

KNOX COUNTY GRANTS AND COMMUNITY DEVELOPMENT



CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT PROGRAM YEAR 2022

SUBMITTED ON SEPTEMBER 29, 2023

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TABLE OF CONTENTS

| | |
|--|----|
| CONTACT INFORMATION | 3 |
| ACRONYM AND ABBREVIATION LIST | 3 |
| EXECUTIVE SUMMARY | 4 |
| CR-05 - GOALS AND OUTCOMES | 5 |
| CR-10 - RACIAL AND ETHNIC COMPOSITION OF FAMILIES ASSISTED | 13 |
| CR-15 - RESOURCES AND INVESTMENTS 91.520(A)..... | 14 |
| CR-20 - AFFORDABLE HOUSING 91.520(B) | 19 |
| CR-25 - HOMELESS AND OTHER SPECIAL NEEDS 91.220(D, E); 91.320(D, E); 91.520(C)..... | 22 |
| CR-30 - PUBLIC HOUSING 91.220(H); 91.320(J)..... | 26 |
| CR-35 - OTHER ACTIONS 91.220(J)-(K); 91.320(I)-(J) | 27 |
| CR-40 - MONITORING 91.220 AND 91.230 | 31 |
| CITIZEN PARTICIPATION PLAN 91.105(D); 91.115(D)..... | 33 |
| CR-45 - CDBG 91.520(C)..... | 35 |
| CR-50 - HOME 24 CFR 91.520(D) | 36 |
| CR-58 – SECTION 3..... | 39 |
| APPENDIX A: PROGRAM YEAR 2022 CDBG AND CDBG-CV AWARDED PROJECTS..... | 41 |
| APPENDIX B: PROGRAM YEAR 2021 CDBG-CV AWARDED PROJECTS..... | 41 |
| APPENDIX C: PUBLIC NOTICE | 42 |

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ACRONYM AND ABBREVIATION LIST

| | |
|----------|--|
| AAP | Annual Action Plan |
| CAC | Community Action Committee |
| CAPER | Consolidated Annual Performance and Evaluation Report |
| CDBG | Community Development Block Grant |
| CDBG-CV | Community Development Block Grant- Coronavirus |
| CHDO | Community Housing Development Organization |
| CLO | Community Law Office |
| CFR | Code of Federal Regulations |
| CHAMP | Coordinated Housing Assessment and Match Plan |
| COFAR | Council on Financial Assistance Reform |
| Con Plan | Consolidated Plan |
| CoC | Continuum of Care |
| CPP | Citizen Participation Plan |
| ERA | Emergency Rental Assistance Program |
| HMIS | Homeless Management Information System |
| HOME | HOME Investment Partnerships Program |
| HOME-ARP | HOME Investment Partnerships Program- American Rescue Plan Program |
| HUD | U.S. Department of Housing and Urban Development |
| KAPA | Knoxville Area Project Access |
| KCDC | Knoxville Community Development Corporation |
| KCGCD | Knox County Grants and Community Development |
| LMI | Persons with Low-to-Moderate Income |
| NHI | Neighborhood Housing Inc. |
| PATH | Projects for Assistance in Transition from Homelessness |
| PY | Program Year |
| RAD | Rental Assistance Demonstration Program |
| RRP | Renovation, Repair, and Paint |
| SCHAS | Senior Citizens Home Assistance Service, Inc |
| SLFRF | State and Local Fiscal Recovery Funds |
| VMC | Volunteer Ministry Centers |

EXECUTIVE SUMMARY

Knox County will submit the 2022 Consolidated Annual Performance and Evaluation Report (CAPER) as the third performance report of the 2020 – 2024 Consolidated Plan (Con Plan). The CAPER describes progress made during Knox County’s program year, July 1, 2022 to June 30, 2023, on the goals set forth in the Consolidated Plan.

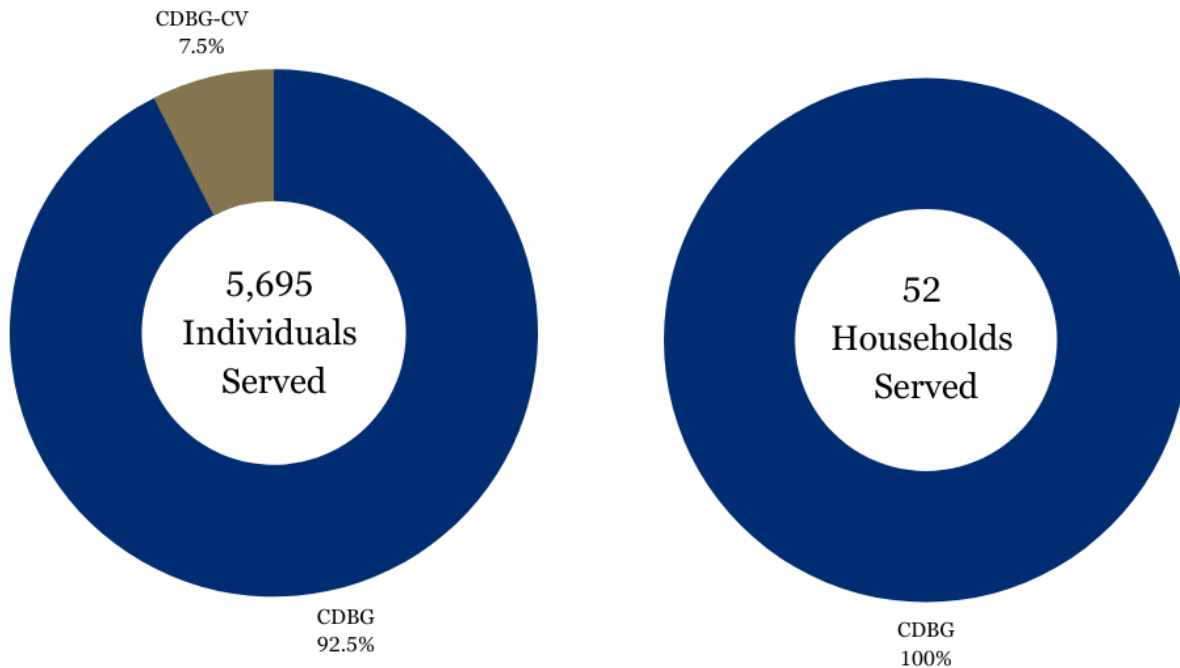
This report is on the use of entitlement grants received in 2022:

- Community Development Block Grant (CDBG)
- Community Development Block Grant - CARES Act (CDBG-CV)
- HOME Investment Partnerships Program (HOME)

The CAPER is required by the U.S. Department of Housing and Urban Development (HUD) from all jurisdictions receiving annual entitlements of formula grants. The CAPER reports to community members and HUD the ways in which resources were made available for use during the program year. Additionally, the CAPER provides an additional forum for community input into the community development process.

Knox County’s 2022 Program Year focused on:

- Increasing Affordable Homeownership Opportunities
- Providing a Wide Variety of Public Services
- Providing Homeless Housing and Services



CR-05 - GOALS AND OUTCOMES

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a).

As a Participating Jurisdiction and an Entitlement community, Knox County receives annual funding allocations from the U.S. Department of Housing and Urban Development (HUD) to address priorities outlined in the five-year Consolidated Plan (Con Plan). The 2020 – 2024 Con Plan priority needs include:

1. Increase Affordable Rental Housing Opportunities
2. Increase Affordable Homeownership Opportunities
3. Provide a Wide Variety of Public Services
4. Provide Homeless Housing and Services
5. Improve the Quality of Existing Housing Stock

The Con Plan establishes a unified, coordinated vision for community development actions for the upcoming five years using Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), as well as CARES Act (CDBG-CV) funding. Knox County's primary focus for the CDBG funds is on preserving naturally occurring affordable housing through Knox County Home Rehabilitation Program and public service programs that offer medical and mental healthcare, as well as homelessness prevention. Knox County intends to primarily utilize HOME funding to provide affordable housing for low-income households.

The 2022 Consolidated Annual Performance and Evaluation Report (CAPER) will highlight projects' allocation of funds and accomplishments achieved during the 2022 Program Year (July 1, 2022 – June 30, 2023). During this reporting period, a total of 5,695 individuals and 44 households received assistance from programs and projects that were awarded CDBG and CDBG-CV grants. Additionally, 8 new affordable housing units were developed.

CDBG

Knox County CDBG funds were utilized to support the goals to increase homeownership, provide home rehabilitation assistance, and provide homeless housing services, set forth the PY 2022 Annual Action Plan (AAP). During the reporting period, 5,267 individuals were served and 44 households received rehabilitation assistance through CDBG funds. Eight new affordable housing units were completed by Habitat Humanity at their Ellen's Glen development. Knox County provided funding for necessary infrastructure in PY 2020 to aid in the creation of affordable housing.

Similar to many other areas of the country, Knox County is experiencing an exponential increase in housing construction costs, in addition to the demand for skilled laborers. This has impacted the Home Rehabilitation Program by limiting the number of

residences that have received CDBG assistance and has led to not achieving the expected goal of 55 units rehabilitated. Despite the challenges in soliciting qualified contractors to perform the emergency repairs for residents, CDBG dollars have reached 44 households through a variety of services including accessibility ramps, heating and air unit replacements, reduction in lead hazards, plumbing repairs, and repair of a failing foundation system.

