



CONSOLIDATED ANNUAL PERFORMANCE and EVALUATION REPORT
Knox County, Tennessee
Program Year 2003 (July 1, 2003 – June 30, 2004)

Table of Contents

Section Page
I. General Assessment 1
A. Assessment of Three-Year Goals and Objectives 1
B. Affirmatively Furthering Fair Housing 13
C. Affordable Housing 15
D. Continuum of Care 16
E. Other Actions 19
F. Leveraging Resources 24
G. Citizen Participation and Comments 25
H. Self-Evaluation 28
II. Community Development Block Grant Requirements 29
A. Use of CDBG Funds in Relation to Consolidated Plan Priorities, Needs, Goals, and Objectives 29
B. Nature and Reasons for Changes in Program Objectives 29
C. Efforts in Implementing the Planned Activities 29
D. Compliance with National Objectives 29
E. Displacement and Relocation Activities 30
F. Economic Development/Job Creation Activities 30
G. Nature and Location of Limited Clientele Activities 30
H. Use of Program Income 31
I. Rehabilitation Program Activities 31
J. Neighborhood Revitalization Strategy Activities 32
III. HOME Investment Partnership Program Requirements 33
A. Use of HOME Funds in Relation to Consolidated Plan Needs 33
B. Match Contributions Report 33
C. Minority Business Enterprises and Women’s Business Enterprises Contracts Report 33
D. Affordable Rental Housing Inspections Report 33
E. Affirmative Marketing and Outreach Activities 34
F. Use of Program Income 35



**Appendix – Activity and Grant Summary Reports**

- 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
- Community Development Map
- 2003/04 Program Highlights

**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 -----	27
4.	Knox County Loan Summary Portfolio-----	36

## 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 2003-2004 (FY 2003/04) provides a general assessment of activities undertaken during the year to address priorities, goals, strategies, and objectives identified in the 2003-2005 Consolidated Plan. Specifically, this general assessment indicates the extent to which the County has met the goals and objectives contained in the 2003 Action Plan. The County's accomplishments in FY 2003/04 are described and organized below by activity parameters according to the County's housing and community goals established in the 2003-2005 Consolidated Plan and 2003 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 2003 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 2003/04. 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 2003/04 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.
- Provide assistance for home repairs to elderly, disabled, or female-headed households with lower incomes.

**2003/04 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 2003/04, 42 loan applications were received; three of which were funded and work was completed and 13 were under contact (work was in progress) by the end of June 30. During the year, \$118,524.92 in CDBG funds and \$17,854 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 26 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 2003/04, 17 loan applications were received, eight of which were funded and work was completed and nine were under contact (work was in progress) by the end of June 30. Of the 17 loans that were funded, \$58,780 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 (original contract \$150,000 with the additional \$50,000 from unprogrammed 2003 funds) 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 2003/04, 122 low-income households in Knox County were assisted by CAC's Minor Home Repair program, exceeding the County's total with all funding of 75 households. The vast majority (91) of those assisted were below 30% of the Area Median Income adjusted for family size.

**Elderly Housing Development:** In Knox County's 2001 Annual Action Plan, \$350,000 in HOME funding was set aside for the development of a 40 unit elderly housing development. However, the total number of units had to be decreased to 25 due to zoning, feasibility and construction costs. KCCD has partnered with Knox Housing Partnership to construct a total of 25 units of elderly housing units at 7236 Oak Ridge Highway. The new development will be call Riverbirch II Apartments and combines Program Years'1999, 2000, 2001 and 2002 Community Housing Development Organization (CHDO) Set-aside funds for a total of \$270,150 with the HOME funds (\$350,000) from the 2001 Program Year. The land has been purchased and an application for Low Income Housing Tax Credits has been submitted to the State of Tennessee. Pending the approval of the LIHTC application, the project is expected to be complete in 2005.

**Low-Mod Rental Housing Development:** In June 2003, Knox County contracted with Knox County Housing Authority 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. Knox County Housing Authority will be responsible for developing and managing the project under their 501(c)(3) nonprofit, "Mustard Seed". During 2003 a site was selected with negotiations continuing through June. Construction is expected to begin during the next Program Year.

**Habitat for Humanity:** 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 to fund the acquisition and site preparation of Habitat for Humanity's new 40-unit homeowner housing development in East Knox County. 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.

