

Action Plan

Grantee: Nashville-Davidson, TN

Grant: B-08-MN-47-0004

LOCCS Authorized Amount:	\$ 4,051,398.00
Grant Award Amount:	\$ 4,051,398.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 1,500,000.00
Total Budget:	\$ 5,551,398.00

Funding Sources

No Funding Sources Found

Narratives

Areas of Greatest Need:

Provide summary needs data identifying the geographic areas of greatest need in the grantee's jurisdiction.

MDHA analyzed and mapped data sources provided by HUD to determine the areas of greatest need within its jurisdiction:

- MAP #1: HUD Estimated Foreclosure/Abandonment Risk Score: To assist communities in identifying neighborhoods that face a high risk of foreclosure and abandonment, HUD created a data model* that ranks each Census Block Group and assigns a risk factor on a scale of one to ten, with a rank one indicating relatively low risk and ten indicating the greatest risk.
- MAP #2: Federal Reserve Home Mortgage Disclosure Act (HMDA): HUD also provided data at the Census Tract level on the percent of all loans made between 2004 and 2006 that are considered to be high cost.
- MAP #3: Foreclosure Rate: This map shows Census Tracts with high foreclosure rates based on the data collected by HUD for all foreclosure starts from January 2007 through June 2008 divided by total mortgages during that time period.
- MAP #4: Number of foreclosures: This map illustrates total estimated foreclosure counts by Census Tract using data from the Mortgage Bankers Association National Delinquency Survey as of June 2008. HUD calculated the approximate number of foreclosure starts for all of 2007 and the first six months of 2008.

MDHA will target NSP funds to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures.

As MDHA moves forward with program implementation for the NSP funds, local community housing and development professionals will be asked to review and confirm these areas of greatest needs as well as help project areas likely to face a significant rise in the rate of home foreclosures. MDHA will also utilize any additional data made available next spring to help identify areas likely to face a significant rise in the rate of home foreclosures.

Distribution and Uses of Funds:

Distribution and Uses of Funds Provide a narrative describing how the distribution and uses of the grantee's NSP funds will meet the requirements of Section 2301(c)(2) of HERA that funds be distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the grantee as likely to face a significant rise in the rate of home foreclosures. This document serves as Nashville-Davidson's application to receive NSP funds. It describes the proposed programs that will be funded, the areas that have the greatest need of assistance, the areas that will receive assistance, and additional information as required by HUD. Based on a formula devised by HUD, Nashville-Davidson will receive \$4,051,398 of NSP funds. The funds will be allocated to the following uses: Acquisition-Rehabilitation for Sale to Homebuyers \$2,633,408.70 Acquisition-Rehabilitation for Rental \$1,012,849.50 Administration \$405,139.80 The Nashville-Davidson Metropolitan Development Housing Agency (MDHA) will act as the lead agency for administering NSP funds for Nashville-Davidson. MDHA published public notice for the NSP Program



following the Meeting Notice Policies and Procedures included in the adopted Citizen Participation Plan included in the Nashville-Davidson County Consolidated Plan 2005-2010. Public notice ads announcing the availability of the NSP Substantial Amendment for review and comment were placed in the minority newspaper the Tennessee Tribune on November 6, 2008, the minority newspaper El Crucero (ad translated in Spanish) and the daily newspaper the Tennessean on November 7, 2008. MDHA posted a copy of the draft amendment on its website at: <http://www.nashville.gov/mdha/> and made hard copies available as per requests. A separate email address NSPcomments@nashville-mdha.org was created to make submitting public comments easier. Mailed in and phone comments were also accepted. All written comments received by MDHA during the public comment period were considered before submitting a final amendment to HUD. ACTIVITY #1: ACQUISITION AND REHABILITATION OF HOMEOWNER HOUSING (1) Activity Name: Acquisition-Rehabilitation for Sale to Homebuyers (2) Activity Type: NSP eligible use: 2301(c)(3)(B) – Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties. CDBG eligible activity: 24 CFR 570.201(a) Acquisition and 570.202 Rehabilitation (3) National Objective: Low-Mod-Middle Income Housing (LMMH) – Provides or improves residential structures that will be occupied by a household with income at or below 120 percent of area median income. (4) Projected Start Date: December 1, 2008 (5) Projected End Date: July 30, 2013 (6) Responsible Organization: Metropolitan Development Housing Agency (MDHA) 701 South Sixth Street, Nashville, Tennessee 37206 Contact: Phil Ryan Phone: 615-252-8412 Email: pryan@nashville-mdha.org (7) Location Description: Areas with greatest need as depicted on Maps 1-4 (8) Activity Description: MDHA will purchase and rehabilitate foreclosed homes and properties in target areas. Homes will be bought at a minimum discount of fifteen percent from the appraised value. Units will be sold to homebuyers whose household income is at or below 120% of the area median income. It is not expected that the activity will benefit households earning less than 50% of the area median income. Affordability periods, secured by forgivable second mortgages at 0%, will range from 5-30 years. Each NSP-assisted homebuyer will receive and complete at least eight hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a mortgage loan. The homeownership counseling will be treated as an activity delivery cost of the homeownership assistance activity itself. (9) Total Budget: NSP