Knox County initially planned to allocate \$313,900 in CDBG funds towards a street improvement project for an affordable housing community that was anticipated to commence in PY 2022. Due to unforeseen circumstances, the start date has been pushed back to the end of 2024. For this reason, the County will submit a forthcoming PY 2022 Annual Action Plan (AAP) substantial amendment to cancel this project and reallocate the funding into the Home Rehabilitation Program, which is reported in the PY 2023 AAP. Two street improvement projects that will support the development of affordable housing were considered for funding during the PY 2023 AAP planning cycle, and the successful applicant will begin expending the funding in PY 2023.

CDBG-CV

CDBG-CV funds were utilized to address public service needs that were exacerbated by the COVID-19 pandemic. Services included access to healthcare and mental health services, housing case management for homeless individuals, assistance for senior citizens, and rent/mortgage/utility assistance. CDBG-CV funding provided services to 428 individuals during the reporting period.

HOME

Knox County did not fund any new HOME projects in PY 2022, resulting in the County not meeting its goal to increase quality affordable housing.” However, ongoing monitoring of previously funded HOME projects occurred.

Knox County is currently considering two affordable rental housing development projects for HOME financial support. Project plans for one of the developments will be presented to the Planning and Zoning Commission early in PY 2023 for consideration. The project will combine two lots that will be developed into affordable rental units and will be developed and managed by a Community Housing Development Organization (CHDO) subrecipient. Once the property is rezoned, an Environmental Assessment and Phase I ESA will be conducted, as well as sending the grant agreement with the subrecipient to County Commission for review and approval. The subsidy layering analysis has been completed, and Knox County anticipates executing the grant agreement and breaking ground on the project in PY 2023.

A second application has been submitted for consideration by a nonprofit developer to construct affordable rental units in another area of the County. Knox County is in discussion with the applicant about the project, and a decision on whether to commit HOME funds will occur in PY 2023.

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

Knox County's PY 2022 was successful in addressing the following priority needs identified in the Con Plan.

Increase Affordable Homeownership Opportunities

The availability of affordable homeownership options is crucial for meeting the housing needs of low- and moderate-income (LMI) residents within the county. Habitat for Humanity's Ellen's Glen development completed construction on eight new affordable homes in the reporting period. Originally funded for infrastructure needs in PY 2020 through CDBG, Ellen's Glen will consist of 34 homes that will be made available to LMI individuals.

Public service and homeless housing services subrecipients provided training to obtain and maintain housing.

Provide a Wide Variety of Public Services

The County addressed the priority of providing a wide variety of public services by utilizing both CDBG and CDBG-CV funds.

Approximately 11% of Knox County residents lack access to affordable healthcare coverage. When individuals cannot afford proper healthcare, it hinders their capacity to generate income, subsequently affecting their ability to meet essential needs. Interfaith Health Clinic provides accessible, affordable, and quality healthcare services to uninsured and underserved residents of Knox County. Through \$100,000 of CDBG-CV funding, Interfaith Health Clinic was able to provide 165 individuals access to health services in PY 2022. Knox County provided \$26,914 in CDBG-CV funds in PY 2020 to the Knoxville Academy of Medicine Foundation for Knoxville Area Project Access. The program increases access to care by distributing the caseload of uninsured patients among participating providers. In PY 2022, KAPA provided services to 62 individuals.

The COVID-19 pandemic significantly impacted the behavioral health of children and adults due to decreased employment, housing, and food security. The County provided \$200,000 in CDBG-CV funds to the McNabb Center for their Behavioral Health Counseling Program. The program provided much-needed outreach services in schools and churches to reach those with the most socioeconomic vulnerability. In PY 2022, eight individuals were served.

Many of Knox County's elderly individuals lack adequate insurance coverage that includes hospice care, leading to significant out-of-pocket expenses. Sacred Ground Hospice House received \$60,000 in CDBG-CV funds through Knox County to provide individuals with end-of-life care that do not have insurance or the financial means. During the reporting period, 10 individuals received residential treatment.

Senior Citizens Home Assistance Service (SCHAS) caregivers specialize in helping clients remain in clean, familiar surroundings, with well-prepared food and free from fear, boredom, and loneliness. Knox County provided \$38,000 in CDBG-CV funds to SCHAS to provide vulnerable and elderly residents with groceries, supplies, toiletries,

and non-prescriptive drug shopping and delivery service. Eleven elderly residents were served in the reporting period.

Provide Homeless Housing and Services

Providing homeless and housing services remains a high priority for Knox County. During the reporting period, the County allocated CDBG and CDBG-CV funding to complete CHAMP assessments, HMIS data collection and management, and housing case management activities. Approximately 94% of the \$177,280 CDBG dollars allocated toward public service activities in PY 2022 were dedicated specifically to homeless housing and services.

The Knoxville-Knox County Continuum of Care oversees the Coordinated Entry System to consistently assess the needs of homeless individuals and families, prioritize vulnerable cases, and make effective referrals to the appropriate housing social service resources. An integral part of the system is Knox HMIS, a data hub to access and manage real-time client and resource data for homeless individuals. Knox County provided \$15,000 in CDBG funding to the University of Tennessee for the continued improvement of Knox HMIS. Allowing for better linkage of homeless persons to service providers. In PY 2022, imperative data was collected from 4,606 individuals to connect them with necessary services.

More information on the other programs that received CDBG and CDBG-CV funding through Knox County is in CR-25 of this CAPER.

Improve the Quality of Existing Housing Stock

Investing in the maintenance and improvement of existing housing promotes the long-term sustainability of communities while preserving affordable housing for LMI individuals and families. Knox County allocated \$460,000 of CDBG funds toward home rehabilitation activities in the reporting period.

The Knoxville-Knox County Community Action Committee (CAC) Home Rehabilitation program provides necessary emergency repairs to the dwellings of low- to moderate-income Knox County homeowners using CDBG funds. During the reporting period, CAC provided home repairs to 24 households. The work included but was not limited to foundation repairs, water heater replacements, HVAC replacements, roof repairs, electrical repairs, plumbing repairs, window replacements, flooring repairs, smoke detector installation, siding repairs, providing accessible entrances, lead paint abatement, and septic system repairs. In addition to grants for home repairs, the County also provided CDBG-funded loans for minor home repairs that would otherwise not qualify as emergencies, per KCGCD's home rehabilitation manual.

The Neighborhood Housing Inc. (NHI) Operation Backyard program provides accessibility improvements to owner-occupied homes in Knox County, using CDBG funding and a volunteer workforce. Improvements include the building of ramps and porches to ensure that County residents can safely enter and exit their homes. During the reporting period, NHI served 20 households. Of these 20, eleven households were occupied by elderly homeowners.

Site preparation on HomeSource of East Tennessee's community center rehabilitation at their Riverbirch Village and Willow Place property has begun, construction will begin in the upcoming program year. Funded with PY 2021 CDBG funds, this expanded community room will provide additional space for a food bank, care coordination, offices, and a safe location for medically vulnerable residents during extreme weather.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

| | GOAL | SOURCE | INDICATOR | UNIT OF MEASURE | EXPECTED STRATEGIC PLAN | ACTUAL STRATEGIC PLAN | % COMPLETED | EXPECTED PY | ACTUAL PY | % COMPLETED |
|--------------------|---|--------|--|------------------------|-------------------------|-----------------------|-------------|-------------|-----------|-------------|
| Affordable Housing | Increase Homeownership | CDBG | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | | CDBG | Public service activities for Low/Moderate Income Housing Benefit | Households Assisted | 375 | 90 | 24.00% | 25 | 0 | 0.00% |
| | Increase Quality Affordable Rental Housing | HOME | Rental units constructed | Household Housing Unit | 50 | 7 | 14.00% | 9 | 0 | 0.00% |
| | Provide Home Rehabilitation Assistance | CDBG | Homeowner Housing Rehabilitated | Household Housing Unit | 350 | 108 | 30.86% | 55 | 44 | 80.00% |
| | | CDBG | Other | Other | 0 | 0 | 0.00% | 1 | 1 | 100.00% |
| | Provide Infrastructure to Create Affordable Hsg | CDBG | Rental units constructed | Household Housing Unit | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | | CDBG | Homeowner Housing Added | Household Housing Unit | 50 | 8 | 16.00% | 50 | 8 | 16.00% |

| | GOAL | SOURCE | INDICATOR | UNIT OF MEASURE | EXPECTED STRATEGIC PLAN | ACTUAL STRATEGIC PLAN | % COMPLETED | EXPECTED PY | ACTUAL PY | % COMPLETED |
|----------------------------|---|--------|--|---------------------|-------------------------|-----------------------|-------------|-------------|-----------|-------------|
| Non-Homeless Special Needs | Provide Services for LEP Persons/Refugees | CDBG | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 375 | 29 | 7.73% | 0 | 0 | 0.00% |
| | Provide Health Services | CDBG | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 7,250 | 1,110 | 15.31% | 0 | 0 | 0.00% |
| Homeless | Provide Homeless Housing and Services | CDBG | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 18,325 | 13,357 | 72.89% | 3,425 | 5,267 | 153.78% |
| | | CDBG | Public service activities for Low/Moderate Income Housing Benefit | Households Assisted | 2375 | 255 | 10.74% | 0 | 0 | 0.00% |
| | | CDBG | Homeless Person Overnight Shelter | Persons Assisted | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | | CDBG | Overnight/Emergency Shelter/Transitional Housing Beds added | Beds | 0 | 0 | 0.00% | 0 | 0 | 0.00% |

| | GOAL | SOURCE | INDICATOR | UNIT OF MEASURE | EXPECTED STRATEGIC PLAN | ACTUAL STRATEGIC PLAN | % COMPLETED | EXPECTED PY | ACTUAL PY | % COMPLETED |
|-------------------------|---|---------|---|---------------------|-------------------------|-----------------------|-------------|-------------|-----------|-------------|
| Response to Coronavirus | Provide Public Services in Response to COVID-19 | CDBG-CV | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 3,487 | 2,369 | 60.11% | 0 | 0 | 0.00% |
| | | CDBG-CV | Public service activities for Low/Moderate Income Housing Benefit | Households Assisted | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | | CDBG-CV | Homeless Person Overnight Shelter | Persons Assisted | 30 | 27 | 90.00% | 0 | 0 | 0.00% |
| | | CDBG-CV | Other | Other | 2 | 0 | 0.00% | 0 | 0 | 0.00% |
| Non-Housing Community | Provide Services for the Elderly/Disabled | CDBG | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 0 | 0 | 0.00% | 0 | 0 | 0.00% |
| | | CDBG | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 525 | 124 | 23.62% | 0 | 0 | 0.00% |
| Admin | Planning/Administration | All | Other | Other | 10 | 5 | 50.00% | 2 | 0 | 0.00% |

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

CR-10 - RACIAL AND ETHNIC COMPOSITION OF FAMILIES ASSISTED

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a).

