

THDA Distributes HOME, ESG and HTF Competitive Round Grant Money

At the THDA Board of Directors meeting on May 25, 2010, in Kingsport, the board approved THDA's Community Programs Division's recommendations for the distribution of three grant programs: HOME, Emergency Shelter Grant (ESG) and Housing Trust Fund (HTF) Competitive Round. Applicants for all of the grant programs were notified by mail as to the status of their application in June. THDA hosted Grantee workshops for ESG, HOME and HTF recipients June 28-30 in Nashville.

"We were pleased that the board agreed with staff recommendations for the allocation of grant program funding," said Coralee Holloway Director of THDA's Community Programs Division. "We had good applications this year. They reflect the tremendous need for low income housing across the state,"

HOME funds are awarded annually through a competitive application process to cities, counties and nonprofit organizations outside the local participating jurisdictions. Most of the funding from the HOME

Program went to homeowner rehabilitation for low and very low income Tennesseans.

The federal grant allocation from the 2010 HOME Program to Tennessee in 2010 is \$17,461,612. Of this amount 15 percent or \$2,619,242 is reserved for Community Housing Development Organizations (CHDOs). There was also \$36,088 remaining from the 2009 HOME funds set aside for CHDOs. This brought the total allocation amount for CHDOs in 2010 to \$2,655,330. CHDOs are eligible to apply for State HOME funds only if the proposed project is outside most HOME participating jurisdictions.

THDA also set aside 10 percent or \$1,746,161 of the 2010 HOME allocation for Special Needs projects. Another 10 percent of the funds were set aside for administrative costs. The remaining 65 percent of the 2010 HOME Program funds and funding left over from previous years, including interest, totaling \$12,365,539 was distributed throughout Tennessee's nine regions.

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The state provides matching funds for the HOME Program.

Examples of projects funded through the 2010 HOME Program include: Comcare Inc. using HOME funds to construct four three-bedroom units of rental housing in Greene County for people with developmental disabilities, Bradley/Cleveland Services Inc. buying and rehabilitating six two-bedroom units of rental housing in Cleveland, Tenn. for people with developmental disabilities, and Volunteer Housing Development Corporation using HOME funds to construct 11 one-bedroom units of rental housing for elderly individuals in Sevier County.

THDA administers the federally-funded Emergency Shelter Grant (ESG) Program to increase the number and quality of emergency shelters and transitional housing facilities for homeless individuals and families, to operate these facilities and provide essential social services and to help prevent homelessness. ESG funds are awarded annually on a competitive basis to cities, counties and nonprofit organizations outside of the Entitlement Cities which receive ESG funds directly from HUD: Chattanooga, Knoxville, Memphis and Nashville.

In 2010, the U.S. Department of Housing and Urban Development (HUD) allocated \$1,525,753 in ESG Program funds to Tennessee. Of this, THDA allocated 52 percent or \$660,122 on a formula basis to the ten Entitlement Cities that do not receive ESG funds directly from HUD, but are expected to address homelessness in their Consolidated Plans. These cities are Bristol, Clarksville, Cleveland, Franklin, Jackson, Johnson City, Kingsport, Morristown, Murfreesboro and Oak Ridge.

To fund as many agencies as possible, THDA contributed \$16,000 for administrative costs for the ESG Competitive Round. There was also \$102,145 of reallocated 2009 ESG funds for a grand total of \$727,488 for the Competitive Grants. THDA received 27 applications requesting more than \$1.5 million. This year the ESG Competitive Round was able to fully fund 13 applications from across the State and partially fund one.

The Housing Trust Fund (HTF) was created in 2006 to address the housing needs of very low income, elderly and special needs Tennesseans. The HTF Competitive Grants award funds to non-profit organizations, local governments, development districts, human resource agencies, public housing authorities and other departments within State government for eligible housing activities in the areas of homeowner rehabilitation, homeownership and rental housing serving the target populations. The HTF is awarded every two years.

In this round of the HTF, THDA awarded \$6,595,533 to 15 applicants. There were 30 applications requesting more than \$10 million. The money given through the 2010 HTF Competitive Round was made up of \$3.1 million from the fiscal year 2009-2010 allocation, \$3.15 million from the FY 2010-2011 allocation, \$17,023 from the 2007 Competitive Grants, a LIHTC penalty of \$28,509 and \$250,000 returned from the 2008 Competitive Round.

This year the HTF Competitive Round primarily funded creating and maintaining affordable rental housing units. Examples of projects funded through the

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HTF Competitive Round include: Alpha Omega Veterans Services Inc. rehabilitating 19 units of rental housing to serve as transitional housing for homeless veterans in Memphis, Habitat for Humanity of Tennessee using a HTF grant to build 50 new homes across the state for low income families with more than 85 percent of the homes in rural areas and the Southeastern Housing Foundation Inc. using HTF money to transition a former school into 48 units of rental housing for chronically homeless individuals in Knoxville.

