

METROPOLITAN NASHVILLE-DAVIDSON COUNTY, TENNESSEE

SUBSTANTIAL AMENDMENT 1

TO THE

HOME INVESTMENT PARTNERSHIP PROGRAM

AMERICAN RESCUE PLAN

(HOME-ARP) ALLOCATION PLAN

Prepared by:

Metropolitan Development and Housing Agency
701 South Sixth Street
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On Behalf of:

The Metropolitan Government of
Nashville and Davidson County

Final Released July 9, 2024, after close of Public Comment



Substantial Amendment 1
to the
HOME INVESTMENT PARTNERSHIP PROGRAM
AMERICAN RESCUE PLAN (HOME-ARP) Allocation Plan

HOME-ARP Substantial Amendment 1

Attachment 1 -- Original Allocation Plan – Public Notice, comments received at Public Hearing March 24, 2022 and during the public comment period, and MDHA Responses

Attachment 2 – Notice of HOME-ARP Allocation

Attachment 3- Substantial Amendment 1 - Public Notice, attendees and comments received at Public Hearing June 13, 2024 and during the public comment period, and MDHA Responses

Attachment 4 – Notice of HOME-ARP Overage to be Deobligated

Online resources for HOME-ARP

**Link to HUD's HOME-ARP regulations, fact sheets, notifications, income limits, etc.-
<https://www.hudexchange.info/programs/home-arp/>**

Links to MDHA webpage on HOME-ARP to see:

[View the HOME-ARP Action Plan](#) Original

[Substantial Amendment 1 to the HOME-ARP Allocation Plan](#) For public comment

[HOME-ARP Consultation Allocation Plan Amendment 1 Presentation](#), May 23

Instructions: All guidance in this template, including questions and tables, reflect requirements for the HOME-ARP Allocation plan, as described in Notice CPD-21-10: *Requirements of the Use of Funds in the HOME-American Rescue Plan Program*, unless noted as optional. As the requirements highlighted in this template are not exhaustive, please refer to the Notice for a full description of the Allocation plan requirements as well as instructions for submitting the plan, the SF-424, SF-424B, SF-424D, and the certifications.

References to “the ARP” mean the HOME-ARP statute at section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2).

Participating Jurisdiction: Nashville-Davidson County, TN

HOME-ARP Original Allocation Plan - Date: 03/11/2022

HOME-ARP Allocation Plan - Substantial Amendment 1 - Date: 6/06/2024

MDHA proposes to allocate 85% of its HOME-ARP Allocation to supportive services to persons to access and/or maintain permanent housing. Although these services will be accessible to people in the four Qualifying Populations (QPs), a preference is assigned to QP1 - Homeless as defined in 24 CFR 91.5.

As described below, initial HOME-ARP Action Plan consultations in 2022 obtained input on local priorities from an array of stakeholders in Nashville. The top priorities expressed were the need for affordable supportive housing units along with the need for supportive services.

Since these earlier sessions, over 400 low-barrier affordable units have been committed and are coming online, adding to the inventory of permanent housing. With the addition of these units, there is a critical need to provide funding for supportive services to mesh with the housing, and there is a lack of resources to pay for them, since Tennessee is not a Medicaid expansion state. Funding is needed to provide services to ensure successful tenancies and reduce returns to homelessness.

This recent increase in housing inventory justifies a shift from the HOME-ARP’s initial focus of adding units to use the funding to provide supportive services proposed in this Substantial Amendment 1 to Nashville’s original HOME-ARP Allocation plan, which is supported by the community.

Consultation

In accordance with Section V.A of the Notice (page 13), before developing its HOME-ARP Allocation plan, at a minimum, a Participating Jurisdiction (PJ) must consult with:

- CoC(s) serving the jurisdiction’s geographic area,
- homeless service providers,

- domestic violence service providers,
- veterans' groups,
- public housing agencies (PHAs),
- public agencies that address the needs of the qualifying populations and
- public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities.

Describe the consultation process including methods used and dates of consultation:

The Metropolitan Development and Housing Agency (MDHA) of Nashville and Davidson County held 17 consultation sessions with key stakeholders during the month of January 2022. Two focus groups of people experiencing or recently experiencing homelessness were conducted in early February. Additionally, MDHA staff presented an overview of the HOME-ARP program to the Continuum of Care Homelessness Planning Council, the CoC General Membership, the Continuum of Care listserv of 600+ individuals and organizations, and offered opportunities to submit ideas and recommendations.

For this Substantial Amendment 1, MDHA held a virtual meeting for the public on May 23 presenting an overview of the program and the proposed changes. Eleven individuals attended, representing 8 agencies.

List the organizations consulted:

Agency/Org Consulted	Type of Agency/Org	Method of Consultation	Feedback
Veterans Administration	Veterans service organization	Remote meeting	Supportive and affordable rental housing unit creation is the most pressing need in the Nashville region. Veterans are struggling to access units that are low-barrier and affordable. Many are being displaced as rents escalate rapidly in the region. Supportive housing with onsite services in different parts of Nashville, to meet vet preferences on geography would be ideal.
People experiencing homelessness	N/A, participants were identified through Park Center	Focus Group (remote)	Participants expressed their struggles accessing short-term housing and affordable housing. Several participants recommended investment in existing structures like hotels, or creation of low-cost housing options such as tiny homes or housing created through shipping containers that is quicker to bring to operation. Many felt that short-term housing and access to jobs including in construction and homeless services were extremely important. Others described the need for longer-term housing with case management supports. One participant discussed the need for someone to open doors to employers and careers. All expressed the challenges of homelessness and the need for shelters to have shower and storage facilities, and recommended the Salvation Army could benefit from these specific facility enhancements.

Park Center	Behavioral health and homeless services	Remote meeting	Supportive housing unit creation is a top priority. Capacity building to support non-profits and developers creating units is also important. Incentives in the state's Qualified Allocation Plan must be considered to leverage tax credits and other resources needed to scale. Supportive services should be considered, including street outreach and higher levels of intensive case management to meet fidelity to best practice. Medicaid pays for little if any housing-related behavioral health services.
Urban Housing Solutions	Affordable housing developer, housing owner/operator	Remote meeting	Creating additional units of affordable and supportive housing with long-term operating support is the highest priority. In the short-term, rental assistance is a desperate need, and could help very low-income renters. Adaptive reuse of commercial buildings (hotels, motels, etc.) or land acquisition may also be worth pursuing. Youth specific shelter would also be a need for consideration.
Neighborhood Health	Healthcare for the Homeless and federally qualified health center	Remote meeting	Affordable and available housing is the most important and pressing need. We need to build units quickly. While there are challenges with recruiting and paying for supportive services, unit creation (land and building acquisition specifically) should be the focus for HOME-ARP.
Nashville Rescue Mission	Homeless service provider	Remote meeting	Training for people experiencing homelessness about budgeting and employment counseling is an important need. Affordable rental housing and permanent supportive housing for people with serious mental illness is an ongoing and

			<p>huge need. Housing and shelter for men with children is also a challenge in the community. Transportation is also a big issue. Also recommend a safe haven and permanent supportive housing solution for individuals who are hard to serve and require the highest level of services, which could include “superpowered” case managers.</p>
<p>Metropolitan Homeless Impact Division</p> <p>(now the Metro Office of Homeless Services)</p>	<p>Local government, Homeless and social services</p>	<p>Remote meeting</p>	<p>Creating supportive and affordable housing that is accessible to people with barriers is the most important need. Leasing up with current rental assistance programs is a big problem, highlighting the need for dedicated units to the population. Housing navigators are needed to help people who experience homelessness to access available rental assistance. There are 870 households on the coordinated entry list that score in the permanent supportive housing range and haven’t been placed. Eviction prevention would also be helpful.</p>
<p>Metropolitan Human Relations Commission</p>	<p>Local government, fair housing and civil rights</p>	<p>Remote meeting</p>	<p>Supportive services to fund legal services to ensure representation in eviction and housing court actions, especially for people ineligible for publicly funded legal aid programs is an important need. Microgrants for grassroots outreach and engagement efforts to help households access resources and sustain housing. (e.g. Partnership effort that provides small grants for door-to-door education and advocacy.) Lastly, low barrier shelter that does not require religious service participation, and housing first high-fidelity programs.</p>

Metropolitan Action Commission	Local government, workforce, education and social services	Remote meeting	Development of affordable and supportive rental housing should be the priority use of funds due to the extraordinary need for affordable housing for people at extremely low incomes. All people in this income group are housing cost burdened and at high risk of homelessness. Even with rental assistance, landlords are increasing rents and not renewing leases.
MDHA Housing Choice Voucher program	Public Housing Authority	Remote meeting	Unit creation – affordable and supportive housing, is the primary need in the county. Geographic dispersion and choice of location is also needed. The voucher program has been challenged to secure units in the current housing market as landlords have little incentives to participate in public subsidy programs, and Fair Market Rents aren't keeping up with rapidly rising rents.
The Mary Parrish Center	Domestic violence, homeless service provider	Remote meeting	Development of affordable and supportive housing is the most pressing need in the County. Some families and individuals who are experiencing domestic violence need those intensive levels of support. Documentation of homelessness and disabling conditions can sometimes be a challenge, so the utilization of the Qualifying Population categories for housing is important.
Metro Housing Division	Local government	Remote meeting	Creation of supportive and affordable housing are priorities for the City. Leverage of other capital sources (especially through THDA's HOME allocations, and 9% or 4% tax credits/bond programs), operating subsidies, supportive services from public and private

			<p>sources will be critically important to maximize the impact of the HOME-ARP allocation.</p> <p>Capacity building among non-profits is also an important task for the community. Supportive housing development must be adequately financed so as not to require debt, and operating subsidies and supportive services must also be available and adequately funded.</p>
Empower TN	Disability advocacy	Remote meeting	<p>Case management, rental assistance, help with moving costs, affordable and accessible units are all critical needs in the County.</p> <p>Empower TN also believes any housing created should be inclusionary and integrated – not putting people with disabilities all in one place. Affordable, accessible housing, with universal design should be created close to community amenities, like grocery stores and healthcare services, accessible to public transportation. Property owners and managers should also be expected to work with people with criminal backgrounds. Security deposit assistance is also very important as disability income can be impacted by accrued savings.</p>
Mental Health Cooperative	Behavioral health organization, homeless service provider	Remote meeting	<p>Community Rental assistance so that individuals can choose their housing and their household composition (and pets).</p> <p>Willing landlords are an issue – the market is very competitive. Supportive services are also very important and are insufficiently funded in Nashville.</p> <p>People need tenancy supports to integrate into the community as well as care coordination. Non-congregate, shared housing with</p>

			individual rooms is also a model that could be pursued.
Room in the Inn	Homeless service provider, supportive housing owner/operator	Remote meeting	Supportive housing has been a consistent and urgent need in the County. New units are needed, especially considering how difficult it can be to utilize rental assistance due to the market conditions. Supportive services must be accessible and available to those in any housing created. Room In the Inn has a potential site that could be developed to create new housing units. Navigation centers with affordable housing on top, housing for aging individuals at extremely low incomes, and other supportive housing models are needed.
Urban League of Middle Tennessee	Affordable housing capacity building, minority workforce training programs	Remote meeting	Building affordable and supportive housing, especially land acquisition is the most important priority in the County. Rental assistance is also an important need for people in the County.
Office of Mayor Cooper	Local government	Remote meeting	Development of high-quality supportive housing with high fidelity supportive services is the most pressing need. Capacity building to support non-profits is also an investment to consider.
Continuum of Care (CoC) Homelessness Planning Council for Metro Nashville-Davidson County	CoC Governing Body	In person meeting – January 12, 2022	Assistant Director of Community Development went over PowerPoint that explained HOME ARP program and provided copies of same to members and asked them to email feedback, however nothing was received.
Continuum of Care (CoC) General Membership for Metro Nashville-Davidson County	CoC General Membership	Virtual Meeting – January 20, 2022	Assistant Director of Community Development went over PowerPoint that explained HOME ARP program. Presentation was sent via email to all members with a request that they provide feedback, none was provided.