**Helen Ross McNabb:** During the 2003/04 Program Year, Knox County contracted with Helen Ross McNabb in the amount of \$34,000 using 1999 HOME Program funds recaptured from the Village at Beaver Brook project. The funds provided much needed renovation of housing located on Ginn Road that is utilized by 8 mentally ill men.

**Knox Housing Partnership (KHP) CHDO Set-Aside:** As Knox County's sole Community Housing Development Organization (CHDO), KHP will receive \$75,000 in HOME/CHDO Set-Aside funds. To date, Knox County has yet to receive a proposal from KHP and anticipates that a contract will be signed by December 2004. The funds will be used to assist with rental housing activities as well as increasing homeownership opportunities.

**Keep Our Teachers in Knox County (KOT):** KOT was cancelled late in the 2003 Program Year after it was determined that 1) a two income teacher household was generally disqualified because of earnings over the 2+ person limit according to HUD income guidelines, and 2) single teachers that earned within the guidelines found homes inside the City of Knoxville and not Knox County. The \$25,000 originally programmed became unused funds and will be reallocated.

**Knox Housing Partnership (KHP) Operating Funds:** CHDO Operating funds were provided to KHP in the amount of \$20,900 from recaptured 1999 HOME funds from the Village at Beaver Brook project. The funds are necessary for the 25-unit Riverbirch Phase II Senior Housing development.

**PleasantTree Apartments Renovations:** In the 2003 Annual Action Plan, \$60,000 in HOME funding was allocated to Child & Family Tennessee for the renovation of an eight-unit rental-housing complex located at 1909 Dawn Street. The apartments provide permanent supportive housing for women with mental illnesses who historically have been unable to sustain conventional lease agreements. However, due to the requirements of HOME to bring the building up to local code, the project's initial budget was grossly underestimated. Therefore Knox County increased Child & Family's original allocation of \$60,000 to \$169,000. The additional \$109,000 came from the cancelled HOME funds of Keep Our Teachers in Knox County program (\$25,000) and from the reallocated HOME funds from the Affordable Housing Rehabilitation program (\$84,000). The contract between Child & Family and Knox County was signed in the 2003/04 Program Year and renovations will be completed during the 2004/05 Program Year.

**Parkridge Harbor:** As reported in last year's CAPER, Knox County provided Positively Living with \$176,820 in CDBG funds to acquire the former Volunteers of America Homeless Shelter and rehabilitate the building to be used as a 22-unit apartment building for multiply diagnosed men making the transition from homeless shelters, jail, etc. to permanent housing. These individuals with monthly incomes that average \$600 a month are faced with the dilemma of using over half their income for decent housing or choose to live in substandard rental housing. This choice all too often places an undue cost burden on these individuals, which affects roughly 66% of Knox County's entire population of families/ individuals that earn 30% or less of the area median income. The new affordable rental housing directly benefited these individuals (rents are set at \$162 per month). The project was located at 1501 E. 5th Avenue and the development was named Parkridge Harbor. The building has been purchased and rehabilitated using \$500,000 in HOME funds from the City of Knoxville, 177,000 in Knox County's THDA Local Match Grant funds and \$432,686 in Supportive Housing (SHP) funds from the US Dept. of Housing and Urban Development. The work was completed in December 2003 and the residents moved in January 2004.

**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 economic development programs and services that support job training and employment of lower income people.
- Provide funding for public services related to the growing number of underserved Hispanic population.
- Fund an organization that provides recreational and learning opportunities to low- to moderate-income residents of Knox County.
- Provide assistance to an organization that provides health care to low-to moderate-income individuals.
- Provide assistance to an organization that provides education and services for victims and survivors of sexual abuse.
- Provide funding to construct a senior community center.
- Improve public facilities for low to moderate-income Knox County residents.

**2003/04 Accomplishments:**

The County supported the following program and/or organizations in FY 2003/04 with CDBG funds. These providers have helped meet the community and economic development needs of Knox County.

**Alianza del Pueblo:** Knox County awarded \$44,700 to Alianza del Pueblo to reach out to the growing underserved Hispanic population. Serving 979 low to moderate-income people, mainly Latinos, their primary focus was to educate and facilitate training through workshops in areas that directly affected the Latino well being and civil rights. Through the workshops a number of couples were able to go through a successful process of buying a house while others learned valuable information on immigration matters and citizenship, taxes, personal finances, banking, health issues, computers, and business. Alianza del Pueblo exceeded their one-year goal of serving 900 people.

