



CONSOLIDATED ANNUAL PERFORMANCE and EVALUATION REPORT
Knox County, Tennessee
Program Year 2005 (July 1, 2005- June 30, 2006)

TABLE OF CONTENTS

Section Page
I. Introduction 1
II. General Assessment 2
A. Assessment of Five-Year Goals and Objectives 2
B. Affirmatively Furthering Fair Housing 13
C. Affordable Housing 14
D. Continuum of Care 15
E. Other Actions 20
F. Leveraging Resources 24
G. Citizen Participation and Comments 25
H. Self-Evaluation 27
III. Community Development Block Grant Requirements 28
A. Use of CDBG Funds in Relation to Consolidated Plan Priorities, Needs, Goals, and Objectives 28
B. Nature and Reasons for Changes in Program Objectives 28
C. Efforts in Implementing the Planned Activities 28
D. Compliance with National Objectives 28
E. Displacement and Relocation Activities 29
F. Economic Development/Job Creation Activities 29
G. Nature and Location of Limited Clientele Activities 29
H. Use of Program Income 30
I. Rehabilitation Program Activities 30
J. Neighborhood Revitalization Strategy Activities 30
K. Elimination of Slums and Blight 30
IV. 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 31
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 -----	26
4.	Knox County Loan Summary Portfolio-----	33



## I. Introduction

### **Consolidated Annual Performance and Evaluation Report (CAPER)**

The Knox County 2005-2010 Consolidated Plan (Con Plan) for housing and community development guides the allocation of Federal resources received from HUD identifying affordable housing and non-housing community development needs as well as strategies for addressing these needs. Each year the CAPER summarizes how Knox County met the objectives and goals as outlined in the Con Plan's five-year Strategic Plan.

At the end of each fiscal year, the County must prepare a CAPER to provide information to HUD and citizens as to the year's accomplishments. This information allows HUD, County officials, and the public to evaluate performance and determine the extent to which the activities undertaken during the fiscal year meet the Con Plan Strategic Plan. This annual performance report, prepared with public review and comment, is submitted to HUD annually 90 days after the end of the program year (July 1-June 30).

Knox County Community Development (KCCD) is designated by Knox County as the single point of contact with HUD and lead agency for grant administration of the following programs:

- Community Development Block Grant; and
- HOME Investment Partnerships Program (HOME).

As the single point of contact with HUD, KCCD is responsible for coordinating the development of the FY 2005-2006 CAPER. The CAPER is prepared with the involvement of KCCD management, planning and administrative staff, and non-profit organizations. The citizen participation process for the CAPER involves a public review and comment period followed by a public hearing to allow Knox County citizens the opportunity to evaluate the information.

The draft report becomes available for public review and comment beginning September 1, 2006. Copies will be placed at the Knox County Downtown Public Library, the Bonny Kate Branch, Carter Branch, Cedar Bluff Branch, Farragut Branch, and West Knoxville Branch. During the review and comment period KCCD staff will continue to refine the partnership and activity narratives for this reporting period. All comments received will be included in the CAPER along with those received during the public hearing.

## II. General Assessment

### A. Assessment of Five-Year Goals and Objectives

The Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year 2005-2006 (FY 2005/06) outlines how Knox County made progress toward the goals, objectives and priorities described in the 2005-2010 Consolidated Plan's five-year Strategic Plan. Specifically, this general assessment indicates the extent to which the County met the goals and objectives contained in the 2005 Action Plan. The County's accomplishments during the program year are described and organized below by activity parameters according to the County's housing and community goals.

- **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. Detailed information on funding expenditures is summarized in the activity and grant reports that are included in the Appendix section of the CAPER.

In addition to Table 1, Table 2 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 2005/06 for projects listed 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 through into the next reporting year. Delays, project development, project time tables, etc. result in extra time needed to complete the activity/project reported in a prior Action Plan. Additionally, 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 which may cause projects to be "carried over" into other reporting years. Knox County Community Development will provide any citizen with a copy or copies of previous CAPERs identified with the 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 Consolidated 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 build affordable rental units.
- Provide Community Housing Development Organizations (CHDOs) with funds for the development of affordable rental units for low and moderate-income seniors.
- Help low-income households remain in their homes by providing housing rehabilitation funding.
- Provide water and/or sewer connection funding so that low-income households may remain in their homes.
- Provide closing costs and downpayment assistance through the ADDI program to help low-income persons/families acquire their first home.
- Provide housing rehabilitation assistance to low-income elderly, disabled, or female-headed homeowners.

