



CONSOLIDATED ANNUAL PERFORMANCE and EVALUATION REPORT
Knox County, Tennessee
Program Year 2004 (July 1, 2004- June 30, 2005)

Table of Contents

Section Page
I. General Assessment 1
A. Assessment of Three-Year Goals and Objectives 1
B. Affirmatively Furthering Fair Housing 12
C. Affordable Housing 14
D. Continuum of Care 15
E. Other Actions 18
F. Leveraging Resources 23
G. Citizen Participation and Comments 24
H. Self-Evaluation 26
II. Community Development Block Grant Requirements 27
A. Use of CDBG Funds in Relation to Consolidated Plan Priorities, Needs, Goals, and Objectives 27
B. Nature and Reasons for Changes in Program Objectives 27
C. Efforts in Implementing the Planned Activities 27
D. Compliance with National Objectives 27
E. Displacement and Relocation Activities 28
F. Economic Development/Job Creation Activities 28
G. Nature and Location of Limited Clientele Activities 28
H. Use of Program Income 29
I. Rehabilitation Program Activities 29
J. Neighborhood Revitalization Strategy Activities 30
III. HOME Investment Partnership Program Requirements 31
A. Use of HOME Funds in Relation to Consolidated Plan Needs 31
B. Match Contributions Report 31
C. Minority Business Enterprises and Women's Business Enterprises Contracts Report 31
D. Affordable Rental Housing Inspections Report 31
E. Affirmative Marketing and Outreach Activities 32
F. Use of Program Income 33



Appendix – Activity and Grant Summary Reports

- Consolidated Plan Amendments
- CDBG Financial Summary (C04PR26)
- Activity Summary (GPR) (C04PR03)
- Summary of Consolidated Plan Projects (C04PR06)
- Summary of Community Development Accomplishments (C04PR23)
- HOME Match Report (HUD-4107-A)
- MBE/WBE Report (HUD-4107, Part III)
- Contract and Subcontract Activity (HUD-2516)
- CAPER Public Hearing Ad

List of Tables

1.	Comparison of Goals and Actual Accomplishments -----	9
2.	Project/Activity Closeout Information form Previous Years -----	12
3.	CAPER Public Hearing Attendees -----	25
4.	Knox County Loan Summary Portfolio -----	34

I. General Assessment

A. Assessment of Three-Year Goals and Objectives

This section of the Knox County Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year 2004-2005 (FY 2004/05) provides a general assessment of activities undertaken during the year to address priorities, goals, strategies, and objectives identified in the 2002-2005 Consolidated Plan. Specifically, this general assessment indicates the extent to which the County has met the goals and objectives contained in the 2004 Action Plan. The County's accomplishments in FY 2004/05 are described and organized below by activity parameters according to the County's housing and community goals established in the 2002-2005 Consolidated Plan and 2005 Action Plan:

- **To provide affordable housing opportunities.**
- **To provide community and economic development assistance to residents of Knox County.**
- **To provide assistance to the homeless and special needs population.**

Table 1 at the end of this section summarizes program accomplishments in comparison to the goals established in the 2005 Action Plan. In addition, actions taken to address the continuum of care, affirmatively furthering fair housing, and other actions are described later in this report. The remaining sections of the CAPER address specific projects and accomplishments in the Community Development Block Grant (CDBG) program and HOME Investment Partnership (HOME) program during FY 2004/05. Detailed information on funding expenditures is summarized in the activity and grant reports are included in the Appendix section of the CAPER.

In addition to Table 1, Table 2 at the end of this section provides closeout information regarding projects/activities from previous years' Annual Action Plans. The purpose for this illustration is to inform the public about funds that were dispersed during FY 2004/05 but were accounted for in previous CAPERs. This "carry-over" is largely due to the fact that some contracts between Knox County and its subrecipients are not approved by County Commission at the start of Knox County's Fiscal Year (July 1). Therefore, the project/activity closeout procedures are carried over into the next reporting year. However, delays, project development, project time tables, etc. result in extra time needed to complete the activity/project reported in the prior Action Plan. In addition, due to the generally accepted accounting principle of FIFO (First In, First Out), Knox County must disburse the oldest grant money before it disburses newer grant dollars. This practice can sometimes cause projects to be "carried over" into other reporting years. Knox County Community Development will provide any citizens with copies of previous CAPERs if needed in the event a citizen has a question regarding activities/projects illustrated in Table 2.

TO PROVIDE AFFORDABLE HOUSING OPPORTUNITIES

Knox County, in partnership with area housing organizations, has continued its efforts to preserve and improve affordable housing opportunities for the low to moderate-income households in Knox County. These activities directly corresponds with the federally mandated Consolidate Plan goals of providing decent housing, providing a suitable living environment and expanding economic opportunities.

PRIORITY STRATEGIES:

- *Expand and preserve affordable housing rental housing opportunities.*
- *Increase and preserve affordable homeownership opportunities.*

Goals/Objectives:

- Provide funds to nonprofit housing developers to develop & rehabilitate affordable rental units.
- Provide Community Housing Development Organizations (CHDOs) with funds for housing rehab and downpayment assistance to low and moderate-income homebuyers.
- Help low-income households remain in their homes by providing housing rehabilitation funding.
- Help low-income households remain in their homes by providing water/sewer connection funding.
- Provide downpayment assistance to low-income families who are first-time homebuyers.
- Provide homeownership assistance to persons with special needs.
- Provide assistance for home repairs to elderly, disabled, or female-headed households with lower incomes.

2004/05 Accomplishments:

Knox County Community Development (KCCD) offers a CDBG/HOME-funded residential rehabilitation program. Funds are available to assist in the rehabilitation of units, to address the problem of overcrowding, and to meet the unique housing needs of the elderly and disabled. In FY 2004/05, 38 loan applications were received; six of which were funded and work was completed and five were under contract (work was in progress) by the end of June 30. During the year, \$215,371 in CDBG funds and \$200,358.87 in HOME funds was awarded to the qualified applicants. Funds were used to repair roofs, paint, install new doors, windows and flooring, update heating and plumbing systems, repair electrical systems and foundational structure. The remaining 27 applicants were determined to be ineligible for assistance under the established program guidelines (i.e., bad credit, too costly, etc.). Recognizing the continued need for rehabilitation assistance, especially for lower-income households, the County anticipates continuing the rehabilitation program as long as funding is available.

In addition to KCCD's residential rehabilitation program, this department offers a CDBG-funded water/sewer loan program. Funds are available to connect to the public water system, a sanitary sewer system or to install or repair septic tanks and drain fields. Sewer system assistance was and still is available to those eligible residents who have access to existing service. In FY 2004/05, 13 loan applications were received, eleven of which were funded and work was completed and two were under contract (work was in progress) by the end of June 30. Of the 11 loans that were funded, \$91,071 in CDBG funds was awarded to the qualified applicants. Recognizing the continued need

for water/sewer connection assistance, especially for lower-income households, the County anticipates continuing the water/sewer program as long as funding is available.

Minor Home Repair: The Knoxville-Knox County Community Action Committee (CAC) received a total of \$200,000 in CDBG funding to operate the Emergency Minor Home Repair program. This program provides minor rehabilitation assistance (< \$5,000) to elderly and disabled low-income residents of Knox County. Such repairs included (but were not limited to) handrails, flooring, doors, plumbing, windows, steps, decks and leaks in exterior walls. During FY 2004/05, 85 low-income households in Knox County were assisted by CAC's Minor Home Repair program, exceeding the County's goal of 75 households. The vast majority (63) of those assisted were below 30% of the Area Median Income adjusted for family size.

Child and Family of Tennessee: The \$169,000 in HOME funds for renovations for Building 1-A in the rental housing complex known as PleasanTree Apartments, completed in early fall of 2004 to a much celebrated event. The building received roofing, gutters, HVAC, GFCI outlets, windows, vinyl siding, flooring, and much more. All safety and code issues were addressed and the complex finished with an awning over the new wrought iron staircase. The apartments provide permanent supportive housing for women with mental illnesses who historically have been unable to sustain conventional lease agreements.