Beneficiaries are recorded once a project is completed. The data reported in the table below includes race and ethnicity reporting for both CDBG and CDBG-CV funding sources, including heads of household for the County's home rehabilitation programs. There were no households served through HOME in the reporting period.

| RACE | CDBG | CDBG-CV |
|---|--------------|------------|
| White | 3,730 | 258 |
| Black or African American | 1,437 | 70 |
| American Indian or Alaska Native | 48 | 8 |
| Asian | 8 | 7 |
| Native Hawaiian or Other Pacific Islander | 4 | 0 |
| American Indian or Alaska Native & White | 12 | 1 |
| Asian & White | 0 | 1 |
| Black or African American & White | 9 | 10 |
| American Indian or Alaska Native & Black | 33 | 2 |
| Other (Multi Racial) | 38 | 71 |
| Total | 5,319 | 428 |
| ETHNICITY | | |
| Hispanic | 181 | 87 |
| Non-Hispanic | 5,138 | 341 |
| Total | 5,319 | 428 |
| Total for CDBG and CDBG-CV | 5,747 | |

Table 2 – Table of assistance to racial and ethnic populations by source of funds

CR-15 - RESOURCES AND INVESTMENTS 91.520(A)

Identify the resources made available.

| SOURCE OF FUNDS | SOURCE | RESOURCES MADE AVAILABLE | AMOUNT EXPENDED DURING PROGRAM YEAR |
|-----------------|------------------|--------------------------|-------------------------------------|
| CDBG | public - federal | \$1,996,954.42 | \$1,049,784.11 |
| CDBG-CV | public - federal | \$1,153,124.11 | \$407,436.55 |
| HOME | public - federal | \$1,827,191.97 | \$40,926.44 |

Table 3 - Resources Made Available

The above Table represents the resources made available and the resources expended for PY 2022. The column “Resources Made Available” does not align with the “Total Expected Amounts Available” listed within the 2022 AAP section AP-15. The amounts entered in the AAP are estimated amounts, the amounts have been adjusted for the accuracy of the CAPER. The column “Amount Expended During Program Year” identifies all expenditures per program between July 1, 2022 – June 30, 2023.

CDBG

\$1,996,954.42 in federal CDBG funds were made available to potential applicants, which includes \$812,265.42 of unexpended funds at the end of the previous program year and \$224 in program income. A total of \$587,280 was awarded to CDBG subrecipient projects during the program year, refer to Appendix A: Program Year 2022 CDBG and CDBG-CV Awarded Projects for more information The total amount expended during PY 2022 for CDBG was \$1,049,784.11.

CDBG-CV

CDBG-CV funds are calculated in a cumulative report from the beginning of the CDBG-CV award through the end of the current program year in the PR-26. CDBG-CV does not earn program income and does not receive additional money each program year. A total of \$1,153,124.11 was made available in CDBG-CV funds. This was the remaining balance of the original CDBG-CV allocation from PY 2020. Knox County awarded \$565,000 to new CDBG-CV subrecipients in the reporting period, more details can be found in Appendix A. The total amount expended during PY 2022 CDBG-CV was \$407,436.55.

HOME

The federal resources of HOME funds were made available in the amount of \$1,827,191.97. HOME “Resources Made Available” equals the amount of the IDIS Grant Balance for all years, \$1,718,395.01, available plus the program income amount, \$108,796.96. During the program year, \$40,926.44 was expended on program administration costs.

Identify the geographic distribution and location of investments.

| TARGET AREA | PLANNED PERCENTAGE OF ALLOCATION | ACTUAL PERCENTAGE OF ALLOCATION | NARRATIVE DESCRIPTION |
|--------------------------|----------------------------------|---------------------------------|-----------------------|
| County-Wide | 68 | 68 | Comprehensive |
| Geographic Areas of Need | 32 | 32 | Comprehensive |

Table 4 – Identify the geographic distribution and location of investments

Federal funds are intended to provide LMI households with viable communities, including decent housing, a suitable living environment, and expanded economic opportunities. The system for establishing the priority for the selection of these projects in Knox County is predicated upon the following criteria:

- Focusing on LMI/high-poverty areas or neighborhoods
- Meeting the needs of LMI residents and responding to expressed needs
- Sustainability and/or long-term impact
- Coordinating and leveraging resources
- The ability to demonstrate measurable progress and success
- Meeting the statutory requirements of the CDBG program

Priority CDBG funding areas include areas where the percentage of LMI persons is 51% or higher or where poverty exceeds 20%.

Leveraging

CDBG

The Knoxville-Knox County CAC Home Rehabilitation Program leveraged local funds in the amount of \$34,849.92 to address the needs of owner-occupied households in the County. Local funding leveraged administrative expenses, contracted services, and wages to operate the program.

NHI's Operation Backyard extended cost-free home repair services to homeowners who were low-income, elderly, disabled, or veterans. With a utilization of \$50,000 in CDBG funding, their program primarily covered the costs of materials and supplies for activities like roof replacements and wheelchair ramp installations. The construction work was executed by 277 dedicated volunteers, amounting to an impressive in-kind donation value of \$52,330 in unskilled labor. This collective effort benefited 20 homeowners in Knox County. HUD uses a rate of \$10 per hour to calculate the value for in-kind donations of unskilled labor. NHI's volunteers contributed a total of 5,233 hours of service.

The use of federal funds leveraged significant amounts of additional resources (private, state, and local funds) through several of the CDBG and HOME projects in the County.

Other Funding Sources

Demonstrating Knox County's commitment to serving its citizens, various funding streams have directed grants to nonprofits that target the HIGH priority goals outlined in the Consolidated Plan. Nearly \$2 million annually from the County General Fund is distributed to community partners and an additional \$13 million in State and Local Fiscal Recovery Funds (SLFRF) is committed for public services. Furthermore, the County oversees the U.S Department of Treasury Emergency Rental Assistance (ERA) Program that has expended over \$55 million and assisted more than 12,000 households remain stably housed since the onset of the pandemic.

Knox County did not use any publicly owned land or property located within the jurisdiction to address the needs identified in the Annual Action Plan.

| FISCAL YEAR SUMMARY – HOME MATCH | |
|--|----------------|
| 1. Excess match from prior Federal fiscal year | \$1,675,668.20 |
| 2. Match contributed during current Federal fiscal year | 0 |
| 3. Total match available for current Federal fiscal year (Line 1 plus Line 2) | \$1,675,668.20 |
| 4. Match liability for current Federal fiscal year | 0 |
| 5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4) | \$1,675,668.20 |

Table 5 – Fiscal Year Summary - HOME Match Report

| MATCH CONTRIBUTION FOR THE FEDERAL FISCAL YEAR | | | | | | | | |
|--|-------------------------|----------------------------------|----------|------------------------------------|----------------------------|---|-------------------|-------------|
| PROJECT NO. OR OTHER ID | DATE OF CONTRIBUTION | CASH (NON-FEDERAL SOURCES) | FOREGONE | APPRAISED LAND/REAL PROPERTY | REQUIRED INFRASTRUCTURE | SITE PREPARATION, CONSTRUCTION MATERIALS | BOND FINANCING | TOTAL MATCH |
| | | | | | | | | |

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

| PROGRAM INCOME – ENTER THE PROGRAM AMOUNTS FOR THE REPORTING PERIOD | | | | |
|---|--|--|-----------------------------------|--|
| BALANCE ON HAND AT BEGINNING OF REPORTING PERIOD \$ | AMOUNT RECEIVED DURING REPORTING PERIOD \$ | TOTAL AMOUNT EXPENDED DURING REPORTING PERIOD \$ | AMOUNT EXPENDED FOR TBRA \$ | BALANCE ON HAND AT END OF REPORTING PERIOD \$ |
| \$104,219.48 | \$4,577.48 | 0 | 0 | \$108,796.96 |