**2005/06 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 2005/06, KCCD experienced several changes in the rehab program organization that precluded assistance. The consultant for rehab and construction left the position in December and the Public Building Authority (PBA) assumed oversight in January 2006 of all County construction, including all projects within Community Development. PBA is working with several staff members to ensure that the goals and objectives of this program are met. Additionally, this office has worked more intensely with the Knox County Purchasing Department for the rehab process. We are continuing to move forward with the program and anticipate this to be a much smoother year. Six households are ready to bid for the 2006/07 program year with four being reconstructions. KCCD is currently evaluating non-traditional housing for reconstructions and should make a determination during the Fall of 2006. 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 is available to eligible residents who have access to existing service. In FY 2005/06, eight households were served with a breakout including five elderly, four special needs and three female-headed. Of the 8 loans that were funded, \$47,185 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, disabled and female-headed low-income households in Knox County. Such repairs included (but were not limited to) handrails, flooring, doors, plumbing, windows, steps, decks and leaks in exterior walls. During FY 2005/06, 98 low-income households received assistance, far exceeding their goal of 75. The vast majority (67) of those assisted were below 30% of the Area Median Income adjusted for family size and only 3 were 80%. Additionally, 67 households were female-headed and 59 were first time clients of the program.

**Child and Family of Tennessee:** Activity on the \$227,500 in planned renovations for the "Great Starts" Apartment building that includes \$40,700 for the daycare will begin during the 2006/2007 program year. The Public Building Authority will have responsibility for oversight of the work pertaining to safety and code issues and the work being in compliance with design. These apartments provide permanent supportive housing for women with mental illnesses who historically have been unable to sustain conventional lease agreements.

**Knox Housing Partnership (Willow Place Senior Housing Development):** Knox Housing Partnership (KHP) completed construction on 20 units of senior housing at the Willow Place apartment complex on Oak Ridge Highway. There are 16 one-bedroom and 4 two-bedroom units. Fifteen apartments are under lease with the remaining five to be placed as soon as information is verified and approved. Many of the tenants receive Section 8 voucher assistance and one came from a mold-infested trailer. All units have energy star appliances and windows and three are Section 504 accessible. Residents are 62 years of age and older. Knox Housing Partnership is responsible for management of the property. Funding for the project included Knox County HOME and CHDO set-aside funds, THDA HOME funds, KHP's available THDA HOUSE funds, and private bank financing. The total project cost was \$1,833,351.33.

**Low-Mod Rental Housing Development:** During the program year, Knox County Housing Authority (KCHA) requested and received their HOME payments for property acquisition and soft costs associated with the Homeplace Apartments complex located in North Knox County. Construction is slated to begin late fall or early winter. Tax Credits are a large part of the project financing with First Tennessee Bank Memphis providing \$2,388,000 for a total project cost of \$3,119,612. Knox County Housing Authority is responsible for the development and management of the project under their 501(c)(3) nonprofit, "Homeplace Apartments LP".

**Knoxville Habitat for Humanity (KHFH):** Construction began during the winter of 2006 for 40 units of single-family housing in the "October Woods" subdivision, located at Rising Road and Terry Road in East Knox County. The project cost is estimated to be \$3,700,000 of which Knox County provided \$200,000 in HOME funds for the acquisition and some infrastructure. The majority of the construction

funding is through their Covenant Partners Relationships Program and revolving mortgages and grants. Through June 2006, three of the ten units designated as "HOME-assisted" were purchased and have a \$20,000/20-year deed and note with Knox County. KHFH is estimating that by the end of 2006 all remaining "HOME" units will be purchased.

**Knox Housing Partnership (KHP) CHDO Set-Aside:** As Knox County's sole Community Housing Development Organization (CHDO), KHP received \$67,476 in HOME/CHDO set-aside funding to be used in the construction of Willow Place Senior Apartment Complex. The apartments completed in June and lease-up began immediately for seniors 62 years and older.

**Knox County's Downpayment Assistance Program:** During the 2005 program year, Knox County provided 3 low-income households with downpayment and closing cost assistance to purchase their first home. The program used \$9,258 in American Dream Downpayment Initiative (ADDI) funds and \$10,000 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 Consolidated 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 public infrastructure improvements in rural LMI areas in Knox County.
- 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.