Definitions and Descriptions:

C. Definitions and Descriptions

For the purposes of the NSP program, MDHA will adopt and use the following definitions.

Blighted Structure:

Adapted from State of Tennessee Code 13-20-201 definition of blighted area.

Buildings or improvements that, by reason of dilapidation, obsolescence, overcrowding, lack of ventilation, light and sanitary facilities, deleterious land use, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community.

Affordable Rents

For the purposes of the NSP program, MDHA will utilize the definition of High-Low HOME rents from the HOME Investment Partnerships program.

Continued Affordability

For the purposes of the NSP program, MDHA will utilize deed restrictions to enforce the period of affordability for assisted properties. The length of affordability will resemble those for the HOME Investment Partnerships program and are expected to range from 5-30 years depending on the amount of NSP investment.

- For properties that are sold to income-eligible homebuyers, the deed restriction will ensure that if the property is sold within the affordability period, the total NSP investment will be subject to recapture. MDHA is committed to utilize these funds in ways that effectively promote neighborhood stabilization. As such, for homebuyers of NSP assisted properties that sell after the term affordability period, all of the NSP assistance will be forgivable (not subject to recapture).
- For rental properties the deed restriction will ensure that all units are rented to households earning less than 120 percent of median area income. The deed restriction will remain in effect for no less than 20 years.

Rehabilitation Standards

For the purposes of the NSP program, MDHA will utilize the same rehabilitation standards used for its HOME-funded Owner-Occupied Rehabilitation Program. These standards are based upon local housing codes and comply with the International Building Code.

Low Income Targeting:

Identify the estimated amount of funds appropriated or otherwise made available under the NSP to be used to purchase and redevelop abandoned or foreclosed upon homes or residential properties for housing individuals or families whose incomes do not exceed 50 percent of area median income. Note: At least 25% of funds must be used for housing individuals and families whose incomes do not exceed 50 percent of area median income.

SUBSTANTIAL AMENDMENT:

MDHA will receive approximately \$1,000,000 in NSP program income. Twenty-five percent of these funds will be reserved to purchase and redevelop abandoned or foreclosed upon properties that will be rented to households earning less than 50% of area median income.

Acquisition and Relocation:

Indicate whether grantee intends to demolish or convert any low- and moderate-income dwelling units. If so, include the number of low- and moderate-income dwelling units reasonably expected to be demolished or converted as a direct result of NSP-assisted activities, the number of NSP affordable housing units made available to low-, moderate-, and middle-income households reasonably expected to be produced by activity and income level as provided for in DRGR, by each NSP activity providing such housing (including a proposed time schedule for commencement and completion), and the number of dwelling units reasonably expected to be made available for households whose income does not exceed 50 percent of area median income.

SUBSTANTIAL AMENDMENT:

MDHA intends to use NSP Program Income funds to demolish or convert 10 residential properties for households whose income is at or below 120 percent of area median income. All properties assisted with NSP funds will remain residential.



Public Comment:

Provide a summary of public comments received to the proposed NSP Substantial Amendment.

MDHA published a public notice announcing the availability of the NSP Substantial Amendment for review and comment in the Tennessee Tribune on October 13, 2011, El Crucero and the Tennessean on October 14, 2011.

MDHA is following the procedures for meeting notices and public comment as outlined in the adopted Citizen Participation Plan by advertising the NSP Substantial Amendment in two weekly minority newspapers and one daily newspaper.

The public comment period started on October 13, 2011 and ends on October 31, 2011. In addition, MDHA posted a copy of the draft amendment on its website at: <http://www.nashville.gov/mdha/>. No comments were received.