Disability Resource Center Homeownership Program (DRC): Knox County contracted with DRC to provide \$30,000 in CDBG funds for homeownership assistance for persons with disabilities and meet HUD's Section 8 income limits. DRC was working in collaboration with the Tennessee Network Community Economic Development and the Council on Developmental Disabilities to process qualified applicants through the program. Through March of the program year DRC had qualified only one applicant through the mortgage loan process. The funds spent for administrative services included initial processing of 12 applicants, advertising the program information and working with Knox Housing Partnership and the applicant for homebuyer education. Due to the amount of time the process was taking and given the fact that only one applicant in six months qualified for assistance, the program was cancelled effective March 31, 2005. DRC expended \$900.00 in CDBG funds during the year. KCCD closed on the above client through our in-house downpayment assistance program with \$10,000 in CDBG funds.

Elderly Housing Development: Knox County is continuing to work with Knox Housing Partnership (KHP) for the construction of 20 units of senior housing at the Riverbirch II apartment complex on Oak Ridge Highway. With the 2004 change in executive directors, KHP has decided to use a different architect for design and a financial analyst for proforma and costs. Years 1999, 2000, 2001 and 2002 Community Housing Development Organization (CHDO) set-aside funds are committed to this project for a total of \$270,150 with HOME funds (\$350,000) from the 2001 Program Year. Knox Housing Partnership has requested additional funding in the amount of \$215,000 however; Knox County is reviewing all sources and uses and project proforma to determine if the Riverbirch II is feasible at this time.

Low-Mod Rental Housing Development: In June 2003, Knox County contracted with Knox County Housing Authority (KCHA) to provide \$339,400 in 1999 HOME Program funds for the acquisition and infrastructure of 40 units of rental housing, 11 units being HOME assisted. This effort is in response to the growing need for affordable housing outside the city limits of Knoxville. During the 2004 program year, KCHA was forced to

return tax credits to Tennessee Housing Development Agency due to a problem in locating land. Their second attempt was rejected and they have applied a third and final time for the tax credits. It is anticipated that they will receive the credits in early 2006. Knox County Housing Authority is responsible for developing and managing the project under their 501(c)(3) nonprofit, "Mustard Seed".

Habitat for Humanity: Knoxville Habitat for Humanity is completing infrastructure for the "October Woods" subdivision Habitat is building at Rising Road in East Knox County. The total cost is estimated to be \$3,453,000. Thirty-five units are scheduled for single-family home development with Covenant Partners donations totaling \$1,750,000. A condominium is also scheduled for the development of 15 units with Covenant Partners donations totaling \$720,000. Knox County reallocated \$175,000 in 1999 HOME funds from the Parkridge harbor development and \$25,000 from recaptured 1999 HOME funds from the Village at Beaver Brook project for the acquisition and pre-development site preparation for the subdivision. As with Eastern Meadows, Habitat will construct approximately 10 homes during a "Blitz Week" to kick-off the development that is anticipated to be complete during the 2005 Program Year.

Knox County Emergency Heating and Air Program: Knox County is committed to partnering with the Knoxville/Knox County Community Action Committee (CAC) to install and weatherize five LMI homes. This project is being carried over to the next program year (2005/06) when KCCD will contract with CAC to do the work. The County will serve as the lead for this pilot program intended to help low-income households with poorly functioning HVAC units and weatherized homes.

Knox Housing Partnership (KHP) CHDO Set-Aside: As Knox County's sole Community Housing Development Organization (CHDO), KHP received \$75,000 in HOME/CHDO Set-Aside funds. The funds will be used to acquire one condominium or home to rent with the option to purchase at a later date.

Knox Housing Partnership (KHP) Operating Funds: CHDO Operating funds were provided to KHP in the amount of \$10,000 to subsidize the services offered through the Homeownership Center. More specifically, the staff received the funds for administering the homeownership program to four low and moderate-income persons.

Young Womens' Christian Association (YWCA): YWCA received \$24,500 in CDBG funds for the renovation of two units of temporary to permanent housing located at 420 Clinch Avenue. The work consisted of flooring, light fixtures, vanities and more. Given that the total funding was not utilized on these renovations, Knox County was able to contract with the YWCA for a new HVAC unit.

Helen Ross McNabb Center (HRMC): HRMC was awarded \$355,710 in HOME funds for the construction of a 16 unit transitional housing shelter to be utilized by indigent persons recovering from alcohol/drug addictions. HRMC is actively searching for a location that optimizes patients' recovery as well as HRMC operating expenses. When a site is located, Knox County will enter into contract with HRMC.

Knox County's Downpayment Assistance Program: During the 2004 program year, Knox County provided 13 low to moderated income households with downpayment and closing cost assistance to purchase their first home. The program used \$54,258 in American



Dream Downpayment Initiative (ADDI) funds and \$15,742 in CDBG funds to enable clients to become first-time homeowners. The program will continue into the next program year.

Geographic Distribution: The County's programs to provide affordable housing opportunities are designed to be applied Countywide.

TO PROVIDE COMMUNITY AND ECONOMIC DEVELOPMENT ASSISTANCE TO RESIDENTS OF KNOX COUNTY

Knox County, in partnership with area organizations, has continued its efforts to provide assistance to activities that directly correspond with the federally mandated Consolidate Plan goals of providing decent housing, providing a suitable living environment and expanding economic opportunities.

STRATEGIES:

- *Enhance job training and employment opportunities for low to moderate-income persons.*
- *Promote livable communities and community redevelopment.*

Goals/Objectives:

- Fund a faith-based organization to provide after school tutoring and homework assistance to LMI youth and parents in vital areas including language arts and math.
- Fund an organization that provides recreational and learning opportunities to low- to moderate-income residents of Knox County.
- Fund youth development program that provides strong education assistance to children of LMI areas.
- Fund public infrastructure improvements in rural LMI areas in Knox County.
- Provide funding to clean-up low to moderate-income neighborhoods.
- Provide assistance to an organization that provides health care to low-to moderate-income individuals.
- Improve public facilities for low to moderate-income Knox County residents.

2004/05 Accomplishments:

The County supported the following program and/or organizations in FY 2004/05 with CDBG funds. These providers have helped meet the community and economic development needs of Knox County.

InterFaith Health Clinic (IHC): InterFaith was awarded \$40,000 in CDBG funds to assist 240 low-income, working uninsured with affordable, quality health care. Their program goal was to use the funds to help fill the gap between government subsidized insurance programs and private insurance. Although their clinic is not free, patients are charged according to a sliding fee scale that is based on household size and income. Overall, the health clinic provided assistance to approximately 18,000 patients and spent nearly 2 million dollars on the wholesale medications provided for the small fee of \$5.00. A portion of their grant, \$30,400, was used in purchasing medicine and InterFaith spent over \$110,000 during the year. IHC far exceeded their contracted goal with KCCD and assisted 446 new people of which 91 percent were very low income.

InterFaith Health Clinic (IHC): IHC used \$50,000 in CDBG funds for the replacement of their 8,200 square foot clinic- building roof. The clinic provides health services and medicines to the working uninsured.

Luttrell-Blaine-Corryton Utility District (LBCUD) Water Line: LBCUD will use \$185,000 in CDBG funds to install approximately 13,400 linear feet of 4” and 6” waterline on Longmire, McBee and Eva Roads. KCCD completed a LMI survey of the housing population on these roads to ensure benefit. The waterline should service 47 households that currently receive water from their wells. This project should complete during the fall of 2005.

Riverbirch Community Senior Center: In the 2004 Annual Action Plan, \$159,750 in CDBG funding was allocated to Knox Housing Partnership for the construction of a 2,000 square foot senior center on the site of the Riverbirch Village senior housing complex on Oak Ridge Highway. As previously mentioned, KHP has hired architects to design the apartment complex and community center. They are waiting on final design and all commitments for the Riverbirch II apartment complex and anticipate construction completion June 2006.

Tennessee Conference Community Development (TCCD): Knox County awarded TCCD \$40,000 for the 2004-2005 program to establish a youth enrichment program serving 40 LMI households for grades three through eight with tutoring services, homework assistance and cultural activities. Two churches, Concord and First AME Zion, held after-school training that served 40 children and parents (familiarizing the parents with the school work assigned to the children). The tutoring helped the students gain self-confidence and prepared them to handle homework assignments. The schools affected, reported less tardiness and absenteeism, and the grades of the core curriculum subjects increased substantially; as much as from a D to a B in Language Arts. TCCD used \$37,783.69 to reach their goals and create a successful youth program.

