

2009 Governor's Housing Summit

The 2009 Governor's Housing Summit is Oct. 19 and 20 at the Marriott Nashville Airport Hotel. The Summit offers training, exhibits and access to successful programs and those who run them. This year's Summit will focus on the future of affordable housing in the midst of our state's changing economy. A mix of plenary and concurrent sessions with topics such as Green Lending, Green Materials, Recovery Programs and Barriers to Affordable Housing will offer attendees access to the best practices, success stories, financing options and economic analysis. THDA's Director of Business Development, Debbie Reeves, will also conduct a THDA Programs Session for REALTORS® on Oct. 19 for 4 hours of credit. After the last session, Summit attendees are invited to join us for a bus tour of affordable housing development in the Nashville area.

To register for the 2009 Governor's Housing Summit visit the THDA website, www.thda.org. For hotel reservations, call 800-770-0555 and ask for the "Governor's Housing Summit" rate. For questions about registration please contact Sharon Chatman at (615) 815-2184 or schatman@thda.org. Attendance is capped at 550 persons.

Sponsorship and exhibitor opportunities are available. For more information, visit our website or contact Patricia M. Smith at (615) 815-2185 or psmith@thda.org.



In this issue:

Tennessee Agencies Recognized for Adopting National Standards For Education and Counseling	2
Attendees Gain Valuable Information at the 2009 THDA Homebuyer Education Initiative (HBEI) Peer Session	3
UCDD Receives \$7 Million in Grants	4
Habitat for Humanity Partners with "Little House on the Prairie :the Musical"	4
THDA's Section 8 Rental Assistance Division Attends Annual Statewide Meeting	5
New Law Requires 90-Day Pre-Eviction Notice for Tenants of Foreclosed Rental Properties	6
Neighborhood Stabilization Program Gets Underway	6
Two HOPE VI Projects Help Low Income Tennesseans Become First-Time Homeowners	7
1.4 Million Families Have Received Homebuyer Tax Credit	7
THDA Completes Round 1 of the National Foreclosure Mitigation Counseling Grant	8

Tennessee Agencies Recognized for Adopting National Standards For Education and Counseling

Eleven homebuyer education provider agencies recently were recognized by THDA at the HBEI Peer Session for adopting the National Industry Standards for Homeownership Education and Counseling during the past year.

The eleven agencies are the 28th Legislative Community Development Corporation, Chattanooga; Consumer Credit Counseling of East Tennessee, Knoxville; Eastern 8 CDC, Johnson City; Frayser CDC, Memphis, Homeownership Foundation, Memphis; Jackson Housing Authority; Memphis Consumer Credit Education Association; Nashville Area Habitat for Humanity; New Level CDC, Nashville; Residential Resources, Nashville; and University of Tennessee Extension, Blount County.

The homeownership education providers were

honored for completing the process this past year to adopt national standards requiring their agencies to meet core operating standards in the areas of competency, skills, training, certification, continuing education, and homeownership program operations, as well as ethics and conduct. A total of 29 THDA-approved agencies now have adopted the standards.

THDA Director of Single Family Programs, Laura Sinclair, said THDA has made a commitment to encourage the state's approved homeownership education providers to adopt and adhere to the professional standards in order to best serve Tennessee first-time homebuyers. "As the link between counseling/education and sustainable homeownership becomes increasingly clear, it is essential that homeownership education and counseling agencies ensure their services are of the highest quality," Sinclair said.



(L to R) Front row: Laura Sinclair, THDA; Rosalind Robinson, Residential Resources; Geneva Gibson, Jackson Housing Authority; Casey Campbell, Nashville Area Habitat for Humanity; Anna Seale, Consumer Credit Counseling Service of East TN; Billy Featherstone, Homeownership Foundation; Chris Sneed, UT Blount County; Jayna Bower, NeighborWorks; Debbie Perry, Eastern 8 CDC; Jim Bridges and Joelander Wheeler, 28th Legislative District CDC; Charia Jackson, Frayser CDC; Brent Wright, New Level CDC; Faye Carson, Memphis Consumer Credit Education Association; and, Eddie Latimer, THDA Board Chairman.

Attendees Gain Valuable Information at the 2009 THDA Homebuyer Education Initiative (HBEI) Peer Session

Tennessee's certified homeownership education trainers and counselors gathered in Nashville on July 13, for current issue briefings, annual program updates, continuing education and networking opportunities at THDA's sixth annual, statewide HBEI Peer Session.

