Action Plan

Grantee: Tennessee

Grant: B-11-DN-47-0001

LOCCS Authorized Amount: \$5,000,000.00

Grant Award Amount: \$5,000,000.00

Status: Reviewed and Approved

Estimated PI/RL Funds: \$ 0.00

Total Budget: \$ 5,000,000.00

Funding Sources

No Funding Sources Found

Narratives

Summary of Distribution and Uses of NSP Funds:

The purpose of NSP 3 is to stabilize neighborhoods whose viability has been, and continues to be, damaged by the economic effects of properties that have been foreclosed upon and abandoned. Eligible activities are to be carried out in census tracts in Memphis, Tennessee and Jackson, Tennessee that have been designated by HUD as areas of greatest need. Such designation is based on the HUD Foreclosure Needs assessment. The needs score of any targeted geography shall not be less than "15" which is the 20th percentile score for the State of Tennessee. These areas of greatest need will include those with the greatest percentage of home foreclosures, with the highest percentage of homes financed with a subprime mortgage related loan, and identified by the RFP application as likely to face a significant rise in the rate of home foreclosures.

The following are the five eligible activities under NSP 3:

- A. Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low and moderate income homebuyers. This includes activity delivery costs as an eligible activity.
- 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. This also includes relocation costs, direct homeownership assistance and housing counseling.
- C. Establish and operate land banks for homes and residential properties that have been foreclosed upon. The land bank may not hold the property for more than 10 years without obligating the property for a specific, eligible redevelopment of that property in accordance with NSP requirements.
- D. Demolish blighted structures.
- a) No NSP 3 funds may be used to demolish public housing.
- b) An NSP grantee may not use more than 10 percent of its grant for demolition, unless the Secretary of HUD determines that such use represents an appropriate response to local market conditions. NSP 3 grantees seeking to use more than 10 percent of their grant amounts for demolition activities must request a waiver from HUD.
- c) THDA will discourage the use of NSP 3 funds exclusively for demolition.
- E. Redevelop demolished or vacant properties as housing, including the new construction of housing to redevelop demolished or vacant properties. Note: NSP 3 funds under this eligible use must be used for housing. Redevelopment of acquired property for non-residential uses such as public parks, commercial uses, or mixed residential and commercial uses, which was an eligible activity under NSP 1, is disallowed for NSP 3.



How Fund Use Addresses Market Conditions:

Target and reconnect neighborhoods.

Grantees should invest program funds in projects that will revitalize targeted neighborhoods and reconnect those communities to the economy, the housing market and the social networks of the metropolitan area as a whole. These local housing market conditions have all been addressed by each individual housing developer, and are included in the substantial amendment documents. Other site specific conditions and information is also included.

Ensuring Continued Affordability:

- A. Period of Affordability. The sales price for a NSP-assisted unit to an eligible homebuyer must be as outlined at Section 2.4 Acquisition and Sale of Housing. Subrecipients may further discount the sales price by as much as 50% to make the NSP assisted unit more affordable to the purchasing household. This subsidy will be in the form of a soft second mortgage, secured by a Grant Note and Deed of Trust, and will be subject to the following restrictions:
- a) The subsidy will be forgiven as long as the household continues to reside in the home as its principal residence during the affordability period.
- b) If the property is rented or otherwise does not remain the principal residence of the purchasing household during the period of affordability, the full amount of the NSP subsidy must be repaid.
- c) If the property is sold during the period of affordability, the amount of the NSP subsidy to be returned will be prorated based on the remaining years in the affordability period and the net proceeds are shared. (Note: Net proceeds are the sales price minus closing costs and any non-NSP loan repayments.) All recaptured funds are returned to THDA.
- d) Refinancing the first mortgage at any time during the NSP affordability period will require repayment of the full NSP grant to THDA.

The period of affordability for NSP subsidized homes is consistent with the HOME Program requirement at 24 CFR 92.254(a)(4) as follows:

NSP FUNDS PROVIDED AFFORDABILITY PERIOD Under \$15,000 5 Years \$15,000 to \$40,000 10 Years Over \$40,000 15 Years

Definition of Blighted Structure:

BLIGHTED STRUCTURE.

A structure is blighted when in the context of state and local law, it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. Local government certification will be required.