Center for Neighborhood Development (CND): This was the Vestal Community Clean-Up Project that was cancelled after CND conducted a survey on interest in the community. No funds were used.

Geographic Distribution: Community and economic development services are available to eligible residents Countywide.

TO PROVIDE ASSISTANCE TO THE HOMELESS AND SPECIAL NEEDS POPULATION

Knox County, in partnership with the City of Knoxville works with the Knoxville Coalition for the Homeless to develop and implement its “Continuum of Care” approach in assisting the homeless, which includes the provision of emergency food and shelter, save haven housing for homeless and mentally ill persons, and transitional and permanent housing.

STRATEGIES:

- *Strengthen the safety net of housing and services for persons with special needs.*
- *Help the Knoxville Coalition for the Homeless employ a Continuum of Care approach to reduce the frequency and duration of homelessness.*

Goals/Objectives:

- Provide assistance to organization(s) in the Continuum to prevent homelessness.
- Provide funding to acquire/rehabilitate a building to assist the homeless.
- Provide assistance to an organization that provides health care to homeless individuals.
- Provide assistance for home repairs to elderly, disabled, or female-headed households with lower incomes.

2004/05 Accomplishments:

The County supported the following homeless service programs/providers in FY 2004/05. These providers have helped to meet the needs of the homeless and those at risk of homelessness in Knox County.

North Family Support Center: The Knoxville-Knox County Community Action Committee's North Neighborhood Center (NNC) provides access to a multiplicity of human services designed to assist with crisis emergency management and self-sufficiency needs. These services assist situational homeless in addition to the prevention of homelessness for families and individuals who are in a state of crisis (i.e., job loss, fixed income reduction, etc.). The County allocated \$26,696.37 in 2004 CDBG funds to assist the NNC, which anticipated that 660 households would receive assistance in FY 2004/05. The NNC actually served 746 households. They have changed their policy and increased the number of months between providing assistance from twelve to eighteen in an effort to curtail enabling clients from returning on their 12-month anniversary date. Enforcement of this policy assures available access of resource assistance to all citizens in need, especially low to moderate-income citizens.

Volunteer Ministry Center (VMC): Knox County awarded \$35,000 in CDBG funds to VMC for the operation of The People's Clinic to provide acute medical care, mental health care and dental services to 500 homeless persons. By dispensing prescriptions for patients from emergency room discharges, mental health facilities and clinic visits, VMC is providing a continuum of care effort to prevent episodes and crisis intervention thereby improving the quality of mental and physical health. In addition to the above services, VMC offers a Saturday clinic once a month for the Hispanic/Latino community. For the 2004/2005 funding year, VMC served a total of 466 patients.

Geographic Distribution: Homeless services are available to eligible residents Countywide.

Table 1: Comparison of One-year Goals and Actual Accomplishments

National Goals	KCCD Vision Statement	Consolidated Plan Priority Strategy	Objectives	Proposed Actions	Proposed/Actual Accomplishments by Program Year	
					Proposed	Actual
Provide Decent Housing	Provide Viable Housing Opportunities	Expand and preserve affordable rental housing opportunities.	Provide funds to nonprofit housing providers to rehabilitate affordable rental units.	2003: Provide \$169,000 in HOME funds to Child and Family Tennessee for the rehabilitation of Building 1-A of the Pleasantree Apartment Complex.	Proposed 2002: N/A 2003: 8 2004: N/A Total: 8	Actual 2002: N/A 2003: Carried Over 2004: 8 Total: 8
		Expand and preserve affordable rental housing opportunities	Provide funds to nonprofit housing providers with Community Housing Development Organization (CHDO) ability to acquire rental housing for income eligible family.	2004: Provide \$71,150 in CHDO set-aside funds to Knox Housing Partnership to be used in conjunction with prior year funding to complete the construction of Riverbirch II Senior Apartment complex.	Proposed 2002: N/A 2003: N/A 2004: 25 households Total:	Actual 2002: N/A 2003: N/A 2004: Carried Over Total:
		Increase and preserve affordable homeownership opportunities	Help low-income households remain in their homes by providing for HVAC units and weatherization.	2004: Provide \$50,000 to the Knoxville/Knox County Community Action Committee for the Knox County Emergency Heating and Air Program.	Proposed 2002: N/A 2003: N/A 2004: 5 households Total: 5 households	Actual 2002: N/A 2003: N/A 2004: Canceled Total: Canceled
		Increase and preserve affordable homeownership opportunities	Help low-income households remain in their homes by providing housing rehabilitation funding.	2004: Provide \$200,000 in HOME funds for Knox County's Housing Rehabilitation program.	Proposed 2002: 10 units 2003: 12 units 2004: 12 units Total: 34 units	Actual 2002: 8 units 2003: 16 units 2004: 11 units Total: 35 units
		Increase and preserve affordable homeownership opportunities	Help low-income households remain in their homes by providing water/sewer connection funding.	2004: Provide \$128,900 in CDBG funds for Knox County's Water/Sewer Connection Program.	Proposed 2002: N/A 2003: 8 households 2004: 12 households Total: 20 households	Actual 2002: N/A 2003: 17 households 2004: 13 households Total: 30 households
		Strengthen the safety net of housing and services for persons with special needs.	Provide assistance for home repairs to elderly, disabled, or female-headed households with lower incomes.	2004: Provide \$193,000 in CDBG funds to help the Knoxville/Knox County Community Action Committee provide home repair assistance to these persons.	Proposed 2002: 55 households 2003: 75 households 2004: 75 households Total: 205 households	Actual 2002: 45 households 2003: 122 households 2004: 85 households Total: 252 households



National Goals	KCCD Vision Statement	Consolidated Plan Priority Strategy	Objectives	Proposed Actions	Proposed/Actual Accomplishments by Program Year	
		Help the Knoxville Coalition for the Homeless employ a Continuum of Care approach to reduce the frequency and duration of homelessness.	Provide assistance to organization(s) in the Continuum to prevent homelessness.	2004: Provide \$29,000 in CDBG funds to Community Action Committee North Center for crisis management for homeless people or those at high risk of becoming homeless.	Proposed 2002: 200 households 2003: 260 households 2004: 660 households Total: 1120 households	Actual 2002: 779 households 2003: 1006 households 2004: 746 households Total: 2531 households
Provide Decent Housing	Provide Viable Housing Opportunities	Strengthen the safety net of housing and services for persons with special needs.	Working in collaboration with the Tennessee Network of Community Economic Development and the Council on Developmental Disabilities, provide homeownership assistance for persons with special needs (disabilities).	2004: Provide \$30,000 in CDBG funds to Disability Resource Center-Homeownership Program to provide homeownership assistance to persons with disabilities that meet HUD's Section 8 Income Limits.	Proposed 2002: N/A 2003: N/A 2004: 2 households Total: 2 households	Actual 2002: N/A 2003: N/A 2004: 1 households Total: 1 households
		Increase and preserve affordable housing homeownership opportunities.	Knox County will partner with area nonprofit(s) involved in homebuyer education and will provide closing costs and downpayment assistance to low-income families.	2004: Provide \$54,258 in HOME ADDI funds to LMI first-time homebuyers for closing costs and downpayment assistance.	Proposed 2002: N/A 2003: N/A 2004: 10 households Total: 10 households	Actual 2002: N/A 2003: N/A 2004: 10 households Total: 10 households
		Expand and preserve affordable rental opportunities.	Provide permanent affordable rental housing for homeless women.	2004: Provide \$24,500 in CDBG funds to the Young Women's Christian Association of Knoxville for rehabilitation of their multi-unit residential facility for homeless women transitioning from temporary to permanent rental housing.	Proposed 2002: N/A 2003: N/A 2004: 2 households Total: 2 households	Actual 2002: N/A 2003: N/A 2004: 2 households Total: 2 households
		Help the Knoxville Coalition for the Homeless employ a Continuum of Care approach to reduce the frequency and duration of homelessness.	Provide funds for the construction of a transitional housing shelter for LMI persons with alcohol and drug addictions.	2004: Provide \$355,710 in HOME funds to Helen Ross McNabb for the construction of a 16 unit transitional housing shelter to be utilized by indigent persons with A/D addictions as they go through the recovery process.	Proposed 2002: N/A 2003: N/A 2004: 16 housing units Total: 16 housing units	Actual 2002: N/A 2003: N/A 2004: Carried Over Total: Carried Over
Provide a Suitable Living Environment	Strengthen Community Ties	Promote livable communities and community redevelopment.	Provide funds to a non-profit agency for the establishment of an after school youth enrichment program that provides educational opportunities for children of LMI households.	2004: Provide \$40,000 in CDBG funds to Tennessee Conference Community Development for the establishment of a youth enrichment program for LMI households providing tutoring and homework assistance to students in grades 3 through 8.	Proposed 2002: N/A 2003: N/A 2004: 40 youth/parents Total: 40 youth/parents	Actual 2002: N/A 2003: N/A 2004: 56 youth/parents Total: 56 youth/parents