**Boys' and Girls' Club of Halls-Powell:** With the aid of \$16,905 in CDBG funds, the Boys and Girls Club of Halls-Powell was able to purchase 15 computers, 2 laser printers and additional hardware for the computer lab. This project helped to provide a safe, productive, caring environment to enhance skills and educational abilities through technology for low and moderate-income children attending the Boys' and Girls' Club of Halls-Powell. The computers were utilized by 401 low-moderate income children/youth, providing some their only opportunity to use a computer.

**Corryton Super Seniors:** The Corryton Senior Community Exercise Room was cancelled as a CDBG funded activity prior to establishing a contract. The \$41,000 in 2003 CDBG funds allocated in the 2003/04 Annual Update to the Consolidated Plan were transferred to Knox County's Affordable Housing Rehabilitation Program. Knox County will use money from General Fund (revenue generated through taxes such as state-shared sales tax, wheel tax, property taxes, etc.) to construct a Senior Center for the Corryton community.

**Economic Ventures Inc.:** Knox County contracted with Economic Ventures (EVI) during the program year to provide \$50,000 in CDBG funds for their Community Microloan Program (peer lending) for pre-and-post technical assistance in business management and development. The result expected was the distribution of small business loans for the creation or expansion of 20 businesses owned and operated by low and moderate-income persons in Knox County.

Unfortunately, EVI was unable to transition clientele from the technical assistance side to business ownership or to expand businesses located outside the Knoxville City limits. During the January 2004 monitoring it was determined that EVI was performing as a public service and not economic development and, as such, did not meet the contract requirements. Economic Ventures Inc. was canceled and the remaining \$33,002.39 in 2003 CDBG funds will be transferred to Knox County's Affordable Housing Rehabilitation Program pending HUD and public approval.

**Habitat for Humanity:** The 2003/04 Annual Update to the Consolidated Plan included a project by Habitat for Humanity called "Community Classrooms." This project was canceled and the \$200,000 in CDBG funds allocated to it was transferred to Knox County's Affordable Housing Rehabilitation Program.

**Ijams Nature Center:** Knox County contracted with Ijams Nature Center in the amount of \$7,030 in CDBG funds to assist in the cost of providing educational environmental programs on and off-site of school grounds to school children. KCCD required income verification for the children whose parents met the HUD income guidelines to reimburse for the program expense. Unfortunately the schools resisted requesting the income information from parents and the project was cancelled in December 2003. The targeted population of "youth" was not assisted with CDBG funds. The \$7,030 will be transferred to the KCCD rehabilitation program pending HUD and public approval.

**InterFaith Health Clinic (IHC):** InterFaith was awarded \$50,000 in CDBG funds to assist 240 low-income, working uninsured with affordable, quality health care. Their program goal was to fill the gap between government subsidized insurance programs and private insurance. Although their clinic was not free, patients were charged according to a sliding fee scale that was 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. IHC exceeded their contracted goal with KCCD and assisted 317 new people.

**Neighborhood Enrichment Program (NEP):** Helen Ross McNabb Center's (HRMC) NEP program was expanded this year to include Section 8 residents and independent living clients in their child day care program. NEP clients were trained to develop microenterprise day care centers that are owned and operated by PHA assisted 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. In December of 2003 the Department of Human Services gave approval to the NEP program to provide continuing education hours and 18 childcare providers received the training at that time. The program continued throughout the remainder of the program year. During the year, the NEP program provided training to 110 participants, 16 of which started their own business. Of those 16 new entrepreneurs, all were Knox County residents and low-to-moderate-income, 7 were from independent living, 2 from Section 8 housing, 5 were from Virginia Walker Apartments and two clients set-up day care facilities from Bakertown Apartments. NEP was awarded \$145,000 in CDBG funds and exceeded its one-year goal of creating 15 new jobs.