Public Participation

In accordance with Section V.B of the Notice (page 13), PJs must provide for and encourage citizen participation in the development of the HOME-ARP Allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP Allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for “reasonable notice and an opportunity to comment” for plan amendments in its current citizen participation plan. In addition, PJs must hold **at least one public hearing** during the development of the HOME-ARP Allocation plan and prior to submission.

PJs are required to make the following information available to the public:

- The amount of HOME-ARP the PJ will receive, and
- The range of activities the PJ may undertake.

Throughout the HOME-ARP Allocation plan public participation process, the PJ must follow its applicable fair housing and civil rights requirements and procedures for effective communication, accessibility, and reasonable accommodation for persons with disabilities and providing meaningful access to participation by limited English proficient (LEP) residents that are in its current citizen participation plan as required by 24 CFR 91.105 and 91.115.

Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:

Original Allocation Plan

- *Public comment period: start date - 3/11/2022 end date – 4/13/2022*
- *Date(s) of public hearing: 3/24/2022*

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- *Date(s) of public notice: 6/6/2024*
- *Public comment period: 6/6/2024 - Click or tap to enter a date. 7/8/24 – Click or tap to enter a date.*

Describe the public participation process:

Original Allocation Plan

To ensure the HOME-ARP Allocation Plan truly addresses the needs in Metro Nashville, the public participation process was designed to garner considerable public input on the development of the plan. Two focus groups of people experiencing or recently experiencing homelessness were conducted in early February 2022. Additionally, as part of our consultation efforts, MDHA staff presented an overview of the HOME-ARP program to the Continuum of Care

Homelessness Planning Council and the CoC General Membership and full Continuum of Care listserv, a membership of 600+ individuals and organizations, and offered opportunities for all these groups to submit ideas and recommendations. Throughout the 2020 PY, MDHA staff met with stakeholders, nonprofits, project sponsors, and the Mayor's office for suggestions to improve or expand programs for PY2021. The draft Allocation Plan was made available for public comment on March 11, 2022. An in-person public hearing and a Zoom public hearing were held on March 24, 2022.

Comments on the draft were obtained during the 30-day public comment period that opened on March 11, 2022, and closed on April 13, 2022, and at the in-person and virtual public hearing that was held on March 24, 2022. Details about the public hearing and how the public could submit comments are provided in the Public Notice (Attachment 1), along with the public comments received and MDHA's response to the same.

Information on how persons with disabilities or sensory impairments or those in need of translation services can request accommodation is provided in all Public Notices, in emails advertising community meetings/public input sessions, and posted on the Consolidated Plan webpage in Spanish, Chinese, Vietnamese, Arabic, and Somali. MDHA will make every effort to accommodate reasonable requests if they are made not later than five (5) business days prior to any meeting. Public Notices are translated into Spanish.

Following the conclusion of the Public Comment Period, the HOME ARP Allocation Plan will be presented to the Metropolitan Nashville-Davidson County Council for approval, prior to its submittal to HUD.

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The public participation process for the Substantial Amendment 1 mirrors that of the original Allocation Plan with a 30-day public comment period opening on June 6, 2024, and closing on July 8, 2024, with a virtual public hearing on June 13, 2024. Details about this public hearing and how the public can submit comments are provided in the Public Notice and included in Attachment 3.

Describe efforts to broaden public participation:

The original HOME-ARP Allocation Plan and Substantial Amendment 1 were posted on MDHA's website and distributed to the Continuum of Care listserv, a membership of 600+ individuals and organizations who were afforded opportunities to submit ideas and recommendations.

The public was invited to a virtual presentation on the Substantial Amendment on May 23. The revised Allocation Plan was posted on MDHA's website and released for a 30-day public comment on June 6, and discussed at a public hearing held June 13. Information on how persons with disabilities or sensory impairments or how those in need of translation services can request accommodation is provided in all Public Notices, in emails advertising community meetings/public input sessions, and posted on the Consolidated Plan webpage in Spanish,

Chinese, Vietnamese, Arabic, and Somali. MDHA will make every effort to accommodate reasonable requests if they are made not later than five (5) business days prior to any meeting. Public Notices are translated to Spanish.

Attachment 1 provides the attendance list for the public hearing held during the original HOME-ARP Allocation Plan consultation process, along with a condensed transcript of comments received and MDHA's response to the same.

Substantial Amendment 1:

Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing:

Please see Attachment 3.

Substantial Amendment 1:

Summarize any comments or recommendations not accepted and state the reasons why:

Please see Attachment 3.

Needs Assessment and Gaps Analysis

In accordance with Section V.C.1 of the Notice (page 14), a PJ must evaluate the size and demographic composition of **all four** of the qualifying populations within its boundaries and assess the unmet needs of each of those populations. If the PJ does not evaluate the needs of one of the qualifying populations, then the PJ has not completed their Needs Assessment and Gaps Analysis. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services.

OPTIONAL Homeless Needs Inventory and Gap Analysis Table

Homeless													
	Current Inventory					Homeless Population				Gap Analysis			
	Family		Adults Only		Vets	Family HH (at least 1 child)	Adult HH (w/o child)	Vets	Victims of DV	Family		Adults Only	
	# of Beds	# of Units	# of Beds	# of Units	# of Beds					# of Beds	# of Units	# of Beds	# of Units
Emergency Shelter	197	35	959	959	9								
Transitional Housing	61	19	265	265	94								
Permanent Supportive Housing	244	104	789	789	532								
Other Permanent Housing						0	101	71	0				
Sheltered Homeless						54	1250	178	50				
Unsheltered Homeless						1	583	72	N/A				
Current Gap										78	26	1,239	1,239

Suggested Data Sources: 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

OPTIONAL Housing Needs Inventory and Gap Analysis Table

Non-Homeless			
	Current Inventory	Level of Need	Gap Analysis
	# of Units	# of Households	# of Households
Total Rental Units	127,505		
Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)	7,350		
Rental Units Affordable to HH at 50% AMI (Other Populations)	3,300		
0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness)		19,650	
30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)		16,665	
Current Gaps			36,315

Suggested Data Sources: 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS)

Describe the size and demographic composition of qualifying populations within the PJ's boundaries:

Homeless as defined in 24 CFR 91.5 Qualifying Population 1 (QP1):

People experiencing homelessness in Nashville and Davidson County are disproportionately Black and male. Among those who reside in shelter or are reported as unsheltered, 53% identify as Black or African American as compared to 24% of Davidson County residents who identify as Black (Source 2020 Census). As for gender, 73% of people experiencing homelessness identify as male (as compared to 48% of the total population), and 26% as female with less than 1% identifying as transgender or gender nonconforming.

Hispanics are underrepresented, at 4% of the homeless population (14% of the County's population). Almost half (45%) of White and Hispanic homeless people are unsheltered, while individuals who identify as Black are more likely to access shelter programs. According to the FY2023 PIT for Nashville-Davidson Count, there were a total of 247 veterans experiencing homelessness: 189 sheltered and 58 unsheltered. For FY2022, the Nashville Continuum of Care shows 2,060 households who experienced homelessness for the first time.

Nashville's CoC System Performance Measures for FY2022 show 195 persons exited emergency shelter within 12 months. Within that same time period, 11% returned to homelessness; 189 persons left transitional housing within the year and 6% returned to homelessness. Over a 24-month period, 13% returned to homelessness and 15% returned to transitional housing - both measures showing an increase from the former 12-month period.

Looking at the annual Point-in-Time count from 2023, most people experiencing homelessness were individuals, not families – just 95 of the 1,861 households were families on the night of the count. There was a small percentage (4%) of individuals identified in the unaccompanied youth category- ages 18-24.

At Risk of Homelessness as defined in 24 CFR 91.5 Qualifying Population 2 (QP2):

Individuals and families at risk of homelessness were assessed by evaluating the most recent Comprehensive Housing Affordability Strategy Data (CHAS) from the 2020 Census. CHAS data for Nashville-Davidson County shows that of the 131,800 renter households in the county, 29,560 live at or below 30% AMI, representing 22% of all Nashville Metro renters. Another metric used to assess ‘at risk of homelessness’ is the rate of doubled up persons in Nashville-Davidson County. An analysis of 2022 American Community Survey data estimated 7,372 people were considered doubled-up homeless due to economic hardship, being poor or near poor, living at or below 125% of housing-cost adjusted poverty threshold. (Molly K. Richard, Julie Dworkin, Katherine Grace Rule, Suniya Farooqui, Zachary Glendening, Samuel Carlson. (In Press). *Quantifying Doubled-Up Homelessness: Presenting a New Measure Using U.S. Census Microdata*. <https://doi.org/10.1080/10511482.2021.1981976>)

Additionally, recent data showing the number of persons served with homeless prevention activities further quantifies the needs of those at risk of homelessness. MDHA’s Community Annual Performance Evaluation Report (CAPER) for program years (PY) 2022 & 2023 showed 314 persons received assistance via ESG Homeless Prevention activities. ESG-CV Sage reports showed 74 persons received assistance via ESG-CV Homeless Prevention activities.