Definition of Affordable Rents:

- A. Affordability Period. NSP-assisted rental units are rent and income controlled for a period of ten years regardless of the amount of NSP funds invested per unit. Prior to drawing down NSP funds, owners of rental projects will be required to sign a grant note, deed of trust and restrictive covenant to enforce the NSP affordability period.
- B. NSP Allowable Rents. The maximum allowable rent for an NSP rental unit will be the applicable high HOME rent. (Note: HOME Program Rents can be found on the HUD website at www.hud.gov. These rents are determined on an annual basis by HUD and include all utilities.)
- C. Applicable Utility Allowance. The cost of utilities paid by tenants must be subtracted (using applicable utility allowances) from the published HOME rents to determine the maximum allowable rents.

Housing Rehabilitation/New Construction Standards:

PROPERTY / REHABILITATION STANDARDS

- A. Local Codes and Zoning. Any housing constructed or rehabilitated with NSP funds must meet all applicable local codes, rehabilitation standards, and zoning ordinances at the time of project completion. (All situations will be Memphis/Shelby County).
- B. Absence of Local Code. In the absence of a local code:
- a) new construction of multi-family apartments of 3 or more units must meet the 2006 International Building Code;
- b) new construction or reconstruction of single-family units or duplexes must meet the 2006 International Residential Code for One- and Two-Family Dwellings;
- c) rehabilitation of rental units or existing homeowner units must meet the 2006 International Property Maintenance Code: and.
- d) rental units must, at a minimum, continue to meet Section 8 Housing Quality Standards (HQS) on an annual basis.

The International Code books are available from:

International Code Council 4051 W. Flossmore Road Country Club Hills, IL 60478-5795 Telephone: (800) 786-4452

Fax: (866) 891-1695 Website: www.iccsafe.org

Green Building and Energy Efficiency



- a) All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.
- b) All gut rehabilitation or new construction of mid-or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection and the Department of Energy).
- c) Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting not water heaters, furnaces, boilers, air conditioning units, refrigerators, close washers and dishwashers) with Energy Star-labeled products.
- d) Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed.
- e) Where relevant, the housing should be improved to mitigate the impact of disasters such as earthquake, hurricane, flooding, fires, etc .

Vicinity Hiring:

VICINITY. HUD defines vicinity as each neighborhood identified by the NSP 3 grantee as being the area of greatest need. The NSP 3 allocation includes statutory language that requires grantees "to the maximum extent feasible, provide for the hiring of employees who reside in the vicinity (see definition of vicinity above) of projects funded under this section or contract with small businesses that are owned and operated by persons residing in the vicinity of such projects." The vicinity hiring requirement will be a part of the RFP application response.

Procedures for Preferences for Affordable Rental Dev.:

NSP 3 includes statutory language requiring grantees to "establish procedures to create preferences for the development of affordable rental housing for properties assisted with NSP 3 funds." Subrecipients may use NSP to develop affordable rental housing for low income households through new construction or conversion, acquisition, or acquisition and rehabilitation. All developers have presented documentation of how each will address and create preferences for the development of rental housing. Based on THDA's experience with NSP 1, the preference requirement will most likely be met under the 25% setaside.

Grantee Contact Information:

Jurisdiction: State of Tennessee
By: Tennessee Housing Development Agency
Jurisdiction Web Address: www.thda.org
NSP Concact:
Don Watt, Director of Community Programs
Tennessee Housing Development Agency
Andrew Jackson Building, Third Floor
502 Deaderick Street
Nashville, Tennessee 37243
Telephone: (615) 815-2030
Fax: (615) 532-5069

Project Summary

Email: DWatt@thda.org

Project #	Project Title	Grantee Activity #	Activity Title	Grantee Program
9999	Restricted Balance	No activities in this project		
TN-11-Frayser	Frayser 25%	TN-11-Frayser 25%	Frayser CDC 25%	
TN-11-Habitat	Habitat 25%	TN-11-Habitat 25%	Habitat 25%	
TN-11-Habitat	Habitat 120%	TN-11-Habitat	Habitat Memphis	
TN-11-N	N Memphis CDC 120%	TN-11-N Memphis CDC	N Memphis CDC	
TN-11-North	N Memphis CDC 25%	TN-11-N Memphis CDC 25%	N Memphis CDC 25%	
TN-11-NSP3 25%	United Housing 25%	TN-11-United 25%	United Housing 25%	
TN-11-NSP3-	Frayser CDC 120%	TN-11-Frayser	Frayser CDC	
TN-11-THDA	THDA admin	TN-11-NSP3-THDA	THDA Admin	
TN-11-United	United Housing 120%	TN-11-United	United Housing	