**Sexual Assault Crisis Center:** Knox County contracted with the Sexual Assault Crisis Center (SACC), one of only eight freestanding comprehensive sexual assault and abuse centers in East

Tennessee, to provide \$15,000 in services for 20 victims and survivors of sexual assault and abuse. SACC is dedicated to providing crisis intervention, counseling, sexual abuse/assault education and prevention programs, victim advocacy, victim accompaniment, and forensic nursing services. During the 2003/04 Program Year, SACC conducted Sexual Assault Nurse Examiner (SANE) training, acquired a SANE Coordinator, met with Emergency Room managers at area hospitals to open up dialogue and encourage collaboration, and held a luncheon with Trisha Meili, the “Central Park Jogger,” as the keynote speaker. SACC served 64 low to moderate-income individuals with the \$15,000 in CDBG funds provided by Knox County.

**Willow Creek Youth Park:** In the 2003/04 Annual Update to the Consolidated Plan, Willow Creek Youth Park was funded in the amount of \$50,000 to construct a facility that provided for the safe operation of the youth park and additional restroom facilities. Knox County was unable to establish that the park was serving low and moderate-income clientele, therefore, the funds were canceled and reallocated to Knox County’s Housing Rehabilitation Program.

**Burnett Creek Water Line:** As report in the 2002/03 CAPER, KCCD stated that Knox County would use \$355,000 in CDBG to assist with the construction a public infrastructure/facility project. Due to the developments surrounding the Burnett Creek contamination, the wells of over 100 households in this rural area have tested positive for excessively high levels of lead (over 6 times the acceptable limits), arsenic, and diesel fuel compounds (12 times the acceptable limit). In light of this urgent need, KCCD partnered with Tennessee Division of SuperFund and the Appalachian Regional Commission to construct an extension to the existing water line and to connect the households in the affected area to the water line. The water line was completed in October 2003 and 80 households now have a clean, safe water supply. To date, Knox County has spent \$357,906 in 2002 CDBG funds.

**Riverbirch Senior Community Center:** In the 2003 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. The center in conjunction with the Riverbirch Phase II development will begin construction during the 2004/05 program year. As previously mentioned, KHP is waiting on approval from the State of Tennessee for Low Income Housing Tax Credits to begin construction of Riverbirch Phase II. Once the application is approved, both projects will be built at the same time in order to minimize construction costs.

**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 for home repairs to elderly, disabled, or female-headed households with lower incomes.

**2003/04 Accomplishments:**

The County supported the following homeless service programs/providers in FY 2003/04. 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 \$20,000 in 2003 CDBG funds to assist the NNC, which anticipated that 260 households would receive assistance in FY 2003/04. In actuality, NFSC far exceeded its one-year goal by providing assistance to 1006 individuals.

**Volunteer Ministry Center (VMC):** As identified in the 2002 CAPER, \$460,000 in CDBG funds was awarded to VMC for the acquisition/rehab of the old Rescue Mission building located at 511 North Broadway. VMC offers the only day shelter open to all of Knoxville/Knox County's 1500 homeless individuals. During the 2002/03 program year, the project was delayed due to community opposition to VMC's acquisition of the 511 N. Broadway site. As a result, the County asked the local HUD Field Office and Congressman John Duncan, Jr. to investigate the County's actions in the process and was found to have complied with all federal requirements. The project along with VMC's fund raising efforts will continue into the next program year with an expected completion date of August 2005.

**Minor Home Repair:** The Knoxville-Knox County Community Action Committee (CAC) received a total of \$200,000 in CDBG funding (original contract \$150,000 with the additional \$50,000 from unprogrammed 2003 funds) 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 2003/04, 122 low-income households in Knox County were assisted by CAC's Minor Home Repair program, exceeding the County's total with all funding of 75 households. The vast majority (91) of those assisted were below 30% of the Area Median Income adjusted for family size.

