

OVERVIEW

Introduction

The attached five tables show the planned allocation of funds for the CDBG, HOME, ESG, and HOPWA programs in Metropolitan Nashville-Davidson County for April 2009 through March 2010. The tables also represent the Action Plan section of the *Consolidated Plan for Housing and Community Development*, which is submitted to the U.S. Department of Housing and Urban Development.

Table 1: Community Development Block Grant Allocations;

Table 2: Neighborhood Strategy Areas;

Table 3: HOME Program Allocations;

Table 4: Emergency Shelter Grants Program Allocations;

Table 5: HOPWA Allocations.

Community Development Block Grant Funds

Community Development Block Grant (CDBG) funds are based on new entitlement funding in the amount of \$4,900,000. Program income of \$470,000 is anticipated during the coming program year.

Within the framework of serving eligible low- and moderate-income families, eliminating blight, and providing for urgent needs, the Metropolitan Government of Nashville and Davidson County has targeted a large portion of its Community Development Block Grant (CDBG) funds to specific areas so that a comprehensive approach can be taken. Key among such targeted districts are low and moderate-income residential Neighborhood Strategy Areas (NSAs). These areas are selected for inclusion in the program because their size, condition of housing, level of community organization, owner occupancy, and income make them good candidates for effective and visible revitalization within the scope of the CDBG regulations and local resources.

From a categorical overview, housing rehabilitation, infill housing related projects, and neighborhood-related public facilities constitute the greatest portion of CDBG funds. Funds are also used for efforts that complement targeted areas and projects designed for residential areas, including:

- Neighborhood commercial revitalization;
- Planning, and slum and blight removal and;
- Other economic development efforts directed toward generating long-term employment opportunities for low and moderate-income inner city residents.

The Home Improvement Rehabilitation program will continue to serve eligible low to moderate-income residents with home renovations through loans and grants.

Community development funds will continue to be used for the repayment of loans guaranteed by the U.S. Department of Housing and Urban Development in accordance with Section 108 of the Housing and Community Development Act of 1974. Payments shall be made on an annual basis.

Home Investment Partnerships Program Funds

HOME funds are programmed to continue providing a mixture of owner-occupied and rental rehabilitation; new housing homeownership programs; multifamily and rental programs; downpayment assistance; and housing assistance through non-profit Community Housing Development Organizations (CHDOs).

Emergency Shelter Grants Funds (ESG)

ESG funds are allocated to local homeless shelter providers under four broad categories: operations, rehabilitation, prevention and essential services. Since 1986, MDHA has allocated these funds to as many as twenty-two local agencies. Since funding is expected to remain about the same as last year, the use of the funds is expected to mirror that in 2008-2009. This funding pattern distributes most of the funds to shelter programs' costs of ongoing operation. ESG funds targeting homeless prevention will be largely centralized at one agency. There is no expectation at this time to fund any renovation. A portion of funds may be used for essential services, such as outreach and bus passes or to provide necessary identification for homeless persons.

Housing Opportunities for Persons With AIDS Funds (HOPWA)

The HOPWA program provides housing related assistance and supportive services for low-income persons with HIV/AIDS and their families. As part of the Consolidated Plan, the program now receives oversight by MDHA instead of the State, on behalf of The Metropolitan Government. Most of the services will be provided in, and for residents of Davidson County, reflecting the relative incidence of HIV/AIDS.

Amendments

Changes to the Consolidated Plan will not be considered as a substantial amendment unless the change results in the elimination of a category of activity for which funds have been allocated, the addition of a new category of activity not included in the Consolidated Plan, the elimination or addition of a targeted area of service, a change in the categories of beneficiaries or eligibility criteria, a substantial change in the method of distribution of funds as described in the Consolidated Plan or a change in the allocation priorities established by the Plan.

**TABLE 1: CDBG ALLOCATIONS
APRIL 01, 2009 - MARCH 31, 2010**

PROJECTS	2009-2010
Housing Rehabilitation Lead Based Paint Evaluation and Reduction Homeowner Improvement Grants and Loans	1,385,000
Neighborhood Strategy Areas Neighborhood and Commercial Areas	1,185,000
Special Neighborhood Activities Summer Youth Program	500,000
Affordable Housing Services Fair Housing Activities	175,000
Economic Development Façade Loans Micro-Enterprise Assistance	400,000
Administration	540,000
Acquisition	300,000
Planning	440,000
Section 108 Repayments	445,000
TOTAL CDBG Grant Amount	\$4,900,000
PROGRAM INCOME	\$470,000
TOTAL	\$5,370,00

**TABLE 2: NEIGHBORHOOD STRATEGY AREAS (NSA)
APRIL 01, 2009 - March 31, 2010**

NEIGHBORHOOD STRATEGY AREAS (NSA)
Jefferson Street - New
New NSA
New NSA
8th and Lafayette (SoBro)
Booker
Bordeaux Hills
Buchanan Street
Cameron
Cass
Cleveland Park
Martin Street
Murfreesboro Road
Salemtown
South Inglewood

**TABLE 3: HOME ALLOCATIONS
APRIL 01, 2009 - March 31, 2010**

PROJECTS	2009-2010
Housing Rehabilitation <i>Homeowner Improvement Grants and Loans</i> <i>Rental Rehabilitation</i>	1,100,000
Homeowner Downpayment Assistance	610,000
Multifamily Production	1,100,000
CHDO* Set Aside	463,000
CHDO Operating Costs	149,000
Grant Administration <i>Monitoring</i>	298,000
TOTAL HOME Grant Amount	\$2,980,000
PROGRAM INCOME	\$740,000
TOTAL	\$3,720,000

*Community Housing and Development Organizations

**TABLE 4: EMERGENCY SHELTER GRANT (ESG) ALLOCATIONS
APRIL 01, 2009 - March 31, 2010**

PROJECTS	2009-2010
Shelter Operations	120,350
Essential Services	62,350
Prevention Services	26,350
Grant Administration	10,950
TOTALS	\$220,000

**TABLE 5: HOUSING OPPORTUNITIES FOR PERSON WITH AIDS (HOPWA)
ALLOCATIONS APRIL 01, 2009 - March 31, 2010**

PROJECTS	2009-2010
Rental Assistance	315,000
Supportive Services	400,500
Administrative Services	55,650
Grant Administration	23,850
TOTALS	\$795,000

AMENDMENT 1
to the 2008-2009 Annual Update to the Consolidated Plan

In the fall of 2008, Congress authorized the Housing and Economic Recovery Act of 2008. Included in this Bill is funding for HUD's new Neighborhood Stabilization Program (NSP), which provides targeted emergency assistance to state and local governments to acquire and redevelop foreclosed properties.

This one-time allocation provides emergency assistance for communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.

Neighborhood Stabilization Program	2008-2009
Provides a one-time allocation for emergency assistance to acquire and redevelop foreclosed properties that might otherwise become a source of abandonment and blight within communities.	\$4,051,398