Activities

Project # / TN-11-Frayser CDC 25% / Frayser 25%

Grantee Activity Number: TN-11-Frayser 25%

Activity Title: Frayser CDC 25%

Activity Type: Activity Status:

Rehabilitation/reconstruction of residential structures Completed

Project Number: Project Title: TN-11-Frayser CDC 25% Frayser 25%

Projected Start Date: Projected End Date:

08/01/2011 03/10/2014

Project Draw Block by HUD: Project Draw Block Date by HUD:

Not Blocked

Activity Draw Block by HUD: Activity Draw Block Date by HUD:

Not Blocked

Block Drawdown By Grantee: Total Budget: \$312,500.00

Not Blocked Most Impacted and

Not Blocked Most Impacted and National Objective: Most Impacted Budget: \$ 0.00

LH25: Funds targeted for housing for households whose incomes

Other Funds: \$ 0.00

are at or under 50% Area Median Income. **Total Funds:** \$312,500.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	3	3		100.00
# of Households	3	3		100.00
Proposed Accomplishments				

of Singlefamily Units 3
of Housing Units 3

ELI Households (0-30% AMI)

Proposed budgets for organizations carrying out Activity:

Responsible Organization Organization Type Proposed Budget

Frayser CDC Non-Profit \$312,500.00



Location	Descri	ntion
Location	D C3C11	PLIVIII

Eligible NSP 3 census tracts located in Frayser area of Memphis.

Activity Description:

Aquisition/rehab/construction of single family units for income eligible households.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / TN-11-Habitat 25% / Habitat 25%



Grantee Activity Number: TN-11-Habitat 25%

Activity Title: Habitat 25%

Activity Type: Activity Status:

Construction of new housing Completed

Project Number: Project Title: TN-11-Habitat 25% Habitat 25%

Projected Start Date: Projected End Date:

08/01/2011 03/10/2014

Project Draw Block by HUD: Project Draw Block Date by HUD:

Not Blocked

Activity Draw Block by HUD: Activity Draw Block Date by HUD:

Not Blocked

Block Drawdown By Grantee: Total Budget: \$312,500.00

Not Blocked Most Impacted and

Not Blocked Most Impacted and Distressed Budget: \$ 0.00

LH25: Funds targeted for housing for households whose incomes

Other Funds: \$0.00

are at or under 50% Area Median Income. **Total Funds:** \$312,500.00

Benefit Report Type:

Direct (Households)

Proposed BeneficiariesTotalLowModLow/Mod%# Owner Households33100.00# of Households33100.00

Proposed Accomplishments

of Singlefamily Units

3

of Housing Units

3

ELI Households (0-30% AMI)

Proposed budgets for organizations carrying out Activity:

Responsible Organization Organization Proposed Budget

Habitat Humanity Greater Memphis Non-Profit \$312,500.00

Location Description:

Habitat of Memphis Las Cruces area, NSP3 eligible census tracts.

Activity Description:

Construct new single family housing for income eligible households at or less than 50% AMI.



Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / TN-11-Habitat 120% / Habitat 120%



Grantee Activity Number: TN-11-Habitat

Activity Title: Habitat Memphis

Activity Type: Activity Status:

Construction of new housing Completed

Project Number: Project Title: TN-11-Habitat 120% Habitat 120%

Projected Start Date: Projected End Date:

08/01/2011 03/10/2014

Project Draw Block by HUD: Project Draw Block Date by HUD:

Not Blocked

Activity Draw Block by HUD: Activity Draw Block Date by HUD:

Not Blocked

Block Drawdown By Grantee: Total Budget: \$875,000.00

Not Blocked Most Impacted and

National Objective:

Distressed Budget: \$0.00

I MMI: Low Moderate and Middle Income National Objective for \$0.00

LMMI: Low, Moderate and Middle Income National Objective for NSP Only **Other Funds:** \$ 0.00 **Total Funds:** \$ 875,000.00

Benefit Report Type:

Direct (Households)

Proposed BeneficiariesTotalLowModLow/Mod%# Owner Households66100.00# of Households66100.00

Proposed AccomplishmentsTotal# of Singlefamily Units6# of Housing Units6

Proposed budgets for organizations carrying out Activity:

Responsible Organization Organization Proposed Budget

Habitat Humanity Greater Memphis Non-Profit \$875,000.00

Location Description:

Habitat of Greater Memphis Las Cruces project, eligible census tracts.

Activity Description:

New construction of single family houses for income eligible households.



Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / TN-11-N Memphis 120% / N Memphis CDC 120%



Grantee Activity Number: TN-11-N Memphis CDC

Activity Title: N Memphis CDC

Activity Type: Activity Status:

Rehabilitation/reconstruction of residential structures Completed

Project Number: Project Title:
TN-11-N Memphis 120% N Memphis CDC 120%

Projected Start Date: Projected End Date:

08/01/2011 03/10/2014

Project Draw Block by HUD: Project Draw Block Date by HUD:

Not Blocked

Activity Draw Block by HUD: Activity Draw Block Date by HUD:

Not Blocked

Block Drawdown By Grantee: Total Budget: \$875,000.00

Not Blocked Most Impacted and

National Objective: Distressed Budget: \$ 0.00

LMMI: Low, Moderate and Middle Income National Objective for Source Sour

NSP Only **Total Funds:** \$875,000.00

Benefit Report Type:

Direct (Households)

 Proposed Beneficiaries
 Total
 Low
 Mod
 Low/Mod%

 # Renter Households
 5
 5
 100.00

 # of Households
 5
 5
 100.00

Proposed AccomplishmentsTotal# of Singlefamily Units5# of Housing Units5

Proposed budgets for organizations carrying out Activity:

Responsible Organization Organization Type Proposed Budget

North Memphis CDC Non-Profit \$875,000.00

Location Description:

Eligible NSP 3 census tracts located in North Memphis.

Activity Description:

Acquisition/rehab/construction of single family units for income eligible households.



Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / TN-11-North Memphis CDC / N Memphis CDC 25%



Grantee Activity Number: TN-11-N Memphis CDC 25%

Activity Title: N Memphis CDC 25%

Activity Type: Activity Status:

Rehabilitation/reconstruction of residential structures Completed

Project Number: Project Title:
TN-11-North Memphis CDC N Memphis CDC 25%

Projected Start Date: Projected End Date:

08/01/2011 03/10/2014

Project Draw Block by HUD: Project Draw Block Date by HUD:

Not Blocked

Activity Draw Block by HUD: Activity Draw Block Date by HUD:

Not Blocked

Block Drawdown By Grantee: Total Budget: \$312,500.00

Not Blocked Most Impacted and

Not Blocked Most Impacted and Distressed Budget: \$ 0.00

LH25: Funds targeted for housing for households whose incomes

Other Funds: \$ 0.00

are at or under 50% Area Median Income. **Total Funds:** \$312,500.00

Benefit Report Type:

Direct (Households)

 Proposed Beneficiaries
 Total
 Low
 Mod
 Low/Mod%

 # Renter Households
 5
 5
 100.00

 # of Households
 5
 5
 100.00

Proposed AccomplishmentsTotal# of Singlefamily Units5# of Housing Units5

ELI Households (0-30% AMI)

Proposed budgets for organizations carrying out Activity:

Responsible Organization Organization Type Proposed Budget

Non-Profit

Location Description:

North Memphis CDC

Eligible NSP 3 census tracts loacted in North Memphis.

Activity Description:

Acquisiton/rehab/construction of rental units for income eligible households.



\$312,500.00

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / TN-11-NSP3 25%-United / United Housing 25%



Grantee Activity Number: TN-11-United 25%

Activity Title: United Housing 25%

Activity Type: Activity Status:

Rehabilitation/reconstruction of residential structures Completed

Project Number: Project Title:
TN-11-NSP3 25%-United United Housing 25%

Projected Start Date: Projected End Date:

08/01/2011 03/10/2014

Project Draw Block by HUD: Project Draw Block Date by HUD:

Not Blocked

Activity Draw Block by HUD: Activity Draw Block Date by HUD:

Not Blocked

Block Drawdown By Grantee: Total Budget: \$312,500.00

Not Blocked Most Impacted and

National Objective: Distressed Budget: \$ 0.00

LH25: Funds targeted for housing for households whose incomes

Other Funds: \$0.00

are at or under 50% Area Median Income. **Total Funds:** \$312,500.00

Benefit Report Type:

Direct (Households)

Proposed BeneficiariesTotalLowModLow/Mod%# Renter Households33100.00# of Households33100.00

Proposed AccomplishmentsTotal# of Singlefamily Units3# of Housing Units3

ELI Households (0-30% AMI)

Proposed budgets for organizations carrying out Activity:

Responsible Organization Organization Type Proposed Budget

Non-Profit

Location Description:

United Housing, Inc.

Eligible NSP3 census tracts located in Memphis.

Activity Description:

Acquisition/rehab/construction of rental units for SRVS clients at or below 50% AMI.