Table 7 – Program Income

| MINORITY BUSINESS ENTERPRISES AND WOMEN BUSINESS ENTERPRISES – INDICATE THE NUMBER AND DOLLAR VALUE OF CONTRACTS FOR HOME PROJECTS COMPLETED DURING THE REPORTING PERIOD | | | | | | |
|--|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| | TOTAL | MINORITY BUSINESS ENTERPRISES | | | | WHITE NON-HISPANIC |
| | | ALASKAN NATIVE OR AMERICAN INDIAN | ASIAN OR PACIFIC ISLANDER | BLACK NON-HISPANIC | HISPANIC | |
| CONTRACTS | | | | | | |
| DOLLAR AMOUNT | 0 | 0 | 0 | 0 | 0 | 0 |
| NUMBER | 0 | 0 | 0 | 0 | 0 | 0 |
| SUB-CONTRACTS | | | | | | |
| NUMBER | 0 | 0 | 0 | 0 | 0 | 0 |
| DOLLAR AMOUNT | 0 | 0 | 0 | 0 | 0 | 0 |
| | TOTAL | WOMEN BUSINESS ENTERPRISES | MALE | | | |
| CONTRACTS | | | | | | |
| DOLLAR AMOUNT | 0 | 0 | 0 | | | |
| NUMBER | 0 | 0 | 0 | | | |
| SUB-CONTRACTS | | | | | | |
| NUMBER | 0 | 0 | 0 | | | |
| DOLLAR AMOUNT | 0 | 0 | 0 | | | |

Table 8 - Minority Business and Women Business Enterprises

| MINORITY OWNERS OF RENTAL PROPERTY – INDICATE THE NUMBER OF HOME ASSISTED RENTAL PROPERTY OWNERS AND THE TOTAL AMOUNT OF HOME FUNDS IN THESE RENTAL PROPERTIES ASSISTED | | | | | | |
|---|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| | TOTAL | MINORITY PROPERTY OWNERS | | | | WHITE NON-HISPANIC |
| | | ALASKAN NATIVE OR AMERICAN INDIAN | ASIAN OR PACIFIC ISLANDER | BLACK NON-HISPANIC | HISPANIC | |
| NUMBER | 0 | 0 | 0 | 0 | 0 | 0 |
| DOLLAR AMOUNT | 0 | 0 | 0 | 0 | 0 | 0 |

Table 9 – Minority Owners of Rental Property

| RELOCATION AND REAL PROPERTY ACQUISITION – INDICATE THE NUMBER OF PERSONS DISPLACED, THE COST OF RELOCATION PAYMENTS, THE NUMBER OF PARCELS ACQUIRED, AND THE COST OF ACQUISITION | | |
|---|---|---|
| PARCELS ACQUIRED | 0 | 0 |
| BUSINESSES DISPLACED | 0 | 0 |
| NONPROFIT ORGANIZATIONS DISPLACED | 0 | 0 |

| HOUSEHOLDS TEMPORARILY RELOCATED, NOT DISPLACED | | 0 | | 0 | | |
|---|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| HOUSEHOLDS DISPLACED | TOTAL | MINORITY PROPERTY ENTERPRISES | | | | WHITE NON-HISPANIC |
| | | ALASKAN NATIVE OR AMERICAN INDIAN | ASIAN OR PACIFIC ISLANDER | BLACK NON-HISPANIC | HISPANIC | |
| NUMBER | 0 | 0 | 0 | 0 | 0 | 0 |
| COST | 0 | 0 | 0 | 0 | 0 | 0 |

Table 10 – Relocation and Real Property Acquisition

CR-20 - AFFORDABLE HOUSING 91.520(B)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

| | ONE-YEAR GOAL | ACTUAL |
|--|---------------|-----------|
| Number of Homeless households to be provided affordable housing units | 0 | 0 |
| Number of Non-Homeless households to be provided affordable housing units | 64 | 69 |
| Number of Special-Needs households to be provided affordable housing units | 0 | 0 |
| Total | 64 | 69 |

Table 11 – Number of Households

| | ONE-YEAR GOAL | ACTUAL |
|--|---------------|-----------|
| Number of households supported through Rental Assistance | 0 | 17 |
| Number of households supported through The Production of New Units | 59 | 8 |
| Number of households supported through Rehab of Existing Units | 55 | 44 |
| Number of households supported through Acquisition of Existing Units | 0 | 0 |
| Total | 114 | 69 |

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

As the information above demonstrates, 59% of Knox County's total goal for households served annually through affordable housing programs was met. Below is additional information regarding the goals:

In PY 2022, Knox County's housing rehabilitation subrecipients undertook homeowner rehabilitation activities, benefiting 44 households. During this period, individual units received thorough rehabilitation to mitigate health and safety concerns for residents. However, achieving the goals faced difficulties this year due to escalating construction and labor expenses. This factor notably influenced the capacity of Knoxville-Knox County CAC to assist households.

Habitat for Humanity completed eight new affordable homes in their Ellen's Glen development in PY 2022. At the end of the reporting period all eight new homes had closed and the new homeowners moved in. Changes in site plans and the difficulty in scheduling contractors that can accommodate Habitat for Humanity's volunteer model have been two of the difficulties encountered with completing the development.

In addition to CDBG funding, Knox County extended its PY 2021 CDBG-CV agreement with the Knoxville-Knox County CAC to continue to provide rent, mortgage, and utility services through PY 2022. The program served 17 individuals during this reporting period.

Knox County did not fund any new HOME projects in PY 2022 resulting in the county not hitting the goal for production of new units.

Discuss how these outcomes will impact future annual action plans.

According to the latest *Harvard Joint Center for Housing Studies State of the Nation's Housing Report*, home prices in the Knoxville MSA have increased by 28.7% year-over-year in the first quarter of 2022. The average home value in our area is \$307,849. Homes of this value require a household income of \$84,651 or higher, exceeding the median household income of \$56,857. ¹

The present housing situation in Knox County serves as a poignant reminder of the critical need to prioritize initiatives that support the preservation of naturally occurring affordable housing options and the expansion of affordable housing within the community. The County remains committed to actively monitoring the housing market dynamics and flexibly adjusting project strategies as circumstances demand. To this end, the allocation of CDBG funds will play a pivotal role in driving projects aimed at enhancing access to high-quality affordable rental housing, bolstering essential infrastructure to facilitate the growth of affordable housing stock, implementing affordable single-family home restoration efforts, and actively advancing the overarching goal of increasing homeownership rates across the community.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

| NUMBER OF HOUSEHOLDS SERVED | CDBG ACTUAL | HOME ACTUAL |
|-----------------------------|-------------|-------------|
| Extremely Low-income | 31 | 0 |
| Low-income | 24 | 0 |
| Moderate-income | 14 | 0 |
| Total | 69 | 0 |

Table 13 – Number of Households Served

¹ <https://www.jchs.harvard.edu/state-nations-housing-2022>

The above Table represents the data available concerning extremely low-income, low-income, and moderate-income persons served by each activity this Program Year where information on income by family size is required to determine the eligibility of the activity. For the purposes of the table above, income levels are defined as follows for each program.

| TERM | DEFINITION |
|----------------------|--|
| Extremely Low Income | Households whose incomes is at or below 30% of the median family income for the area. |
| Low-Income | Households whose income is above 30% and at or below 50% of the median family income for the area. |
| Moderate-Income | Households whose income is above 50% and at or below 80% of the median family income for the area. |

CDBG

52 households were assisted with CDBG funds for home rehabilitation projects and the Elen's Glen development. Of the households served, 23 were extremely low-income, 17 were low-income, and 12 were moderate-income.

CDBG-CV

17 households were assisted with CDBG-CV funds for rent, mortgage, and utilities assistance. Of the households served, 8 were extremely low-income, 7 were low-income, and 2 were moderate-income.

HOME

No households were served through HOME.

CR-25 - HOMELESS AND OTHER SPECIAL NEEDS 91.220(D, E); 91.320(D, E); 91.520(C)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs.

In December 2022, KCGCD created the report *Homelessness in Knox County*² through consultation with local nonprofit agencies, faith-based organizations, the City of Knoxville, and other departments of the County. The report was created to better understand homelessness as well as the unique impacts and resources within Knox County to determine an effective solution for our community. Homelessness is unique to each individual or family, however, "significant contributors" have been narrowed down to housing, mental health, substance misuse, and the need for additional support networks. Knox HMIS' Annual Dashboard Report for 2021 found that approximately 8,695 individuals received homeless services that year.³

In recognition of the increasing population of individuals without stable housing, the County has placed a strong emphasis on allocating resources to evaluate and cater to the needs of homeless individuals. The County has directed funds from various sources, including CDBG, CDBG-CV, ERA, SLFRF, as well as local funds, to address this issue. The County plans to fully utilize its allocation from the HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) to effectively respond to the needs of families and individuals experiencing homelessness or facing a risk of homelessness in the upcoming year. A total of 5,267 individuals were served through homelessness services.

CAC Homeward Bound

The challenges faced by homeless individuals residing outside city limits are further exacerbated by the scarcity of service providers in these areas and limited access to public transportation for reaching resources within the city. In response to this pressing issue, the County dedicated \$120,000 of CDBG funding for outreach workers who proactively engage with homeless individuals at their encampments or frequented locations through Knoxville-Knox County CAC Homeward Bound. This effort aims to enhance their access to housing options and case management services, thereby addressing their immediate needs and providing much-needed support. In PY 2022, 140 individuals were engaged.

VMC CHAMPS

The Knoxville-Knox County CoC is responsible for managing the Coordinated Entry System, which systematically evaluates the requirements of homeless individuals and families, giving priority to those in vulnerable situations. This process ensures efficient

² Knox County Grants and Community Development. (2022) *Homelessness in Knox County*

³ <https://knoxhmis.sworpswebapp.sworps.utk.edu/dashboard/2021.html>

referrals to suitable housing and social service resources. CHAMP Assessments serve as the initial phase in the housing search process. Through CHAMP, agencies collaborate to address housing needs, ensuring that every homeless individual in Knox County undergoes assessment and gains access to services according to their eligibility. This encompasses various housing options, such as permanent supportive, rapid, and transitional housing services. Volunteer Ministry Center (VMC) was awarded \$17,280 in CDBG funds to conduct CHAMP assessments through their Bush Family Refuge and Street Outreach programs. In PY 2022, 435 individuals received an assessment through VMC.