MDHA utilized \$2,687,192 in CDBG-CV funds to provide emergency housing assistance to 605 households in danger of eviction or foreclosure due to delinquencies in rent or mortgage payments caused by income loss due to COVID-19.

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice Qualifying Population 3 (QP3):

Nationally, the average stay at shelter is 60 days for victims, and the average time to secure housing is 6-10 months (Roofless Women’s Action Research Mobilization). As a result, 31% of survivors in shelters return to their abusers because they are unable to obtain long-term housing (Melbin, Sullivan, and Cain, 2003). HUD reported in its 12-Year Family Options Study that domestic violence is the largest barrier for homeless families to increase income or find housing.

Aggregated statistics regarding victims of domestic violence from Metro Nashville Police Department incident reports are displayed on the department’s Data Dashboard for Domestic Violence Victims. For calendar year 2023, there were 9,468 persons involved in incidents. Of this number: 54% were Black, and 45% White; 85% were not Hispanic, and 14% were Hispanic; 70% were female, and 30% male; 54% were between ages of 20 and 39 years old; and 2,563 were children.

For the FY2023 CoC competition, a focused dive into Point-in-Time numbers seen at area homeless shelters, encountered in street outreach or Rapid Rehousing concluded there were 2,000 survivors or persons actively/currently fleeing who needed housing or services and 1,142 being served in some way by shelter providers or Rapid Rehousing (leaving a gap of at least 858 households).

With the implementation of the Lethality Assessment Protocol, the number of survivors seeking services has doubled. While the increase in survivors seeking safety can be seen as a good side, it highlights an increased need for safe, accessible housing and customized services.

In 2023, the Metropolitan Nashville Police Department (MNPd) received 35 reports of human trafficking, with 20 survivors receiving services through MNPd. From 2022 until 2024, the average age of the victim was 24.5 years old, with the youngest being 10 and the oldest being 44. All but 1 victim were female. Approximately 74% of the victims lived in Nashville at the time of the incident. Approximately 60% of the victims were white, 40% were minority to include Hispanic and Black. There was no Zip code that had a higher reporting statistic, but many of the reports came from hotels.

This is most likely a massive undercount because victims do not report trafficking to the police for many reasons (fear of abuser, shame of being victimized, not understanding that what they went through is “trafficking”, fear of being prosecuted for prostitution or some other crime, etc.). Assuming an undercount, it is helpful to look at other statistics. In 2023, MNPd received 915 reports of adult sexual assaults; 532 of these were rapes. Some percent of them are undoubtedly trafficking survivors.

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice Qualifying Population 4 (QP4):

Other populations of individuals and families experiencing housing instability and in need of services to both prevent homelessness and returns to homelessness were assessed by utilizing a variety of metrics, including the percent of cost-burdened renters, number of vacant rental units available to persons at or below 30% AMI, rates of eviction, PHA Housing Choice Voucher data and number of households who experienced homelessness for the first time.

Of the 29,560 renters in Nashville, 3,675 are considered cost burdened while 18,510 or 63% of extremely low-income renters are considered severely cost burdened, paying over 50% of their income on housing and housing expenses. In Davidson County, 25% of severely cost burdened extremely low-income renters are Black; 4% are White; 17% are Asian and 19% are Hispanic.

In Davidson County there are 10,485 vacant rental units. Only 3% of those units (335) are affordable at 30% Household Area Median Family Income (HAMFI). MDHA, the Public Housing Authority for Nashville–Davidson County, currently has 6,753 individuals on the Housing Choice Voucher (HCV) waitlist, with an average time on the list of 1,620 days (or over 4 years) to secure a subsidy. 83.26% of current HCV recipients are Black, 1.13% are Hispanic

and 14.79% are White; 20.55% have a disability. On MDHA's 16 Project-Based Voucher (PBV) wait lists, there are just over 9,800 applications.

Per the Eviction Lab as of March 1, 2024, within the past year there have been over 13,000 evictions in Nashville, a 9% rate of evictions per 100 renter households.

United For ALICE (a United Way effort) calculates the cost of household essentials for all counties in Tennessee and across the US. These costs are calculated for various household sizes and compositions. ALICE is an acronym for Asset Limited, Income Constrained, Employed, and represents the growing number of families that cannot afford the basics of housing, childcare, food, transportation, health care, and technology. These workers often struggle to keep their own households from financial ruin, while keeping our local communities running. These households have income above the federal poverty level (FPL), but below the basic cost of living. 2021 statistics show that of the 316,273 households in Nashville, 42,726 (14%) were at or below the FPL and 100,267 (32%) were below the ALICE threshold.

Individuals with HIV/AIDS and their families are also at risk of housing instability under QP4 as they require services or housing assistance to prevent homelessness. During PY 2022, MDHA's HOPWA program partners provided short-term rent, mortgage and/or utility (STRMU) payments to 157 eligible households. An additional 50 households were assisted via affordable rents made possible by operating subsidies funded by HOPWA. Permanent housing placement assisted 78 households. Supportive services were offered to 1,861 households. Without these supports, stable housing would have been difficult to sustain.

Describe the unmet housing and service needs of qualifying populations:

Homeless as defined in 24 CFR 91.5 (QP1)

The unmet housing needs of QP1 are substantial and quantified by the data below. However, the service needs are just as great because even if they successfully obtain housing, they likely won't be able to maintain it without critical support services. Because Tennessee has not expanded Medicaid, providers reported that 70+% of people experiencing homelessness are uninsured. Supportive services are currently financed by community behavioral health funding, which includes federal, state, and local sources, as well as the limited funding provided through the Continuum of Care. This funding is insufficient to deliver services to fidelity to evidence-based practices of Housing First/harm reduction for those living in supportive housing or Rapid Rehousing programs with high service needs.

A CoC analysis was developed in 2021 by the Corporation for Supportive Housing, with input and coordination from the CoC's Data Committee, and found the following:

- Annually, the CoC has a gap of 1,239 Permanent Supportive Housing (PSH) units for individuals and 26 units for families. This includes people who are chronically homeless,

and sheltered and unsheltered individuals with disabling conditions who are unlikely to exit homelessness without a supportive housing intervention.

- The annual Rapid Rehousing need for literally homeless populations is 752 households.
- Affordable housing needed for literally homeless populations are 2,221 units.
- The annual estimate of unsheltered individuals is 1,276 and chronically homeless is 838.
- In total, the five-year projected need of housing units for the unhoused population in the city amounts to approximately 17,827 units – 2,399 of these are Permanent Supportive Housing.
- MDHA (PHA) has received 570 VASH vouchers (for homeless veterans) since 2008 but hasn't received a new allocation since 2020.

During the 2022 consultation process, staff managing Coordinated Entry for the county reported there were 870 households that scored in the supportive housing need range, the vast majority of whom will not be served given capacity limitations, and that number was forecast to grow.

To further document the need for supportive services for rapid-rehousing participants, MDHA allocated \$2,083,925 in CDBG-CV funding to provide supportive services for tenants either exiting or planning to exit rapid-rehousing to prepare them for permanent housing. As of May 2024, this funding has served 797 clients.

To prepare for the CoC Unsheltered NOFO in FY2022, homeless service providers were surveyed to prioritize the activities for funding. A total of 61 surveys were completed and indicated the need for supportive services. When asked about needs for new or expanded supportive services among housing units dedicated to persons experiencing homelessness, 35% chose Housing Choice Voucher set-asides, 23% chose the city's Emergency Housing Vouchers, and 29% selected the 90-unit Strobel Center which is now projected to come online in early summer of 2024.

At several community meetings related to the Unsheltered NOFO process, supportive services were raised as a priority for the funding. From an array of support services, the survey above highlighted four top priorities:

- Mental health services;
- Housing search & placement;
- Housing retention supports; and
- Intensive case management.

According to local HMIS data from October 1, 2021, through September 30, 2022, a far lower percentage of "adult only" households move into permanent housing compared to households with children. 80% of households experiencing homelessness in Nashville are adult-only households, which are far more likely to experience chronic homelessness than households with children. A full 1/3 of adult-only households in Nashville are experiencing chronic homelessness, and another 37% have disabling conditions and will soon meet the chronic

definition if they are not housed.

The HMIS data above are among key statistics highlighted in a report created by the Nashville CoC Data and HMIS Oversight Committees, in which the committees recommend that this data be used as a foundation of strategic data-driven decisions for CoC and other funding. In FY2023, the Performance Evaluation Committee used the data to help prioritize new local projects submitted for the annual competition for HUD CoC funding.

The report concluded that Nashville has a high percentage of chronically homeless individuals needing permanent supportive housing. These individuals are least likely to be housed in the city, and if housed, they wait longer than others before they are housed - and then are often not housed with the supports that they need for housing retention. Nashville's stock of resources does not match the needs of the community.

Several key national studies commissioned in recent years speak to the long-term negative health and physical well-being impacts of experiencing homelessness.

A study published in the National Bureau of Economic Research (Nov 2023) showed that non-elderly people experiencing homelessness have 3.5 times the mortality risk of those who are housed ([Life and Death at the Margins of Society: The Mortality of the U.S. Homeless Population | NBER](#)). A study published by the Substance Abuse and Mental Health Services Administration (SAMHSA) in Nov 2023 shows that individuals experiencing homelessness show higher incidences of mental and substance use disorders compared to those stably housed. The study also notes significant health disparities including increased mortality and suicide compared to those who are stably housed. [Addressing Social Determinants of Health Among Individuals Experiencing Homelessness | SAMHSA](#) Lastly, it's been noted that prolonged exposure to stress caused by poverty and housing instability causes premature aging, known as 'weathering'. Weathering dramatically impacts those without stable housing causing individuals to prematurely age 10-20 years beyond their chronological age. The stress of homelessness contributes to morbidity and mortality. ([Homeless get 'older' at younger ages than their peers, research says | Association of Health Care Journalists \(healthjournalism.org\)](#))

Unfortunately, there is no data at the local level to compare with the National data, but local homeless advocates would strongly agree that if there were, it would mirror the national data.

At Risk of Homelessness as defined in 24 CFR 91.5 (QP2)

Throughout the consultation process, stakeholders that manage homeless and public benefit programs emphasized that nearly all people with extremely low incomes are at high risk of experiencing homelessness. The rapid escalation of rents, wages that aren't keeping up, lack of Medicaid coverage, and transportation challenges have placed unprecedented strain on low-income county residents.

While this specific data beyond those described in the homeless needs data does not exist, as the Gaps and Needs tables indicate, Nashville-Davidson County estimates an affordable housing gap of 36,315 units and a gap of 1,239 Supportive Housing units.

