25,000 based on the number of cases closed during the 2010-2011 fiscal year. Additionally, \$54,000 in CDBG administration funds are provided to support the activities of the Fair Housing Assistance Program.
- **Neighborhood Stabilization Program (NSP)** – NSP-1 funds, as part of the Housing and Economic Recovery Act of 2008, in the amount of \$2,735,980 have been allocated to the City of Knoxville to be used for a number of projects focused on abandoned, foreclosed and blighted properties. This plan was submitted and approved by HUD as a substantial amendment to the 2008-2009 Annual Action Plan. The City also received an award of NSP-1 funds from the State Tennessee Housing Development Agency (THDA) in the amount of \$1,758,243 to implement additional NSP-1 eligible projects.
- **American Reinvestment and Recovery Act** – The City received CDBG-R funds in the amount of \$504,654 as a result of the ARRA. Projects funded are CDBG eligible and track job creation. The City also received \$771,803 in Homeless Prevention and Rapid Re-housing funds which are focused on activities to assist families and individuals to prevent homelessness. The CDBG-R and HPRP plans were submitted and approved by HUD in 2009 as a substantial amendment to the 2008-2009 Annual Action Plan.

#### [Other Resources](#)

This section describes additional funds available to the City for carrying out Consolidated Plan activities described in this Plan as well as other resources available to the community for activities that meet Consolidated Plan priorities and objectives.

#### [Local Funds](#)

- City of Knoxville General Fund monies are used for administrative expenses and capital programs that further the objectives of the Community Development Department. General and Capital funds have been allocated for FY 2011 for accessibility modifications, chronic problem property remediation, commercial façade improvements, blighted property acquisition, and sidewalk repairs adjacent to façade projects.
- Sales proceeds and program income are received from closed out grants, including the HOPE 3 for Homeownership Program, and the State of Tennessee HOUSE Program. These funds are used to assist with low/moderate income housing costs, and are also used as match for the HOME program.
- The Affordable Housing Trust Fund (AHTF) managed by the East Tennessee Foundation, supports homeownership opportunities and the production, preservation, and rehabilitation of housing for lower income households. This program began with a Demonstration Fund that received monies from the City of Knoxville and Knoxville's Community Development Corporation. A permanent Trust Fund was established in 1997, and the City of Knoxville makes an annual contribution. For FY 2011, the general fund budget will allocate \$323,000 to the AHTF. For-profit and non-profit entities are eligible to apply, and must show evidence of community participation in planning the project and support for the application. These funds also contribute to the HOME match requirement.

#### [Other HUD Funds](#)

- Knoxville's Community Development Corporation (KCDC) applied to use HUD Replacement Housing Funds to construct 20 public housing units to be occupied by elderly families in the Park City community. Additionally, KCDC is using replacement housing funds, PH Capital funds and LIHTC funding for the development of the Eastport senior housing project adjacent to Walter P. Taylor homes. KCDC anticipates applying for Choice Neighborhoods funding (if available) this year for the revitalization of Walter P. Taylor Homes.
- HUD provides Section 8 Funds to KCDC to administer a rental assistance program. KCDC administers three types of Housing Choice Vouchers:
  - Tenant-based Housing Choice Vouchers pay a portion of the rent for participants in affordable privately-owned rental housing.
  - Mainstream Housing Choice Vouchers enable a participant with disabilities, or a family that includes a person with disabilities, to lease affordable housing of their choice in the private market.

Assistance is provided to help with the difficulties in locating suitable and accessible housing.

- Homeownership Housing Choice Vouchers pay a portion of the monthly mortgage for participants that meet the program eligibility guidelines.
- Continuum of Care funding is HUD funding that is provided to assist homeless persons. The City coordinates this application process, which covers three programs: Supportive Housing, Shelter Plus Care and Moderate Rehabilitation for Single Room Occupancy Housing. Grants are made through a national competition. Knoxville submits a consolidated application, which includes a single Continuum of Care application and requests from local nonprofit homeless service providers. For fiscal year 2010, renewal grants totaling \$1,240,464 were awarded to agencies in Knoxville and Knox County. Knoxville submitted one application for new funding in the 2009 process, which received funding in a July, 2010 announcement, in the amount of \$115,490 to support operations of new, permanent supportive housing. The 2011 Notice of Funding Availability has not been released at this time. This is a primary source of funding for implementing programs to address the *Consolidated Plan* priority of reducing homelessness.
- The Section 202 program helps expand the supply of affordable housing with supportive services for the elderly. It provides very low-income elderly with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, transportation, etc. The program is similar to Supportive Housing for Persons with Disabilities (Section 811). HUD provides interest-free capital advances to private, nonprofit sponsors to finance the development of supportive housing for the elderly. The capital advance does not have to be repaid as long as the project serves very low-income elderly persons for 40 years. Project rental assistance funds are provided to cover the difference between the HUD-approved operating cost for the project and the tenants' contribution towards rent. Project rental assistance contracts are approved initially for 5 years and are renewable based on the availability of funds.
- Section 811 Special Needs Housing program allows persons with disabilities to live as independently as possible in the community by increasing the supply of rental housing with the availability of supportive services. The program also provides project rental assistance, which covers the difference between the HUD-approved operating costs of the project and the tenants' contribution toward rent. The program is similar to Supportive Housing for the Elderly (Section 202).

#### [Other Federal or State Funds](#)

- The Low-Income Housing Tax Credit is a credit against federal income tax liability each year for 10 years for owners and investors in low-income rental housing. Developers submit an application for a tax credit allocation to Tennessee Housing Development Agency (THDA). States can allocate tax credits equal to a total of \$1.80, plus the cost of living adjustment specified in Section 42(h)(3)(H) x Tennessee's population. For Tennessee, this provides approximately \$10 million in tax credits each year. Developments with tax-exempt financing can receive tax credits outside of the state allocation limit. At least ten percent of total credits in each state can only be allocated to non-profit organizations.
- THDA Homeownership Mortgage Programs: The Tennessee Housing Development Agency administers reduced interest rate mortgage financing programs for first-time homebuyers. The program is limited to very low, low and moderate-income households by income and sales price. Currently three programs are under their homeowner ownership mortgage program including Great Rate, Great Advantage, and Great Start. THDA also offers second mortgages for down payment and closing costs assistance. Local lenders take the applications for approval and funding.
- Federal Historic Preservation Tax Incentives are available for buildings listed in the *National Register of Historic Places* or located in certain historic districts that are substantially rehabilitated for income-producing purposes according to standards set by the Secretary of the Interior.
- New Markets Tax Credit (NMTC): Enacted by Congress in December 2000, the NMTC program authorized tax credits for the financing of economic development in low-income communities. The tax credits are available to investors in community development entities that will use the proceeds to make loans and investments in businesses located in low-income communities. The credits can bridge financing gaps; create new partnerships among investors, communities, businesses, and government; and generate jobs, services and revitalization in distressed areas, in much the same way that LIHTC's did for affordable housing.