Other Funding Sources

Knox County is utilizing its ERA, SLFRF, and local dollars to address the priority of homeless housing and services as identified in the Consolidated Plan. SLFRF and local dollars have been awarded to agencies for three years (year one of three completed) to provide services to homeless individuals, including victims of domestic violence and youth. Services include shelter services, a mobile shower, housing case management, job readiness training, trauma-informed care, and transitional living for youth. The County has also expended over \$61 million in ERA funds to provide Knox County residents with rental assistance that has prevented evictions and afforded housing stability. In addition to rental assistance, ERA funds have been expended to place families and individuals in hotels until they were able to move into a new rental unit.

Addressing the emergency shelter and transitional housing needs of homeless persons.

Like many communities, the need for emergency shelter and transitional housing has increased as there has been an increase in homelessness and a decline in affordable housing. Emergency shelters are full, and lengths of stay are increasing. In 2021, the average length of stay in an emergency shelter was almost three months. Currently, Knox County has an emergency shelter capacity of 644 beds and a transitional housing capacity of 268 beds.

Knoxville-Knox County's newly established Office of Housing Stability is actively coordinating with local churches and social service partners to establish emergency warming centers throughout Knox County in cases of extreme cold weather. These centers will be fully operational drop-in facilities with laundry, computers, and other needs to support those experiencing homelessness.

In the state of Tennessee, one in every four women will experience domestic violence, and one in every seven men. Knox County provided PY 2021 CDBG, SLFRF dollars, and funding from the State of Tennessee to the McNabb Center to acquire property and construct 22 transitional housing units for families fleeing domestic violence. Agencies are currently limited to referring victims of domestic violence from emergency shelters to permanent housing, which traditionally do not provide the additional services that many individuals need. The new facility will include one-bedroom and two-bedroom apartments, a group meeting room, and office space for McNabb Center staff. SLFRF funding was also provided to the YWCA Knoxville's Keys of Hope Program. Keys of Hope provides women with a safe place to stay while working to attain self-sufficiency.

Per the National Coalition for the Homeless, individuals experiencing homelessness are more likely to face substance abuse issues compared to those who have stable housing. Utilizing SLFRF funds, Knox County has provided funding to The Mend House and E.M. Jellinek to provide substance misuse treatment and counseling to LMI individuals.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Knox County has collaborated with the City of Knoxville to establish the Office of Housing Stability. This joint initiative will closely collaborate with the Knoxville-Knox County Homeless Coalition, housing agencies, homeless service providers, and individuals who have firsthand experience of homelessness. Together, they aim to establish a unified vision with shared objectives, guided by a comprehensive, data-driven, evidence-based approach at the systems level. The overarching goal is to prevent homelessness, maintain family residences, and facilitate access to housing options and essential services for individuals and families.

Through the following CDBG and CDBG-CV funded programs, Knox County has invested in the prevention of homelessness and providing the necessary resources to maintain housing stability:

Intensive Recidivism Prevention Program

In Knox County, 70% of the people released from the Knox County Jail return there within three years. ⁴Knox County awarded \$15,000 in CDBG funds to the Knox County Public Defender's Community Law Office (CLO) for their Intensive Recidivism Prevention Program. Social workers with the CLO assist homeless individuals and those at risk of homelessness, exiting the justice system, with accessing safe and affordable housing and will offer intensive, therapeutic case management focused on increasing access to mental health services, alcohol and drug treatment, and other services such as education and employment. Through individualized, intensive, and therapeutic case management services, CLO social workers can collaborate with at-risk individuals and community agencies to create solutions to interrupt and potentially end the "revolving door" cycle. In PY 2022, the CLO assisted 86 individuals.

Rental, Mortgage, and Utility Assistance

Knox County awarded Knoxville-Knox County CAC with \$230,000 in CDBG-CV funds for the CAC Housing Assistance Program. The program assists households who are struggling to pay for housing and/or utilities due to loss of income due to COVID-19. In PY 2022, 17 individuals received rental, mortgage, and utility assistance through CAC.

⁴ <https://tinyurl.com/2tph65xj>

Other Funding Sources

The County has dedicated additional resources through SLFRF and local dollars to provide services and facilities to address the community's mental health needs, substance misuse treatment, workforce development, and accessible health care services. Subrecipients include Metro Drug Coalition, Susannah's House, Renew Clinic, C.O.N.N.E.C.T Ministries, and Bridge Refuge Services.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The County has funded street outreach programs and the CLO's Intensive Recidivism Prevention Program, utilizing CDBG funds, to broaden residents' access to crucial services, enabling them to maintain stable housing. These initiatives place significant emphasis on assisting chronically homeless individuals, families, veterans, and their families. A notable example of this is demonstrated through CAC's Homeward Bound workers, who diligently connect individuals lacking access to housing resources and referrals with essential services like the CHAMP and PATH systems.

CAC Housing Specialist

Knoxville-Knox County CAC was awarded CDBG-CV funding for two Housing Specialists that provide case management services to assist homeless persons in obtaining and maintaining housing stability. Case managers conduct CHAMP assessments, aid in applying for rental units, and offer referrals to resources that support housing stability. The intention is to house, connect, stabilize, and achieve a maximum level of independence with each enrolled participant. In PY 2022, the CAC Housing Specialist served 155 individuals with the assistance of CDBG-CV funding.

Other Funding Sources

Knox County allocated \$250,000 of SLFRF funds to Cokesbury United Methodist Church's Fig Tree Community Center. Fig Tree furnishes housing stability services to individuals experiencing homelessness or are at-risk of homelessness. Fig Tree is the sole service provider for this population that is located outside the limits of the City of Knoxville.

CR-30 - PUBLIC HOUSING 91.220(H); 91.320(J)

Actions taken to address the needs of public housing.

Knox County does not own nor operate a public housing authority. Knoxville's Community Development Corporation (KCDC) serves the needs of all the public housing residents within the city and county. KCDC owns, manages, and maintains nearly 4,000 low-income rental units across the city and the county. Additionally, KCDC administers a program that allows over 4,000 families to secure affordable housing in the private market across Knoxville and Knox County. KCDC converted public housing within the City and County via the HUD Rental Assistance Demonstration (RAD) program in 2016; to date, all properties within the KCDC portfolio have been converted, except for Western Heights, which is currently in the conversion process. The resources made available by the RAD program have allowed KCDC to continue to fulfill its mission. The conversion of units to rental-based housing means KCDC has the same financing options available as the private sector and allows providers to leverage private capital markets to make capital improvements in the public housing stock. Modernization and rehab have been ongoing for all four KCDC high-rise properties for elderly and disabled adults. KCDC is mid-construction on Phase 2 of First Creek of Austin, which will add 180 units of affordable housing by the end of 2023. Phase 3 is expected to add 161 more units in 2025. KCDC opened the first 105 mixed-income units from Phase 1 in 2022.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership.

KCDC has several sites with Resident Associations, and there is a Tenant Council comprised of members of KCDC's various properties and Associations that meet monthly. Residents also participated in the planning process for the two newest neighborhood redevelopment projects, First Creek at Austin and Western Heights, through regular community meetings. KCDC received the HUD Choice Neighborhood grant to wholly transform the Western Heights community and surrounding neighborhood. KCDC actively partners with community agencies to increase resident involvement. Management also seeks to interact with their sites through community-centric activities, such as recognizing graduates at their properties, holding resource "fairs," and other neighborhood-building activities.

Actions taken to provide assistance to troubled PHAs.

KCDC is not "troubled" under 24 CFR Part 902.

CR-35 - OTHER ACTIONS 91.220(J)-(K); 91.320(I)-(J)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i).

At present, no discernible public policies are exerting adverse impacts on housing and residential investments. Knox County actively advocates for affordable housing opportunities for both individuals and investors, utilizing diverse resources at its disposal. The County also manages an inventory of properties acquired through non-payment of property taxes, adhering to Tennessee Code Annotated regulations by releasing selected properties through annual tax sales. This unique approach allows interested individuals and investors to participate in bids for Knox County properties, sold at rates below market value, thus fostering increased potential for individual and investor ownership of single-family housing.

In addition, Knox County's ERA Program has played a pivotal role in supporting families impacted by the COVID-19 pandemic by extending rental and utility assistance for a span of up to 18 months. The ERA program has extended financial aid to cover moving costs and the initial month's rent when families needed to relocate. This multifaceted support system has been pivotal in ensuring residents' continued access to and sustained habitation within housing, while also supporting economic viability for landlords.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j).

The most significant challenges in addressing underserved needs revolve around the scarcity of affordable housing and the growing number of homeless individuals.

Lack of Affordable Housing

Numerous individuals with lower incomes struggle to locate suitable and reasonably priced housing options. Barriers such as insufficient down payment funds, inadequately designed housing (in terms of accessibility or senior services), and limited transportation options often compound this issue. To combat the challenges of affordable housing, Knox County has made it a priority to allocate funds toward offering home repair assistance to households with moderate to low incomes. This proactive approach helps in the upkeep of the existing housing inventory and aims to mitigate these concerns. Programs such as NHI's Operation Backyard and CAC Home Rehabilitation, funded through CDBG, have been integral in addressing this issue. Construction is in progress for 34 new affordable housing units at Habitat for Humanity's Ellen's Glen subdivision, which was funded with PY2020 CDBG dollars and SLFRF funds. In the reporting period, eight homes were completed and have been occupied by LMI households.