All written comments received by MDHA during the public comment period will be considered before submitting a final amendment to HUD. All comments should be addressed to: Joe Cain, P.O. Box 846, Nashville, TN 37202 or by email inspcments@nashville-mdha.org.

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance	<i>No activities in this project</i>	
BCKT	Bucket Project	<i>No activities in this project</i>	
NSP1 A	Acquisition and Rehabilitation	0002	MDHA
		0002-Set- Aside	MDHA Set-Aside
		0003	Woodbine Community Organization
		0004	Park Center
NSP1 B	Administration	0001	Administration and Planning
NSP1 E	Redevelopment	935-941	Jefferson Street



Activities

Project # / Title: NSP1 A / Acquisition and Rehabilitation

Grantee Activity Number: 0002
Activity Title: MDHA

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 NSP1 A

Projected Start Date:
 12/07/2008

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

National Objective:
 LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:
 Under Way

Project Title:
 Acquisition and Rehabilitation

Projected End Date:
 07/30/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 2,424,289.20

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 2,424,289.20

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	12		6	50.00
# Owner Households	23		10	43.48
# of Households	35		16	45.71

Proposed Accomplishments	Total
# of Singlefamily Units	35
# of Housing Units	35
# of Properties	35



Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees and Contractors

Organization carrying out Activity:

Nashville-Davidson Metropolitan Development and Housing Agency

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Nashville-Davidson Metropolitan Development and Housing Agency

Organization Type

Non-Profit

Proposed Budget

\$ 2,424,289.20

Location Description:

Within target census tracts.

Activity Description:

MDHA will purchase and rehabilitate foreclosed homes and properties in target areas. Units will be sold and rented to homebuyers whose household income is at or below 120% of the area median income.

Environmental Assessment: COMPLETED

Environmental Reviews: None



Grantee Activity Number: 0002-Set- Aside
Activity Title: MDHA Set-Aside

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

NSP1 A

Projected Start Date:

12/07/2008

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Under Way

Project Title:

Acquistion and Rehabilitation

Projected End Date:

07/30/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 529,338.79

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 529,338.79

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Owner Households

Total	Low	Mod	Low/Mod%
5	5		100.00
5	5		100.00

of Households

Proposed Accomplishments

of Singlefamily Units

of Housing Units

of Properties

Total

5

5

5

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees and Contractors

Organization carrying out Activity:

Nashville-Davidson Metropolitan Development and Housing Agency

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Nashville-Davidson Metropolitan Development and Housing Agency

Organization Type

Non-Profit

Proposed Budget

\$ 529,338.79



Location Description:

NSP target areas in Davidson County, TN

Activity Description:

Acquisition and rehab of foreclosed single family properties for resale to low income buyers.

Environmental Assessment: COMPLETED

Environmental Reviews: None



Grantee Activity Number: 0003
Activity Title: Woodbine Community Organization

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

NSP1 A

Projected Start Date:

12/01/2008

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Under Way

Project Title:

Acquisition and Rehabilitation

Projected End Date:

07/30/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 900,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 900,000.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households

	Total	Low	Mod	Low/Mod%
# Renter Households	44	44		100.00
# of Households	44	44		100.00

Proposed Accomplishments

of Multifamily Units

of Housing Units

of Properties

Total

44

44

1

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Woodbine Community Organization

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Woodbine Community Organization

Organization Type

Unknown

Proposed Budget

\$ 900,000.00



Location Description:

Within target census tracts.

Activity Description:

Affordable rental housing for special needs populations. Funds will be used for aquisition and rehabilitation of abandoned or foreclosed residential properties.

Environmental Assessment: COMPLETED

Environmental Reviews: None



Grantee Activity Number: 0004
Activity Title: Park Center

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

NSP1 A

Projected Start Date:

08/14/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Under Way

Project Title:

Acquisition and Rehabilitation

Projected End Date:

09/15/2011

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 200,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 200,000.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households

	Total	Low	Mod	Low/Mod%
# Renter Households	6	6		100.00
# of Households	6	6		100.00

Proposed Accomplishments

of Singlefamily Units

of Housing Units

of Properties

Total

6

6

2

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Park Center

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Park Center

Organization Type

Unknown

Proposed Budget

\$ 200,000.00



Location Description:

Within defined target census.