<i>National Goals</i>	<i>KCCD Vision Statement</i>	<i>Consolidated Plan Priority Strategy</i>	<i>Objectives</i>	<i>Proposed Actions</i>	<i>Proposed/Actual Accomplishments by Program Year</i>	
		Promote livable communities and community redevelopment.	Partner with other organizations to provide basic health care for the indigent and homeless.	2004: Provide \$35,000 to the Volunteer Ministry Center for the principal objective of partnership with the University of Tennessee for a nurse-managed clinic focusing on the primary and preventative health care for the homeless and non-working poor.	Proposed 2002: N/A 2003: N/A 2004: 500 people Total: 500 people	Actual 2002: N/A 2003: N/A 2004: 466 people Total: 466 people
		Promote livable communities and community redevelopment.	Fund a non-profit organization to get citizens involved in their LMI area with design and implementation of regular trash removal.	2004: Provide \$12,000 in CDBG funding to Center for Neighborhood Development to design and implement a community wide trash clean-up campaign in the LMI area of Vestal.	Proposed 2002: N/A 2003: N/A 2004: 20 households Total: 20 households	Actual 2002: N/A 2003: N/A 2004: Canceled Total: Canceled
		Promote livable communities and community redevelopment.	Fund public facilities that provide water lines in LMI areas not currently being served by Knox County.	2004: Provide \$200,000 to Luttrell-Blaine-Corryton Utility District to extend public water lines to a LMI area of Northeast Knox County not presently being served.	Proposed 2002: N/A 2003: N/A 2004: 54 households Total: 54 households	Actual 2002: N/A 2003: N/A 2004: Carried Over Total: Carried Over
		Promote livable communities and community redevelopment.	Fund an organization serving LMI working poor for the rehabilitation of the main clinic roof.	2004: Provide \$50,000 in CDBG funds to InterFaith Health Clinic for the replacement of their main facility roof. The Clinic provides health services and medicines to the working uninsured.	Proposed 2002: N/A 2003: N/A 2004: 1 public facility Total: 1 public facility	Actual 2002: 2003: N/A 2004: 1 public facility Total: 1 public facility
		Promote livable communities and community redevelopment.	Provide assistance to an organization that provides health care to low-to-moderate income individuals.	2004: Provide InterFaith Health Clinic with \$40,000 in CDBG funds for health care and medicines for low to moderate-income clients who cannot afford health care/insurance.	Proposed 2002: N/A 2003: 240 people 2004: 240 people Total: 480 people	Actual 2002: N/A 2003: 317 people 2004: 446 people Total: 763 people
		Promote livable communities and community redevelopment.	Provide funds to educate and assist potential LMI households purchase their first home.	2004: Provide \$10,000 in CDBG funds to Knox Housing Partnership for administration of the first-time homebuyer training and assistance program.	Proposed 2002: N/A 2003: N/A 2004: 4 people Total: 4 people	Actual 2002: N/A 2003: N/A 2004: 4 people Total: 4 people
Other HUD-approved Activities			2004: Use \$260,600 in CDBG funds and \$47,428 in HOME funds to meet KCCD administration needs to effectively manage CDBG and HOME grants. Administration activities include public outreach and technical assistance regarding state, local and federal housing and community development programs, processing applications, and monitoring projects.		N/A	N/A



Table 2: Project/Activity Closeout Information from Previous Years

<i>Plan YR</i>	<i>Project #</i>	<i>Project/Activity</i>	<i>Committed Amount</i>	<i>Amount Drawn in Report YR</i>	<i>Remaining Balance</i>
	0001	General Administration (HOME)	\$41,800.00	\$27,843.61	\$1,755.59
	0002	Owner-Occupied Single Family Housing Rehabilitation (HOME)	\$463,687.20	\$141,132.45	\$89,115.00

B. Affirmatively Furthering Fair Housing

The County has continued to offer and participate in fair housing endeavors to local residents and property owners in Knox County.

STRATEGY:

- *Collaborate with local housing partners to address the impediments to fair housing choice identified in “Fair Housing in Knox County.”*

Goals/Objectives:

- Convene a working group to examine fair housing impediments.
- Continue to develop and further relationships with community groups working with members of legally protected classes; fair housing advocates, area public housing agencies, representatives of the lending and real estate communities, Federal, State, and local fair housing enforcement agencies, and other interested persons.
- Hone the current Analysis of Impediments into a more effective fair housing plan.
- Help Knox County households understand their housing rights by providing a free fair housing brochure to program participants, producing a Spanish-language version of the brochure, promoting fair housing week, and using the fair housing logo on all KCCD publications
- Provide links to fair housing information on the KCCD Website.
- Continue to offer fair housing seminars.

2004/05 Accomplishments:

In compliance with federal program regulations, County staff carried out fair housing and equal opportunity endeavors. As needed, the County continued to distribute copies of its 1998 “Analysis of Impediments to Fair Housing.” This document provides readers with information on fair housing barriers, factors and issues in Knox County. Also, this study serves as the framework for fair housing planning by providing critical information to policy makers, consumers, KCCD staff, lenders and all other interested parties. The study identified lack of public awareness of rights and responsibilities of fair housing laws and lack of opportunities and resources for the homeless, elderly and persons with disabilities as the two major impediments of fair housing. To address these impediments to County has accomplished the following:

Equality Coalition for Housing Opportunities: Knox County staff regularly attends the Equality Coalition for Housing Opportunities (ECHO) meetings. The purpose of ECHO is to provide a local forum for persons, policy markers, housing providers, service provides, and other officials to collectively meet to discuss fair housing issues.

Knox County Fair Housing Advisory Committee (FHAC): KCCD established a Knox County Fair Housing Advisory Committee to examine fair housing impediments that exist in Knox County and develop solutions to affirmatively further fair housing. The FHAC is made up of individuals from the protected lasses and representatives associated with housing, lending and equal opportunity. The FHAC met quarterly in 2004 with the exception of the June meeting while the executive director of KCCD was on Family Medical Leave. FHAC has developed a mission statement to guide the committee, identify fair housing issues, review the current Analysis of Impediments and assisting Knox County with developing programs/policies that are sensitive to the Fair Housing Act. Also, the FHAC has developed a fair housing brochure, a

game show to educate children on the fair housing issues, and posted relevant information on the County's Website. The FHAC will continue to meet in the next program year and further developments will be reported in future CAPERs.

Knoxville Area Fair Housing and Equal Opportunity Conference: Knox County partnered with ECHO, the City of Knoxville, Tennessee Human Rights Commission, AmSouth Bank and the Department of Housing & Urban Development to sponsor the conference that was held on April 22, 2005. This year's theme was "Building Dreams of Equality – One Block at a Time". The conference featured workshops on housing, education, employment, community relations and fair housing updates.

Geographic Distribution: Fair housing services are available to residents Countywide.

C. Affordable Housing

Knox County has designated providing affordable housing a high priority in the Consolidated Plan. The County in collaboration with non-profit subrecipients and for-profit developers, used CDBG and HOME funds leveraged with various other funding sources (See section I.F) to provide housing rehabilitation, downpayment/closing cost assistance, elderly rental housing, and construction of new homes/rental units. The charts below summarize the number of extremely low-income, low-income and moderate-income renters and owner households provided with housing assistance. All housing activities met or exceeded the Section 215 definition of affordable housing. Please see section I.A for a detailed description of housing activities and Table 1 for a comparison of one-year goals versus and actual accomplishments.