In this QP, services such as case management, assistance with transportation, food, job training, rental arrears, and other eligible activities could assure housing stabilization and prevent homelessness. MDHA's Community Annual Performance Evaluation Report (CAPER) for program years 2022 & 2023 showed 314 persons received assistance via ESG Homeless Prevention activities, and an additional 74 persons received assistance via ESG-CV Homeless Prevention activities.

HMIS data for 2023 show there were 1,478 youth aged 0-24 who experienced homelessness and 742 of that number were between the ages of 18-24. Annual Performance Reports for 2 local projects funded by HUD's Youth Homelessness Demonstration Program highlight key demographics. The first project offered Rapid Rehousing to 386 youth, 89% of whom were non-Hispanic. The bulk of the participants were Black (55%), White (35%) or multi-racial (6%). The second project offered diversion services to 94 youth, with similar characteristics: 89% non-Hispanic, 50% Black, 29% White and 14% multi-racial.

Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice (QP3)

Data collected for the FY2023 CoC competition were mined to highlight statistics for these populations and are quoted below.

According to the Metro Office of Homeless Services, there are 791 people currently on the by-name list in Domestic Violence Coordinated Entry. For traditional Coordinated Entry, there are currently 622 active cases on the general (non-DV) Coordinated Entry by-name list who reported experiencing domestic violence. Street Outreach efforts have identified 473 survivors who are not on the by-name list that need housing, according to HMIS. There are currently 41 clients in transitional housing and 73 clients in emergency shelter. This totals 2,000 survivors in need of housing or services.

Of the 2,000 total survivors, 473 are receiving services through street outreach, 468 are enrolled in Rapid Re-Housing, 43 are being served by the Mary Parrish Center (a Victim Service Provider/VSP), 41 are currently in transitional housing, 73 are currently in emergency shelter, and 44 are receiving services from YWCA Nashville and/or Agape Morningstar (both VSPs). This equals a total of 1,142 clients that are receiving services in Nashville.

Subtracting the 1,142 clients being served from the 2,000 people needing housing or services, the total unmet need for housing or services is 858 persons.

The low number of Rapid Rehousing subsidies, a shortage of landlords with units accepting Rapid-Rehousing, a limited number of case managers available to work with families, and scarcity of affordable housing in general in Nashville are all barriers faced by survivors. Survivors also often have recent evictions, judgments, or arrears that may have resulted from their sudden departure from unsafe housing or the actions of their abuser. Additionally, there may be pending or adjudicated criminal charges that resulted from a domestic violence event.

Property managers in Nashville are currently able to be more selective with applications for housing because the market is so tight. Factors like poor credit and criminal history can be red flags and/or immediate disqualifiers for many properties that can only be overcome with assistance and advocacy from a case manager advocate. Furthermore, many households escaping domestic or interpersonal violence have nontraditional family arrangements such as multi-generational families or single fathers. Many households also have pets, which can create a barrier at some affordable properties.

Engage Together®, in its county-level assessments and recommendations regarding human trafficking, includes an overall Vulnerable Population Index (VPI) score, which is developed from a variety of publicly available data sources to help identify communities with a higher prevalence of the vulnerabilities that human traffickers often exploit. The higher the index score, the higher the vulnerability within that community. Nashville-Davidson County scored 97.9, ranking #3 for the highest-risk counties in the state of Tennessee; this puts the county at severe risk of human trafficking. The Engage Together report cited immediate priorities including: training all healthcare, child-serving, and direct service providers to recognize and respond to both labor and sex trafficking; resourcing local anti-trafficking organizations and those working with high-risk populations to expand accessibility of services; and strengthening the least-supported programs in Nashville- demand, and temporary shelter.

Statewide, Ancora TN (ATN) fielded a total of 340 crisis calls and referrals for services last year. From January through November 30, 2023, ATN had fielded 462 crisis calls—a 35% increase in call volume with a month remaining in 2023.

Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice (QP4)

Throughout the consultation process, stakeholders that manage homeless and public benefit programs emphasized that nearly all people with extremely low incomes are at high risk of experiencing homelessness. The rapid escalation of rents, wages that aren't keeping up, lack of Medicaid coverage, and transportation challenges have placed unprecedented strain on low-income county residents.

Other populations at risk of homelessness, unless continued service is provided, are those who experienced homelessness and exited without intervention, households that receive time-limited Rapid Rehousing assistance but face subsequent homeless episodes, and extremely low and low-income households with any of the seven listed characteristics described in HUD's HOME-ARP Implementation Notice.

A review of data on cost burden in Nashville-Davidson County from the Census/ACS shows that in 2022, 38,288 renter-occupied households were spending 50% or more of their income on rent, highlighting this segment of the population as needing housing assistance to prevent homelessness.

HOME-ARP-eligible support services such as case management, assistance with transportation, food, job training, rental arrears, and other activities are essential to assure housing stabilization and prevent homelessness among the QP4 population.

Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:

The Homeless Needs Inventory and Gaps table includes the Housing Inventory Count (HIC) data from 2021, excluding the temporary city-run COVID shelter programs. There are 1,156 year-round emergency shelter beds and 893 Permanent Supportive Housing (PSH) units. Nearly 60% of the Permanent Supportive Housing units are VASH vouchers and can only serve veterans and veteran families. Of the 8,700 people who experience homelessness in Nashville/Davidson County in a given year, only 2% will access a PSH unit and they are more likely to be veterans. Supportive services are primarily provided by community behavioral health agencies through Shelter Plus Care programs and the Veterans Administration.

According to THDA, in 2023 there were 11,969 active units that were subsidized through the Low-Income Housing Tax Credit program (LIHTC) and are thus affordable to households at or below 80% of the Area Median Income. As the vacancy rate is roughly 8% as of March 2021 across the range of rental units and is even tighter for lower-income units, 90+% of these units are already occupied and not available. MDHA administers 7,477 Housing Choice Vouchers. As of April 3, 2024, there were 6,753 on the waitlist for Housing Choice Vouchers (HCV) with a wait time of 1,620 days or over 4 years and just over 9,800 on the Project-Based Voucher waitlists. There are waiting lists for all of MDHA's affordable housing developments.

More recently, the HUD Housing Inventory Count (HIC) statistics submitted for Rapid Rehousing units for FY2023 show 129 units for families and 134 units for individuals. These are funded by HUD CoC, ESG, VA SSVF and local dollars, and these numbers do not include the unusually high numbers supported with ESG-CV funds.

Identify any gaps within the current shelter and housing inventory as well as the service delivery system:

The single individual shelter system was operating at 87% on the night of the 2023 PIT Count (198 unoccupied beds), with 590 of 2,129 individuals residing unsheltered. Homeless individuals who participated in the focus groups in 2022 identified the need for non-congregate shelter options, including hotels and tiny homes that could be used as extended stay options while people re-enter the workforce and/or recover from health problems. Specific shelter improvements, namely shower and storage facilities at The Salvation Army shelter, were also mentioned.

Many stakeholders identified the need for supportive services that are high fidelity to evidence-based practices of Housing First and harm reduction. Given limited state and federal funding for

supportive services (in large part due to Tennessee’s decision not to expand Medicaid), there are clear gaps in the service delivery system for intensive services, as well as lighter-touch housing navigation and employment services.

Wrap-around services are needed to help people address underlying reasons for their homelessness or housing instability. These could range from mental health and outpatient health services, substance use treatment, case management and victim services- all eligible under HOME-ARP.

Identify the characteristics of housing associated with instability and increased risk of homelessness if the PJ will include such conditions in its definition of “other populations” as established in the HOME-ARP Notice:

As previously noted, the high and rising cost of housing in the county places all the eligible populations described in HUD’s Implementation Notice for HOME-ARP at increased risk of homelessness. The county’s Consolidated Plan does not have a separate category of at-risk, but rather points to renter households at Very-Low Income and below that are cost burdened.

Identify priority needs for qualifying populations:

For all four QPs, supportive services tied to housing clearly emerged as a priority and urgent need among participants in the consultation process. The county is under-resourced for supportive housing in particular, except for the VASH program, which results in unsheltered and high numbers of chronically homeless individuals. Supportive services are also vitally important to ensure individuals who have experienced homelessness can remain housed and avoid becoming homeless again. These services include intensive case management for high-need individuals, as well as housing navigation and care coordination services that could be paired with Rapid Rehousing or other rental assistance programs operating in the county. Given the high rate of uninsured individuals who experience homelessness, supportive services must be funded through other sources outside the Medicaid program.

Youth in crisis present with a variety of unmet needs. Programs described on the website of Oasis Center, Nashville’s premiere youth service agency, address career readiness & placement, access to primary & secondary education, LGBTQ+-friendly services & safe spaces, family reunification, outreach, counseling, and transportation.

Explain how the PJ determined the level of need and gaps in the PJ’s shelter and housing inventory and service delivery systems based on the data presented in the plan:

The gaps analysis was driven by the 2021 CoC Data Committee and CSH’s housing needs assessment. The affordable housing needs data came from the CHAS data for 2014-2018 and 2019 American Community Survey, as well as Mayor Cooper’s Affordable Housing Task Force report released in June 2021. The information on needs was also informed by feedback received during 17 consultation sessions and two focus groups with people currently experiencing

homelessness, as well as data collected during the FY2022 competition for special Unsheltered NOFO funding.

Using the local Homeless Management Information System (HMIS) managed by Metro's Office of Homeless Services, Nashville's CoC Data Committee and HMIS Oversight Committee created the Nashville CoC Priorities Report. The committee members delved into outcomes related to race, access to permanent housing by chronicity and disability, and length of time homeless before persons are housed.

This report was recently updated for the period from October 1, 2022 through September 30, 2023. Of the 1,403 adult-only households that exited HMIS during this period, only 27% (380 households) were exited to permanent housing. This difference is especially jarring when the majority (79%) of households experiencing homelessness are adult-only households. People experiencing chronic homelessness are considered to be highly vulnerable and are identified as a priority population for housing in our community's strategic plan.

According to local HMIS data, adult-only households are far more likely to experience chronic homelessness than households with children. A full 32% of homeless adult-only households in Nashville are experiencing chronic homelessness and another 37% have disabling conditions, and will soon meet the chronic definition if they are not housed soon. Nashville has a high percentage of chronically homeless adult-only households in need of permanent supportive housing. These individuals are least likely to be housed in our community and if housed, they wait longer than others before they are housed and often aren't housed with the supports they need.

And, as always, additional insights and data were provided by MDHA's many partner agencies.