### 2005/06 Accomplishments:

The County supported the following program and/or organizations in FY 2005/06 with CDBG funds. These providers have helped meet the community and economic development needs of Knox County.

**InterFaith Health Clinic (IHC):** InterFaith was awarded \$86,000 in CDBG funds that filled the gap between government subsidized insurance programs and private insurance to provide 406 low-income, working uninsured with affordable, quality

health care. Patients were 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.

**Luttrell-Blaine-Corryton Utility District (LBCUD) Water Line:** The design, engineering and permits for the water line project took place all through the 2005/2006 program year with LBCUD beginning installation of the approximately 13,400 linear feet of 4" and 6" waterline on Longmire, McBee and Eva Roads after the June 30<sup>th</sup> deadline. The waterline should service 47 households that currently receive water from their well with project completion anticipated during the fall of 2006.

**Riverbirch Community Senior Center:** Knox Housing Partnership (KHP) changed the name to **Willow Place** prior to the June completion date to correspond with the overall change of the apartment complex from Riverbirch II to Willow Place (senior apartment complex). Willow Place Community Senior Center is over 2500 square feet with a kitchen and large open space for cards, crafts, parties, and other activities. KHP will be working with the residents for their suggestions and recommendations.

**Tennessee Conference Community Development (TCCD):** Knox County provided \$300,000 in CDBG program funds for Phase I renovation of the Hardy Professional Building to house the east branch of the Knox County Health Department. The building is located in an area that qualifies as spot basis slum and blight as outlined in our Consolidated Plan. Completion of the improvements is expected in the Fall of 2006.

**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 funds to an organization that assists low-income citizens with supportive services.
- 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.

**2005/06 Accomplishments:**

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

**North Family Support Center (NNC):** 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.). NNC provides utility assistance, mortgage assistance, identifies area pantries that distribute food and clothing, and connects elderly households to CAC's Transportation and Mobile Services. The County allocated \$15,000 in CDBG funds to assist the NNC, which anticipated that 350 people would receive assistance in FY 2005/06. The NNC actually served 569 people with 315 receiving an annual income of 30 percent or less.

**Volunteer Ministry Center (VMC):** Knox County awarded \$30,000 in CDBG funds to VMC for the operation of The People's Clinic, a grassroots collaborative initiative designed to provide basic healthcare for the indigent and homeless in the Knox County area. The goal of The People's Clinic is to provide high quality health care, mental health counseling and dental care to this underserved population by increasing accessibility and the likelihood of follow-up care. The Clinic is staffed with professional volunteers from the medical, dental and mental health fields and over the course of the program year, the volunteer staff doubled in size. VMC dispenses prescriptions for patients from emergency room discharges, mental health facilities and clinic visits, thereby providing a continuum of care effort to prevent episodes and crisis intervention. In addition to the above services, VMC offers a Saturday clinic once a month for the Hispanic/Latino community. For the 2005/2006 funding year, VMC served a total of 871 patients.

**Parkridge Harbor:** Knox County provided \$50,000 in CDBG funds to Parkridge Harbor for services assisting low-income citizens including homeless, mentally ill, elderly, A/D addicted, veterans and victims of domestic violence with food preparation, medical assistance, counseling, education and housing. Through the program year they assisted 107 individuals, including 65 extremely low-income persons with comprehensive case management services.

**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, disabled and female-headed low-income households in Knox



County. Such repairs included (but were not limited to) handrails, flooring, doors, plumbing, windows, steps, decks and leaks in exterior walls. During FY 2005/06, 98 low-income households received assistance, far exceeding their goal of 75. The vast majority (67) of those assisted were below 30% of the Area Median Income adjusted for family size and only 3 were 80%. Additionally, 67 households were female-headed and 59 were first time clients of the program.