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

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

<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>	
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 fund the rehabilitation of rental units.	Proposed 2002: N/A 2003: 8 2004: Total: 8 units	Actual 2002: N/A 2003: Carried Over 2004: Total:
		Increase and preserve affordable homeownership opportunities	Provide Community Housing Development Organizations (CHDOs) with funds for housing rehab and downpayment assistance to low- and moderate-income homebuyers	2003: Provide \$75,000 in CHDO set-aside funds (from HOME) to the Knox Housing Partnership to rehab homes and to help low- and moderate-income homebuyers with downpayment assistance.	Proposed 2002: N/A 2003: 4 buyers 2004: Total: 4 buyers	Actual 2002: 2003: Carried Over 2004: Total:
		Increase and preserve affordable homeownership opportunities	Help low-income households remain in their homes by providing housing rehabilitation funding.	2003: Provide \$212,898 in HOME funds to fund Knox County's Housing Rehabilitation program.	Proposed 2002: 10 units 2003: 12 units 2004: 12 units Total: 34 units	Actual 2002: 8 units (to date) 2003: 16 units 2004: Total: 24 units
		Increase and preserve affordable homeownership opportunities	Help low-income households remain in their homes by providing water/sewer connection funding.	2003: Provide \$63,615 in CDBG funds to fund Knox County's Water/Sewer Connection Program.	Proposed 2002: N/A 2003: 8 units 2004: N/A Total: 8 units	Actual 2002: N/A 2003: 17 units 2004: Total: 17 units
		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.	2003: Provide \$200,000 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: Total: 130 households	Actual 2002: 45 households 2003: 122 households 2004: Total: 167 households
		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.	2003: Provide \$20,000 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: Total: 460 households	Actual 2002: 779 households 2003: 1006 2004: Total:



National Goals	KCCD Vision Statement	Consolidated Plan Priority Strategy	Objectives	Proposed Actions	Proposed/Actual Accomplishments by Program Year	
					Proposed	Actual
Provide Expanded Economic Opportunities	Enhance Self-worth	Enhance job training and employment opportunities for low- to moderate-income persons.	Fund economic development loan programs that support the development of businesses by low- to moderate-income individuals.	2003: Provide \$50,000 in CDBG funds to Economic Ventures, Inc. for micro loans to LMI individuals starting their own businesses.	Proposed 2002: N/A 2003: 20 jobs 2004: Total: 20 jobs	Actual 2002: N/A 2003: Canceled 2004: Total:
		Enhance job training and employment opportunities for low- to moderate-income persons.	Fund economic development programs and services that support job training and employment of lower income people.	2003: Provide \$145,000 in CDBG funds to a Youth Center/Day Care to train at low-income people to become daycare providers and develop their own microenterprise.	Proposed 2002: 15 jobs 2003: 15 jobs 2004: Total: 30 jobs	Actual 2002: 16 jobs 2003: 15 jobs 2004: Total: 31 jobs
Provide a Suitable Living Environment	Strengthen Community Ties	Promote livable communities and community redevelopment.	Provide assistance to an organization that provides education and services for victims and survivors of sexual abuse.	2003: Provide \$15,000 in CDBG funds to the Sexual Assault Crisis Center to provide health care to recent rape survivors.	Proposed 2002: N/A 2003: 30 people 2004: Total: 30 people	Actual 2002: N/A 2003: 64 people 2004: Total: 64 people
		Promote livable communities and community redevelopment.	Fund public facilities that provides training/classroom space to educate the public on household budgeting, credit repair and good neighbor classes.	2003: Provide \$200,000 in CDBG funds to Habitat for Humanity to acquire a building to house current operations and expand public classrooms.	Proposed 2002: N/A 2003: 120 people 2004: Total: 120 people	Actual 2002: 2003: Canceled 2004: Total:
		Promote livable communities and community redevelopment.	Provide funding to construct a senior community center.	2003: Provide \$159,750 in CDBG funds to Knox Housing Partnership to build a senior community center for the Riverbirch Senior Villages.	Proposed 2002: N/A 2003: 60 households 2004: Total: 60 households	Actual 2002: 2003: Carried Over 2004: Total:
		Promote livable communities and community redevelopment.	Fund public facilities that provide recreational opportunities to low- to moderate-income residents of Knox County.	2003: Provide \$50,000 in CDBG funds to Willow Creek Youth Park to build a storage, meeting room and restroom facility.	Proposed 2002: 2003: 1 building 2004: Total: 1 building	Actual 2002: 2003: Canceled 2004: Total:



National Goals	KCCD Vision Statement	Consolidated Plan Priority Strategy	Objectives	Proposed Actions	Proposed/Actual Accomplishments by Program Year	
					Proposed	Actual
		Promote livable communities and community redevelopment.	Fund an organization that provides recreational and learning opportunities to low- to moderate-income residents of Knox County.	2003: Provide \$7,030 in CDBG funds to Ijams Nature Center to provide environmental education scholarships to LMI children.	Proposed 2002: N/A 2003: 1400 people 2004: Total: 1400 people	Actual 2002: 2003: Canceled 2004: Total:
		Promote livable communities and community redevelopment.	Fund public facilities that provide recreational opportunities to low- to moderate-income residents of Knox County.	2003: Use \$41,000 in CDBG funds to build a senior exercise room onto the Corryton Community Center.	Proposed 2002: N/A 2003: 1 room 2004: Total: 1 room	Actual 2002: N/A 2003: Canceled 2004: Total:
		Promote livable communities and community redevelopment.	Fund an organization that provides recreational and learning opportunities to low- to moderate-income residents of Knox County.	2003: Provide \$16,905 in CDBG funds to the Boys & Girls Club of Halls/Powell to increase the number of computers in the "Technology for Kids" Program.	Proposed 2002: N/A 2003: 100 people 2004: Total: 100 people	Actual 2002: N/A 2003: 401 people 2004: Total: 401 people
		Promote livable communities and community redevelopment.	Provide funding for public services related to the growing number of underserved Hispanic population.	2003: Provide \$44,700 in CDBG funds to Alianza del Pueblo to improve language skills and educate on the importance of civic involvement to Knox County's Hispanic population.	Proposed 2002: N/A 2003: 900 individuals 2004: Total: 900 individuals	Actual 2002: N/A 2003: 979 individuals 2004: Total: 979 individuals
		Promote livable communities and community redevelopment.	Provide assistance to an organization that provides health care to low-to moderate-income individuals.	2003: Use \$50,000 in CDBG funds to fund the operation of the InterFaith Health Clinic.	Proposed 2002: N/A 2003: 240 people 2004: Total: 240 people	Actual 2002: N/A 2003: 317 people 2004: Total: 317 people
<b>Other HUD-approved Activities</b>			2003: Use \$265,000 in CDBG funds and \$45,000 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
<b>Unprogrammed Funds</b>			2003: KCCD will set aside \$50,000 in CDBG funds to use in case of any unforeseen emergencies and/or any project costs overruns. As per KCCD's Citizens Participation Plan, a public hearing will be held prior to the commitment of these funds.		N/A	Transferred to CAC Minor Home Repair Program



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>
<b>2002</b>	0002	HRMC's Homeless Educational Learning Program	\$96,000	\$24,011.99	\$0.00
	0004	General Administration (CDBG)	\$247,038.10	\$27,215.39	\$0.00
	0005	CAC North Family Support Center	\$26,429.93	\$2,612.17	\$0.00
	0008	HRMC's Neighborhood Enrichment Program	\$145,000	\$37,083.35	\$0.00
	0009	CAC Minor Home Repair Program	175,001.28	\$58,328.31	\$0.00
	0011	HRMC's Mother Goose Group	\$48,300.38	10,845.40	\$0.00
	0012	Burnett Creek Water Line	\$357,906	\$241,042.89	\$0.00
	0015	General Administration (HOME)	\$40,000.00	\$40,000.00	\$0.00
	0016	Owner-Occupied Single Family Housing (Rehab)	\$364,160.75	\$119,270	\$0.00
	0017	Water/Sewer Connection Asst.	\$54,193	\$22,800.00	\$0.00
<b>2001</b>	0010	CHDO Set-Aside & Operating Funds	\$23,250.00	\$11,390.00	\$0.00
<b>2000</b>	0001	General Administration (HOME)	\$41,800.00	\$27,843.61	\$1,755.39
	0002	Owner-Occupied Single Family Housing Rehabilitation (HOME)	\$294,557.45	\$201,164.75	\$61,117.70

## 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.

### **2003/04 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 met to discuss fair housing issues.

**Knox County Fair Housing Advisory Committee (FHAC):** During the 2002 Program Year, 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 meet on one occasion in 2003 on December 3<sup>rd</sup> and three occasions in 2004 on February 4<sup>th</sup>, May 5<sup>th</sup> and June 9<sup>th</sup>. At these meetings, the FHAC is developing a mission statement to guide the committee, identify fair housing issues, reviewing 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 education children, 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 2, 2004. This year's theme was "Assessment-Action-Accountability". The conference featured workshops on housing, education, employment, community relations and fair housing updates.

In addition to the activities above, KCCD hired a bi-lingual Housing Specialist who is fluent in Spanish to translate program information into the Spanish language.