#### [Leveraged/Private Funds](#)

Several programs operated by the City encourage or require leveraging of private resources.

- The Owner Occupied Housing Rehabilitation program may combine CDBG or HOME funds with private lender funds to complete rehabilitation work. Development undertaken by CHDOs leverage private construction financing and permanent mortgage funds.

- The City's Downpayment Initiative program provides downpayment assistance. The primary mortgage is secured by the homebuyer from a private lender.
- The City's Commercial Façade Improvement program requires that participants provide 20% matching funds to expenses paid by the City.
- The Homemakers program leverages the cost of development. The City acquires the property, which may be sold at a discount. In most cases, the total development cost comes from private sources.
- ESG funds require subgrantees to provide a 1:1 match in the form of cash or in-kind.



## **ACTION PLAN**

### Annual Objectives 91.220(c)(3)

7. Provide a summary of specific objectives that will be addressed during the program year.



## ACTION PLAN

### Annual Objectives

7

Goals and objectives to be carried out during the action plan period are indicated by placing a check in the following boxes on the HUD required table below.

<input checked="" type="checkbox"/>	<b>Objective Category Decent Housing</b> Which includes:	<input checked="" type="checkbox"/>	<b>Objective Category: Suitable Living Environment</b> Which includes:	<input checked="" type="checkbox"/>	<b>Objective Category: Expanded Economic Opportunities</b> Which includes:
<input checked="" type="checkbox"/>	assisting homeless persons obtain affordable housing	<input checked="" type="checkbox"/>	improving the safety and livability of neighborhoods	<input checked="" type="checkbox"/>	job creation and retention
<input checked="" type="checkbox"/>	assisting persons at risk of becoming homeless	<input checked="" type="checkbox"/>	eliminating blighting influences and the deterioration of property and facilities	<input type="checkbox"/>	establishment, stabilization and expansion of small business (including micro-businesses)
<input checked="" type="checkbox"/>	retaining the affordable housing stock	<input checked="" type="checkbox"/>	increasing the access to quality public and private facilities	<input type="checkbox"/>	the provision of public services concerned with employment
<input checked="" type="checkbox"/>	increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability	<input type="checkbox"/>	reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods	<input type="checkbox"/>	the provision of jobs to low-income persons living in areas affected by those programs and activities under programs covered by the plan
<input checked="" type="checkbox"/>	increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence	<input checked="" type="checkbox"/>	restoring and preserving properties of special historic, architectural, or aesthetic value	<input checked="" type="checkbox"/>	availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices
<input type="checkbox"/>	providing affordable housing that is accessible to job opportunities	<input checked="" type="checkbox"/>	conserving energy resources and use of renewable energy sources	<input checked="" type="checkbox"/>	access to capital and credit for development activities that promote the long-term economic social viability of the community

See Table 3A pages 7 to 12 for the specific objectives that will be addressed this program year.



## **ACTION PLAN**

### Description of Activities 91.220(d) and (e)

8. Provide a summary of the eligible programs or activities that will take place during the program year to address the priority needs and specific objectives identified in the strategic plan.

Describe the outcome measures for activities in accordance with Federal Register Notice dated March 7, 2006, i.e., general objective category (decent housing, suitable living environment, economic opportunity) and general outcome category (availability/accessibility, affordability, sustainability).



## **ACTION PLAN**

### **Description of Activities**

**8**

See Table 3A pages 7 to 12 for the specific objectives that will be addressed this program year.

HUD Individual Project Worksheets will be included in the final Plan in Appendix B.

#### **Housing Programs:**

1. Owner Occupied Rehabilitation – Rehabilitation of single family homes owned by LMI persons. Improvements focus on code violations, resource efficiency and health/safety issues.
2. Rental rehabilitation – Rehabilitation of units to be occupied by LMI renters. This activity was focused on the My Front Yard for rental properties during the current year. This program will not be funded in the 2011-2012 program year,
3. HOME/CHDO eligible projects - LMI housing development that will be implemented by locally designated Community Housing Development Organizations (CHDOs).
4. CHDO operating – Operating funds for CHDOs to build organizational capacity.
5. Emergency Home Repairs – Emergency repairs in LMI owner-occupied homes limited to a cost of less than \$5,000.
6. Minor Home Repairs – Minor home repair implemented by a local non-profit with work performed by volunteers.
7. Ramps and Rails - The construction of ramps and other exterior home modifications for persons with disabilities.
8. Fair Housing Assistance Program - Investigation of Fair Housing discrimination complaints. Education and training events focused on Fair Housing.
9. Permanent Supportive Housing – The development of permanent supportive housing for persons who are chronically homeless. Funding for development of permanent supportive housing was allocated last year. At this time, no projects are anticipated . This program will not be funded during this program year.
10. Down Payment Assistance – Financial Assistance for LMI first-time homebuyers. May be restricted to CHDO developed homes.
11. My Front Yard – A deferred payment loan program for residential façade improvements. This program will not be funded during this program year.

**Homelessness Programs:**

1. Essential services and operating costs for area homeless shelters and transitional housing facilities.
2. Operation and salary costs for training homeless providers participating in the Homeless Management Information System (HIMS).
3. Case management to prevent homelessness

**Neighborhood Stabilization Programs:**

1. Technical Assistance – Design, planning, technical assistance and capacity building services to non-profits and community serving organizations.
2. Property Acquisition – Acquisition and disposition of blighted and problem properties located in LMI areas for use as affordable housing and/or commercial.