Photos From THDA's May Board Meeting and the Governor's Fair Housing Month Proclamation



During the May Board Meeting in Kingsport, THDA's board members enjoyed a tour of work, funded in part by THDA, completed by the Kingsport Housing and Redevelopment Authority.



Grants Committee Chair Robyn Askew, a Kingsport native, posed with homeowner Helen Bunting, KHRA Executive Director Terry Cunningham and KHRA employees Doris Ladd and Maria Catron. Mrs. Bunting bought her home through the HOPE VI redevelopment project.



Governor Phil Bredesen proclaims that April is Fair Housing Month in Tennessee. He is pictured with Patricia Chatman, THDA Deputy Executive Director; Beverly Watts, Executive Director of the Tennessee Human Rights Commission; and Bill Dirl, HUD Nashville Field Office Director.

THDA Adopts New Three Year Strategic Plan

THDA strives to be the best housing finance agency in the country. Strategic planning is a vital component in achieving that goal. In 2009 THDA developed a new three-year Strategic Plan. The plan, which covers calendar years 2010 through 2012, focuses on THDA's four primary roles: Industry Leader, Program Administrator, Partnership Facilitator and Housing Resource. Through a series of meetings, THDA staff developed the overriding themes, a pledge to continue to do what THDA does well, and the goals under each of THDA's four roles. The THDA Board of Directors approved the effort.

THDA is committed to being an *industry leader* in housing matters in Tennessee and across the country. In this role, THDA advocates for Tennesseans on

challenging issues such as homelessness, the cost burden of housing for families, and substandard housing conditions. THDA seeks to maintain its distinction as a first-class organization by demonstrating the highest integrity in the *administration of our programs*. THDA uses its resources wisely, effectively and equitably while remaining flexible to market changes. THDA is dedicated to *facilitating affordable housing partnerships*. In this role THDA will help develop cooperation and strengthen relationships with both internal and external customers in a flexible, creative and responsive environment. THDA will serve as the premier housing *resource* by being an active collector and depository of accurate and timely information making reports and presentations widely available.

Leadership is Important at THDA An Editorial by Ted Fellman

For the past few years, THDA has undergone a philosophical shift, transforming from merely administering housing programs to expanded roles as a partnership facilitator, housing resource, and most importantly an industry leader. The focus on being a leader as an organization has centered on creativity, responsiveness, flexibility, and expertise. This is important to everyone that we work with, as well as those who rely on the programs we administer. We have put a renewed emphasis on customer service, relationships with our partners, and outreach to elected officials and policy makers at all levels of government and the private sector.

In addition to being an industry leader, THDA has created a leadership development initiative for our staff. Two years ago we introduced a new set of expectations

for leaders within the organization, with a strong emphasis on “people leadership”. We want to live up to one of the value statements that is published in our strategic plan: “We appreciate, respect, and empower employees, and foster a fun, rewarding work environment.” Members of THDA’s senior staff attended a series of workshops that focused on many of the new expectations (coaching, team building, communication, etc.). Last year, we stepped up the investment in these senior staff members (Director level and above) by hiring an outside firm to not only conduct additional workshops, but they also provided private, one-on-one coaching. This effort allowed each individual leader to focus on his or her areas of development. We also partnered with the Tennessee Department of Human Resources to create a leadership development series for our mid-level leadership

team, as well as one for our subject matter experts.

In the new strategic plan approved by the THDA Board of Directors for 2010-2012, one of the goals is to “create and maintain an ongoing employee leadership development institute.” To facilitate the accomplishment of this goal, THDA created a Leadership Council in March, co-chaired by Patricia Chatman (Deputy Executive Director) and Laura Sinclair (Senior Director). The council will determine the direction for future leadership development initiatives, both for current leaders as well as programs designed to identify and develop emerging leaders. The council asked me to articulate my philosophy about leadership, and we introduced the following to our staff on March 31:

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THDA Has Record Mortgage Production While Interest Rates Drop Again

For the second time this year THDA has lowered the interest rate on all Single Family Program applications. The new rates, which took effect June 1, 2010, are 4.6% for Great Rate and Great Save, 4.9% for Great Advantage and 5.2% for Great Start. All loan applications, including electronic submissions, received after June 1 must be submitted at the new lower rates. Loans submitted prior to June 1 will close at the previous rates of 4.75% for Great Rate and Great Save, 5.05% for Great Advantage and 5.35% for Great Start.