**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	0
31 – 50% AMI	0	0	0
51 – 80% AMI	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

<i>Owners</i>	<i>New Construction</i>	<i>Homebuyers</i>	<i>Rehabilitation</i>
0 – 30% AMI	0	0	100
31 – 50% AMI	0	0	41
51 – 80% AMI	0	0	10
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>151</b>

<i>Occupants</i>	<i>New Construction</i>	<i>Homebuyers</i>	<i>Rehabilitation</i>
Homeless	0	0	0
Non-homeless	0	0	11
Special Needs			
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>11</b>

<i>Racial/Ethnic Classification</i>	<i>Totals</i>
Hispanic	1
Non-Hispanic	141
White	96
Black	9
Native American	0
Asian/Pacific	0
Other	0
<b>TOTAL</b>	<b>151</b>

## D. Continuum of Care for the Homeless

During FY 2003/04 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 2003/04, 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 2003/04, 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

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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 is 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.
- The Governments of Knox County and the City of Knoxville conducted the first annual Education Summit on January 16, 2004 to gather information on desired outcomes for education in the Knox County School System as well as develop strategies to achieve those outcomes. Staff members attended to summit to interact with participants and share information about our programs.
- Several members of the Community Development staff planned and participated in the 2<sup>nd</sup> Annual Senior Summit. The summit, like the Education Summit, was 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.
- Staff members operated an information booth at the "Senior Information Awareness Fair" produced by Helping Hands Home Assistance, Inc. The fair was held at the Candy Factory on the World's Fair Site on January 16, 2004. The fair was designed to exchange valuable resources through informational booths, networking and workshops.
- 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, 2003 at the Knox County Health Department.
- Knox County translated informative brochures from English to Spanish.
- Knox County established the Fair Housing Advisory Committee (FHAC).

## **2. Foster and Maintain Affordable Housing**

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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, Child & Family's PleasanTree Apartments renovation and Parkridge Harbor. Knox County openly encourages and accepts housing development proposals from all organizations qualified to build housing.

## **3. Removing Barriers to Affordable Housing**

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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**

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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.

Also, KCCD reconfigured the newly implemented application process to inform both new and old subrecipients of CDBG program regulations as well as award organizations with "out of the box" projects. The application packet was available online at the County's website and KCCD held numerous technical assistance workshops to assist applicants with correctly identifying which National Objectives they met and ensured that their activity was eligible. KCCD plans to make the 2005/06 applications

available in October of 2004 to ensure that potential applicants have enough time to properly research activities, afford KCCD enough time for technical assistance and give applicants ample time to complete the application.

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**

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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:
  - Alianza del Pueblo
  - Boys' and Girls' of Halls-Powell
  - Economic Ventures, Inc.
  - InterFaith Health Clinic
  - Helen Ross McNabb Center
  - Sexual Assault Crisis Center
  - 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**

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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.

- **KHP's Riverbirch II** was successfully able to leverage \$950,000 in private bank financing (CRA Credits), \$75,000 from the NRC, \$500,000 from the Tennessee Housing Development Agency (THDA) and \$100,000 from the developer, KHP. In all, KHP leveraged \$1,525,000 from alternative sources to use in combination with \$620,150 in County HOME dollars to acquire land and construct the new 25 units of elderly rental housing. Also, KHP has submitted an application for approximately one million dollars in Low Income Housing Tax Credits and is currently waiting for notification.
- **CAC Minor Home Repair Program** has successfully leveraged \$43,026.50 in Weatherization, Project HELP (non-federal) and Low Income Heating and Energy Assistance Program (LIHEAP) funds to aid 56 County residents. These contributions were combined with \$150,000 in CDBG funds to provide home repair to a total of 82 households.
- **CAC North Family Support Center** leveraged \$9,212 in Community Services Block Grant (CSBG) funds with \$34,977 in CDBG funds to assist a total of 1041 individuals with homeless prevention and crisis services. Of the 1041 served, 813 were assisted with CDBG funds and 228 were assisted using CSBG funds.
- **Burnett Creek Water Line Project** received \$190,000 in funding from the Tennessee Department of Environment and Conservation's Division of SuperFund, \$112,000 from Knox Chapman Utility District, \$404,828 from Knox County (CDBG & General Funds) and \$200,000 from the Appalachian Regional Commission. In total, \$906,828 has been allocated to this project.
- **Parkridge Harbor Rental Housing Development** through Knox County Community Development leveraged \$98,966 in funds from THDA's Local Match Program and \$71,034 in program income generated from other THDA's programs for a total of \$170,000 to assist in the rehabilitation of 22 units of rental housing. These funds in combination with \$176,820 in County CDBG funds were used for the acquisition and rehabilitation of the building located on 1501 East Fifth Avenue. Also, the Parkridge Harbor development was awarded \$330,000 in HOME funds from the City of Knoxville and \$432,686 in Supportive Housing Program funds from the US Department of Housing and Urban Development.