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

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

National Goals	KCCD Outcome	Consolidated Plan Priority Strategy	Objectives	Proposed Actions	Proposed/Actual Accomplishments by Program Year	
Decent Housing	Provide Viable Housing Opportunities	Expand and preserve affordable rental housing opportunities.	Provide funds to nonprofit housing providers to rehabilitate affordable rental units.	2005: Provide \$227,500 in CDBG funds to Child and Family Tennessee for the rehabilitation of (Great Starts) Building 1B.	Proposed 2005: 8 units 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 8 units	Actual 2005: Carried Over 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: Carried Over
Decent Housing	Provide Viable Housing Opportunities	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.	2005: Provide \$67,476 in CHDO set-aside funds to Knox Housing Partnership to be used in conjunction with prior year funding to complete the construction of Willow Place Senior Apartment Complex	Proposed 2005: N/A 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: N/A	Actual 2005: 20 units 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 20 units
Decent Housing	Provide Viable Housing Opportunities	Increase and preserve affordable homeownership opportunities	Help low-income households remain in their homes by providing housing rehabilitation funding.	2005: Provide \$327,329 in HOME funds for Knox County's Housing Rehabilitation program.	Proposed 2005: 6 units 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 6 units	Actual 2005: 0 units 2006: units 2007: units 2008: units 2009: units Total: 0 units
Decent Housing	Provide Viable Housing Opportunities	Increase and preserve affordable homeownership opportunities	Help low-income households remain in their homes by providing water/sewer connection funding.	2004: Provide \$75,000 in CDBG funds for Knox County's Water/Sewer Connection Program.	Proposed 2005: 10 units 2006: units 2007: units 2008: units 2009: units Total: 10 units	Actual 2005: 8 units 2006: units 2007: units 2008: units 2009: units Total: 8 units



National Goals	KCCD Outcome	Consolidated Plan Priority Strategy	Objectives	Proposed Actions	Proposed/Actual Accomplishments by Program Year	
Decent Housing	Provide Viable Housing Opportunities	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.	2005: Provide \$200,000 in CDBG funds to help the Knoxville/Knox County Community Action Committee provide home repair assistance including flooring, doors, windows, steps, plumbing, ramps, etc.	Proposed 2005: 75 units 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 75 units	Actual 2005: 98 units 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 98 units
Decent Housing	Provide Viable Housing Opportunities	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.	2005: Provide \$15,000 in CDBG funds to Community Action Committee North Neighborhood Center for crisis management for people at high risk of becoming homeless.	Proposed 2005: 350 people 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 350 people	Actual 2005: 569 people 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 569 people
Decent Housing	Provide Viable Housing Opportunities	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.	2005: Provide \$16,747 in HOME ADDI funds to LMI first-time homebuyers for closing costs and downpayment assistance.	Proposed 2005: 3 units 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 3 units	Actual 2005: 2 units 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 2 units
Provide a Suitable Living Environment Strengthen	Community Ties	Promote livable communities and community redevelopment.	Provide funds to an organization that assists low-income citizens with supportive services.	2005: Provide \$50,000 in CDBG funds to Parkridge Harbor for services assisting low-income citizens including homeless, mentally ill, elderly, A/D addicted, veterans and victims of domestic violence with food preparation, medical assistance, counseling, education and housing.	Proposed 2005: 110 people 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 110 people	Actual 2005: 107 people 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 107 people
Provide a Suitable Living Environment	Strengthen Community Ties	Promote livable communities and community redevelopment.	Partner with other organizations to provide basic health care for the indigent and homeless.	2005: Provide \$30,000 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 2005: 800 people 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 800 people	Actual 2005: 871 people 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 871 people



National Goals	KCCD Outcome	Consolidated Plan Priority Strategy	Objectives	Proposed Actions	Proposed/Actual Accomplishments by Program Year	
Provide a Suitable Living Environment	Strengthen Community Ties	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 54 households living in a LMI area of Northeast Knox County that is not presently being served.	Proposed 2005: Carried Over 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: Carried Over	Actual 2005: Carried Over 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: Carried Over
Provide a Suitable Living Environment	Strengthen Community Ties	Promote livable communities and community redevelopment.	Provide assistance to an organization that provides health care to low-to-moderate income individuals.	2005: Provide InterFaith Health Clinic with \$86,000 in CDBG funds for health care and medicines for low to moderate-income clients who cannot afford health care/insurance.	Proposed 2005: 264 people 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 264 people	Actual 2005: 406 people 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 406 people
Provide a Suitable Living Environment	Strengthen Community Ties	Promote livable communities and community redevelopment.	Provide assistance to an organization for renovation of a public facility that will provide health care services for low and moderate-income citizens	2005: Provide \$300,000 in CDBG funds to Tennessee Conference Community Development for Phase I renovation of the Hardy Professional Building to house the east branch of the Knox County Health Department.	Proposed 2005: 1 Facility 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 1 Facility	Actual 2005: Carried Over 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: Carried Over
Provide a Suitable Living Environment	Strengthen Community Ties	Promote livable communities and community redevelopment.	Fund public facilities improvement of a nursery associated with the "Great Starts" program	2005: Provide \$40,700 in CDBG funds to Child and Family Tennessee for rehabilitation of the nursery to coincide with the rehabilitation of the apartment building associated with the "Great Starts" Program.	Proposed 2005: 1 facility 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: 1 facility	Actual 2005: Carried Over 2006: N/A 2007: N/A 2008: N/A 2009: N/A Total: Carried Over
Other HUD-approved Activities			2005: Use \$241,780 in CDBG funds and \$44,983 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