**Economic Development Programs:**

1. Commercial Façade Program – Deferred payment loan program for exterior improvements to commercial businesses located in LMI areas to improve property values, create jobs and enhance commercial viability.

Administration of the projects listed above is performed by the Community Development Department staff.



## **ACTION PLAN**

### Geographic Distribution/Allocation Priorities 91.220(d) and (f)

9. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.
10. Describe the reasons for the allocation priorities, the rationale for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) during the next year, and identify any obstacles to addressing underserved needs.

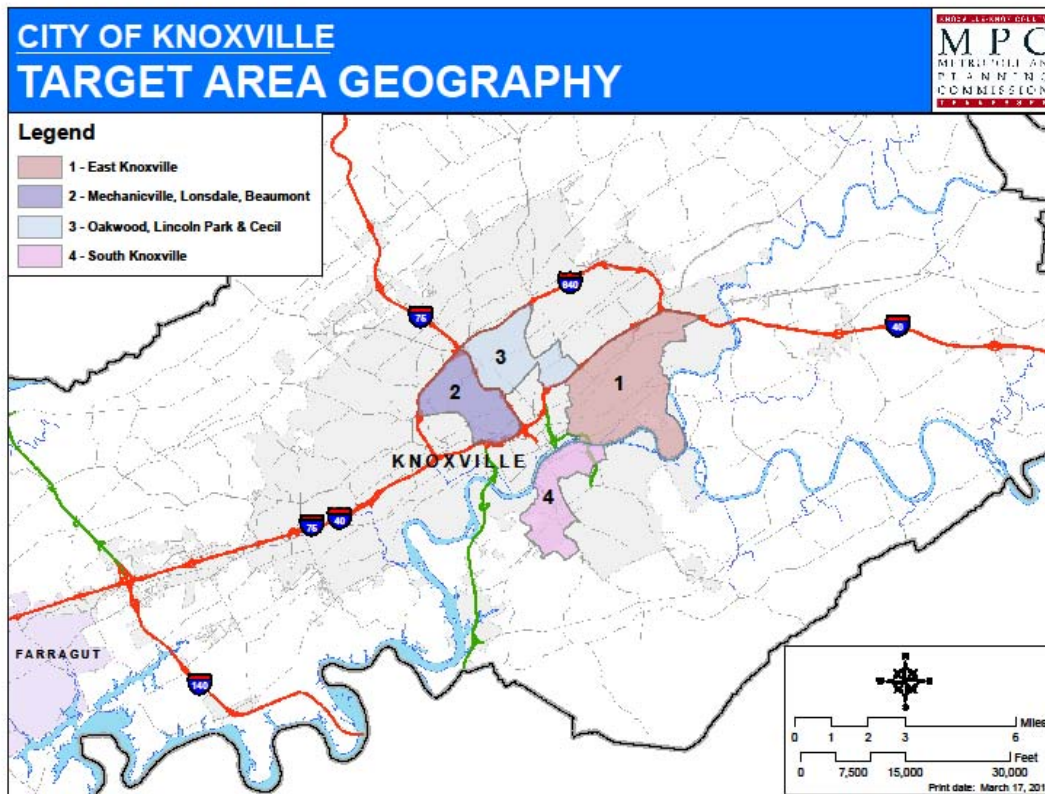


## ACTION PLAN

### Geographic Distribution/Allocation Priorities 9-10

The Consolidated Plan projects and activities serve low to moderate income residents and neighborhoods within the City of Knoxville. Knoxville is the largest city in East Tennessee with a population within the city of 183,546. The City comprises 103.8 square miles.

Within the City, four target areas are identified and shown on the map below. The target areas were selected based on needs data from several sources in addition to the current and planned initiatives focused on neighborhood revitalization.



#### Target Area 1 – East

This area with the zip-code of 37914 includes the following census tracts: 000500,000600,001900,002000,002100 and 003200.

#### Target Area 2 – Mechanicsville, Lonsdale, Beaumont (MLB)

This area with the zip-code of 37921 includes the following census tracts: 001200,001300,001400 and 002800.

### Target Area 3 – Oakwood Lincoln Park/Cecil Avenue

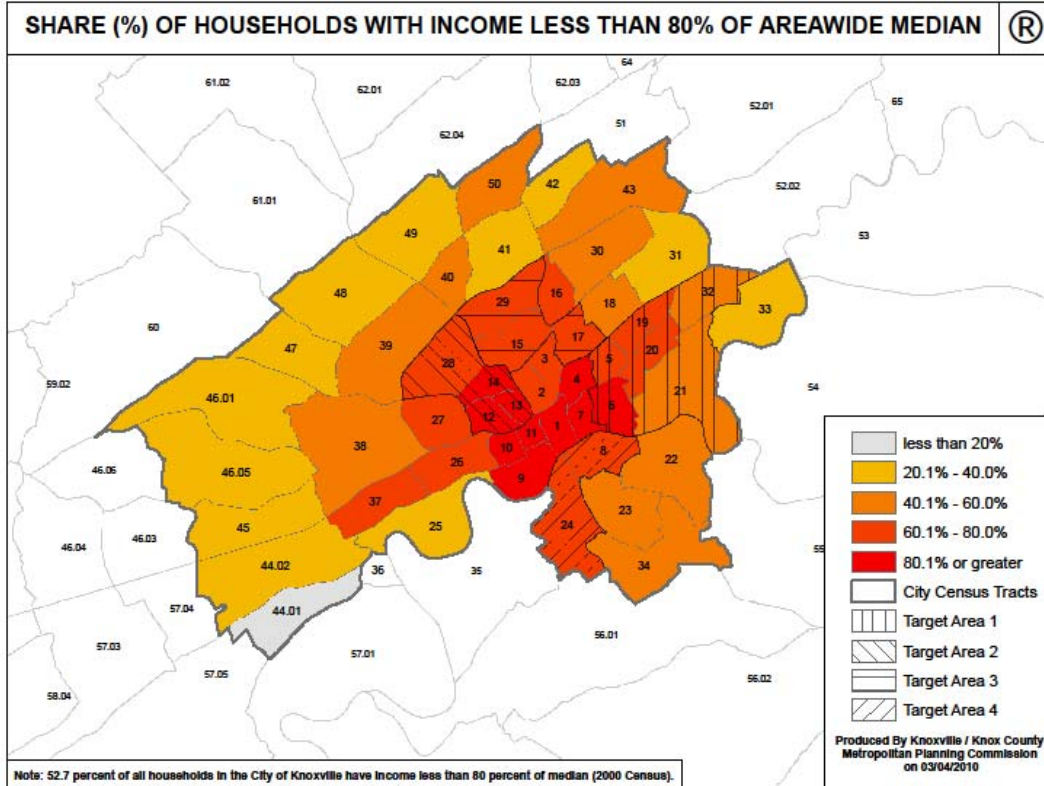
This area with the zip-code of 37917 includes the following census tracts: 001500, 002900 and 001700.