\$312,500.00

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / TN-11-NSP3-Frayser / Frayser CDC 120%



Grantee Activity Number: TN-11-Frayser

Activity Title: Frayser CDC

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

TN-11-NSP3-Frayser

Projected Start Date:

08/01/2011

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:

Completed

Project Title:

Frayser CDC 120%

Projected End Date:

03/10/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 875,000.00

Most Impacted and

Distressed Budget: \$ 0.00 **Other Funds:** \$ 0.00

Total Funds: \$ 875,000.00

Benefit Report Type:

Direct (Households)

 Proposed Beneficiaries
 Total
 Low
 Mod
 Low/Mod%

 # Renter Households
 5
 5
 100.00

 # of Households
 5
 5
 100.00

Proposed AccomplishmentsTotal# of Singlefamily Units5# of Housing Units5

Proposed budgets for organizations carrying out Activity:

Responsible Organization Organization Proposed Budget

Frayser CDC Non-Profit \$875,000.00

Location Description:

NSP 3 eligible census tracts located in Memphis.

Activity Description:

Acquisition/rehab/construction of initial rental single family housing to income eleigible households.



Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Project # / TN-11-THDA / THDA admin



Grantee Activity Number: TN-11-NSP3-THDA Activity Title: THDA Admin Activity Type: Activity Status: Completed Administration **Project Number: Project Title:** TN-11-THDA THDA admin **Projected Start Date: Projected End Date:** 08/01/2011 03/10/2014 **Project Draw Block by HUD: Project Draw Block Date by HUD:** Not Blocked **Activity Draw Block by HUD: Activity Draw Block Date by HUD:** Not Blocked **Block Drawdown By Grantee: Total Budget:** \$ 250,000.00 Not Blocked Most Impacted and **Distressed Budget:** \$0.00 **National Objective:** Other Funds: \$ 0.00 Not Applicable (for Planning/Administration or Unprogrammed Funds only) **Total Funds:** \$ 250,000.00 **Benefit Report Type:** NA Proposed budgets for organizations carrying out Activity: **Responsible Organization Organization Type Proposed Budget** TN HOU DEV AGENCY-THDA State \$ 250,000.00 **Location Description:** TN Housing Development Agency (Nashville) internal administration funds **Activity Description:** TN Housing Development Agency Administration funds (5% of grant) **Environmental Assessment: EXEMPT Environmental Reviews:** None **Activity Attributes:** None



Activity Supporting Documents:

None

Project #/

TN-11-United 120% / United Housing 120%

Grantee Activity Number: TN-11-United

Activity Title: United Housing

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

TN-11-United 120%

Projected Start Date:

08/01/2011

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:

Completed

Project Title:

United Housing 120%

Projected End Date:

03/10/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 875,000.00

Most Impacted and

Distressed Budget: \$ 0.00 **Other Funds:** \$ 0.00

Total Funds: \$ 875,000.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	5		5	100.00
# Owner Households	5		5	100.00
# of Households	10		10	100.00

Proposed AccomplishmentsTotal# of Singlefamily Units5# of Housing Units5

Proposed budgets for organizations carrying out Activity:

Responsible Organization Organization Type Proposed Budget

United Housing, Inc. Non-Profit \$875,000.00

Location Description:

Eligible NSP 3 census tacts in Memphis.



Activity Description:

Acquisition/rehab/construction of rental units for SERVS income eligible clients, most likely at or below 50% AMI. Note: On 1/14/15 the activity for United Housing was edited to reflect that the organization's program includes both rental and homeownership.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Activity Attributes: None

Activity Supporting Documents: None

Action Plan Comments:

Hoglund, Grantee submitted by mistake. No changes were made and approved. EDH

JUDI ROSE - Per Steve Neighbor's request. Approved. JR

Whitaker, The grantee changed the status of several projects to reflect that they are underway.

Whitaker, The grantee completed financial maintenance on the NSP grant. Not accomplishment goals were impacted.

Whitaker, The grantee corrected open flags in DRGR.

Whitaker, The grantee changed the status of an activity to complete.

Action Plan History

Version	Date
B-11-DN-47-0001 AP#7	08/24/2021
B-11-DN-47-0001 AP#6	02/03/2020
B-11-DN-47-0001 AP#5	10/15/2019
B-11-DN-47-0001 AP#4	07/05/2019
B-11-DN-47-0001 AP#3	01/28/2015
B-11-DN-47-0001 AP#2	07/31/2012
B-11-DN-47-0001 AP#1	07/26/2011