<i>Renters</i>	<i>New Construction</i>	<i>Homebuyers</i>	<i>Rehabilitation</i>
0 – 30% AMI	0	0	2
31 – 50% AMI	0	0	0
51 – 80% AMI	0	0	0
TOTAL	0	0	2

<i>Owners</i>	<i>New Construction</i>	<i>Homebuyers</i>	<i>Rehabilitation</i>
0 – 30% AMI	0	1	69
31 – 50% AMI	0	2	34
51 – 80% AMI	0	11	6
TOTAL	0	14	109

<i>Occupants</i>	<i>New Construction</i>	<i>Homebuyers</i>	<i>Rehabilitation</i>
Homeless	0	0	0
Non-homeless	0	0	0
Special Needs	0	0	0
TOTAL	0	0	0

<i>Racial/Ethnic Classification</i>	<i>Totals</i>
Hispanic	0
Non-Hispanic	122
White	114
Black	9
Native American	0
Asian/Pacific	0
Other	0
TOTAL	123

D. Continuum of Care for the Homeless

During FY 2004/05 Knox County continued to use a continuum of care approach in addressing the needs and concerns of the homeless. The continuum of care is based on the understanding that homelessness is not caused merely by a lack of shelter, but involves a variety of underlying, unmet needs – physical, economic, and social. The County’s role in addressing the needs of the homeless has been to offer a variety of assistance programs by supporting the endeavors of the Knoxville Coalition for the Homeless.

The Knoxville Coalition for the Homeless serves as the central organization and point of communication for Knoxville’s Continuum of Care. Knoxville has an active group of individuals and agencies dedicated to serving and assisting the homeless in this community. Each component of the Continuum of Care as defined by the U.S. Department of Housing and Urban Development is well represented in the community and on the local Coalition for the Homeless. Knox County and the City of Knoxville established the Coalition as a forum to pursue the elimination of homelessness in the greater Knoxville area.

The Coalition meets on a monthly basis. Numerous standing and ad-hoc committees also meet to pursue specific goals and report to the Coalition. Membership is voluntary, and member agencies and individuals accomplish work. The Coalition established a standing Continuum of Care committee to examine the needs of the homeless (from prevention and outreach through emergency shelter and transitional housing to permanent housing), and to oversee this application process. The Continuum of Care Committee is coordinated by staff from the City of Knoxville’s Community Development office, and has active, dedicated members from several area homeless service agencies and staff of Knox County Community Development.

During FY 2004/05, a variety of programs for the homeless and those at risk of homelessness were funded and made available to those in need. More specifically, Knox County has continued to contribute CDBG, HOME and municipal funds to support the following programs and activities.

- **Emergency Assistance:** Preventing homelessness or meeting the emergency needs of homeless individuals and families including prevention strategies, outreach and assessment, and referral to emergency shelters.
- **Emergency Housing:** Providing housing and appropriate services that are designed to get individuals and families off the streets and into a safe housing environment, generally on a 24 hours basis.
- **Transitional Housing:** Providing housing and appropriate supportive services that are designed to enable homeless individuals to move to permanent housing, for a maximum of up to two years.
- **Permanent Housing and Permanent Supportive Housing:** Providing housing and supportive services for homeless persons with disabilities, and appropriate permanent housing options for all homeless families and individuals.
- **Supportive Services:** Programs that are designed to assist individuals and families from homelessness to self-sufficiency. Programs could include employment training, behavior counseling, medical aftercare and life skills training.

Member organizations of the Knoxville Coalition for the Homeless play a vital role in determining, assessing and meeting the needs of Knoxville's homeless population. Through their tireless efforts, the goal of eliminating homelessness in Knox County can be achieved with the continued support from Knox County. For a detailed narrative on what activities Knox County funded in FY 2004/05, please see section I. A.

The following organizations are currently on the membership list for the Knoxville Coalition for the Homeless:

- Associated Catholic Charities of East Tennessee.
- Catholic Diocese of Knoxville.
- Cherokee Health Systems.
- Child and Family, Inc.
- City of Knoxville Department of Administration.
- City of Knoxville Department of Community Development.
- Covenant Health.
- Disability Resource Center.
- EM Jellinek Center.
- East Tennessee Human Resource Agency.
- Friends of Lakeshore, Inc.
- Helen Ross McNabb Center.
- Kent C. Withers Family Crisis Center.
- Knox Area Rescue Ministries.
- Knox County Health Department.
- Knox County Community Development.
- Knox County Dismas House.
- Knox County Schools.
- Knoxville Area Chamber Partnership.
- Knoxville Area Urban League.
- Knoxville Legal Aid Society, Inc.
- Knoxville Police Department.
- Knoxville-Knox County Community Action Committee.
- Lakeshore Mental Health Institute.
- Lost Child Evangelistic Ministry.

- Lost Sheep Ministry.
- Midway Rehabilitation Center.
- National Alliance for Mentally Ill.
- National Alliance for Mentally Ill of Knoxville.
- Office of the District Public Defender.
- Positively Living.
- Public Defenders Office.
- Recovery Support Systems, Inc.
- Rogers-Culliver Supportive Living.
- Samaritan Place.
- Tennessee House of Representatives.
- Tennessee Mental Health Consumers Association.
- Tennessee Corporation for Community Services, Inc.
- The Salvation Army.
- U.S. Department of Housing and Urban Development.
- U.S. Veterans Administration Veterans Center.
- University of Tennessee College of Nursing.
- University of Tennessee College of Social Work.
- United Way of Greater Knoxville.
- Volunteer Ministry Center.
- YWCA.

E. Other Actions

1. Addressing Obstacles to Meeting Underserved Needs

The major obstacle to meeting underserved housing and community development needs in Knox County is a lack of sufficient financial resources to address all the needs that exist. Both CDBG and HOME funds have been committed to assisting a wide variety of activities and programs as listed in Table 1. Additionally, there are limited opportunities for additional affordable housing due to only one active CHDO in Knox County. Adding to the problems of lack of money and development organizations, available transportation to and from services by those persons living in the County has proven to be an obstacle to meeting the needs of those that are underserved. The last major obstacle to meeting underserved needs is one that is on the rise across the nation. Due to the influx of Hispanic families and individuals living in Knox County, many of the services available cannot be utilized simply because of a language barrier. To address these issues, Knox County has undertaken the following actions listed below.

- Knox County in partnership with area service providers and organizations is actively researching additional sources of monies (grants and/or private funding) to address the needs in the Consolidated Plan. Revenue streams could grants from the Appalachian Regional Commission (ARC), Tennessee Housing Development Agency (THDA) and the Tennessee Department of Environment and Conservation's Division of SuperFund.
- Knox County continually works with HUD's Lead Technical Assistance Provider, Douglas Cherokee Economic Authority to provide assistance to area nonprofit and for profit organizations to develop affordable housing.
- Several members of the Community Development staff planned and will participate in the 3rd Annual Senior Summit. The summit is designed to garner information pertaining to the needs of Knox County's senior population as well as the needs to the area service providers. The information obtained at this event will serve as a guide for awarding Knox County community grants from the General Fund as well as increase awareness of the needs of the senior population. A "No Senior Left Behind" Report will be published and distributed in the next program year.
- Knox County held a faith-based and community initiatives seminar to provide organizations/individuals with the opportunity to learn about the White House Faith-based Initiative and how organizations can obtain necessary funding to sustain their operations as well as providing needed services to the citizens in the greater Knox County area. The seminar was held on December 11, 2004 at the Knox County Health Department.
- Knox County translated informative brochures from English to Spanish.

2. Foster and Maintain Affordable Housing

As described in section I. A. of this report, Knox County has planned and implemented many activities that fosters and maintains affordable housing opportunities. These activities included the County's housing rehabilitation program, the County's Water/Sewer Program, CAC's Minor Home Repair Program, KHP's Riverbirch II Elderly Development, Knox County Housing Authority's 40-unit development, Habitat for Humanity's 40-unit homeowner housing development, Helen Ross McNabb's Harmony House renovation, and Child & Family's PlesanTree Apartments renovation.

Knox County openly encourages and accepts housing development proposals from all organizations qualified to build housing.