### Target Area 4 – Vestal /Sevier Ave

This area with the zip-code of 37920 includes the following census tracts: 000800 and 002400.

Census data was used to determine household income and minority concentration, while Comprehensive Housing Affordability Strategy (CHAS) data was used to determine the housing needs within the target areas. According to 2008 estimates, the City of Knoxville has an unemployment rate of 6.6% while the unemployment rate in the target areas was 9.7%. In 2009, the unemployment rate for the City increased to 12.1%, while the unemployment rate within the target areas has increased to 17.9%.

The area median income for the households located within the target areas is \$27,045 which is less than 50% of the area median income for Knox County, \$59,700. The map below indicates the percent of households within the target areas with incomes less than 80% of the area median income.



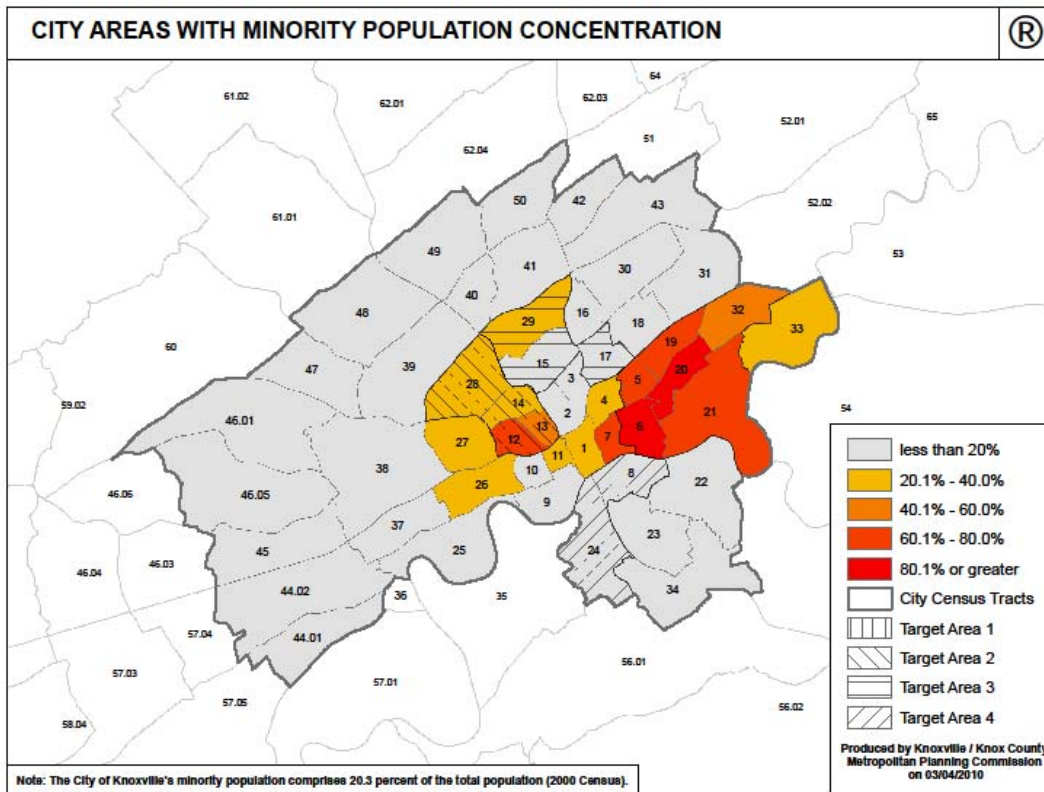
The target areas are comprised of older neighborhoods surrounding the central city with 53% of the housing units constructed prior to 1960. Vacant parcels with residential zoning currently total 3,400 comprising approximately 1,900 acres. Information provided by the local utility company, Knoxville Utilities Board, indicates that in the last five years, utility service to 2,800 residential properties within the target areas has been disconnected, and not reconnected, indicating a large number of vacant properties.

The table below shows 2009 Neighborhood Stabilization Program data from HUD indicating that all census tracts within the target areas have medium to high foreclosure risk scores and high vacancy risk scores. Additionally, local data on bank owned and tax foreclosed properties indicate a high percentage within the target areas.

Target Areas / Risk Scores /Types of Abandoned & Foreclosed Properties

Census Tract	Target Area	HUD Foreclosure Risk Score	HUD Vacancy Risk Score	Bank Owned	Abandoned or Foreclosed through City Tax Sale	Total
5	1	14	20	16	20	36
6	1	17	16	11	9	20
19	1	13	20	15	19	34
20	1	15	20	35	81	116
21	1	13	18	16	31	47
32	1	15	18	21	33	54
<b>Totals</b>				114	193	307
12	2	17	19	1	14	15
13	2	14	19	13	25	38
14	2	13	20	15	34	49
28	2	15	17	15	69	84
<b>Totals</b>				44	142	186
15	3	13	18	10	11	21
17	3	15	19	12	12	24
29	3	13	18	15	14	29
<b>Totals</b>				37	37	74
8	4	12	16	4	8	12
24	4	15	19	14	24	38
<b>Totals</b>				18	32	50
<b>All totals</b>				213	404	617

The map below shows the percentage of minority concentration within the City and target areas.