Bolstered by buyers rushing to qualify for the First-Time Homebuyer Tax Credit, THDA’s Single Family mortgage application production was the second largest on record for the month of May and the division anticipates that application production will be even greater in June. With the increase in applications, THDA’s Single Family Division is working diligently to maintain their high level of customer service and their quick turnaround time. Their goal is to facilitate as many closings as possible in order for all first time homebuyers to take full advantage of the tax credit.

THDA Launches Star Rewards Program

In April THDA's Single Family Division rolled out the Star Rewards Program to its lending partners. Through this program, THDA recognizes the processors from our Originating Agents' offices that submit perfect files in an effort to be more efficient and effective. Many times the processors who diligently work behind the scenes to make sure the borrower's files meet the necessary

criteria for financing are not noticed in the pathway to homeownership. In fact the quality of their work and the experience they have can have a great deal to do with the speed at which a loan can close.

THDA will track each perfect submission and send congratulatory postcards for each perfect submission. At the end of the calendar year those numbers will be

tallied and the Processor who has submitted the most perfect files will be honored at a state THDA awards function and win a gift certificate to use at one of our state parks.

Within the first six weeks of the program THDA has had over 70 perfect files submitted and are looking forward to increasing that number each month.

Memphis Developer Wins 2010 CAHEC Award



Congratulations to Mike Hampton Properties which is based in Memphis, whose 89 unit East River Place development in Nashville, has won the 2010 Community Affordable Housing Equity Corporation (CAHEC) award for Development of the Year. The award was presented during CAHEC's Annual Partners Conference in North Carolina. East River Place was a 2009 recipient of THDA Low Income Housing Tax Credits and a 2010 recipient of Section 1602 assistance. CAHEC, a nonprofit equity syndicator, works with investors and developers in ten states and the District of Columbia to raise and invest capital in affordable rental housing, historic preservation and mixed-use community revitalization projects. The pictures above are of East River Place and of Dana Boole, president of CAHEC, presenting the award for Development of the Year to Harvey Hoskins of Mike Hampton Properties.

Leadership is Important at THDA

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"It is important to me that our leadership focus at THDA be on people. One conversation at a time, one relationship at a time, leadership should be centered around people. This focus includes not only the people who work at THDA, but it also includes

our partners, our stakeholders, and ultimately it includes the citizens that we serve. If we invest in the development of THDA's staff, create a fun and rewarding work environment, and empower our staff with authority and responsibility, they will do

great things."

I am very excited about the direction of leadership development at THDA. These efforts should help ensure that THDA will be a great organization for years to come.

Meet the Faces Behind the Funding

In an effort to publicize all of the great things that THDA and our dedicated partners are able to do to help residents across the state, THDA is collecting photos and stories of individuals and families who benefit from any of THDA's programs for the Faces Behind the Funding Campaign. One such story is that of 75-year-old Rena Adcock who lives in Smithville, in DeKalb County. Thanks go to the Upper Cumberland Development District who submitted this story and photo.

Rena is a busy woman, working with the DeKalb County School System for the past eight years and taking care of the home she shares with her two sons Tim (39) and Richard (56) and her grandson Brandon (16). Rena's home needed some major repairs but as the only member of her household with a job right now, she just could not afford them.

Rena read about the HOME Program in the local newspaper. After learning from the Upper Cumberland Development District that she qualified, she applied and soon the contractor began work. Rena's home got an exterior face lift with new roof, windows, siding and gutters. On the inside the home's bathrooms were renovated to make them more sanitary. The entire Adcock family is grateful that the quality of their living environment has improved. Their home is now warmer and more comfortable.

THDA administers the federally funded HOME Program to promote the production, preservation and rehabilitation of housing for low income households. HOME Grants are awarded annually through a competitive application process to cities, counties and nonprofit organizations outside the local participating jurisdictions. Community housing development organizations (CHDOs) are eligible to apply for THDA HOME Grants, only if the proposed project is outside local participating jurisdictions.

If you work with THDA program recipients we need your help to continue the success of the Faces Behind the Funding Campaign. When you work with a program recipient who is willing to participate and whose story you think should be told, you can help in two ways. Your first option is to help the recipient fill out the questionnaire available on our website at <http://thda.org/faces/recquestionnaire.pdf> and take a picture of the recipient or use one provided by the recipient and then submit the completed questionnaire and photo(s) to Toni Harris (tharris@thda.org or 615-815-2182) or Charmaine Wilde (cwilde@thda.org or 615-815-2183). Your second option is to contact Toni or Charmaine who would be happy to plan a trip to interview and photograph the recipient.