3. Removing Barriers to Affordable Housing

Knox County is committed to helping eliminate barriers to affordable housing. Despite Knox County's strong economy and growing housing demands, the local market is not responding to the needs of lower-income households to the degree needed. The inventory of affordable housing continues to deteriorate, while the production rate of new affordable housing units cannot keep up with demand. As described in section I. A. of this report, Knox County, in partnership with area housing providers utilized both CDBG and HOME funds to acquire and rehabilitate existing affordable housing stock in addition to the development of new affordable housing units.

4. Overcoming Gaps in Institutional Structure

Effective program delivery would not be possible without the efforts of many other Federal, State and local partners. Leadership begins with the County's elected officials, especially the County Mayor and County Commissioners. These officials approve all of Knox County's Consolidated Plan activities, substantial amendments, and contracts. To overcome gaps in program delivery, Knox County Community Development (KCCD) was designated as the lead agency for the *Knox County Housing and Community Development Plan* (Consolidated Plan). In order to reflect this change in administration, KCCD revised its mission to be a leader in the development of resources to enhance the livability of the community with the citizens of Knox County by:

- Strengthening Community Ties.
- Providing Viable Housing Opportunities.
- Enhancing Individual Self-worth.

Knox County will again revise the application process to streamline the types of proposals that are necessary to our National Objectives and unmet need according to the 2005-2010 Consolidated Plan. The application packet will be available online at the County's website and KCCD will hold specific technical assistance workshops. KCCD plans to make the 2005/06 applications available by the first of 2006.

Lastly, Knox County Community Development was again charged with the task of administering all grant dollars awarded by Knox County from revenue generated by various taxes. These grants are given to local non-profit service providers for capital improvements and operating dollars. This year, Knox County awarded an approximate total of \$6 million dollars. By allowing this department to administer this new source of revenue, we are better able to fund projects that otherwise would not have been funded by CDBG or HOME funds due to regulations and/or available funds. Therefore, Knox County is in a better position assist with gaps in the institutional structure.

5. Enhancing Coordination

To enhance coordination with other agencies in order to address housing and community development needs, the County has:

- Worked with housing developers/providers to develop and maintain affordable housing opportunities, including:
 - Knoxville/Knox County Community Action Committee
 - Knoxville Habitat for Humanity, Inc.
 - Knox Housing Partnership, Inc.
 - Positively Living, Inc.
 - Knox County Codes Enforcement
 - Knox County Housing Authority

- Collaborated with a variety of service providers, including:
 - InterFaith Health Clinic
 - Tennessee Conference Community Development
 - Knox Housing Partnership
 - Knoxville/Knox County Community Action Committee
 - Volunteer Ministry Center
 - Knoxville Coalition for the Homeless

County staff continues to attend numerous meetings throughout Knox County to increase the coordination of activities between the County and all of the organizations dedicated to improving the communities of Knox County.

6. Improving Public Housing and Resident Initiatives

Knox County partnered with the Knox County Housing Authority and Helen Ross McNabb Center to develop and implement the Neighborhood Enrichment Program (NEP) to train public housing residents in the field of child day care. In addition, NEP clients were trained to develop microenterprise day care centers that are owned and operated by PHA residents. Though the primary focus of the program was to train clients to become daycare providers and to acquire the business skills necessary for the start-up of a child daycare service, affordable day care services were a spin-off result. During the year, the NEP program provided training to 110 residents, 15 of which started their own business.

7. Evaluating and Reducing Lead-Based Paint Hazards

Knox County has undertaken a wide range of activities to address the problem of lead-based paint in the housing stock. These activities include constant training of Rehabilitation staff/local housing providers and ongoing discussions of the County's Lead Based Paint Policy to ensure that needs are met and public health is improved. Also, Knox County's Construction Consultant distributes EPA's Lead-Based Paint educational pamphlet to homeowners at each initial assessment. These steps are taken to address housing and public health problems and will hopefully prove important in assuring the long-term health and stability of lower-income children who are living in substandard housing.

Knox County also consults regularly with the City of Knoxville's Development Department, Tennessee Department of Environment and Conservation (TDEC), Environmental Protection

Agency (EPA) and the Department of Housing and Urban Development (HUD) to discuss solutions to reducing lead-based paint hazards as well as changes to the Residential Lead-Based Paint Hazard Reduction Act of 1992.

In addition, Knox County has contracted with Barge, Waggoner, Sumner and Cannon to test homes that were built prior to January 1, 1978. If the homes contain lead based paint, Knox County provides the homeowners with a copy of the inspection report and educates them about the hazards of lead based paint however due to funding limitations, rehabilitation work will not occur. In the event that the home does not contain lead based paint or the amount of rehabilitation work needed constitutes reconstructing the dwelling, work will occur with the indirect effect of eliminating lead based paint hazards.

8. Ensuring Compliance with Program and Comprehensive Planning Requirements

To be effective, housing policies and programs must be consistently monitored and modified when necessary. The County conducted monitoring reviews of selected activities to determine whether the programs were being carried out in accordance with its Consolidated Plan, and in a timely fashion. The monitoring was carried out on a regular basis to ensure that statutory and regulatory requirements were being met.

The County uses various tools to evaluate the success of its programs in meeting local housing and community development needs. HUD requires that the County submit annual reports on its performance in carrying out the program goals in the Consolidated Annual Performance and Evaluation Report (CAPER) for the CDBG and HOME programs.

The County receives monthly reports from organizations that receive CDBG and HOME funds through Knox County Community Development. These reports indicate the number and type of clients served, including summary information regarding the income, race/ethnicity, household type, and disability status of those assisted. Organizations receiving CDBG and HOME funds are also required to report on the amount of funds spent during the reporting period and describe efforts to leverage additional funds.

9. Reducing the Number of Persons Living Below the Poverty Level

The County's anti-poverty strategy is to help move families from welfare dependency to economic self-sufficiency. Since the primary goal of the Community Development Block Grant and the HOME programs are to help low-income people and areas, KCCD supports State and County efforts toward welfare reform and moving people to economic self-sufficiency.

Anti-Poverty Strategy:

Support State and County efforts to move low-income persons to economic self-sufficiency.

Many of the Consolidated Plan strategies and objectives directly support the Anti-Poverty Strategy. Through partnerships and linkages to other agencies and service providers mentioned in section I. A., KCCD and the County make an ongoing effort to help serve specific populations and meet their needs.

F. Leveraging Resources

Federal CDBG, HOME and local County revenue funds are essentially the only housing and community development funds available to the County due to the many state budget cuts. Nevertheless, Knox County Community Development has continued to explore new funding sources and programs for housing and community development activities. The following projects/programs were successful in securing additional funding sources to address the housing and community development needs of Knox County.

- **CAC Minor Home Repair Program** has successfully leveraged \$42,858.45 in Weatherization, Project HELP (non-federal) and Low Income Heating and Energy Assistance Program (LIHEAP) funds to aid 62 County residents. These contributions were combined with \$193,000 in CDBG funds to provide home repair to a total of 85 households.
- **CAC North Family Support Center** leveraged \$20,000 for their summer cooling program serving 100 households, \$6,185 for the LIHEAP serving 250 households, and 7,820 for Project Help serving 46 households. In addition, the NNC provided \$34,005 for direct financial assistance to off-set high utility costs; 75 households representing 215 people received garden seed and plants to off-set food costs, and 88 elderly area residents living independently received home delivered meals provided by the Senior Nutrition Program.
- **InterFaith Health Clinic** provided over \$110,000 on medications and dispensed 1.75 million in total wholesale value to their patients.
- **Child and Family Tennessee** leveraged \$14,000 of their own funds in the renovation of Building 1-A of the Pleasantree Apartments. Their funds were used in soft costs prior to the actual rehab of the building.

NOTE: “Final” totals will be added to the “To Date” in the Final CAPER.

G. Citizen Participation and Comments

1. Citizen Participation Process for Community Development Programs

The effectiveness of Citizens Participation is enhanced when both the citizens and the elected officials are aware of the benefits. One benefit is, of course, the variety of points of view which citizens can bring to local government planning in areas, such as affordable housing, neighborhood revitalization, human services, and neighborhood organization.