In today's climate of rapidly-changing affordable housing needs, issues and solutions, it is essential that Tennessee's homeownership education trainers and counselors have the opportunity to come together to learn from outside sources and each other how best to assist their customers.

Ted R. Fellman, THDA's executive director, welcomed the group and expressed appreciation for the services they provide for consumers needing guidance and education with finding and keeping affordable housing. "In the midst of today's vast economic challenges, Tennessee's homeownership educators and foreclosure counselors are at the forefront," said Fellman.

A progress report on new national industry standards was delivered by Jayna Bower, director of NeighborWorks® Center for Homeownership Education and Counseling in Washington, DC.



Luncheon Keynote Speaker Cathy Self of The Baptist Healing Trust



HBEI attendees at the luncheon.



Julian "Bud" Zander provided an information-packed session on Homeowner's Insurance.



Michael Saine and Genevieve Woods staff the Orange Mound Development Corporation's booth at the networking mixer.

Updates on programs impacting or requiring homeownership education, financial management, and foreclosure counseling were provided by Ann Berry, UT Extension Service; Faye Reid, HUD; Don Harris, USDA Rural Development; Coralee Holloway, THDA director of Community Programs; and Laura Sinclair, THDA director of Single Family Programs.

The luncheon Keynote speaker was Cathy Self, senior vice

president, Baptist Healing Trust. Self spoke about how to avoid burn-out as the attendees work to serve others. She also provided useful insights pertaining to relating and communicating on a personal and professional level.

Eighteen exhibitors participated in the Session's interactive Networking Mixer, including sponsors Regions Bank, Mortgage Investors Group and Guaranty Trust.

Photos courtesy of Joe Spake, Revid Realty, Memphis.

UCDD Receives \$7 Million in Grants

The Upper Cumberland Development District (UCDD), which is celebrating its 40th anniversary, recently announced its acquisition of \$7 million in funding from THDA, HUD, EPA, USDA and other sources.

The UCDD received \$400,000 for a project called brownfields. According to the EPA, brownfields are properties with the presence or potential presence of a hazardous substance, pollutant, or contaminant. The grant will be used to clean up and reinvest in these properties.

HUD awarded UCDD a \$1.67 million grant to build eight apartments in Smithville for grandparents of low income who are raising a grandchild. Larry Webb, deputy director of the UCDD, said the grant money will be used to build six two-bedroom units and two three-bedroom units in Smithville. This is one of the only two housing projects like this to be funded in the nation. The other one is in Chicago.

UCDD is also a recipient of Neighborhood Stabilization Program (NSP) funds. NSP, administered by THDA, identifies foreclosed properties, makes money available to purchase these properties and helps

families in need to buy that home with classes and credit improvement seminars. The total for this project is \$682,423.

The Homeless Prevention and Rapid Re-Housing Program allocated a grant of \$989,000. It will help identify homeless people and help them find homes by working with small nonprofit agencies.

THDA has also awarded two HOME Grants to Cannon and Pickett counties. Cannon's grant totals to \$318,438 and Pickett received \$375,000. The funds will go to eligible families who need their homes rehabilitated. The families are determined through the Upper Cumberland Human Resource Agency and the USDA.

A THDA Emergency Repair Program Grant has also been awarded with a total of \$222,222. These dollars can be used in any and all of the 14 counties. A partnership with USDA and the UCHRA determines what small repairs need to be made to the home.

More funding is pending notification, but currently the UCDD has \$25 million in projects being administered in its 14 counties.

Habitat for Humanity Partners with “Little House on the Prairie: the Musical”

Nashville Area Habitat for Humanity is partnering with “Little House on the Prairie: The Musical” to draw attention to and raise money for affordable housing. Tennessee Performing Arts Center will host the musical production from Oct. 27 to Nov. 1. During their time here, the cast and crew will spend a day volunteering with Nashville Area Habitat for

Humanity. At the culmination of the tour the musical will make a minimum donation of \$1,500 to Habitat for Humanity affiliates in each of the show’s tour markets. For more information about the performance and ticket availability, visit www.tpac.org/littlehouse.

“We are excited to work with ‘Little House on the Prairie: The

Musical,’ ” said Nashville Area Habitat President and CEO Chris McCarthy. “We appreciate the cast and crew for helping us raise awareness of the need for more affordable housing and their generous commitment to help eliminate poverty housing.”