**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 Executive for consideration.

### 2. CAPER 2003/04 Process

A 15-day review period is provided for the CAPER. The CAPER was available for public review and comment from September 5 through September 19, 2003. The report was available at the office of Knox County Community Development and distributed at the September 10<sup>th</sup> public meeting at Knox County Purchasing's 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 10, 2004, 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.

**TO BE ADDED**

#### 4. Actions to Improve Programs

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**TO BE ADDED**





## 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.

## 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 2003/04 were focused on benefiting low and moderate-income persons (100%) 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 2003/04, 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 2003/04, Knox County undertook one economic development/job creation activity. Helen Ross McNabb Center's (HRMC) NEP program was a partnership with the Knox County Housing Authority, Knox County Community Development and HRMC that created a program that trained public housing residents in the field of child day care. NEP clients also 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 31 resident, 16 of which started their own business. NEP was awarded \$145,000 in CDBG funds and met its one-year goal of creating 15 new jobs.

### **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 currently are presumed to be made up 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 2003/04, Knox County provided assistance to seven organizations (CAC North Family Support Center, Neighborhood Enrichment Program, Alianza del Pueblo, Boys' & Girls' Clubs, InterFaith Health Clinic, Economic Ventures, Inc. and the Sexual Assault Crisis Center) 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. NEP was only available to residents of public housing and was presumed to be LMI households. All the programs were verified by Knox County as conforming to the limited clientele guidelines.

## **H. Use of Program Income**

During FY 2003/04, Knox County received \$65,019.59 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 2003/04, 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 11 (plus 22 that were in process) homeowners with \$177,304.92 in CDBG assistance.

In addition to the above program, Knox County provided \$200,000 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 2003/04, 122 low-income households in Knox County were assisted by CAC's Minor Home Repair program. These funds were used in conjunction with \$43,026.50 in non-CDBG funding from PROJECT HELP (\$850), the Low Income Home Energy Assistance Program (11,375) and the Weatherization Assistance Program (\$30,801.50).



## **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 2003/04 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	\$ 219,018.75
New construction of housing	\$190,000.00

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 2003/04, 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 2003/04 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 under took 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, 2003. 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>
<b>AMORTIZED, DEFERRED AND FORGIVABLE LOANS</b>		
Amortized Loans/CDBG, HOME & HOME Program Income	157 96-CDBG/54-HOME/ 7-HOME PI	\$ 1,906,969.51
Amortized HOP Loans	2	\$ 19,567.99
Forgivable Loans/CDBG & HOME	138 116-CDBG/22-HOME	\$ 635,953.66
Deferred Loans/CDBG	58	\$ 733,051.30
THDA's BNI Loans	3	\$ 79,088.94
Forgivable HOP Loan	1	\$ 10,840.31
Amortized/Deferred/Forgivable THDA Loans	168	\$1,058,417.76

Program Income Generated from Loan Repayments and Payoffs

<i>Amortized Loan Repayments</i>	<i>Forgivable &amp; Deferred Loan Payoffs</i>
CDBG - \$ 40,593.78	Forgivable CDBG - \$ 10,552.02
HOME - \$ 26,669.11	Deferred CDBG - \$ 11,470.00
HOP - \$ 1,221.54	Forgivable HOME - \$12,673.70
THDA-BNI - \$1,006.06	Forgivable THDA - \$4,000.00
THDA - \$32,677.96	Deferred THDA - \$10,000.00



# Appendix



# Consolidated Plan Amendments



**2003 CONSOLIDATED ANNUAL  
PERFORMANCE AND EVALUATION REPORT**

**TO BE ADDED**



# 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



# Community Development Map



## 2003/04 Program Highlights