First Time Homebuyer Tax Credit Extended for Military and Foreign Service Employees Based Overseas

While the First Time Homebuyer Tax Credit expired for most buyers on April 30, 2010, the credit remains in effect for military personnel and Foreign Service employees deployed overseas for 90 days or more between Jan. 1, 2009 and April 30, 2010. These homebuyers can still claim the credit if they sign a contract on or before April 30, 2011 and close on or

before June 30, 2011. While this extension affects a relatively small group, the \$8,000 tax credit can still make a large impact on military personnel ending tours of duty in Iraq and Afghanistan among other places, as well as Americans who have been serving in other capacities. For more information visit the IRS website: www.irs.gov/newsroom/article/0,,id=215594,00.html.

THDA Attends Habitat for Humanity's 3,000th Home Dedication in Tennessee



Coralee Holloway, Community Programs Director, Lorrie Shearon, Chief Strategy Officer and THDA Executive Director Ted R. Fellman pose at the sign announcing Tennessee's 3,000th Habitat for Humanity house. The home was built for Wanda Brewster whose home was lot to a fire.



Ted Fellman poses with Scott County Mayor Rick Keeton, Habitat Homeowner Wanda Brewster, Morgan County Executive Becky Ruppe and Appalachia Habitat Executive Director Sandy Spurling.

Memphis Housing Authority Receives \$22 Million Hope VI Grant

The Memphis Housing Authority (MHA) has received a \$22 million Hope VI Revitalization Program grant from the U.S. Department of Housing and Urban Development. MHA will use this grant to redevelop the Cleborn Homes public housing development just south of downtown Memphis.

A total of \$113.6 million in Hope VI grants were awarded to six public housing authorities across the country in 2010.

Housing authorities from 44 cities applied for the funding. This year's \$22 million award is the fifth grant the MHA has received since the Hope VI program began in 1993.

Funds from the Hope VI program are to be used to transform distressed public housing into mixed-income communities. The Cleborn Homes project will include demolishing 460 distressed units and replacing them with 400 new apartments, 140 of which will be

public/low income housing units, 110 units for low-income tax credits, 40 voucher units and 110 market-rate rental units.

"Increasing access to quality, affordable housing during these tough economic times is vital for Memphis," said U.S. Representative Steven Cohen. "This new federal funding will help revitalize the neighborhood, create jobs, and help children get the education they need to successfully compete in a 21st Century economy."

THDA Sponsored Website TNHousingSearch.org Helps Tennessee Flood Victims Find Housing

Thousands of Tennesseans have been displaced from their homes because of the record-breaking flood waters that hit Middle and West Tennessee on May 1 and 2, 2010. TNHousingSearch.org, THDA's free to list and free to search rental housing resource website, has helped many of these flood victims find a safe, sound and dry place to call home.

Since May 2, more than 17,000 new units from almost 300 new landlords have been added to the site. Now more than 80,000 properties, representing 94 of Tennessee's 95 counties, are listed on the site. Most of the recent additions are in Davidson County. Searches on the site have doubled since May 2, to approximately 2,000 searches every day.

"Providing access to safe, sound and affordable rental housing through TNHousingSearch.org helps displaced residents stabilize quickly, which will help to minimize the trauma that flooding is causing our region," said THDA Executive Director Ted R. Fellman.

To assist renters across the state in their search for adequate rental housing, please contact the landlords in your area and encourage them to post their units online at www.TNHousingSearch.org. Listing and searching on the site are completely free. There is no limit to how many rental properties can be posted, and the site covers all rent levels. Properties can be manufactured housing, duplexes, complexes or single family homes. Property owners and

managers can register their properties online or contact socialserve.com at 1-877-428-8844 for a registration form. Socialserve.com's call center is open Monday through Friday from 8 a.m. to 7 p.m. Central time, staffed with English and Spanish-speaking staff and can answer questions from landlords or renters. Apartment complexes with duplicate amenities are easily posted.

If you need permanent or temporary rental housing, go to TNHousingSearch.org, call 1-877-428-8844 toll free, or work with a local agency to find safe housing and related emergency and recovery resources. On TNHousingSearch.org, renters have the convenience of searching on-line, placing several options on a map for a neighborhood visual and comparing property amenities such as size, security deposits, pet policies, rent levels, utility history, accessibility features and more. With all of these available search criteria, renters can get an up-to-date list of vacant rental properties that meet their specific needs. Support for persons with disabilities who are seeking housing is available. Interested persons who do not have access to the Internet can call toll-free 1-877-428-8844 and receive the same information, in English or Spanish, by phone, fax or mail.

THDA worked with SocialServe.com to create the site as a resource for families to find appropriate rental housing after a disaster and on a regular basis. Questions about the site can be directed to THDA's Chief Strategy Officer Lorrie Shearon at lshearon@thda.org or 615-815-2013.

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