HOME-ARP Activities

Describe the method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

MDHA anticipates initiating an open application or Request for Proposal (RFP) process for the supportive services activities after HUD approves the proposed Allocation Plan. As is routine practice, all RFPs or open application cycles will be publicly advertised.

If any portion of the PJ's HOME-ARP administrative funds are provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP Allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

Through a competitive process, the Corporation for Supportive Housing was selected to facilitate the consultation process and make recommendations for the Allocation Plan and Substantial

Amendment 1. However, MDHA is responsible for administering the county’s HOME-ARP program.

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits.

Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 7,904,430		
Acquisition and Development of Non-Congregate Shelters	\$ 0		
Tenant Based Rental Assistance (TBRA)	\$ 0		
Development of Affordable Rental Housing	\$ 0		
Non-Profit Operating	\$ 0	0 %	5%
Non-Profit Capacity Building	\$ 0	0 %	0 %
Administration and Planning	\$ 1,394,350	15 %	15%
Total HOME ARP Allocation	\$ 9,298,780		

NOTE: HUD discovered an administrative error in the formula allocations of HOME-ARP funds. This resulted in Nashville-Davidson County being allocated more HOME-ARP funds than it is legally entitled to receive. Specifically, the Department identified an overage of \$16,248 of HOME-ARP funds for Nashville. A revision noting this \$16,248 Overage Amount to be Deobligated was made above to reflect the new allocation figure provided by HUD in a letter dated July 22, 2024 (see Attachment 4).

Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:

MDHA proposes allocating 85% of its HOME-ARP Allocation to supportive services for all four QPs. Although these services will be accessible to people in the four QPs, a preference is assigned to QP1. 15% of the allocation is reserved to conduct compliance and monitoring activities during the budget period.

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

During the consultation processes and analysis of quantitative data, supportive services for all four QPs emerged as a pressing and urgent need. While nearly all the other eligible activities were also noted as needs, supportive services are essential to self-sufficiency, stability and housing retention. They will be accessible to all eligible QPs, but MDHA proposes a preference

for persons in QP1 who are moving off the streets and out of shelters into their own rental units. MDHA acknowledges that these HOME-ARP funds are time-limited and will urge funded non-profits to secure other sources to sustain service provision.

HOME-ARP Production Housing Goals

Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP Allocation:

MDHA does not intend to produce or support rental housing with this funding.

Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ's priority needs:

MDHA does not intend to produce or support rental housing with this funding.

Preferences

Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:

Preference will be given to individuals in QP1 with a focus on subpopulations deemed most vulnerable to dying in the streets & shelter, such as indicated by visits to emergency rooms, self-reports, or records of trauma and/or violence, as well as enduring homelessness for long periods of time. MDHA will comply with all applicable fair housing and civil rights laws. No QPs will be excluded from access and eligibility for any activities undertaken through the county's HOME-ARP program.

If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

The preference for individuals in QP1 will be prioritized using the same method of prioritization as the local Coordinated Entry (CE), which focuses on high vulnerability to dying on the streets and long lengths of homelessness. MDHA will comply with all applicable fair housing and civil rights laws.

Referral Methods

Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJ's may use multiple referral methods in its HOME-ARP program. (Optional):

The county will use Coordinated Entry (CE) plus other referral sources for the HOME-ARP supportive services activities. CE will be one referral source for QP1 and QP3 households

experiencing homelessness. Other referral sources will include agencies that serve all other QP populations. All QPs will be able to self-refer.

For persons at risk in QP2, referral sources are expected to include, but not be limited to, Metropolitan Social Services and Metro Action Commission, as well as nonprofit agencies including Catholic Charities, Safe Haven Family Shelter, The Salvation Army and Nashville CARES.

For survivors of domestic violence in QP3, referrals will come from sources such as, but not limited to, the city's DV-specific CE housed at The Mary Parrish Center. Referrals of persons fleeing human trafficking will come primarily from AncoraTN, a nonprofit based in Nashville that manages all human trafficking referrals in the Middle Tennessee region via the state's Human Trafficking Hotline.

For the populations defined by HUD as QP4, referrals may come from the government agencies and nonprofits listed above, as well as The Council on Aging, Fifty Forward, and other service agencies.

If the PJ intends to use the coordinated entry (CE) process established by the CoC, describe whether all qualifying populations eligible for a project or activity will be included in the CE process, or the method by which all qualifying populations eligible for the project or activity will be covered. (Optional):

Not Applicable

If the PJ intends to use the CE process established by the CoC, describe the method of prioritization to be used by the CE. (Optional):

Not Applicable

If the PJ intends to use both a CE process established by the CoC and another referral method for a project or activity, describe any method of prioritization between the two referral methods, if any. (Optional):

Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:

Not applicable

If a PJ intends to implement a limitation, explain why the use of a limitation is necessary to address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

Not applicable

If a limitation was identified, describe how the PJ will address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the limitation through the use of HOME-ARP funds (i.e., through another of the PJ's HOME-ARP projects or activities):

Not applicable

HOME-ARP Refinancing Guidelines

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- ***Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity***

Not Applicable

- ***Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.***

Not Applicable

- ***State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.***

Not Applicable

- ***Specify the required compliance period, whether it is the minimum 15 years or longer.***

Not Applicable

- ***State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.***

Not Applicable

- ***Other requirements in the PJ's guidelines, if applicable:***

Not applicable.

Attachment 1 -- Original Allocation Plan – Public Notice, comments received at Public Hearing March 24, 2022 and during the public comment period, and MDHA Response

PUBLIC NOTICE

REQUEST FOR PUBLIC COMMENT AND NOTICE OF PUBLIC HEARING

The Metropolitan Development and Housing Agency (MDHA) is proposing substantial amendment 1 to the 2021 Action Plan of the 2018-2023 Consolidated Plan for the Metropolitan Government of Nashville and Davidson County. This proposal is in accordance with 24 CFR 91.500, as revised by the Home Investment Partnership Program American Rescue Plan (HOME-ARP) Implementation Notice CPD-21- 19, and subpart B of the federal regulations relative to citizen participation for Community Planning and Development Programs. Approval would allocate funds appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (ARP) for the HOME Investment Partnerships Program (HOME) to provide homelessness assistance and supportive services.

MDHA will hold an in-person public hearing on this proposed amendment at 1:30 p.m. CST, March 24, 2022, at the Vine Hill Studio Apartment’s community room at 625 Benton Ave., Nashville, TN 37204. Wearing a face mask is strongly encouraged. The hearing can also be attended virtually via the below Zoom link:

<https://bit.ly/MDHA03242022>

Public Comment Period: The draft proposed substantial amendment 1 to the 2021 Action Plan of the 2018-2023 Consolidated Plan for the Metropolitan Government of Nashville and Davidson County to allocate HOME-ARP funding activities to be used to assist the homeless population was made available for public examination and comment on March 11, 2022.

Members of the public may download copies of the draft from MDHA’s website at www.nashville-mdha.org/consolidated-plan or request copies by contacting the MDHA Community Development Department at 615-252-8505 or Telephone Device for the Deaf (TDD) at 615-252-8599.

MDHA will receive written comments through 4 p.m. CST, Wednesday, April 13, 2022.

- Comments may be submitted electronically at consolidatedplan@nashville-mdha.org;
- Faxed to 615-252-8533 (Attention: Consolidated Plan);
- Mailed to MDHA Community Development Department, Attention: Consolidated Plan, P.O. Box 846, Nashville, TN 37202. Mailed comments must be postmarked no later than April 13, 2022;
- Hand-delivered to MDHA Community Development Department (and follow instructions on door for acceptance of delivery), Attention: Consolidated Plan, 712 S. Sixth St., Nashville, TN 37206.

Purpose and Anticipated Resources: This proposed Substantial Amendment 1to the 2021 Action Plan allocates funding to the HOME-ARP eligible activities outlined in the table below:

Activities	Funding Amount	Percent of Grant	Statutory Limit
Supportive Services	\$1,500,000		
Development of Affordable Rental Housing	\$6,733,525		
Nonprofit Capacity Building	\$150,000	2%	5%
Administration & Planning	\$931,503	10%	15%
Total All Activities	\$ 9,315,028		

- Supportive Services - \$1,500,000 – This activity would make grants to entities to pay for costs associated with providing the homeless with voluntary access to case management, medical care, mental health services, substance use treatment, employment and life skills counseling, eviction prevention programs, social and recreational events and tenant advocacy with the goal of building independent living and tenancy skills to increase self-sufficiency to help them remain housed.
- Development of Affordable Rental Housing - \$6,733,525 – This activity would make grants and/or loans to entities to pay for costs associated with development of affordable rental housing. Eligible HOME-ARP rental housing includes “housing” as defined at 24 CFR 92.2, including but not limited to manufactured housing, single room occupancy (SRO) units and permanent supportive housing.
- Nonprofit Capacity Building - \$150,000 – Capacity building are grants defined as reasonable and necessary general operating costs that will result in expansion or improvement of an organization’s ability to successfully carry out eligible HOME-ARP activities and are further outlined and limited to the amounts stated in the HOME-ARP Implementation Notice CPD 21-19.
- Administration & Planning - \$931,503 – This activity would allow for grant management until the end of the 15-year affordability period for all HOME-ARP assisted units.

Substantial amendment 1 to the 2021 Action Plan is being made available for public comment in accordance with the amended citizen’s participation plan approved via substantial amendment 3 to the 2018-2023 Consolidated Plan that provides for a 30-day public comment period in non-emergency situations.

Request for Accommodations: MDHA makes every effort to provide reasonable accommodations to assist persons who have disabilities. Any person needing assistance in accessing this information or who has other needs that require special accommodations may contact 615-252-8562 or TDD at 615-252-8599.

Para asistencia en Español llame al 615-252-8505.

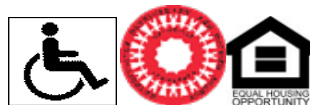
如果需要本通知的中文翻译，请打电话 615-252-8505

بلاصتلا ىجرىه. Để nhận một bản dịch Tiếng Việt của thông báo này, vui lòng gọi:

615-252-8505 615-252-8505: ناييلا انهل ىبير عمجرتى لعل وصللا.

Haddii aad rabto qoraalkan oo af-Soomaali lagu tarjumay haddii aad doonayso fadlan naga soo wac: 615-252-8505

Statement of Non-Discrimination: MDHA does not discriminate on the basis of age, race, sex, sexual orientation, gender identity, genetic information, color, national origin, religion, disability or any other legally protected status in admission to, access to, or operations of its programs, services, or activities.