THDA's Section 8 Rental Assistance Division

Attends Annual Statewide Meeting

From Aug. 31 to Sept. 3, the 65 staff members in THDA's Section 8 Rental Assistance Division came together in Downtown Chattanooga for their annual Statewide Meeting.

The Statewide Meeting is the one opportunity a year for the Section 8 staff from Nashville and the nine field offices to connect, share information about legislation, share new strategies and best practices and to get training in different areas relating to what they do on a daily basis. The Statewide Meeting is also attended by a few THDA staff from other departments that work

closely with the Section 8 Rental Assistance Division including IT and Fiscal Administration.

At the conference Kevin Wells from Emphasis Elite Software presented the new data input software Rental Assistance will be using beginning Dec. 1. THDA staff then spent two days in training on the new software to ensure that the transition would be as smooth as possible.

Margaret Zylstra, a Registered Nurse with the Chattanooga Health Department, gave a presentation on infectious diseases in the workplace including Swine Flu,

the common cold and Hepatitis C. "We learned a lot of things that we didn't think about before. Things to protect ourselves," said Jeboria Scott, Section 8 Rental Assistance Coordinator and the coordinator of this event. THDA staff were also provided with fact sheets about prominent diseases.

"Overall I thought that the conference was a fun, educational and well rounded event with the addition of the Health and Technology sessions," said Scott, "We fulfilled THDA's mission and the information was timely and relevant to what we do in our division."



Trish Moon, Shari Messer and Leah Ailey from the Knoxville field office.



Lou Anne Carter, Susan Scott and Bonnie Morris from the Madison office.



Linda Lalone, Betty Warren, Brenda Whitaker and Linda Simmons



THDA's Director of Business Development Debbie Reeves is pictured here with Glenn Moore, the new president of the Memphis Area Association of Realtors®. The photo was taken at the Tennessee Women's Council of Realtors' event, of which THDA was the Diamond Sponsor. THDA was also the featured topic at the event luncheon. Reeves spoke for 20 minutes about the Single Family Program and how without the Single Family Program THDA could not offer help in other areas to Tennesseans who really need help. Reeves mentioned the Housing Trust Fund which included the Emergency Repair Program and Low Income Tax Credits, the Neighborhood Stabilization Program, Governor's Housing Summit, TNHousingSearch.org and TNResource.org and then fielded questions.

New Law Requires 90-Day Pre-Eviction Notice for Residents of Foreclosed Rental Properties

On May 20, 2009, President Obama signed into law a bill that includes a nationwide 90-day pre-eviction notice requirement for residents of foreclosed properties. The new law requires that the immediate successor of a foreclosure property provide residents with 90 days' notice prior to eviction and allow residents with leases to occupy the property until the end of the lease term. One exception to this is that the lease can be terminated on 90 days' notice if the unit is sold to a purchaser who will occupy the property.

For Section 8 residents, the new law amends Section 8 (o) to provide that in the case of an owner who is an immediate successor in interest pursuant to foreclosure during the term of the lease vacating the property prior to sale shall not constitute other good cause, except that the owner may terminate the residency effective on the

date of transfer of the unit to the owner if the owner (i) will occupy the unit as a primary residence and (ii) has provided the resident a notice to vacate at least 90 days before the effective date of such notice. In addition, in the case of any foreclosure on any property in which a recipient of Section 8 assistance resides, the immediate successor in interest in such property pursuant to the foreclosure assumes such interest subject to the lease between the prior owner and the resident and to the housing assistance payments contract between the prior owner and the public housing agency for the occupied unit.

For additional information about how this new law affects Section 8 residents in Tennessee, please contact THDA's Section 8 Rental Assistance Division at 615-815-2200 or visit our website www.thda.org.

Neighborhood Stabilization Program Gets Underway

In July, THDA's Neighborhood Stabilization Program (NSP) coordinators held two workshops in Nashville and one in Memphis to inform and distribute contracts to the grantees. More than 50 people representing NSP grantees attended the Nashville workshops. More than 20 people representing 10 grantees in Shelby County attended the Memphis workshop. In Tennessee, Memphis was by far hit the hardest by the current foreclosure crisis. Out of Tennessee's \$49 million in the first round of NSP funds, Shelby County received \$12 million. "We have so much invested in Memphis, they got their own workshop," said Steve Neighbors, Neighborhood Stabilization Program administrator.