Enabling the citizen, particularly the low to moderate-income program beneficiaries, to voice his or her concerns, preferences, and needs allows the elected officials to know and better understand public sentiments. At the same time, through the process, citizens may gain the understanding that the officials elected to represent them are indeed concerned and will make choices that will best serve the community.

Citizen Participation provides for problem identification, proposing solutions to problems, goal setting, balancing needs, determining priorities, and recommending which projects should become a part of the County's Housing and Community Development Consolidated Plan. These goals are met through a collaborative process. At a minimum, two public meetings are held to obtain citizen input on the utilization of existing programs.

Also, Knox County Community Development's Citizens Advisory Group reviews draft strategies, actions, and projects from the Knox County Housing and Community Development Plan, Action Plan and Consolidated Annual Performance and Evaluation Report. The Advisory Group provides guidance and opinions to KCCD regarding its programs and policies.

Citizen comments and suggestions are incorporated into a proposed funding allocation (Annual Action Plan). These proposed projects are reviewed per the Code of Federal Regulations by KCCD staff and then forwarded to the County Mayor for consideration.

2. CAPER 2004/05 Process

A 15-day review period is provided for the CAPER. The CAPER was available for public review and comment from September 8 through September 22, 2005. The report was available at the office of Knox County Community Development and distributed at the September 20th public meeting at Knox County Purchasing Conference Room on 1000 North Central Avenue. Notice of its availability was published in the *Knoxville-News Sentinel* newspaper and on the County's website at www.knoxcounty.org/communitydevelopment. Please see a copy of Knox County's advertisement in the Appendix section at the end of this report.

3. Citizens Comments

Knox County held its CAPER public hearing on September 20, 2005, at Knox County's Purchasing Conference/Community Room on 1000 North Central Avenue, Suite 100. A list of attendees is located at the end of this section. The comments and actions taken to address recorded comments are listed below.



Knox County received no public input/comments during the comment period nor at the public hearing.

4. Actions to Improve Programs

Due to the lack of comments, no actions to address public concerns are needed.

Table 3: CAPER Public Hearing Attendees

<i>Name</i>	<i>Organization</i>	<i>Phone Number</i>
Erik Hoglund	Knox County Community Development	215-3980
Sheila Muenzer	Knox County Community Development	215-3980



H. Self-Evaluation

Knox County has overall been successful in meeting, and in some cases exceeding, its projected performance goals and objectives as defined in the Action Plan. These narratives and attached IDIS reports and the information contained therein provide for measurable performance against stated performance objectives. Impacts of planned program performance have been evidenced in providing social/supportive services and promoting affordable housing. As indicated earlier, the County has been successful in establishing partnerships and developing collaborative efforts between area housing and supportive services agencies. In particular, the County has clearly supported and worked with numerous organizations to meet the housing and supportive service needs of the citizens of Knox County.

In addition to the measures of ensuring compliance with program and comprehensive planning requirements discussed on pages 23 and 24, Knox County Community Development will develop a local performance measurement system as per HUD's instructions and guidelines. The process will be in place by the first of the year and will allow us to identify performance concerns and goals, maximizing our limited resources within our office programs and with our CDBG and HOME funds subrecipients.

II. Community Development Block Grant Requirements

A. Use of CDBG Funds in Relation to Consolidated Plan Priorities, Needs, Goals, and Objectives

The highest need priorities identified in the 2002–2005 Consolidated Plan are categorized by the following activity parameters:

- To provide affordable housing opportunities.
- To provide community and economic development assistance to residents of Knox County.
- To provide assistance to the homeless.

CDBG funds were provided to support activities under each priority that solely benefits low to moderate-income individuals and families. Refer to Section I.A, Assessment of Three-Year Goals and Objectives for specific activities undertaken and accomplishments achieved. Also, Table 1 “Comparison of Goals and Actual Accomplishments” will provide an explanation of projects and accomplishments.

B. Nature and Reasons for Changes in Program Objectives

For all amendments to Knox County’s Consolidated Plan, please see the “Amendments” in the Appendix section of this CAPER.

C. Efforts in Implementing the Planned Activities

Knox County has overall been successful in implementing the projects described in the County’s Annual Action Plan. Also, Knox County pursued all resources as indicated, provided requested certifications of consistency and did not hinder Consolidated Plan implementation. See Section I.A, Assessment of Three-Year Goals and Objectives for a detailed narrative.

D. Compliance with National Objectives

Local community development activities must be designed to address one or more of the three national objectives:

- Eliminate slums, blight and blighting influences;
- Benefit low to moderate income persons and neighborhoods;
- Meet other urgent community needs imposing an immediate threat to safety and health.

All activities pursued in FY 2004/05 were focused on benefiting low and moderate-income persons (98.09%) through (see IDIS Report C04PR26):

- Direct provision of assistance (rehabilitation and water/sewer loans) to income qualified households;
- Direct provision of public services (youth programs, health care, civic involvement and homelessness education/prevention);
- Direct provision of service to persons qualified under the Limited Clientele benefit (homeless services, health care services, senior services and economic development/technical assistance);
- Assistance in construction for affordable housing development;
- Direct provision of assistance (park/public infrastructure improvements) to low to moderate-income neighborhoods.

E. Displacement and Relocation Activities

Knox County does not pursue activities that result in the permanent displacement of households, businesses, organizations and farms. However, in some limited rehabilitation cases, families need to be temporarily relocated in compliance with the Uniform Relocation Act (URA) while their homes are rehabilitated. During FY 2004/05, none of the aforementioned groups were permanently displaced or relocated as a result of CDBG activities, however three households were temporarily moved to rental housing while rehabilitation work was done on their property.

F. Economic Development/Job Creation Activities

During FY 2004/05, Knox County did not fund projects for economic development or job creation activities.

G. Nature and Location of Limited Clientele Activities

As required by HUD regulations, Knox County must provide a narrative on all CDBG activities that were designed to benefit low to moderate-income clientele (L/M clientele) but did not fall within the HUD's presumed L/M clientele classification. The following groups are presumed to be principally of L/M clientele:

- Abused children,
- Elderly persons,
- Battered spouses,
- Homeless persons,
- Severely disabled persons,

- Illiterate adults,
- Persons living with AIDS, and
- Migrant farm workers.

During the FY 2004/05, Knox County provided assistance to five organizations (CAC North Neighborhood Center, InterFaith Health Clinic, Knox Housing Partnership-homebuyer education, Tennessee Conference Community Development, and Luttrell-Blaine-Corryton Utility District) that did not serve persons in the above categories. In each case, Knox County required the organizations to have each client assisted by their program to complete an income verification form to ensure that at least 51% of those served are within the low to moderate-income limits. The forms are kept on file by the organizations and are monitored by Knox County as an added measure to ensure regulatory compliance. All the programs were verified by Knox County as conforming to the limited clientele guidelines.

H. Use of Program Income

During FY 2004/05, Knox County received \$80,900.54 in program income from various programs. The funds are recorded in IDIS and will be used for future affordable housing activities as dictated in the CDBG and HOME regulations.

I. Rehabilitation Program Activities

During FY 2004/05, Knox County provided residents with two rehabilitation programs. Knox County Community Development provides homeowners a non-interest bearing, forgivable loan to either rehab their homes to Knox County Code Guidelines or to connect or service their current water/sewer systems. Knox County provided 6 (plus 5 that were in process) homeowners with \$215,371 in CDBG assistance.

In addition to the above program, Knox County provided \$193,000 in CDBG funds to the Knoxville-Knox County Community Action Committee (CAC) to operate the Emergency Minor Home Repair program. This program provides minor rehabilitation assistance (< \$5,000) to elderly, disabled low-income and low-income residents of Knox County. Such repairs included (but were not limited to) handrails, flooring, doors, plumbing, windows, steps, decks and leaks in exterior walls. During FY 2004/05, 85 low-income households in Knox County were assisted by CAC's Minor Home Repair program. These funds were used in conjunction with \$42,828.45 in non-CDBG leveraged funding from PROJECT HELP (\$340), the Low Income Home Energy Assistance Program (17,250) and the Weatherization Assistance Program (\$25,268.45).



J. Neighborhood Revitalization Strategy Activities

Not Applicable. Knox County does not have any HUD-approved neighborhood revitalization strategies. For information on neighborhood revitalization strategies or on how to be designated as a neighborhood revitalization area, please contact Knox County Community Development at (865) 215-3980.