## **ACTION PLAN**

### Annual Affordable Housing Goals 91.220(g)

11. Describe the one-year goals for the number of homeless, non-homeless, and special-needs households to be provided affordable housing using funds made available to the jurisdiction and one-year goals for the number of households to be provided affordable housing through activities that provide rental assistance, production of new units, rehabilitation of existing units, or acquisition of existing units using funds made available to the jurisdiction. The term affordable housing shall be defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership.



## ACTION PLAN

### Annual Affordable Housing Goals

11

HUD Table 3B at the end of this section shows the annual affordable housing goals for the 2011-2012 program year.

The city will pursue availability and accessibility of decent housing for low-moderate income homeowners and renters through its housing rehabilitation programs and subrecipient home repair programs and through new construction for homeownership by Community Housing Development Organizations, and . Exterior accessibility of housing for persons with disabilities will be implemented by a subrecipient.

Affordability of decent housing will be pursued to enable low-moderate income renters to become homeowners through downpayment assistance.

In addition, through Community Development efforts for the sustainability of suitable living environments, affordable decent housing will be made available to lower income households as a result of acquisition, disposition and redevelopment of blighted properties.

Resources to be made available through the Plan will be used for housing priorities as follows:

Housing Rehabilitation and Development- \$1,234,000 in CDBG and \$1,006,093.00 in HOME funds for housing rehabilitation and development projects including the Community Development Department's owner-occupied rehabilitation program, funding of the Knoxville/Knox County Community Action Committee (CAC) and Neighborhood Housing, Inc. to perform minor and emergency home repairs, and to the disAbility Resource Center to provide ramps to homes where residents are in need of accessibility features.

Homeownership - \$200,000 in HOME funds to provide downpayment assistance for first-time homebuyers and \$210,000 in HOME funds provided to Community Housing Development Organizations (CHDOs) for the development of homeownership units for LMI residents.

In addition to these specific programs, the City will continue to work with non-profit housing providers and public housing agencies and participate in appropriate committees and boards, such as the Affordable Housing Trust Fund Board.

### Affirmatively Further Fair Housing

In 2010, the City completed a new *Analysis of Impediments to Fair Housing Choice* for the 2010-2015 Consolidated Plan. This document is available on the City of Knoxville web-site. Activities that affirmatively further fair housing that will be conducted in the 2011-2012 year include:

- City staff investigation and conciliation of complaints related to housing discrimination.
- Counseling and referrals as necessary.
- Education and outreach to residents, housing providers, lenders, and other community members.
- Dissemination of information to the local news media on fair housing and equality issues and activities.
- Participation in training sessions, workshops, and conferences.
- 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, Knoxville/Knox County Access To Justice Collaborative, Disability Resource Center, East Tennessee Coalition for the Homeless, and Dr. Martin Luther King Jr. Commemoration Commission.
- Operation and/or funding of programs that promote housing opportunities, such as homeownership education and downpayment assistance, housing improvements, and new housing development.

Grantee Name: Knoxville, TN Program Year: 2011-2012	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
<b>BENEFICIARY GOALS (Sec. 215 Only)</b>						
Homeless households	0				<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	188		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	20		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Sec. 215 Beneficiaries*</b>	208		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>RENTAL GOALS (Sec. 215 Only)</b>						
Acquisition of existing units	0		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Production of new units	6		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	0		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Rental</b>	6		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>HOME OWNER GOALS (Sec. 215 Only)</b>						
Acquisition of existing units	0		<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Production of new units	12		<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Rehabilitation of existing units	175		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Homebuyer Assistance	15		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Owner</b>	202		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>COMBINED RENTAL AND OWNER GOALS (Sec. 215 Only)</b>						
Acquisition of existing units	0		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>

Grantee Name: Knoxville, TN Program Year: 2011-2012	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
Production of new units	18		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	175		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance	15		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
<b>Combined Total Sec. 215 Goals*</b>	208		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)</b>						
Annual Rental Housing Goal	6		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	202		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Overall Housing Goal</b>	208		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



## **ACTION PLAN**

### Public Housing 91.220(h)

12. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
13. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.



## ACTION PLAN

### Public Housing

12-13

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#### Improve Public Housing and Resident Initiatives

City staff reviewed and commented on Knoxville's Community Development Corporation's (KCDC) Five Year and Annual Plans in order to ensure the Plans are consistent with the City's goals and *Consolidated Plan*. The KCDC Plan describes efforts to encourage public housing residents to become more involved in management and participate in homeownership. The City coordinates with KCDC to encourage participation in City-assisted homeownership programs.

KCDC is a high performing public housing agency.



## **ACTION PLAN**

### Homeless and Special Needs 91.220(i)

14. Describe, briefly, the jurisdiction's plan for the investment and use of available resources and describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness.
15. Describe specific action steps to address the needs of persons that are not homeless identified in accordance with 91.215(e).
16. Homelessness Prevention—Describe planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.



## **ACTION PLAN**

### **Homeless and Special Needs**

**14**

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Knoxville has been implementing its Ten Year Plan to End Chronic Homelessness since 2007. While the plan is focused on ending chronic homelessness, its implementation has already resulted in a high level of collaboration and coordination among organizations that serve the homeless population, chronic and otherwise.

This plan is focused on the “housing first” model of permanent supportive housing (PSH), both through use of existing affordable housing options and through the additional development of new units of permanent supportive housing in this community. Outreach and engagement services identify the chronically homeless within the community and connect them with case management services. Case management is structured to assist the chronically homeless in obtaining affordable housing as rapidly as possible, where case management and supportive services are continued, with the goal of sustaining housing and reintegrating into the community to the greatest extent possible. Fifty-seven new units of Permanent Supportive Housing have just opened, and 48 are currently under development. No additional new development of PSH is anticipated during this program year. The Continuum of Care (CoC) chronic homelessness strategy is designed to reflect and support the implementation of the jurisdiction’s existing Ten Year Plan strategy.

Implementation of this jurisdiction’s Ten Year Plan to End Chronic Homelessness has resulted in key provider agencies coordinating, adapting and in some cases realigning their core functions in order to achieve the objective of ending chronic homelessness in this community. The Ten Year Plan’s focus on permanent supportive housing for the chronically homeless is currently yielding a significant volume of permanent housing placements with retention rates in that housing exceeding the already high national averages for this proven type of housing.