Plan YR	Project #	Project/Activity	Committed Amount	Amount Drawn in Report YR	Remaining Balance
	0001	General Administration (HOME)	\$44,983	\$27,843.61	\$1,755.59
	0002	Owner-Occupied Single Family Housing Rehabilitation (HOME)	\$327,379	\$141,132.45	\$89,115.00

**B. Affirmatively Furthering Fair Housing**

The County continues to offer and participate in fair housing endeavors for 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:**

- 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.

**2005/06 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. ECHO has three objectives: (1) Work collaboratively with resource agencies and organizations that provide referrals and contacts to the public regarding fair housing and equal opportunity rights; (2) Actively assist in the distribution of Federal, state and local ordinances, brochures, fliers, and working with the media in assessing the fair housing needs of the community and identifying problems and issues; and (3) Sponsoring public forums, i.e., conferences, workshops, etc., that address various programmatic aspects of fair housing and equal opportunity. Activities undertaken during the year include Dr. Martin Luther King, Jr. Holiday Celebration, Endowed Scholarship at the University of Tennessee, Fair Housing and Equal Opportunity Conference, Neighborhood Bus Tour, and Homeless Interaction.

**Knoxville Area Fair Housing and Equal Opportunity Conference:** The Fair Housing Conference is held during the month of April to coincide with Fair Housing Month. ECHO is responsible for the area conference that addresses timely issues and

invitations are extended to housing practitioners, advocacy groups and the general public. Knox County is actively involved and a sponsor of this conference. This year's theme was "Embracing Knowledge, Power and Diversity". 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 II.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 II.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>
<b>0 – 30% AMI</b>	0	0	0
<b>31 – 50% AMI</b>	5	0	0
<b>51 – 80% AMI</b>	10	0	0
<b>TOTAL</b>	<b>15</b>	<b>0</b>	<b>0</b>

<i>Owners</i>	<i>New Construction</i>	<i>Homebuyers</i>	<i>Rehabilitation</i>
<b>0 – 30% AMI</b>	0	0	71
<b>31 – 50% AMI</b>	2	2	30
<b>51 – 80% AMI</b>	1	0	5
<b>TOTAL</b>	<b>3</b>	<b>2</b>	<b>106</b>

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

<i>Racial/Ethnic Classification</i>	<i>Totals</i>
White	105
Black/African American	21
Asian	0
American Indian/Alaskan Native	0
Native Hawaiian/Pacific Islander	0
American Indian/Alaskan Native/White	0
Asian/White	0
Black/African American/White	0
American Indian/Alaskan Native/Black	0
Other Multi-Racial	0
<b>TOTAL</b>	<b>126</b>

**D. Continuum of Care 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.

Knox County’s primary aim with regard to homeless and special needs populations continues to be ensuring that a network of services leading to greater self-sufficiency and a continuum of housing opportunities are in place for those presently homeless or at risk of becoming homeless. During FY 2005/06, 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 2005/06, please see section II. A.

#### **Ten-Year Plan:**

Homelessness is a major challenge for Knoxville and Knox County. In 2005 Mayors Bill Haslam and Mike Ragsdale convened a task force to develop a ten-year plan to end chronic homelessness. While there are no simple solutions, the complexity of homelessness underscores the need for all sectors-social and health services, government, business providers and consumers, neighborhoods, and churches-to work together toward solutions. The ten-year plan offers a framework for ending the institution of homelessness. It is the beginning of a long-term process that offers a long-range comprehensive approach to help homeless persons gain stability in permanent housing. The Knoxville and Knox County Plan supports state, regional, and Federal efforts.