Home ARP Allocation Plan In-Person Public Hearing Recording 3-24-2022 – Condensed Transcript

Emel Alexander – MDHA Director of Community Development:

Provided welcome and overview of HOME ARP program and Action Plan and introduced Brian Sexton who would be facilitating presentation and Angela Harrell of the CD department who would be responding to questions about eligible uses but would not provide details about the distribution and RFP processes as those were still be hashed out and would be provided at a later date.

Brian Sexton – MDHA Community Development Special Projects Manager:

Went over the Power-point presentation which is attached to this transcript and explained that written comments would be received until 4pm, Wednesday, April 13, 2022, and explained how they could be submitted and opened the hearing for questions from in-person attendees and via Zoom attendees through the chat box.

Angela Harrell – MDHA Community Development Housing Programs Manager:

Responded to the following questions:

Q. What kind of nonprofit operating costs will be acceptable?

A. As Emel mentioned earlier, as far as specifics of the activities and things that we're going to ask for under the nonprofit capacity building activity, we have not hashed out yet. The priority right now is to get the plan to the public and get it approved by HUD. Once we have HUD approval, we will start drafting Requests for Applications (RFA). If you have any ideas on what you would like included, please speak up and let us know and when we start the RFA process, we can take consider those comments and hopefully incorporate them in the RFA process.

Q. What is the anticipated outcome for activities. Example reduction, homelessness increase?

A. The goal of this this funding is to reduce homelessness. The funded activities are based on what was heard during the community/stakeholder consultation process which reflected that the greatest need is for additional units, so much of the funding has been programed to provide additional units. The outcome we are looking for is additional units.

In-person attendee:

Q. How will these additional units help to transition someone who's currently living in temporary housing to permanent housing? It seems to me like there's a great need for more assistance in this area.

Angela Harrell:

Not sure I understand the question?

In-person attendee:

Q. There are tenants currently in residing in temporary housing which is funded short-term and will soon run out. Will the units funded through this program be available to house them permanently before the short-term funding runs out?

Treva Gilligan – MDHA Assistant Director of Community Development:

A. I think you are referring to the tenants currently housed in hotels/motels with the Rapid Rehousing funds that will be running out. We are having regular meetings around this topic and are working with the providers and HUD technical assistance on plans to transition these tenants to permanent housing units that already exist as the additional units through this program will take a while to come on-line.

Follow up question:

In-person attendee:

Q. These tenants are currently residing in the hotel/motel units we have available. So, if the need is for additional units, these units are available for permanent housing. What is the continuation the second steps on that process, in terms of having those units available for the transition with someone who's willing to try to maintain that partnership with the city?

Emel Alexander:

A. Those details will probably come out as we get a little farther along in this process. The majority of this funding is allocated for new rental housing that will be made available for developers to apply for. There is funding included for supportive services for five years. All of this will be fleshed out when we get farther down the line and identify who our primary developer partner will be and who our primary provider will be.

Angela Harrell:

Chat Question - Will this housing include housing for persons with HIV AIDS?

A. No, this specific funding is not tied to HIV AIDS, we have another program for that.

Shelley Fugitt – MDHA Senior Development Specialist – Non-Housing Programs:

A. The caveat would be a person with HIV AIDS could be served if they also qualified as homeless.

Brian Sexton: Can you repeat?

Emel Alexander: If the person is homeless or at risk of homelessness and has HIV they could be eligible for this pot of funding.

Angela Harrell:

A. I'd like to add that the HUD's definition of homelessness includes it's a long list of categories that are spelled out in the notice for the HOME ARP funds if anyone wants additional information.

Chat Question - One thing we're seeing is the increased cost of renting, buying. To the extent if the costs continue, it will be nearly impossible for many families to live in Davidson County. Are there partnership plans for areas of development outside of Nashville?

A. These funds are specifically geared towards homelessness in Davidson County.

In-person attendee:

Q. Can these dollars go for more than just category one literal homelessness? If so, is there any prioritization or extra points potentially for agencies who are serving a specific category of homelessness?

Angela Harrell:

A. As far as specific projects, we have not fleshed it out, but we will be having an RFA process and will be asking for input at that time.

Treva Gilligan:

A. The action plan itself gives priority to persons coming through the coordinated entry system.

In-person attendee:

Q. As Nashville starts to get an influx of refugees, could these funds be utilized to help them?

Angela Harrell:

A. No.

In-person attendee:

Q. Is there any loose timeframe for the RFP announcement?

Angela Harrell:

Not yet.

Brian Sexton:

Hearing closeout. Thank you all for coming out. And thank you for those that participated by way of zoom. This is our first-time doing a hybrid meeting model. Hopefully we were able to answer your questions. You can email us or call the office if you have additional questions during the public comment period.

Questions regarding HOME ARP Action Plan received from an MDHA Board Member on March 18, 2022, and MDHA Responses (**presented in bold**):

1. The document references the CHAS, Comprehensive Housing Affordability Strategy. What is this and where can I find it?

- **It's American Community Survey (ACS) data customized for HUD. You can access this data via HUD's website: <https://www.huduser.gov/portal/datasets/cp.html>**

2. What is meant by "high fidelity supportive services"?

- **These are services with fidelity to the Housing First and/or Harm Reduction model. I've attached a matrix with info on what is considered low to high fidelity.**

3. Did the consultant provide your team with TA identifying other sources of funding for support services, maybe models from other cities?

- **She did not have a particular City to reference. In her experience, Medicaid expansion in combination with other financing (i.e., local levies, state/local behavioral health, SAMHSA, COC funds) is best practice. She thought a good start for Nashville would be a SAMHSA grant to a local provider along with HOME-ARP and/or private philanthropy.**

4. Just an observation--The compliance period is 15 years but it looks like funding for support services only covers 5 years. How much per unit or tenant per year would the grant cover?

- **The estimated cost for supportive services is \$7,500 per unit. We are projecting to pay a portion for 45 units at \$6,666.66 per unit which is close to 90% of the costs.**

5. The document also mentions an operating subsidy. Is this in addition to the funds for support services? How long is the operating subsidy available and how is the amount determined?

- **The operating subsidy is separate from supportive services. The max an organization can receive in operating assistance is \$75K per fiscal year so it will depend upon the number of nonprofits we fund.**

March 24, 2022 – HOME ARP - In-Person Public Hearing Attendance

<u>Name</u>	<u>Phone</u>	<u>Email</u>
Carey L. Evans	716-228-1684	c_evans43@icloud.com
Shabana Ali	205-706-0016	shabana_norali@yahoo.com
Shanley Deignan	401-345-0119	Shanley.Deignan@parkcenternashville.org

MDHA Staff in attendance

Shelley Fugitt

Brian Sexton

Lynn Lassiter

Angela Harrell

Suzie Tolmie

Treva Gilligan

Emel Alexander

March 24, 2022 – HOME ARP Public Hearing Zoom Attendance List

Name (Original Name)	Organization	User Email
Lynn Lassiter	MDHA	llassiter@nashville-mdha.org
bsexton	MDHA	bsexton@nashville-mdha.org
Sharon Collins		
jsims	MDHA	jsims@nashville-mdha.org
safugitt's iPhone	MDHA	sfugitt@nashville-mdha.org
Treva 16155212397	MDHA	tgilligan@nashville-mdha.org
Lisa Wysocky	Colby's Army	lisa@colbysarmy.org
Angela's iPhone	MDHA	aharrell@nashville-mdha.org
Shabana Ali		
Joel Alex	Davidson County Relative Caregiver Program, Family Children's Services	jalex@fcsnashville.org
Chris Stenstrom	Needlink Nashville	chris@needlink.org
Dr Audrey Holloman	Meharry Community Wellness Center	
Conor O'Neil	MDHA	coneil@nashville-mdha.org
Megan Vickers		
Tuesday Hampton rrihome@aol.com	MDHA	mhampton@nashville-mdha.org rrihome@aol.com
Stacy Horn Koch		

HOME ARP ALLOCATION PLAN PUBLIC HEARING

March 24, 2022 at 1:30 pm

NAME-PLEASE PRINT	Phone Number	Email Address-PLEASE PRINT
Carey L. Evans	76-218-1684	c.evans45@icloud.com
Shabang Ali	205-206-0016	shabang@nashville-moha.org
Stusjitt	615-294-5972	stusjitt@nashville-moha.org
Trevia Gilligan	615-252-6732	tgilliga@nashville-moha.org
Angela Hornell	615-252-8422	Ahornell@nashville-moha.org
Lynn Lassiter	615-252-8505	llassiter@nashville-moha.org
Shirley Tolmie	252-8574	Stolmie@nashville-moha.org
Shanley Deignan	401-345-0119	shanley.deignan@parkcentr.nashville.org
Emel Alexander	615-252-8507	alexander@nashville-moha.org

Attachment 2 – Notice of HOME ARP Allocation



U. S. Department of Housing and Urban Development

Knoxville Field Office, Region IV
John J. Duncan Federal Building
710 Locust Street, Suite 300

Knoxville, Tennessee 37902-2526

September 22, 2021

Dr. Troy White, Executive Director
Metropolitan Development and Housing
Agency
P. O. Box 846
Nashville, Tennessee 37202

Dear Dr. White:

The American Rescue Plan Act of 2021 appropriated \$5 billion to provide housing, services, and shelter to individuals experiencing homeless and other vulnerable populations, to be allocated by formula to jurisdictions that qualified for HOME Investment Partnerships Program allocations in Fiscal Year 2021. On September 13, 2021, the Department published a notice, titled: *Requirements for the Use of Funds in the HOME-American Rescue Plan Program* (the Notice), which you are encouraged to review to assist in developing your program.

Enclosed is the Grant Agreement for the HOME Investment Partnerships – America Rescue Plan (HOME-ARP) program:

HOME Investment Partnerships - American Rescue Plan (HOME-ARP) \$9,315,028

In accordance with the Notice, and the HOME ARP Grant Agreement, a Participating Jurisdiction (PJ), as of the Federal Award Date, may use up to five percent of its total award for administrative and planning costs. Once your HOME-ARP Allocation Plan is approved by HUD, the remaining award will be made available.

Transmittal of this Grant Agreement does not constitute approval of the activities described in your HOME-ARP Allocation Plan. You are reminded that you, as the PJ, are responsible for ensuring that all grant funds are used in accordance with all program requirements. An executed Grant Agreement is a legally binding agreement between the Department of Housing and Urban Development and the Nashville-Davidson County Metropolitan Government.