Knoxville is currently seeking to continue and build upon the high level of coordination around ending chronic homelessness during the upcoming year.

Additionally, the City will provide \$100,000 in CDBG to support case-management for homelessness prevention.

Table 3A Summary of Specific Objectives located on pages 7 to 12 list the specific objectives, performance indicators and multi-year goals that the city intends to implement to address the needs of the homeless and chronically homeless populations during the program year.

During the last program year, the City assisted in the funding of 48 units of permanent supportive housing through the rehabilitation of Flenniken School into housing. This facility is scheduled to be completed in 2011. (DH1.6)

Supportive services to service providers will be used to assist homeless persons to be placed homeless in housing and prevent homelessness (DH1.7).

## **ACTION PLAN**

### **Homeless and Special Needs**

**15-16**

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Persons with disabilities will be served through the installation of exterior accessibility features such as ramps. The project (DH1.4) will be implemented by the disAbility Resource Center and serve approximately 20 persons.

This community has piloted a homelessness prevention program, currently funded with ARRA Homelessness Prevention and Rapid Re-housing (HPRP), which provides case management and supportive services for at-risk individuals living in four public housing locations which had been identified as having high eviction rates. Property managers identify residents who are at-risk of eviction and refer them to case management. Those residents are assisted in resolving issues that would otherwise result in eviction and are thus able to remain in housing.

Elderly residents are served by the owner-occupied housing rehabilitation program and emergency home repair programs.



## **ACTION PLAN**

### Barriers to Affordable Housing 91.220(j)

17. Describe the actions that will take place during the next year to remove barriers to affordable housing.



## ACTION PLAN

### Barriers to Affordable Housing

17

#### **Strategy to Remove Barriers to Affordable Housing**

In order to address barriers to affordable housing, the City will pursue the strategies outlined in the Five Year Plan listed below.

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

**B. Acquiring and Assembling Inner City Parcels:** The City continues to administer redevelopment areas this year including Mechanicsville, Five Points, Lonsdale, and Vestal. All the areas contain properties that have remained undeveloped or underutilized for several years due to title or environmental problems. The City will acquire abandoned property and clear such problems, offering lots for sale for redevelopment.

**C. Increasing Cost of Development:** New programs are being designed to encourage private investment in older neighborhoods. Previously, incentives targeted to assist and encourage residential development were developed independently from commercial incentives. New policy on redevelopment tries 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. The City is encouraging alterations to designs of infill housing that make the new housing fit in better with the older existing homes. Design guidelines have been developed for use in redevelopment areas and for all City subsidized infill houses. This effort includes descriptions and illustrations of low cost modifications builders can make. In the long run, this will help maintain high property values for buyers and should have a substantial impact on neighborhood image and marketability. An I-H Zoning applies the infill guidelines area wide in selected neighborhoods. The City adopted an amendment to the zoning ordinance that makes development of substandard inner city parcels more feasible, reducing the time line and approval process in many cases.

**D. Access to Available Government Programs and Subsidies:** Marketing of the City's programs is being emphasized and new marketing efforts are underway. A listing of available Homemakers properties and EZ Blighted

properties are posted on the City web site (<http://www.cityofknoxville.org>). The Office of Neighborhoods sends out a weekly newsletter including information about all City grant opportunities to a listserv of 500 Knoxville residents.

**E. Building Codes:** The City has adopted the International Building Code that contains a chapter “Existing Buildings” allowing designers additional alternatives to meet requirements when renovating older buildings. The Alternative Building Code can be used in the Central Business Improvement District (CBID). This option can make redevelopment of older buildings more practical and less expensive.

**F. Tax-Foreclosed Properties:** The City’s Vacant Properties Committee is focusing on the issues that negatively impact development of tax-foreclosed properties and the process of tax foreclosure in an effort to find solutions to the problems and enable future development of the properties.



## **ACTION PLAN**

### Other Actions 91.220(k)

18. Describe the actions that will take place during the next year to address obstacles to meeting underserved needs, foster and maintain affordable housing, evaluate and reduce the number of housing units containing lead-based paint hazards, reduce the number of poverty-level families develop institutional structure, enhance coordination between public and private agencies (see 91.215(a), (b), (i), (j), (k), and (l)).
19. Describe the actions to coordinate its housing strategy with local and regional transportation planning strategies to ensure to the extent practicable that residents of affordable housing have access to public transportation.



## ACTION PLAN

### Other Actions

18-19

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#### Actions To Be Undertaken

During the 2011-2012 program year, the City of Knoxville will follow the strategies outlined in the *Five-Year Consolidated Plan* and pursue activities intended to reduce homelessness, foster decent affordable housing, reduce poverty, and otherwise improve our community.

#### Foster and Maintain Decent Affordable Housing

The City will meet this requirement through the following activities:

- Funding and/or operating emergency, minor, and major home improvement programs
- Homeownership assistance down payment assistance
- Acquisition of blighted properties for reuse as affordable housing
- Development expenses for Community Development Housing Organizations (CHDOs)
- Pursuing remediation of chronic problem properties
- Conduct fair housing investigations, education, and outreach

In addition to these specific programs, the City will continue to work with non-profit housing providers and public housing agencies and participate in appropriate committees and boards, such as the Affordable Housing Trust Fund Board.

#### Lead-Based Paint

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 rehab. All pre-1978 built houses, which are identified for the rehab program, receive a lead hazard screen/lead based paint testing to determine if a lead hazard exists. If a lead hazard is identified, a Risk Assessment is prepared to define the hazard(s) and to define the remediation necessary to eliminate hazard(s). The actual remediation work is accomplished as a part of the rehab work. All lead based paint inspections and Risk Assessments are prepared by agency Rehab Specialist staff as a part of their rehab duties. 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. The City has Rehab Specialist staff certified as Healthy Homes Specialist with the National Environmental Health Association. Healthy Homes measures are carried out

on rehab projects to reduce the number of health and safety risk within the homes.