Knox County includes the gaps analysis table in its Consolidated Plan and priority need analysis, which strengthens the linkage to the broader human service, housing and community development planning processes. Identifying gaps and priorities is an integral part of the Continuum of Care development process. The Coalition will continue its point-in-time surveys to obtain accurate, unduplicated counts of the number of homeless people in the County as of a given date. It will continue to enhance planning and service delivery by continuing the bi-annual studies and analyze the characteristics and service needs of homeless persons.

Knox County's continuum of Care system provides all of the fundamental components of prevention, outreach, intake and assessment, transitional housing with necessary support and rehabilitative services, and permanent housing or permanent supportive housing. The following are strategies that offer a different approach to the problem of chronic homeless.

1. **Move People into Housing First:** The most critical issue facing homeless people – the lack of permanent housing – must be the first and most important issue to be addressed. The housing first approach combines affordable, permanent housing with the support services necessary to increase self-sufficiency to remain in permanent housing.
2. **Stop Discharging to the Streets:** Institutions such as mental health hospitals and jails usually lack referral services with access to permanent supportive housing. The result is that far too many individuals are discharged directly to emergency shelters or the streets. This pattern is also evidenced in the foster care system as young people are discharged at age 18 and experience a high risk of becoming homeless.
3. **Increase coordination and Effectiveness of Service:** he existing service delivery system has been criticized as being ineffective, fragmented, and too frequently

duplicating services. The task force reviewed the current system and concluded that service coordination and effectiveness of services can be increased through (1) coordinated case management, (2) outreach and engagement, (3) single point of entry into the service system, and (4) designated agency function-coordination and specialization of the major shelters and services.

4. **Increase Economic Opportunities:** Lack of employment, income, and economic opportunity are often identified as major causes of homelessness. Although many homeless individuals report being employed or having occasional work, many of the jobs they hold are of such a nature and skill level that they do not provide adequate wages and benefits for self-sufficiency. As part of the effort to solve chronic homelessness, it is crucial to maximize income and achieve economic stability.
5. **Implement New Data collection Methods:** Through the implementation of a Homeless Management Information System (HMIS), more reliable, comprehensive information about homelessness in our community can be found. The HMIS is a centralized internet-based system that provides a database of homeless information. Shelters, housing providers, service agencies, and others who work with the homeless can share client information, with the strictest bounds of individual privacy and confidentiality. It provides for the collection of accurate and timely data on numbers of homeless persons in the community, patterns of homelessness, information on effective service delivery, as well as provide data to guide agency and community planning for improved and targeted services delivery.
6. **Develop Permanent Solutions:** The task force has identified a number of key elements, along with housing first, that will move permanently and cost-effectively address chronic homelessness. These include the establishment of a detoxification facility, and broad implementation of the HMIS system.
7. **Strengthen Partnerships with Faith-Based Organizations:** This Plan recognized the importance of partnerships with faith-based organizations, and the Task Force considers these organizations to be one of the critical components in the Plan to develop permanent solutions to homelessness. Central to all the recommendations is coordination throughout the community to focus efforts efficiently and effectively.
8. **Recognize Homelessness as a Community Challenge:** Ending chronic homelessness is a challenge for the entire community. It will require cooperative effort by government agencies, private and public services, businesses, faith-based organizations, and neighborhoods. This plan calls for a coordinated effort to inform and communicate with the broader community about homelessness.
9. **Prevent Homelessness:** The Federal Interagency Council on Homelessness speaks of prevention as “closing the front door” to homelessness. Homeless prevention is any action that prevents an individual or family from losing their housing. Providing services and assistance that contribute to housing stability, such as assistance with rent or utility bills, can be preventative. Additionally, case management and preventive protocols for individuals being discharged from hospitals, state institutions, and foster care should be implemented to break the cycle of homelessness before it starts. Regardless of the level of prevention, identifying persons at risk, early intervention, or breaking the cycle of

chronic homelessness, it is critical to utilize strategies that have been demonstrated to be effective.

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 participated in the 4<sup>th</sup> Annual Senior Summit held November 2005. 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, in partnership with the City of Knoxville, has established a grant committee that is responsible for locating grant opportunities as well as combining resources to address underserved needs in the community.
- Knox County translated informative brochures from English to Spanish.