To establish a Line of Credit for the HOME-ARP award, it will be necessary for your agency to sign, execute and return one (1) copy of the Grant Agreement. If there is a need to

add or remove individuals authorized to access the Integrated Disbursement Information System (IDIS), please submit an IDIS Online Access Request Form (HUD 27055). Also, please ensure the IDIS Online Access Request Form is notarized and returned to this office with your Grant Agreement. Additionally, if there is a need to establish or change the depository account where these funds are to be wired, a Direct Deposit Sign-Up form (SF-1199A) must be completed by your financial institution and returned to this office with a copy of a voided check.

You are reminded that certain activities are subject to the provisions of 24 CFR Part 58 (**Environmental Review Procedures**). Funds for such activities may not be obligated or expended until HUD has approved the release of funds in writing. A request for release of funds (RROF) must be accompanied by an environmental certification, and until the RROF is approved and notification is received, no HUD funds should be committed. If the project or activity is exempt per 24 CFR 58.34 or categorically excluded (except in extraordinary circumstances), no RROF is required.

Please execute two (2) copies of the HOME-ARP Grant Agreement with electronic signatures. In response to COVID-19, HUD authorizes you to electronically execute the grant agreement with your electronic signature. Return one (1) of the agreements to this office to the attention of CPD General Correspondence Mailbox, at CPD_GeneralCorr-KN@hud.gov. Maintain a copy of the agreement with your original signature on site in your program files.

HUD congratulates the Nashville-Davidson County Metropolitan Government on its grant award, and we look forward to assisting you in accomplishing your programs goals. If you have any questions or need further information of assistance, please contact Lynn Holt, Senior CPD Representative at (865) 474-8222, or Lynn.A.Holt@Hud.gov.

Sincerely,



Erik Hoglund, Director,
Office of Community Planning and
Development

Enclosures cc:
Honorable John Cooper
Mayor, Metropolitan Government of
Nashville – Davidson County
Emel Alexander, Director for Community Development

Attachment 3- Substantial Amendment 1 Public Notice, attendees and comments received at public hearing and during the public comment period, and MDHA Responses

PUBLIC NOTICE

REQUEST FOR PUBLIC COMMENT AND NOTICE OF PUBLIC HEARING

The Metropolitan Development and Housing Agency (MDHA) is proposing substantial amendment 1 to the HOME Investment Partnerships Program American Rescue Plan (HOME-ARP) Allocation Plan for the Metropolitan Government of Nashville and Davidson County. This proposal is in accordance with 24 CFR 91.500, as revised by the HOME-ARP Implementation Notice CPD-21-19, and subpart B of the federal regulations relative to citizen participation for Community Planning and Development Programs. Approval would allocate funds appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (ARP) for the HOME Investment Partnerships Program (HOME) to provide assistance and supportive services for people experiencing homelessness. These funds come from the U.S. Department of Housing and Urban Development (HUD) and are administered by MDHA on behalf of the Metropolitan Government of Nashville and Davidson County.

MDHA will hold a virtual public hearing on this proposed amendment at 6 p.m. CDT June 13, 2024, via the below Zoom link:

bit.ly/PublicHearingJune13

Public Comment Period: The draft of proposed substantial amendment 1 to the HOME Investment Partnerships Program American Rescue Plan (HOME-ARP) Allocation Plan for the Metropolitan Government of Nashville and Davidson County to allocate HOME-ARP funding activities to assist people experiencing homelessness was made available for public examination and comment on June 6, 2024.

Members of the public may download copies of the draft from MDHA’s website at www.nashville-mdha.org/home-investment-partnerships-program-home or request copies by contacting the MDHA Community Development Department at 615-252-8505 or Telephone Device for the Deaf (TDD) at 615-252-8599.

MDHA will receive written comments through 4 p.m. CDT Monday, July 8, 2024. Comments may be submitted:

- Electronically at consolidatedplan@nashville-mdha.org;
- By fax to 615-252-8533 (Attention: HOME-ARP Allocation Plan – Amendment 1);
- By mail to MDHA Community Development Department, Attention: HOME-ARP Allocation Plan – Amendment 1, P.O. Box 846, Nashville, TN 37202. Mailed comments must be postmarked no later than July 8, 2024;
- Hand-delivered to MDHA Community Development Department (and follow instructions on door for acceptance of delivery), Attention: HOME-ARP Allocation Plan – Amendment 1, 712 S. Sixth St., Nashville, TN 37206.

Purpose and Anticipated Resources: This proposed substantial amendment 1 to the HOME-ARP Allocation Plan distributes funding to the HOME-ARP eligible activities outlined in the table below:

Activities	Funding Amount	Percent of Grant	Statutory Limit
Supportive Services	\$7,917,774.00		
Administration & Planning	\$1,397,254.00	15%	15%
Total All Activities	\$ 9,315,028.00		

- Supportive Services - \$7,917,774: This activity would make grants to entities to pay for costs associated with providing people experiencing homelessness with voluntary access to case management, medical care, mental health services, substance use treatment, employment and

- life skills counseling, eviction prevention programs, social and recreational events and tenant advocacy with the goal of building independent living and tenancy skills to increase self-sufficiency to help them remain housed.
- Administration & Planning - \$1,397,254: This activity would allow for day-to-day grant management, ensuring that HOME-ARP funds are used in accordance with all program requirements and written agreements during the term of the grant and taking appropriate action if performance issues arise.

Substantial Amendment 1 to the HOME-ARP Allocation Plan is being made available for public comment in accordance with the amended citizen's participation plan that was included and approved as a part of the 2023-2028 Consolidated Plan that provides for a 30-day public comment period in non-emergency situations.

Request for Accommodations: MDHA makes every effort to provide reasonable accommodations to assist persons who have disabilities. Any person needing assistance in accessing this information or who has other needs that require special accommodations may contact 615-252-8562 or TDD at 615-252-8599.

Para asistencia en español llame al 615-252-8505.

如果需要本通知的中文翻译，请打电话 615-252-8505

Để nhận một bản dịch Tiếng Việt của thông báo này, vui lòng gọi: 615-252-8505

للحصول على ترجمة عربية لهذا ناييلا، يرجى الإتصال بـ: 615-252-8505

Haddii aad rabto qoraalkan oo af-Soomaali lagu tarjumay haddii aad doonayso fadlan naga soo wac: 615-252-8505

Statement of Non-Discrimination: MDHA does not discriminate on the basis of age, race, sex, sexual orientation, gender identity, genetic information, color, national origin, religion, disability or any other legally protected status in admission to, access to, or operations of its programs, services, or activities.



Home ARP Allocation Plan In-Person Public Hearing Recording 6-13-2024 – Condensed Transcript

Summary

The HOME-ARP Allocation Public Hearing for the Community Development Department was held with Suzie Tolmie and Michael Evans as hosts. The agenda was outlined, covering introductions, a presentation on the HOME-ARP program, discussions on the allocation plan amendment, and the timeline for next steps. Suzie Tolmie provided an overview of the HUD HOME-ARP program and its goals, emphasizing its role in combatting COVID-19 and the allocation of \$5 billion nationwide to serve vulnerable qualifying populations (QPs). She also discussed the criteria for QP1, QP2, QP3, and QP4, including income qualifications and housing conditions.

Suzie discussed the original allocation plan, the need for supportive services, and the proposed changes to shift funding allocations from rental housing development to customized services for tenants. She presented this shift in Amendment 1, which allocates \$7.917 million to support services accessible by the four qualifying populations. The amended plan proposes 85% of the funds be used for supportive services and 15% for administration.

The timeline for the plan was also discussed, including public comment deadlines, board approvals, and submission to HUD. The planning and Request for Applications timeline extends into 2025, with a focus on community participation and during the implementation phase, a lengthy period is allowed by HUD for the expenditure of funds.

Attendees:

- Michael Evans, Suzie Tolmie, Angela Harrell, Lynn Lassiter & Emel Alexander- MDHA
- Bill ClenDening, Joseph Marsh, Marvin Trotter- Office of Homeless Services
- Laura Alvarez- DePaul USA
- Jennifer Reason- Safe Haven Family Shelter

Michael Evans, MDHA

My name is Michael Evans. I work with MDHA and today we're on this call for the HOME-ARP Allocation Amendment 1 Public Hearing for the Community Development Department. Also on this call from MDHA is Suzie Tolmie, Homeless Coordinator, and Angela Harrell, Senior Community Development Program Manager.

If I can get everyone to please sign in, with your name, your email, and the organization you're with, that would be greatly appreciated.

Suzie Tolmie, MDHA

HUD's HOME-ARP was part of the American Rescue Plan. It was signed into law in 2021 to help combat COVID-19, and \$5 billion was allocated across the country to states and localities to serve vulnerable populations. HOME-ARP funding can be used to advance deeply affordable rental housing, to pay for

operating support for that housing, and to pay for critical supportive services for those vulnerable populations it will serve. On the list here, you'll see the basics of what HUD calls its qualifying populations, or QPs. It is only these four qualified populations that can access the assistance through HOME-ARP. The first one is people experiencing literal homelessness; that is qualifying population or QP1. Those are individuals or families who lack a fixed, regular and adequate nighttime residence. This may be a public or private place that's not designed for human habitation, which includes cars, parks, abandoned buildings, buses or train stations, airports, campgrounds or encampments. It also includes folks who are living in supervised publicly or privately operated shelters that provide temporary living arrangements. That would include congregate shelters, transitional housing, hotels and motels that are paid for by charitable organizations, nonprofits, or federal government funds, or folks who are exiting institutions they have resided in for 90 days or less, and where they entered that institution as homeless.

QP2 is at risk of homelessness. Unlike QP1, there are income qualifications. They must have an income below 30% of what is called the Area Median Income or AMI. As an example, for a family of four in Nashville, that is \$31,410.

In addition to the income qualifier, they must lack sufficient resources to prevent immediate homelessness, & meet one of several conditions; examples of a few of them: moving 2 or more times in the last 60 days due to economic circumstances, living in a hotel or motel that is not paid by a nonprofit or government program, or exiting a publicly funded institution.

QP3 is Individuals Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking.

QP4 includes households who were previously homeless who received time-limited assistance to become housed and need assistance to avoid becoming homeless again. Or other populations with the greatest risk of housing instability, and that includes folks who have annual incomes below 30% of the area median income and are paying more than 50% of their income towards their housing costs. Or households that have incomes that are less than or equal to 50% of the AMI, and meet one of a variety of housing conditions that HUD associates with high risk.