## PROGRAM SPECIFIC REQUIREMENTS

### CDBG 91.220(I)(1)

1. Identify program income expected to be received during the program year, including:
  - amount expected to be generated by and deposited to revolving loan funds;
  - total amount expected to be received from each new float-funded activity included in this plan; and
  - amount expected to be received during the current program year from a float-funded activity described in a prior statement or plan.
2. Program income received in the preceding program year that has not been included in a statement or plan.
3. Proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in its strategic plan.
4. Surplus funds from any urban renewal settlement for community development and housing activities.
5. Any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.
6. Income from float-funded activities.
7. Urgent need activities, only if the jurisdiction certifies.
8. Estimated amount of CDBG funds that will be used for activities that benefit persons of low- and moderate income.



## **PROGRAM SPECIFIC REQUIREMENTS**

### **CDBG**

**1-8**

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The City receives program income from HOME and CDBG activities in the form of loan repayments from persons who have received CDBG or HOME funded loans for downpayment, housing rehabilitation, or similar assistance and from sales proceeds from acquisition and disposition activities. These funds are revolved for future loans or other HOME/CDBG eligible activities to benefit the community. The City projects \$160,000 CDBG and \$350,000 HOME program income for 2011. There is no program income from a preceding program year that has not been included in the Plan.

The City has no Section 108 loan guarantee proceeds.

The City receives program income from a State House Grant that it uses for the development of affordable housing.

The City is not proposing any urgent need activities in this Plan.

It is estimated that all the CDBG funds allocated this year will serve persons with low to moderate incomes and/or neighborhoods with a high percentage of LMI citizens.



## PROGRAM SPECIFIC REQUIREMENTS

### HOME 91.220(l)(1)

1. Describe other forms of investment. (See Section 92.205) If grantee (PJ) plans to use HOME funds for homebuyers, did they state the guidelines of resale or recapture, as required in 92.254.
2. If grantee (PJ) plans to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, state its refinancing guidelines required under 24 CFR 92.206(b).
3. Resale Provisions -- For homeownership activities, describe its resale or recapture guidelines that ensure the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4).
4. HOME Tenant-Based Rental Assistance -- Describe the local market conditions that led to the use of a HOME funds for tenant based rental assistance program.  
  
If the tenant based rental assistance program is targeted to or provides a preference for a special needs group, that group must be identified in the Consolidated Plan as having an unmet need and show the preference is needed to narrow the gap in benefits and services received by this population.
5. If a participating jurisdiction intends to use forms of investment other than those described in 24 CFR 92.205(b), describe these forms of investment.
6. Describe the policy and procedures it will follow to affirmatively market housing containing five or more HOME-assisted units.
7. Describe actions taken to establish and oversee a minority outreach program within its jurisdiction to ensure inclusion to the maximum extent possible, of minority and women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate activities of the participating jurisdiction to provide affordable housing under the HOME program or any other Federal housing law applicable to such jurisdiction.
8. If a jurisdiction intends to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds, state its financing guidelines required under 24 CFR 92.206(b).



## PROGRAM SPECIFIC REQUIREMENTS

### HOME

1-8

#### Other Forms of Investment

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

#### Homebuyer Recapture/Resale Guidelines

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 \$15-40,000
- 15 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 downpayment, 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:

$$\frac{\text{HOME investment}}{\text{HOME investment} + \text{Homeowner downpayment}} \times \text{Net proceeds} = \text{Amount of HOME to be recaptured}$$

$$\frac{\text{Homeowner investment}}{\text{HOME investment} + \text{Homeowner downpayment}} \times \text{Net proceeds} = \text{Amount to Homeowner}$$

A forgivable loan will be used to finance the HOME assistance to the homebuyer. The HOME balance due will be reduced by an equal amount annually during the affordability period. Additional HOME funds may be provided as a fully amortizing and repayable loan. The HOME amount will be completely forgiven if the homebuyer remains the owner and occupant for the full affordability period.

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.

### Resale Requirement

In cases where HOME funds have been provided for the development (development subsidy) of a home, but the homebuyer does not need direct subsidy to make the home affordable, the City must utilize the resale provision. The resale provision may be utilized for home purchases anywhere in the city limits and will be enforced with a HOME Agreement and Restrictive Covenant. Under the HOME rule certain housing may be presumed to meet the resale restrictions based on a market analysis of the neighborhood in which the housing is located (92.254(a)(5)(i)(B)).

The Lonsdale community, located in the northwest sector of the City, has a housing stock that may be presumed to meet the resale restriction during the period of affordability without the imposition of enforcement mechanisms. The Lonsdale community is a part of Knoxville's Empowerment Zone and was designated a Redevelopment Area in 2005.

An analysis of the housing stock and residents of Lonsdale reflects modestly priced homes and low-income households. The Census 2000 data indicates that the median value of a home in Lonsdale was \$50,700, compared to the overall Knoxville average of \$78,000. The housing stock is older with 74.2% of homes built prior to 1980 and the homes are of modest size. Only 34% of the homes are owner occupied and the City is encouraging homeownership in the area through down payment assistance, development of affordable infill housing, greenway development, new sidewalks and improved transportation and public facilities. The median household income in Lonsdale from the Census data was \$20,969, which represents 46% of median income for a family of four. The Census data is as follows:

**LONSDALE DATA FOR  
HUD**

	<b>Lonsdale</b>	<b>(%) Share</b>	<b>Knoxville</b>	<b>(%) Share</b>
<b>Value Owner-occupied Units</b>				
less than \$50,000	262	0.49	5,895	0.16
\$50,000 to \$99,999	276	0.51	20,415	0.57
\$100,000 to \$149,000	0		5,437	0.15
\$150,000 to \$199,999	0		1,871	0.05
\$200,000 to \$299,999	0		1,193	0.03
\$300,000 to \$499,999	0		673	0.02
\$500,000 to \$999,999	0		328	0.01
\$1,000,000 or more	0		45	0.00
median value	\$50,700		\$78,000	
<b>Year Structure Built</b>				
1999 to March 2000	18	0.01	1,257	0.01
1995 to 1998	12	0.01	4,550	0.05
1990 to 1994	30	0.02	3,661	0.04
1980 to 1989	453	0.23	9,448	0.11
1970 to 1979	311	0.16	15,073	0.18
1960 to 1969	253	0.13	14,806	0.17
1940 to 1959	685	0.34	25,170	0.30
1939 or earlier	232	0.12	10,932	0.13
<b>Occupied Housing Units</b>	1,768		76,650	
owner-occupied housing units	605	0.34	39,208	0.51
<b>Median Household Income</b>	\$20,969			\$27,492

Notes: All data is from  
Census 2000.  
\* The Lonsdale  
neighborhood is found within  
Census Tract 28.