III. HOME Investment Partnership Program Requirements

A. Use of HOME Funds in Relation to Consolidated Plan Needs

The activities carried out under the HOME Program during FY 2004/05 included the following activities, which directly contributed to high priority needs identified in the Consolidated Plan. The Three-Year Consolidated Plan gave a high priority to addressing the housing problems of LMI elderly renters in addition to renters at or below 50% of the area median income (AMI). Also, high priority was given to all homeowners at or below 80% AMI. The Plan gave a medium priority to other low-income renters and extremely low-income renters.

<i>Housing Activity</i>	<i>Amount of Funding</i>
Rehabilitation and replacement of Owner-occupied housing	\$ 200,358.87
New construction of housing	\$ 310,280.92

Table 3: Knox County Loan Portfolio Summary at the end of this section summarizes KCCD’s housing rehabilitation loans.

B. Match Contributions Report

Please see HUD’s HOME Match Report in the Appendix section of this CAPER.

C. Minority Business Enterprises and Women’s Business Contracts Report

Please see HUD form 40107, Part III in the Appendix section of this CAPER.

D. Affordable Rental Housing Inspections Report

During FY 2004/05, all housing and elderly rental construction was inspected by the Knox County Codes Department to ensure compliance with local codes, ordinances and zoning ordinances at the time of each project completion. Inspections also ensured compliance with the Model Energy Code published by the Council of American Building Officials in addition to the Council of American Building Officials (CABO), One and Two Family Code. Also, Knox County’s Construction Consultant regularly monitors HOME projects to ensure buildings are receiving appropriate maintenance to increase the useful life of the buildings/structures. No code violations were found on any HOME project during the reporting year.

E. Affirmative Marketing and Outreach Activities

During the FY 2004/05 program year, no project consisted of more than five HOME-assisted housing units. However, in the next program year one project will consist of more than five HOME-assisted units and therefore, Knox County Community Development will follow the policies and procedures as listed:

- When informing the public, owners, potential tenants about the Federal fair housing laws and affirmative marketing policy the Equal Housing Opportunity logotype or slogan will be used in press releases and solicitations for owners, and written communication to fair housing and other groups.
- Owners of rental units containing five or more units will require the Equal Housing Opportunity logotype or slogan in advertising and display of the fair housing poster.
- Owners will be required to maintain data including racial and ethnicity of households displaced as a result of program activities.
- Owners will be required to maintain data of tenants including how potential applicants were informed of the housing opportunities.
- Procedures to be used by owners to inform and solicit applications from persons in the housing market area that are not likely to apply for the housing without special and or nontraditional outreach.
- Maintain records on: racial, ethnic and gender characteristics of owners of projects rehabilitated with HOME funds.
- Maintain information pertaining to the race and ethnicity of households displaced as a result of program activities.
- Maintain copies of advertisement or meeting notices placed in the *Knoxville News Sentinel* and community papers.
- Maintain records describing actions taken by the participating jurisdiction and by owners to affirmatively market units and records to assess the results of these actions.
- Maintain a description of how the participating jurisdiction will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

Also, Knox County undertook the following activities to encourage participation by minorities and women owned business:

- The County held a “HOW TO DO BUSINESS WITH KNOX COUNTY” seminar and technical assistance workshop on June 19, 2004. The seminar was developed by Knox County’s Supplier Diversity Coordinator in connection with all County departments.

- The County solicits minority and women participation on specific projects through continuation of direct invitations and notices of bid opportunities to minority contractors. Announcements of contracting opportunities are published in the *Knoxville News Sentinel*.

F. Use of Program Income

All program income received from various programs and loans is receipted in HUD's Intergraded Disbursement Information System (IDIS). All receipted funds will be used for future affordable housing activities as dictated in the CDBG and HOME regulations.

Table 4: Knox County Loan Portfolio Summary

<i>Single-Unit Housing Rehab</i>	<i>Total Number</i>	<i>Principal Balance</i>
AMORTIZED, DEFERRED AND FORGIVABLE LOANS		
Amortized Loans/CDBG, HOME & HOME Program Income	167 98-CDBG/63-HOME/ 6-HOME PI	\$ 2,473,696.74
Amortized HOP Loans	2	\$ 18,341.99
Forgivable Loans/CDBG & HOME	153 131-CDBG/22-HOME	\$607,822.76
Deferred Loans/CDBG (RELEASED)	0	\$ 0
THDA's BNI Loans	3	\$ 77,890.83
Forgivable HOP Loan (RELEASED)	1	\$9,854.82
Amortized/ Forgivable THDA Loans	126	\$702,291.61
Forgivable Loans/ADDI	10	\$50,000.00
Forgivable Loans/DAP	4	\$20,000

Program Income Generated from Loan Repayments and Payoffs

<i>Amortized Loan Repayments</i>	<i>Forgivable & Deferred Loan Payoffs</i>
CDBG - \$ 72,346.33	Forgivable CDBG - \$ 8,554.21
HOME - \$ 60,181.90	Deferred CDBG - \$ 0 (RELEASED)
HOP - \$ 1,248.40	Forgivable HOME - \$0
THDA-BNI - \$1,216.11	Forgivable THDA - \$2,021.72
THDA - \$30,782.49	



Appendix



Consolidated Plan Amendments

AMENDMENTS AND SUBSTANTIAL AMENDMENTS
Knox County Housing & Community Development Consolidated Plan
Program Years 2001 & 2004

Introduction

The Consolidated Plan regulations (24 CFR 91.505) require Knox County Department of Community Development (KCCD) to amend its approved Consolidated Plan and notify HUD at the end of the program year whenever it makes one of the following decisions:

1. To change allocation priorities or change the method of distributing funds.
2. To carry out an activity, using CDBG and HOME funds (including program income), not previously described in the Annual Action Plan.
3. To change the purpose, scope, location, or beneficiaries on an activity previously approved in an Annual Action Plan.

However, in the event that KCCD changes the use of CDBG funds from one eligible activity to another, KCCD will notify the public and provide a 30-day public comment period before the amendment is implemented. Amendments of this nature are defined by HUD as *substantial amendments* under 24 CFR 91.105(c)(1).

The following section outlines the substantial amendments proposed by Knox County Community Development.

Proposed Amendments

NEW PROJECT

KCCD plans to reallocate \$50,000 in CDBG funds from the Emergency Heating & Air Program to fund the Downpayment Assistance Program. The creation of the DAP program was required to help meet the demand for assistance of first-time homebuyers seeking limited American Dream Downpayment Initiative (ADDI) funds. Knox County dispersed its two-year allotment of ADDI funds in the first five month of the program. As a result of the unforeseen need, Knox County will use prior unspent CDBG funds to help 5 low to moderate-income families purchase their first home. KCCD proposes reprogramming these funds to activity matrix code 13, Direct Homeownership Assistance as per 24 CFR 570.201(n).

CANCELED/TRANSFERRED PROJECTS

KCCD proposes to transferring \$4,000 in CDBG funds from the FY 2001/02 Annual Action Plan, Public Improvements project to the FY 2004/05 Annual Action Plan. The funds will be used to assist in the rehabilitation of the Interfaith Health Clinic. KCCD proposes reprogramming these funds to activity matrix code 03, Public Facilities and Improvements (General) as per 24 CFR 570.201(c).



In the FY 2004/05 Annual Action Plan, KCCD stated that Knox County would use \$50,000 in CDBG funds to fund an emergency heating and air program for LMI homeowners. Due to the overwhelming response to the ADDI program, Knox County plans to reallocate these funds to the new Downpayment Assistance Program.

Public Input for these Amendments

An advertisement in the Knoxville News-Sentinel on December 29, 2004 announced the amendments, listed a date for the comment period and provided contact information for anyone wishing to offer comments. No comments were received by the closing date of February 10, 2005.



CDBG Financial Summary IDIS Report C04PR26



Activity Summary (GPR) IDIS Report C04PR03



Summary of Consolidated Plan Projects IDIS Report C04PR06



Community Development Accomplishments IDIS Report C04PR23



HOME Match Report HUD-4107-A



MBE/WBE Report HUD Form-4107, Part III



Contract and Subcontract Activity HUD Form-2516



CAPER Public Hearing Ad



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