Nashville was awarded \$9.3 million. The original allocation plan was submitted in September 2022, and approved by HUD in January 2023. Around that time, MDHA staff started hearing via a number of outlets, including some national conferences attended by HUD, that other communities had submitted their allocation plans to HUD and that these plans were being kicked back because they didn't assure that all four of the qualifying populations would access the related activities. MDHA's original plan targeted folks who were experiencing chronic homelessness and focused on the development of rental units. At that point, MDHA stepped back and wanted to make sure that we were providing access to all qualifying populations. Further context that led to this Amendment 1 included 400 new units forecast to receive referrals through Coordinated Entry, and due to come online in the next several months. During the original consultation process, there were 17 stakeholder entities interviewed. Although housing was noted as a priority need, 14 out of the 17 entities - or 82% - mentioned the need for ancillary services. The type of housing needed most was affordable permanent supportive housing. By definition, this housing type makes services available to its residents. That's the supportive part of permanent supportive housing. And the tenants in those units will often need access to customized services to ensure successful tenancies and reduced returns to homelessness. A part of the context to focus on services is an issue that's been around for a long time - Tennessee is not a Medicaid expansion state, and therefore there's a very limited list of services that can be provided and billed to Medicaid. In light of this reality, a changing tide and the number of units that will be online, the priority for services that were highlighted in the consultation processes, and the limited resources that in general are available for supportive services, this amendment is pivoting

from an investment in the capital side for rental housing development costs to supportive services. MDHA sought technical assistance from HUD, and that has been helpful as the amended plan has been drafted.

The original allocation plan had 72% of the total allocation, or \$6.7 million, going to rental housing development - literally bricks and sticks. Again, there are new units of housing coming online, which will be occupied by folks who are referred through the Coordinated Entry system. People will be moving into these units, as well as other housing units, and need services to retain and maintain their housing and stabilize within their new communities. Amendment 1 demonstrates a shift to services. It will allocate \$7.917 million to support services with assurance that all four qualifying populations can access the services.

People documented as one of any of the 4 qualifying populations will have access to these resources, but there are nuances. HUD allows for preferences. And in this plan, as in the original plan, there's a preference for folks experiencing chronic homelessness, seen as the most vulnerable population in Nashville with numbers that are increasing. These are folks who are living for long periods of time in places that are not meant for human habitation and who are likely to die on the streets without a housing intervention, particularly one that's connected to robust and tailored support services. Those referrals should come from Coordinated Entry, a tried-and-true best practice that many in the homelessness world are familiar with, and also from folks who self-report.

Here's a pie chart and an Excel chart of the original allocation divided among the eligible HOME-ARP activities, with 72% proposed for rental housing, 16% going towards supportive services, 10% for admin, and 2% to increase the capacity of nonprofits in Nashville.

The amended allocation demonstrates the proposed pivot that we're suggesting. This has 85% of the funds targeting supportive services with access points for the qualified populations, and 15% for administration. There was a question at the May 23 public presentation conducted by Leah Werner, our technical assistance provider from the Corporation for Supportive Housing. The question asked what sort of support services were eligible through HOME-ARP. These include childcare, educational services, employment assistance, job training programs, meals or groceries, costs of assisting eligible program participants to locate, obtain, and retain housing, certain legal services, and critical life management skills. Financial assistance costs that include rental application fees, security deposits, utility deposits, and payment of rent arrears are also included, but MDHA has several sources of funding, including CDBG, that currently assist with those needs, and there are other pools within the community that do that. So those costs may not be a priority need identified for funding. Prevention is also an eligible activity, if it's needed to regain stability for participants in their current housing or if participants need to move to another unit to achieve stability.

We're in the planning and input phase now. The draft plan is out for public comment, through 4 p.m. on July 8. You can submit via email, via fax, & via snail mail, but if you're mailing it, the comments need to be postmarked no later than July 8.

MDHA will incorporate those comments and questions, and answers to those questions in the final draft that's going to be submitted to HUD. There's a little lead time that's required to get on the agenda for MDHA's Board of Commissioners. That will be held on October 8th. Assuming the Board approves, it will then go to the Metro Council on November 12th. After that, the plan is submitted to HUD. They will have a 45-day period to review. They may reach out to us with any questions or concerns, or they may just rubber stamp it as approved. If there are no questions or concerns at the end of that 45-day slot, this amended plan stands as presented. Anticipating that the approvals happen on schedule, we forecast a

Request for Applications/RFA phase in spring of 2025. For those of you who are familiar with other ARP-CV funds, this funding has a much longer runway for expenditures - by September 30, 2030.

Finally, there was a data dive as we prepared this amendment. For data on qualifying populations, it was extensive, and illuminates a call to action to invest in services that will help obtain and sustain housing for folks who will be served. In addition to the initial 17 consultations that were very thorough, some other data sources in the draft plan include looking at our Homeless Management Information System, or HMIS, and noting the high percentage of persons who are experiencing chronic homelessness in Nashville. There were also stakeholder results from surveys conducted in our FY2022 application to HUD for CoC funds under the special unsheltered homeless funding competition.

HMIS data was also used to produce the Nashville Priorities Report, which cites people experiencing chronic homelessness and adults needing services as a priority. This report was written by the CoC data and the CoC HMIS committees. The domestic violence data was culled from the Family Safety Center and the Mary Parrish Center. Much of that came from last year's application, which would have been for FY23 funds from HUD's Continuum of Care Domestic Violence Bonus Project application. Data from the police department and Ancora, Tennessee on victims of trafficking. Data collected by Leah Werner at the Corporation for Supportive Housing on national studies covering the negative impacts of experiencing homelessness, and MDHA data on persons who are served with CDBG (Community Development Block Grant) funds, ESG (Emergency Solutions Grants) funds, and funding through the HUD's HOPWA program (Housing Opportunities for Persons with AIDS). We will go on to questions but please do register on the chat as having attended so we can make sure that you get future news.

I am done with the presentation. I appreciate you guys for attending and I will open the open the meeting for questions. And if I can't answer them tonight, then we'll register them on the chat and get answers back when we submit our replies to public comments and questions. Thanks.

Bill ClenDening, Office of Homeless Services

Suzie, I have a question.

Suzie Tolmie, MDHA

There has not been a scoring matrix designed or even a request for applications format design. So that is still in the offing.

Bill ClenDening

That's where I was going with that, and I realized it's too early.

Suzie Tolmie, MDHA

There is a link on our website if you go to the Community Development page and then scroll down to the HOME program. You'll see the HOME-ARP program section and you can see this draft plan. I think the public hearing announcement, the original plan and the slide presentation are on the website as well.

When we respond to public comments and questions, we'll include the link to the regulations for the HOME-ARP Program.

Public Comments and Questions Submitted by July 8 Deadline

Question regarding HOME-ARP Action Plan received, and MDHA Responses (**presented in bold**):

1. I was reviewing the amendment to the HOME-ARP funds and wanted to confirm that the amendment is to move all of the funds originally allocated for the development of affordable rental housing to the supportive services line. Is that correct?

• **Not all of the funding slated for development in the original plan is now allocated for services (as the original plan did have a line item for services, as well as one for capacity building).**

See slides 9 and 10 in this link for a comparison of the budgets from the original allocation plan and the amended version.

<https://www.nashville-mdha.org/wp-content/uploads/2024/05/CD-HOME-ARP-FINAL.pdf>

Public Comment received, and MDHA response (presented in **bold**):

I do not support this amended budget that removes all monies originally designated to build affordable rental housing. Study after study shows that Nashville needs more affordable housing as cost of living continues to skyrocket over the past decade. Priority needs to be given when funding becomes available to develop affordable and low-income housing.

• **MDHA is aware of the need for more housing units, and of rising housing costs. However, as noted in the amended plan, 400 units dedicated to persons experiencing homelessness are coming online in the near future and dollars for supportive services are greatly needed to ensure the housing stability of future tenants. The fact that Tennessee is not a Medicaid expansion state creates an environment of substantially underfunded services; thus, the proposed change to channel the HOME-ARP funds to support services. Additionally, with the high costs of rental housing development, MDHA estimated in the original plan that approximately 24 units could be created with the HOME-ARP funding. If the amended plan is approved, we estimate the funds will pay for supportive services for 4 to 5 years, and the net effect is estimated at between 170-200 people benefitting from increased stability in units due to come online.**

Attachment 4 – Notice of HOME ARP Overage to be Deobligated



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
 WASHINGTON, DC 20410-7000

THE OFFICE OF THE ASSISTANT SECRETARY
 FOR COMMUNITY PLANNING AND DEVELOPMENT

July 22, 2024

The Honorable Freddie O'Connell
 Mayor of Nashville-Davidson County Metropolitan Government
 1 Public Square
 Suite 100, Mayor's Office
 Nashville, TN 37201

Dear Mayor O'Connell:

Over the past two years, HUD's Office of Community Planning and Development (CPD) engaged with participating jurisdictions (PJs) about their plans for their allocated share of the \$5 billion appropriated by the American Rescue Plan Act (ARP) of 2021 to the HOME Investment Partnerships Program. These funds, known as "HOME-ARP," are intended to give you the financial tools to assist your most vulnerable citizens by providing housing, shelter, tenant-based rental assistance, and supportive services for persons experiencing or at risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, and other populations at greatest risk of housing instability. Thank you for your support in ensuring HOME-ARP funds can immediately benefit those vulnerable populations.

While conducting recent quality control efforts through a third party, the Department discovered an administrative error in the formula allocations of HOME-ARP funds. This resulted in Nashville-Davidson County being allocated more HOME-ARP funds than it is legally entitled to receive. Specifically, the Department has identified an overage of \$16,248 of HOME-ARP funds for your participating jurisdiction.

HOME-ARP Award	Expended As of 7/23/24	Overage Amount to be Deobligated	Amount Available
\$9,315,028	\$122,482.78	\$16,248	\$9,176,297.22

As a precautionary measure, HUD has frozen this overage amount of your grant to minimize risks to you as a grantee while we prepare to deobligate these funds. This administrative freeze will not impact your grant operations or mission actions in the short term because the majority of the funds will remain available to you. Once the overage amount has been deobligated, we will send you an amended HOME-ARP grant agreement reflecting your new grant amount for your records.

www.hud.gov

espanol.hud.gov

The Department greatly regrets this error and apologizes for the inconvenience. We are working hard to make this process as seamless as possible for all affected recipients. If you or your staff want to discuss or have any questions about HOME-ARP, please contact your local HUD Field Office or HUD's Office of Affordable Housing Programs at HOMEARP@hud.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Claudette Fernandez". The signature is fluid and cursive, with a large initial "C" and "F".

Claudette Fernandez
General Deputy Assistant Secretary
for Community Planning and Development