Increase in Homelessness

In response to the rise in homelessness, the County has given top priority to providing funding for programs aimed at serving LMI populations. This entails providing resources to agencies that aid the medically underserved, offer mental health and dental services, engage in homelessness prevention efforts, and serve the elderly population. Knox County remains committed to sustaining its support of non-profit organizations, the local housing authority, providers for the homeless, and agencies serving specific populations. These collaborative endeavors aim to effectively address the unmet needs of the community.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

Reduction of lead-based paint hazards is proactively addressed by the continuation of funding for our Home Rehabilitation programs. CAC, one agency contracted to provide home rehabilitation for the County, has the needed lead-based paint detector equipment and State certified lead-based paint risk assessors on staff to recognize and address lead for clients receiving housing assistance. In addition, construction contractors are Renovation, Repair, and Paint (RRP) certified to address lead-based paint. Of the 24 households served by CAC's Home Rehabilitation program during this reporting period, six households were tested and found to have lead. Subcontractors performed lead hazard reduction at both homes in addition to other emergency repairs.

CAC consults regularly with the Tennessee State Department of Environment and Conversation, Environmental Protection Agency, and the Department of Housing & Urban Development to remain informed on new manners of reducing lead hazards as well as changes to applicable regulations.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

Knox County is dedicated to alleviating poverty among its residents and actively collaborates with Continuum of Care. Together, Knox County and the CoC provide a range of housing solutions, encompassing emergency shelters, transitional housing, and permanent housing, specifically for families who are presently, formerly, or chronically homeless.

The Knoxville-Knox County Office of Housing Stability's primary focus will be on ensuring that individuals and families in Knox County have access to safe, affordable, and stable housing.

To tackle poverty effectively, Knox County prioritizes its CDBG allocation, focusing on assisting the low- and very-low-income population. Public service funding is diversified to reduce the costs of mental health services, comprehensive healthcare for the under- and uninsured, and dental care. The County also promotes engagement with Section 3 business concerns, enhancing employment opportunities for low- to moderate-income residents and thereby contributing to the reduction of poverty levels among families.

Knox County is committed to addressing the needs of underserved populations through

partnerships with experienced service providers and strategic allocation of federal and local funds, while effectively leveraging the resources of other local agencies. These coordinated efforts seek to create lasting positive impacts on poverty and improve the lives of its residents.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

Knox County continues to build its capacity and partner with non-profit agencies that serve LMI county residents. Agencies use the grants for staffing and operational costs for public service and housing programs. Without the annual allocation of federal funding from HUD, many subrecipients would be required to reduce their program outreach and services, impacting the number of low- to moderate-income persons positively impacted in the community.

The County provides ongoing technical assistance to ensure compliance with rules and regulations for federal funding. Additionally, the County has discussions with partners regarding their activity accomplishments and creative ways to address unique challenges faced in the community. For example, the County assisted agencies in adjusting the types of services provided in response to the effects of the COVID-19 pandemic while still meeting the performance metrics identified in their agreements.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

Knox County has made substantial strides in enhancing technical assistance and outreach efforts to subrecipients, leading to impressive compliance rates with program regulations, reporting requirements, and service delivery. KCGCD has increased its capacity to support subrecipients over the last program year. The department has hired the necessary support staff to ensure each subrecipient has the resources and assistance needed to sustain impactful and compliant programs. The County now conducts two annual meetings attended by both public and private organizations to discuss community needs comprehensively.

In collaboration with local agencies, Knox County has fostered valuable partnerships to provide rent and utility assistance, making use of CDBG-CV and ERA funds. Financial resources have also been allocated to the Community Mediation Center and Legal Aid of East Tennessee, which play a pivotal role in mediating disputes between tenants and landlords, with a focus on eviction prevention to ensure tenants can maintain stable housing.

The new joint City and County Office of Housing Stability will serve as the liaison for local government, private and public sectors, and social services agencies. Active coordination across all sectors will create resilience in efforts to prevent and respond to housing instability and homelessness. Furthermore, KCGCD staff actively participate in the All4Knox Housing subcommittee, dedicated to expanding affordable housing opportunities for residents, particularly individuals dealing with substance misuse disorders. All4Knox is committed to fostering collaboration between private and public entities to achieve this objective.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

Knox County is committed to ensuring housing equity by actively promoting fair housing choices, employing affirmative marketing strategies, and consistently examining barriers to affordable housing. To uphold these principles, the County distributes fair housing posters and booklets to all HUD-funded subrecipients engaged in housing activities. Comprehensive Fair Housing training, accompanied by relevant materials, is provided to all funded agencies, whether they are involved in public services or housing administration.

Knox County prioritizes inclusivity by offering interpreter services for non-native English speakers during public meetings related to the Consolidated Plan, Annual Action Plan, and the CAPER.

Throughout April, KCGCD emphasizes the importance of fair housing awareness among government officials by designating it as Fair Housing Month. A designated County official reads a Fair Housing Proclamation during the County Commission meeting, and agencies, as well as local representatives from the HUD Fair Housing Office, are invited to participate and contribute to this significant occasion.

CR-40 - MONITORING 91.220 AND 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.

KCGCD is responsible for ensuring that subrecipients under the CDBG, CDBG-CV, and HOME programs carry out projects in accordance with both federal and County statutory and regulatory requirements. In most cases, these requirements are outlined in the contractual agreement executed between the County and the subrecipient. The County provides the maximum feasible delegation of responsibility and authority to grantees under the programs. Whenever possible, deficiencies are rectified through constructive discussion, negotiation, and assistance.

The standards and procedures for monitoring activities and projects have three components: Workshop and Application, Contracts, and Monitoring Compliance:

Workshop and Application

Knox County agencies are invited to attend a workshop in late January for an overview of the application, specific grant and federal requirements, and reporting obligations. Interested applicants are allotted time to ask questions before applying.

Each subrecipient is evaluated for compliance and performance. If a subrecipient has previously not met program goals, their performance is evaluated to determine if there were extenuating circumstances that prevented them from reaching their goal and Knox County provides capacity-building technical assistance. Subsequent program funding is then adjusted with regard to high-performing programs and those not meeting their contractual performance results.

Contracts

Based on the submitted application from the agency, a contract is developed that addresses HUD requirements, the budget, performance measurements, and the detailed project scope. Performance measures are the basis for monitoring compliance as they also provide for the termination of the contract or non-payment of subrecipient reimbursement request(s) based on adherence to the terms and conditions of their CDBG/CDBG-CV/HOME Agreement.

Monitoring Compliance

Ongoing monitoring involving desk audits of reports and supporting documentation, phone and e-mail contact, and technical assistance is provided where needed. Emphasis is placed on ensuring subrecipients and other partners receiving HUD funds comply with the contract and HUD requirements, grant and federal requirements (such as the financial standards outlined in the COFAR), any regulations that govern Fair Housing and Equal Opportunity, and environmental standards (including an environmental review for all projects before federal funds are drawn).

- **CDBG/CDBG-CV Monitoring Compliance**

The County conducted monitoring visits with seven agencies during the reporting period. Public service activities are reviewed monthly as a part of ongoing desk audits via reports and invoices submitted by subrecipients. Subrecipients also receive annual on-site monitoring of their program. Construction projects funded with CDBG dollars are monitored throughout the project to ensure that applicable regulatory requirements such as Davis Bacon and Section 3 are followed by all contractors and subcontractors. During this reporting period, the County conducted 19 interviews for Davis Bacon compliance at Habitat for Humanity's Ellen's Glen and the community room at Riverbirch Village and Willow Pace. The County holds regular meetings with subrecipients to discuss compliance with Davis Bacon and Section 3 regulations.

- **HOME Monitoring Compliance**

Construction and acquisition projects are monitored throughout the affordability period to ensure adherence to HOME rents, affirmative marketing, tenant selection criteria, and other HOME requirements. The County requires, as a part of its construction contracts, that agencies make efforts to encourage the use of minority and women's business enterprises on HOME-funded activities. Agencies receiving HOME funding are required to report the number and type of minority business enterprises that were contracted on each project. On-site inspections are also incorporated to ensure compliance with property conditions both inside and outside of the structures.

CITIZEN PARTICIPATION PLAN 91.105(D); 91.115(D)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

To ensure adequate and accessible citizen participation, Knox County developed a Citizen Participation Plan (CPP), which outlines the procedures and processes used by the County and is part of the approved 2020-2024 Con Plan. In accordance with the CPP, the County placed a notice of the public meeting and comment period for the CAPER in the Knoxville Focus on August 28, 2023. The CAPER comment period was August 28, 2023, through September 15, 2023, and the public hearing to review the CAPER was held on September 13, 2023, at the Office of Housing Stability.

A draft of the 2022 CAPER was placed on the Community Development website (<https://knoxcounty.org/communitydevelopment/>) before the public meeting and after review and approval by HUD, the “final” CAPER will be added.

Knox County’s public notices include language directing persons requiring special assistance to contact KCGCD for accommodations as it relates to public meetings and documents. All notices include information in Spanish for non-English speaking residents about how to obtain assistance in interpreting public documents such as the Annual Action Plan and CAPER. The notices also provide guidance on how to make public comments. KCGCD ensures that interpreters are available at public meetings and hearings upon request.

The CAPER Public Hearing was attended by four representatives from three local non-profit organizations. The following questions and comments were recorded from the meeting.