### 2. Foster and Maintain Affordable Housing

As described in section II. A. of this report, Knox County has planned and implemented many activities that foster and maintain 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 Willow Place Elderly Development, Knox County Housing Authority's 40-unit development, Habitat for Humanity's 40-unit homeowner housing development, and Child & Family's Great Starts Apartment 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 II. 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 2006/07 applications available by the first of 2007.

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.
  - Parkridge Harbor, 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 continues to partner with the Knox County Housing Authority (KCHA) in encouraging public housing residents to participate the American Dream Downpayment Initiative Program and to work with non-profits for purchase of their first home.

#### **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 II. 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 \$45,717.86 in Weatherization, Project HELP (non-federal) and Low Income Heating and Energy Assistance Program (LIHEAP) funds to aid 60 County residents. These contributions were combined with \$182,438.71 in CDBG funds to provide home repair for 98 households of which 67 were at 30 percent of HUD poverty guidelines.
- **CAC North Family Support Center (NNC)** leveraged \$1,980 for their summer cooling program serving 123 households, \$92,950 for the LIHEAP serving 730 households, and 5,610 for Project Help serving 73 households. In addition, the NNC provided \$13,249.34 for direct financial assistance to 230 households to prevent electric and water utility shut-off; \$2,840 spent for 18 households to prevent eviction; and \$8,028.91 to avoid 30 mortgage foreclosures.
- **InterFaith Health Clinic** provided over \$110,000 on medications and dispensed 1.75 million in total wholesale value to their patients.
- **Knox Housing Partnership (KHP)** leveraged over \$400,467 in private bank financing, \$90,000 in previously provided HOUSE funds, \$500,000 from a THDA HOME Grant, and \$2,575 in other Awardee funds for the Willow Place Senior Apartment complex. The total project cost was \$1,833,351.33.

## **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.

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 2005/06 Process**

A 15-day review period is provided for the CAPER. The CAPER was available for public review and comment from September 1 through September 15, 2006. The report was available at the office of Knox County Community Development and distributed at the September 15<sup>th</sup> 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](http://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 15, 2006, 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.

Problems associated with the County's own housing rehabilitation program are being addressed and should show marked improvement in the future months. Impacts of planned program performance have been evidenced in providing social/supportive services and promoting affordable housing. We are excited that 20 units of senior housing were made available at the end of the program year. The Willow Place senior apartment complex is successfully leasing and has a meeting planned with the tenants for the fall to discuss activities desired for the on-site Community Center. 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 clearly continues to work with numerous organizations to meet the housing and supportive service needs of the citizens.

In addition to the measures of ensuring compliance with program and comprehensive planning requirements, Knox County Community Development has developed a local performance measurement system as per HUD's instructions and guidelines. The process was in place for the 2006 Annual Action Plan and will allow us to identify performance concerns and goals, maximizing limited resources within our office programs and with our CDBG and HOME funds subrecipients.

### **III. 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 2005–2010 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 II.A, Assessment of Five-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 II.A, Assessment of Five-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 2005/06 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 (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 2005/06, none of the aforementioned groups were permanently displaced or relocated as a result of CDBG activities.

#### **F. Economic Development/Job Creation Activities**

During FY 2005/06, 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 2005/06, Knox County provided assistance to two organizations (CAC North Neighborhood Center and InterFaith Health Clinic) 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 2005/06, Knox County received \$113,471.93 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 2005/06, Knox County offered residents two rehabilitation programs. The first is a owners 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. Due to extenuating circumstances, Knox County was unable to complete rehabilitation and reconstruction activities during the program year.

In addition to the above program, Knox County paid \$182,438.71 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 2005/06, 98 low-income households in Knox County were assisted by CAC's Minor Home Repair program. These funds were used in conjunction with \$45,717.86 in non-CDBG leveraged funding from PROJECT HELP (\$340), the Low Income Home Energy Assistance Program (\$19,962) and the Weatherization Assistance Program (\$25,415.86).

**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.

**K. Elimination of Slums and Blight**

During the program year Knox County provided \$300,000 in CDBG funding to Tennessee Conference Community Development (TCCD) for Phase I renovation of the Hardy Professional Building. The renovation, anticipated to complete in the Fall of 2006, qualified on a "spot basis" for the elimination of slums and blight as outlined in the Consolidated Plan.