Lonsdale is a community where lower income families may purchase a home without government assistance. An analysis of all single-family homes currently listed for sale through the Knoxville Multiple Listing Service in the Lonsdale area shows an average price of \$63,414 for March 2009. Monthly mortgage payments on homes in this price range average \$540.00 PITI and are affordable to families earning between 65% to 80% of median income, assuming typical FHA mortgage terms.

[Refinancing of Existing Debt](#)

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

#### Tenant Based Rental Assistance

The City does not plan to use HOME funds for tenant-based rental assistance during this program year.

#### Affirmative Marketing

The City will meet affirmative marketing requirements for HOME assisted projects containing five or more units through the following policy and procedures:

1. The City will inform the public, owners, and potential tenants about Federal Fair Housing laws and the City's Affirmative Marketing Policy through:
  - The City's Fair Housing Program. The City Community Development Department will educate and inform the public of their fair housing rights and options under the City's Fair Housing Ordinance and any other applicable laws. The City also provides counseling and information to citizens regarding rights and remedies under the Fair Housing Law.
  - The equal housing opportunity logo, slogan, or statement will be used in all media announcements, requests for proposals, and informational and application materials.
  - A summary of the policy will be included in informational materials for owners and the policies and procedures will be discussed.
  - Potential tenants will be informed in general through the methods mentioned above.
2. During the required affordability period, owners of housing facilities containing five or more units must:
  - Use the equal housing opportunity logo or slogan in advertising vacant units.
  - Advertise the vacancy in the *Knoxville News Sentinel* if more than four vacancies exist in a project and the owner does not have a sufficient waiting list to fill the vacancies, or list the property with KCDC's list of properties available for Rental Assistance Certificate holders.
  - Inform and solicit applications from persons not likely to apply for the housing without special outreach. This will be done by notifying the Knoxville Area Urban League (KAUL) when it is known that a vacancy will occur and/or provide the unit as a referral for tenants on KCDC's waiting list.
3. In order to document affirmative marketing efforts and results, the following records will be kept:

### Owners

- Data on the racial, ethnic, and gender characteristics of tenants occupying units before rehabilitation, tenants moving from and into units after rehabilitation, applicants for tenancy, and how the applicants heard about the housing opportunities.
- Information regarding applicants for initial occupancy must be provided to the City within 120 days following completion of rehabilitation.
- During the affordability period, owners must keep copies of newspaper advertisements to fill vacancies and information on vacancies. The owner may submit copies of these advertisements directly to the City.

### City

- The racial, ethnic, and gender characteristics of owners of projects rehabilitated and applicants for HOME funds.
  - Data indicating the race and ethnicity of households displaced as a result of program activities, and if available, the address and census tract of the housing unit to which each displaced household relocated.
  - Copies of advertisements or meeting notices that the City places in the newspaper or relevant articles appearing in the paper.
  - Samples of informational materials.
4. Effectiveness of the City's affirmative marketing efforts will be assessed as follows:
- To determine if good faith efforts have been made, owners will be asked to provide information and documentation on the efforts they have taken regarding vacancies and affirmative marketing for the past year at the time of the annual review of rental activities. If the City determines that the required actions have been carried out, the City will assume that the owners have made good faith efforts to carry out these procedures.
  - To determine results, the City will assess property owner's affirmative marketing efforts in relation to whether or not minority and female headed households have applied for and/or become tenants in the rehabilitated units. If the City determines that they

have, the City will assume that owners have carried out affirmative marketing procedures effectively.

If different racial, ethnic, and gender groups are not represented, the City will review the owner's affirmative marketing procedures to determine what changes, if any, may be made to improve effectiveness.

5. The City will take corrective action if it finds that an owner has not made a good faith effort to carry out the affirmative marketing procedures or fails to maintain the required records on tenants and applicants for tenancy. If, after discussing with the owner ways to improve procedures, the owner continues to fail to meet the affirmative marketing requirements, the City will disqualify the owner from future participation in the HOME Program.

The City will carry out its assessment activities and will complete a written assessment of affirmative marketing efforts in time to report the results in its annual performance report to HUD.



## PROGRAM SPECIFIC REQUIREMENTS

### HOPWA 91.220(l)(3)

1. One year goals for the number of households to be provided housing through the use of HOPWA activities for: short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family, tenant-based rental assistance, units provided in housing facilities that are being developed, leased, or operated.

**The City of Knoxville Community Development Department does not receive HOPWA funds.**





## **OTHER NARRATIVES AND ATTACHMENTS**

Include any action plan information that was not covered by a narrative in any other section. If optional tables are not used, provide comparable information that is required by consolidated plan regulations.



## OTHER NARRATIVES & ATTACHMENTS

### Affirmatively Further Fair Housing

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In 2010 The City completed an *Analysis of Impediments to Fair Housing Choice* for the 2010-2015 Consolidated Plan. The document is available on the City of Knoxville web-site. Activities that affirmatively further fair housing include:

- City staff investigation and conciliation of complaints related to housing discrimination.
- Counseling and referrals as necessary.
- Education and outreach to residents, housing providers, lenders, and other community members.
- Dissemination of information to the local news media on fair housing and equality issues and activities.
- Participation in training sessions, workshops, and conferences.
- 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, Knoxville/Knox County Access To Justice Collaborative, Disability Resource Center, East Tennessee Coalition for the Homeless, and Dr. Martin Luther King Jr. Commemoration Commission.
- Operation and/or funding of programs that promote housing opportunities, such as homeownership education and downpayment assistance, housing improvements, and new housing development.



## **APPENDICES**

Appendix A – Table 2C

Appendix B – HUD Individual Project Worksheets

Appendix C – Citizen Participation

Appendix D - HUD Certifications