Chris Osbourne, HomeSource East Tennessee: Montgomery comments on how well the KCGCD office works with them, the support is what allows them to navigate the grants so well. Very appreciative of our support and help with these programs.

Chris Osbourne, HomeSource East Tennessee: “With discussions on affordable housing, are there any projections about how this will be addressed in the action plan?”

- KCGCD response: This is our highest priority and so is eviction prevention. The two issues go hand in hand.

Adam Montgomery, NHI: “Do you have a schedule for the application process for next year?”

- KCGCD response: We typically start in January or February to release applications. We will be releasing an Opioid application here soon and as soon as that is done, we will begin working on the remainder of the applications.

Adam Montgomery, NHI: “How can we support you all?”

- KCGCD response: Share your story. Ask yourself what your organization can share publicly about how your programs are doing.

One public comment was received via email during the public comment period.

Noah McBrayer Jones, Bridge Refugee Services: “Continuing to streamline the pipeline of federal funding is particularly important with regards to section 91.220(k); 91.320(j) "Actions taken to develop institutional structure." The non-profit agencies who are doing the direct service with LMI county residents are suffering perpetual staff turnover, and this leads to a lack of institutional memory, which ultimately decreases the efficiency of the agencies' services. Recognizing that professional staff are not "overhead" and making funding ample enough to competitively acquire talent as well as providing direct client assistance will help ensure that Knox County does not lose its infrastructure of trained non-profits. We encourage a path towards greater operational funding, recognizing that skilled social service professionals are a dwindling asset.”

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

No substantial amendments occurred in the previous program year for Knox County.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

CR-50 - HOME 24 CFR 91.520(d)

Construction and acquisition projects are monitored annually throughout the affordability period to ensure compliance with HOME requirements. On-site inspections ensure compliance with property conditions both inside and outside of the structures. Knox County conducts on-site visits to project locations, reviews resident files in conjunction with the HOME Compliance Report to verify their eligibility, and then responds by letter to the agency with the results of the review.

Six HOME-Assisted projects received an On-Going On-site Monitoring review during PY 2022. Projects receiving on-site monitoring review were evaluated in six areas of their projects: Rental Policies and Procedures, Tenant Selection Procedures, certification of tenant income and assets, low-mod-income rents, property standards, and residential leases. There were no issues identified with any project during the program year.

The following provides a list of all projects that received on-site monitoring during the reporting period. The table also details the specific findings issued per project.

| GRANTEE NAME | PROJECT | VISIT DATE | HOME UNITS | LOCATION | PERIOD OF AFFORDABILITY (YEARS) | FINDINGS |
|----------------|-------------------|------------|------------|-----------|---------------------------------|-------------|
| CAC | CAAN House | 5/17/2023 | 1 | North | 15 | No findings |
| HomeSource | Willow Place | 1/12/2023 | 5 | Northwest | 20 | No findings |
| HomeSource | Willow Place II | 1/12/2023 | 7 | Northwest | 20 | No findings |
| McNabb Center | Baker Avenue | 5/2/2023 | 8 | South | 20 | No findings |
| McNabb Center | Coster Road | 5/11/2023 | 7 | North | 20 | No findings |
| Sertoma Center | Ramona Group Home | 6/14/2023 | 6 | West | 10 | No findings |

Table 14 HOME Monitoring

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 24 CFR 91.520(e) and 24 CFR 92.351(a)

Knox County's HOME written agreement requires subrecipients to submit an Affirmative Marketing Plan for developments containing five or more HOME-assisted units. During on-site reviews, subrecipients must provide evidence that they follow their plan in advertising, flyers, etc., and that the plan is still in effect.

The County continues to further affirmative marketing actions to involve minorities and women in the HOME program. Knox County Procurement contacts its Business Outreach Division when looking for vendors and the department then notifies potential contractors. The County also adheres to the following policies and procedures:

- When informing the public, owners, and potential tenants about the Federal fair housing laws and affirmative marketing policy the Equal Housing Opportunity logotype or slogan is 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 are required to use the Equal Housing Opportunity logotype or slogan in advertising and display of the fair housing posters.
- Data, including race and ethnicity, on households is maintained on property that receives homeowner rehabilitation assistance.
- Owners are required to maintain data, including race and ethnicity, of households displaced as a result of program activities.
- Owners are required to maintain data on tenants, including how potential applicants were informed of the housing opportunities (Tenant Selection Policy).
- Affidavits are maintained on legal or public notices placed in the Knoxville Focus and/or community papers.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics.

Knox County received \$4,577.48 in program income from HOME during PY 2022 that will be re-distributed towards future HOME-funded projects.

Describe other actions taken to foster and maintain affordable housing. 24 CFR 91.220(k)

In the 2020-2024 Con Plan, the County emphasized affordable housing as a top priority and directs its HOME funds towards initiatives aimed at increasing the availability of affordable housing. Throughout its history, the allocated funding has primarily benefited low-income households, notably through the construction of new rental housing units.

Beyond the allocation of HOME funds, the County actively nurtures and sustains affordable housing initiatives through a range of funding channels, which encompass CDBG, CDBG-CV, and SLFRF funding. The County's comprehensive CDBG-funded

home rehabilitation programs are designed to safeguard naturally occurring affordable housing inventory. By offering essential emergency and minor home repairs, these programs contribute to prolonging the longevity of homes throughout Knox County. The County has also allocated over \$300,000 in CDBG dollars and \$1,000,000 in SLFRF dollars to aid in the construction of a new 35-unit subdivision that serves low- to moderate-income households.

The County has provided rent, mortgage, and utility assistance to County residents through CAC's CDBG-CV-funded program, which has helped mitigate the effects of housing affordability amidst the COVID-19 pandemic.

The County continues to prioritize housing and anticipates using its remaining and future HOME funds to work toward fostering and maintaining affordable housing stock.

CR-58 – SECTION 3

Identify the number of individuals assisted and the types of assistance provided.

| TOTAL LABOR HOURS | CDBG | HOME |
|---------------------------------------|------|------|
| Total Number of Activities | | |
| Total Labor Hours | | |
| Total Section 3 Worker Hours | | |
| Total Targeted Section 3 Worker Hours | | |

Table 15 – Total Labor Hours

| QUALITATIVE EFFORTS - NUMBER OF ACTIVITIES BY PROGRAM | CDBG | HOME |
|---|------|------|
| Outreach efforts to generate job applicants who are Public Housing Targeted Workers | | |
| Outreach efforts to generate job applicants who are Other Funding Targeted Workers. | | |
| Direct, on-the job training (including apprenticeships). | | |
| Indirect training such as arranging for, contracting for, or paying tuition for, off-site training. | | |
| Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching). | | |
| Outreach efforts to identify and secure bids from Section 3 business concerns. | | |
| Technical assistance to help Section 3 business concerns understand and bid on contracts. | | |
| Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns. | | |
| Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services. | | |
| Held one or more job fairs. | | |
| Provided or connected residents with supportive services that can provide direct services or referrals. | | |

| | | |
|--|--|--|
| Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation. | | |
| Assisted residents with finding child care. | | |
| Assisted residents to apply for, or attend community college or a four year educational institution. | | |
| Assisted residents to apply for, or attend vocational/technical training. | | |
| Assisted residents to obtain financial literacy training and/or coaching. | | |
| Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns. | | |
| Provided or connected residents with training on computer use or online technologies. | | |
| Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses. | | |
| Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act. | | |
| Other. | | |

Table 16 – Qualitative Efforts - Number of Activities by Program

During PY 2020, Knox County awarded \$338,000 in CDBG to support a street improvement project carried out by Knoxville Habitat for Humanity. The project is in compliance with Section 3 under the pre-2021 Rule, and re-certification is carried out annually with all Section 3 business concerns and workers. The County previously did not report in SPEARS; however, it maintains records of its compliance for all projects that require Section 3 prior to the implementation of the new Rule within its programmatic archives. Projects that meet or exceed the Section 3 threshold in alignment with the new Rule will be reported in IDIS as part of the activity accomplishment data.

APPENDIX A: PROGRAM YEAR 2022 CDBG AND CDBG-CV AWARDED PROJECTS

| GRANTEE | FUNDING OPPORTUNITY | DESCRIPTION | AWARD DATE | SOURCE | AWARD |
|--|---------------------|---|------------|---------|-----------|
| Knoxville Area Urban League | Housing Stability | Housing Counseling and Coaching | 7/1/2022 | CDBG | \$10,000 |
| Knoxville-Knox County CAC | Construction | Home Rehabilitation | 7/1/2022 | CDBG | \$350,000 |
| Knoxville-Knox County CAC | Housing Stability | Homeward Bound | 7/1/2022 | CDBG | \$120,000 |
| Knoxville-Knox County CAC | Housing Stability | Housing Specialist | 7/1/2022 | CDBG-CV | \$120,000 |
| Knoxville-Knox County CAC | Housing Stability | Rent, Mortgage, Utility | 7/1/2022 | CDBG-CV | \$385,000 |
| Neighborhood Housing Inc. | Construction | Operation Backyard | 7/1/2022 | CDBG | \$60,000 |
| Public Defender's Community Law Office | Housing Stability | Intensive Recidivism Prevention Project | 7/1/2022 | CDBG | \$15,000 |
| University of Tennessee, Knoxville | Housing Stability | Knox HMIS | 7/1/2022 | CDBG | \$15,000 |
| Volunteer Ministry Center | Housing Stability | CHAMP Assessments | 7/1/2022 | CDBG | \$17,280 |
| Sacred Ground Hospice House | Public Service | Hospice Care | 9/1/2022 | CDBG-CV | \$60,000 |

APPENDIX B: PROGRAM YEAR 2021 CDBG-CV AWARDED PROJECTS

| GRANTEE | FUNDING OPPORTUNITY | DESCRIPTION | AWARD DATE | SOURCE | AWARD |
|--------------------------|---------------------|--------------|------------|---------|-----------|
| Interfaith Health Clinic | Public Service | COVID Impact | 5/1/2021 | CDBG-CV | \$100,000 |
| McNabb Center | Construction | Centerpointe | 11/21/2021 | CDBG-CV | \$650,000 |

APPENDIX C: PUBLIC NOTICE



NOTICE OF PUBLIC MEETING

Knox County
Consolidated Annual Performance and Evaluation Report
Knox County Grants & Community Development

The Knox County Grants & Community Development Public Hearing is scheduled for 1:30 p.m. on Wednesday, September 13, 2023, at the following location:

405 Dante Road
Knoxville-Knox County Office of Housing Stability
Knoxville, TN 37918

The Knox County Grants & Community Development (KCGCD) 2022 Consolidated Annual Performance and Evaluation Report (CAPER) documents the County's activities and performance under the Community Development Block Grant (CDBG), Community Development Block Grant COVID (CDBG-CV), and the HOME Investment Partnerships (HOME) programs during the past year addressing specific housing and service needs of the community.