**IV. 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 2005/06 included the following activities that directly contributed to high priority needs identified in the Consolidated Plan. The Five-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 reconstruction of owner-occupied housing	\$ 0
New construction of senior rental housing	\$ 67,476.00

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 2005/06, 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, the Public Building Authority (PBA) 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 2005/06 program year, KHP completed construction of the Willow Place Senior Apartments that contain twenty HOME-assisted housing units. Knox County Community Development followed 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 under took the following activities to encourage participation by minorities and women owned business:

- The County held several workshops and technical assistance seminars during the 2005/06 program year including, "HOW TO DO BUSINESS WITH KNOX COUNTY," and "DOING BUSINESS WITH LOCAL GOVERNMENT," in addition to small business and construction seminars. The seminars are 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 Intergrated 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>
<b>AMORTIZED, DEFERRED AND FORGIVABLE LOANS</b>		
<b>Amortized Loans/CDBG, HOME &amp; HOME Program Income</b>	<b>163</b> 94-CDBG 64-HOME 5-HOME PI	<b>\$ 2,527,422.21</b>
<b>Amortized HOP Loans</b>	<b>2</b>	<b>\$ 17,194.91</b>
<b>Forgivable Loans/CDBG &amp; HOME</b>	<b>154</b> 134-CDBG 20-HOME	<b>\$503,029.62</b>
<b>Deferred Loans/CDBG (RELEASED)</b>	<b>0</b>	<b>\$ 0</b>
<b>THDA's BNI Loans</b>	<b>3</b>	<b>\$ 76,927.37</b>
<b>Forgivable HOP Loan (RELEASED)</b>	<b>1</b>	<b>\$8,869.33</b>
<b>Amortized/ Forgivable THDA Loans</b>	<b>118</b>	<b>\$629,992.64</b>
<b>Forgivable Loans/ADDI</b>	<b>10</b>	<b>\$40,000.00</b>
<b>Forgivable Loans/DAP</b>	<b>4</b>	<b>\$30,000</b>



**Program Income Generated from Loan Repayments and Payoffs**

<i>Amortized Loan Repayments/Payoffs</i>	<i>Forgivable Loan Payoffs</i>
CDBG - \$ 107,152.69	CDBG - \$ 8,342.63
HOME - \$ 34,793.08	Deferred CDBG – N/A (ALL RELEASED)
HOP - \$ 1,147.08	HOME - \$0
THDA-BNI - \$975.46	THDA - \$664.67
THDA - \$59,520.32	



## **Appendix**



**Consolidated Plan Amendments**

**AMENDMENTS AND SUBSTANTIAL AMENDMENTS**  
**Knox County Housing & Community Development Consolidated Plan**  
**Program Year 2005**

## **Introduction**

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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 that Knox County Community Development made during the 2005/06 program year.

## **Amendments**

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### CANCELED/TRANSFERRED PROJECTS

KCCD canceled the 2004 HOME allocation of \$355,710 for the Helen Ross McNabb Center to reallocate to the County reconstruction program. Plans are underway to work with a for-profit modular homes builder to set the house on the property owner's newly constructed permanent foundation. KCCD proposes reprogramming these funds to activity matrix code 14 A, Rehab: Single-Unit Residential as per 24 CFR 570.202.

### AMENDED PROJECTS

KCCD amended the 2003 HOME CHDO set-aside amount of \$75,000 for Knox Housing Partnership (KHP) from provide single-family housing to the construction of the senior rental development project, "Willow Place". KCCD proposes reprogramming these funds to activity matrix code 12, Construction of Housing, as per 24 CFR 570.201(m).

### ALLOCATION OF PROJECT FUNDS

KCCD allocated the 2005 CHDO set-aside amount of \$67,476 to Knox Housing Partnership for the construction of KHP's senior rental development project, "Willow Place". KCCD proposes programming these funds to HUD activity matrix code 12, Construction of Housing, as per 24 CFR 570.201(m).



KCCD allocated \$200,000 from prior years' funding for the Knox County Housing Rehabilitation Program and proposes programming these funds to HUD activity matrix code 14A, Rehab: Single-Unit Residential, as per 24 CFR 570.202.

KCCD allocated \$100,000 from prior years' funding for Housing Services such as housing counseling, preparation of work specifications and loan processing and proposes programming these funds as per 24 CFR 570.201(k).

### **Public Input for these Amendments**

An advertisement in the Knoxville News-Sentinel on March 23, 2006 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 May 12, 2006.



**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



**2006 CONSOLIDATED ANNUAL  
PERFORMANCE AND EVALUATION REPORT**