Activity Description:

Affordable rental housing for special needs populations. Funds will be used for aquisition and rehabilitation of abandoned or foreclosed residential properties.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Project # / Title: NSP1 B / Administration

Grantee Activity Number: 0001
Activity Title: Administration and Planning

Activity Type:

Administration

Project Number:

NSP1 B

Projected Start Date:

12/01/2008

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

07/30/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 524,970.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 524,970.00

Benefit Report Type:

NA



Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees

Organization carrying out Activity:

Nashville-Davidson Metropolitan Development and Housing Agency

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Nashville-Davidson Metropolitan Development and Housing Agency

Organization Type

Non-Profit

Proposed Budget

\$ 524,970.00

Location Description:

Not Applicable for Administration

Activity Description:

MDHA will pay for staff and other delivery costs to ensure the NSP program is administered effectively and all federal requirements are met.

Environmental Assessment: EXEMPT

Environmental Reviews: None

Project # / Title: NSP1 E / Redevelopment

Grantee Activity Number: 935-941
Activity Title: Jefferson Street

Activity Type:

Construction of new housing

Project Number:

NSP1 E

Projected Start Date:

02/21/2015

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Activity Status:

Under Way

Project Title:

Redevelopment

Projected End Date:

12/31/2017

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:



Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Total Budget:	\$ 578,634.95
Most Impacted and Distressed Budget:	\$ 0.00
Other Funds:	\$ 0.00
Total Funds:	\$ 578,634.95

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Renter Households
of Households

Total	Low	Mod	Low/Mod%
54			0.00
54			0.00

Proposed Accomplishments

of Multifamily Units
of Housing Units
#Units exceeding Energy Star
#Units with bus/rail access
#Low flow toilets

Total
54
54
54
54
54

Activity is being carried out by Grantee:

Yes

Activity is being carried out through:

Grantee Employees and Contractors

Organization carrying out Activity:

Nashville-Davidson Metropolitan Development and Housing Agency

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Nashville-Davidson Metropolitan Development and Housing Agency

Organization Type

Non-Profit

Proposed Budget

\$ 520,000.00

Location Description:

935-941 Jefferson Street

Activity Description:

Acquisition of vacant land to construct up to 54 multi-family rental units for income eligible renters. The project will consist of funding from NSP1, CDBG, and a HUD 221(d)4 loan.

Environmental Assessment: COMPLETED

Environmental Reviews: None



Action Plan Comments:

- Reviewer - Original guidance stated grantee should establish "bucket list". List no longer needed and grantee split activities into four individual activities. However, \$2.00 remains unbudgeted. EH
- Reviewer - Changes were minor in scope based on review and consultation with grantee. EH
- Reviewer - Action Plan change when grantee added program income activities. EDH
- Reviewer - Action Plan changed mistakenly while adding program income. EDH
- Reviewer - Action plan changed increase existing project budgets due to increase in program income. EH
- Reviewer - Action plan changed to increase budget amounts as a result of received program income. EH
- Reviewer - Action Plan changed to increase admin activity. Old admin BLI of \$494,468 an increase of \$4,305.51 but still under th 10% cap. EDH
- Reviewer - Action plan amended due to beneficiary data not showing up on reporting documents. Grantee sought assistance from ONECPD TA which advised to change activities from acquisition-general to rehab to correct the error. Grantee made to change and no other changes occurred. EH
- Reviewer - Action Plan amended to increase existing budget amounts due to receipt of program income. EDH
- Reviewer - Plan amended due to progrm income addition. EDH
- Reviewer - NSP 1 is moving toward closeout. Action Plan is approved. LH
- Reviewer - Grant is moving closer to closeout. TA provider is working with grantee to complete all activities in the system.

Action Plan History

Version	Date
B-08-MN-47-0004 AP#1	03/05/2010
B-08-MN-47-0004 AP#2	02/03/2011
B-08-MN-47-0004 AP#3	01/13/2012
B-08-MN-47-0004 AP#4	04/19/2012
B-08-MN-47-0004 AP#5	08/31/2012



B-08-MN-47-0004 AP#6	02/25/2013
B-08-MN-47-0004 AP#7	04/30/2013
B-08-MN-47-0004 AP#8	09/26/2013
B-08-MN-47-0004 AP#9	03/20/2014
B-08-MN-47-0004 AP#10	04/24/2014
B-08-MN-47-0004 AP#11	04/01/2015
B-08-MN-47-0004 AP#12	10/30/2015
B-08-MN-47-0004 AP#13	10/31/2017
B-08-MN-47-0004 AP#14	10/17/2018