The public comment period is August 28 through September 15, 2023. The final version of the CAPER will be submitted to HUD for final approval by September 30, 2023.

Knox County residents are encouraged to share their verbal or written comments about the County's CAPER at the 1:30 p.m. public meeting on Wednesday, September 13, 2023. The County will incorporate all comments recorded during the hearing into the final CAPER. A draft copy of the CAPER is available at <https://knoxcounty.org/communitydevelopment/>. Printed versions can be found at the KCGCD office, the Lawson McGhee Library, and the Knoxville Community Development Corporation office. Comments may also be submitted to Alanna McKissack by email to alanna.mckissack@knoxcounty.org or by mail at KCGCD, 400 Main Street, Suite 364 Knoxville, TN 37902.

Persons requiring special assistance or accommodation should contact KCGCD at 865-215-3980 at least three days before the public meeting.

“Si usted necesitara asistencia para este aviso en otro idioma, por favor llame al 865-694-8880 para mayor información y mencione del Desarrollo Comunitario del Condado de Knox.”





U. S. Department of Housing and Urban Development

Knoxville Field Office, Region IV
John J. Duncan Federal Building
710 Locust Street, Suite 300
Knoxville, Tennessee 37902-2526

November 3, 2023

Jenny Holden, Director
Knox County Community Development
400 Main Street, Suite 630
Knoxville, TN 37902

Dear Ms. Holden:

**SUBJECT: 2022 Annual Community Assessment (ACA)
Knox County**

The Knoxville Office of Community Planning and Development (CPD) wants to thank you and your staff for all you are doing to serve the CPD program needs of your communities during these unprecedented times.

The provisions of the Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require the annual submission of performance reports by grant recipients receiving federal assistance through programs covered under these Acts. Additionally, these Acts require that a determination be made by the Secretary of the U.S. Department of Housing and Urban Development (HUD) that the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received.

The Consolidated Plan regulations at 24 CFR 91.525 require HUD to evaluate and report to the public on a community's overall progress in the management of its program funds, compliance with the Consolidated Plan, the accuracy of performance reports, and the extent to which progress has been achieved toward the statutory goals identified in Section 91.1. This letter serves to apprise you of our assessment of Knox County's overall progress.

In making our evaluation, we relied primarily upon Knox County's Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year 2022. This report summarized accomplishments made with funds provided from the Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), CARES Act and ARP Act programs. This letter is a summary of our review of Knox County's overall performance.

Knox County's CAPER and the individual grant year reports were received on September 29, 2023. The reports covered Knox County's July 1, 2022, to June 30, 2023, program year. The County's Integrated Disbursement and Information System (IDIS) reports were also reviewed for the same time period. Our review of both housing and non-housing projects identified in these reports indicates that the highest priority community development needs in the County's Consolidated Plan are being addressed. The CAPER was shared with the Knoxville

Field Director's Office and the other HUD program offices for review and comments. No comments were received. The CAPER was found acceptable and has been marked as reviewed and approved in IDIS.

CDBG: The County continues to make progress in distributing grant funds for the program year to its grantees in a timely manner.

The CDBG timeliness standard at 24 CFR 570.902 requires that sixty days prior to the end of the grantee's current program year, the amount of entitlement grant funds available to the recipient under grant agreements but undisbursed by the U.S. Treasury is not more than 1.5 times the entitlement grant amount for its current program year. On May 2, 2023, the timeliness ratio was 1.13. In 2022, 100 percent of the Counties' CDBG expenditures were budgeted for activities that benefited low and moderate-income persons, exceeding the 70 percent minimum program requirement. Public service expenditures were at 12.84 percent, which is below the statutory limit of 15 percent. Please ensure that no more than the statutory maximum of 15 percent is allocated for these activities. Administrative and planning spending was 8.35 percent, which is below the 20 percent cap.

Based on a preliminary analysis of IDIS reports available to our office, the County enters data and reports on CDBG accomplishments in this system. Please continue to record project descriptions, matrix codes, expenditures, and proposed and actual accomplishments in IDIS on a timely basis.

CDBG-CV: Knox County executed its CDBG-CV grant agreement on October 20, 2020. CDBG-CV grantees must expend 100 percent of the funds within six years. Per the PR26 Activity Summary generated on October 11, 2023, the County has an expenditure rate of 57.84 percent. Planning and administration expenditures were at 8.35 percent, which is less than the statutory maximum of 20 percent for these activities.

HOME Program: The HOME Program regulations at 24 CFR 92.300 require at least 15 percent of the HOME allocation be set-aside for Community Housing Development Organizations (CHDOs). A PR27 Status of HOME Grants report generated October 20, 2022, shows the grantee's CHDO requirement for its FY2022 HOME grant is \$77,414.00 with 0.00 percent distributed. The Consolidated Appropriations Act of 2019 suspended the 24-month CHDO *commitment* requirement and continued the suspension of the 24-month commitment requirement for regular HOME funds. Both deadline requirements are suspended through December 31, 2023.

Please also ensure that complete information for each HOME project is entered in the system within 120 days of making the final draw. This is required in the HOME regulations at 24 CFR 91.502(d). Complete and accurate information on the results and benefits of your programs is essential in order to measure performance in meeting the needs of low- and moderate-income citizens.

HOME-ARP: On March 11, 2021, the American Rescue Plan Act of 2021 (P.L. 117-2) was signed into law. Section 3205 of the ARP Act authorized funding for the HOME-ARP program. Per CPD Notice 21-10, recipients of HOME-ARP funds were required to develop an allocation plan as an amendment to its 2021 Annual Action Plan.

This Office received the County's allocation plan on March 23, 2023, and approved it on April 11, 2023. As of November 11, 2023, the County's administrative and planning expenditures were 0 percent, which is below the allowable limit of 15 percent. The period of performance for HOME-ARP grants ends on September 30, 2030.

HUD acknowledges the County's programmatic accomplishments during the program year. Based on our review we have concluded that the County has the capacity to carry out its CPD programs and has met its reporting requirements.

The County also included in its CAPER its efforts to affirmatively further fair housing and identify impediments to fair housing. The County has funded programs that affirmatively further fair housing, as well as reviewing zoning ordinance revisions and amendments for potential conflicts with the Fair Housing Act. We commend you for these efforts.

Program Participants are reminded that the legal obligation to affirmatively further fair housing remains in effect under the Fair Housing Act, Title VI of the Civil Rights Act, Section 109 of the Housing and Community Development Act, and other civil rights related authorities. Please be aware that a jurisdiction could be subject to a compliance review to determine whether, as a recipient of HUD funds, it is in compliance with applicable civil rights laws and their implementing regulations if its certification to affirmatively further fair housing is in question. The Office of Fair Housing and Equal Opportunity (FHEO) initiates most compliance reviews based on risk analyses, issues raised during a limited monitoring review, or when a civil rights problem is detected through HUD program monitoring. FHEO is available to provide technical assistance regarding affirmatively furthering fair housing upon your request.

We ask that you review our assessment of your performance and provide any comments that you may have within 35 days of the date of this letter. Upon receipt, we will evaluate your comments and make any revisions that are deemed appropriate. If you do not have any comments, we request that you formally notify us of that fact within the 35-day timeframe. Where no comments are received within the designated timeframe, our initial letter will serve as our final assessment of the County's performance for this program year. To facilitate and expedite citizen access to our performance letter, we request that you inform the general public and interested citizen organizations and non-profit entities of its availability. If for any reason, the County chooses not to do so, please be advised that our office is obligated to make the letter available to the public. We appreciate your cooperation in this matter.

We look forward to continuing to work with you and members of your staff to accomplish Departmental goals and mutual objectives to develop viable communities. We would also be pleased to provide you with any information on resources that may be available to your community. If you need assistance, or if you have any questions concerning the content of this letter please contact Telly O'Neil, Community Planning and Development Representative, at (865) 474-8247, or by email at telly.oneil@hud.gov. Our telephone text (TTY) number for the hearing impaired is (866) 503-0264.

Sincerely,

Calvin R. Whitaker
For Erik Høglund, Director
Office of Community Planning
and Development

Cc: Honorable Glenn Jacobs
Mayor, Knox County