Most of the contracts that were distributed at the July meetings have already been returned. "Each city and county has different levels that need to review the contracts so that has stalled a few," said Neighbors, "but right now most grantees are in the process of publishing their notice of intent."

On Aug. 10 THDA hosted an optional environmental review workshop that was attended by 20 people from 16 organizations. An environmental review is a certification that environmental standards around things like air quality, endangered species, historic properties and noise will be met. This review is a requirement for grantees to complete before they begin their NSP projects. "We saw that there was a need to help people learn how to do an environmental review, so we created this workshop," said Neighbors.

Two grantees have already started to spend their NSP funds. The City of Murfreesboro used NSP funds to offer a local family downpayment assistance and the nonprofit organization Buffalo Valley has started purchasing and rehabbing properties that it will then rent to people with incomes at 50 percent or less of the area median. All of the NSP funds must be committed to a project with a completed contract by Sept. 19, 2010, but grantees have four years to spend all of the funds.

Kingsport and Memphis

Two HOPE VI Projects Succeed for First-Time Homeowners

Through recent HOPE VI grants, the Kingsport Housing and Redevelopment Authority and the City of Memphis Housing and Community Development's Uptown Memphis project have enabled many lower income Tennesseans to achieve their dream of homeownership.

In 2006 the Kingsport Housing and Redevelopment Authority (KHRA) was awarded a HOPE VI Revitalization grant in the amount of \$11.9 million. With the money, KHRA planned to revitalize old, rundown homes along Sherwood and Hiwassee streets and the Riverview public housing development. The homes and the housing development were demolished and in the spring of 2009 the first phase of the project, the Sherwood/Hiwassee



Helen Bunting cuts the ribbon on her new home. Helen was the first new homeowner in the HOPE VI development in Kingsport, Tenn.



The dedication ceremony for the Sherwood/Hiwassee HOPE VI development in Kingsport, Tenn.

development area, was complete. This phase included 24 affordable single family homes. Work on the next phase of the project, 38 homes in the Riverview community, began Summer 2009.

More than 100 Memphis families have become homeowners through the HOPE VI Development in Uptown Memphis. In 2000, Memphis was awarded the Hope VI grant for demolition of the Hurt Village housing project. City of Memphis Housing and Community Development Uptown then replaced the housing project with mixed use and mixed income developments. The City of Memphis is continuing to use HOPE VI funds to build safe, sound and affordable home in formerly blighted areas.

1.4 Million Families Have Received Homebuyer Tax Credit

According to the Internal Revenue Service more than 1.4 million homebuyers nationwide and more than 36,000 homebuyers in Tennessee have already taken advantage of the American Recovery and Reinvestment Act first-time homebuyer tax credit. Tennessee ranks as the 13th highest in the country in tax credit claims.

The credit of \$8,000, or 10 percent of the purchase price, is generally available to homebuyers with qualifying income levels who have never owned a home or have not owned one in the past three years.

The Dec. 1 deadline to receive the tax credit is quickly approaching. Those considering buying a home must act soon to qualify for the credit. Under the

Recovery Act, an eligible home purchase must be completed before Dec. 1, 2009. This means that the last day to close on a home is Nov. 30. The credit cannot be claimed until after the purchase is completed.

For purchases made before Dec. 1, 2009, taxpayers have the option of claiming the credit on their 2008 returns or waiting until next year and claiming it on their 2009 returns. Only the purchase of a primary residence in the United States qualifies. The taxpayer cannot buy a home from a close relative.

For details on claiming the credit, see Form 5405, First-Time Homebuyer Credit on the IRS website, www.irs.gov.

Round One Complete

THDA Implementing National Foreclosure Grant

An estimated 3,426 Tennesseans were served under THDA's \$1.3 Million Round 1 of the National Foreclosure Mitigation Counseling Grant. Reports filed by THDA's network of 23 non-profit foreclosure counseling agencies indicated a variety of counseling outcomes, as demonstrated by the following:

- 1,568 units currently receiving foreclosure prevention and budget counseling
- 924 units with mortgages modified
- 609 units initiated forbearance agreements or repayment plans
- 342 units filed bankruptcy
- 288 units brought their mortgage current
- 206 mortgages were foreclosed
- 139 mortgages were refinanced

Outcomes for the remaining 1,100 counseling units included executing a Deed-in-Lieu, selling their property, being referred to other services, obtaining partial claim loans, entering debt management plans, being referred for legal assistance, withdrawing from counseling and other unknown outcomes.

As the foreclosure crisis deepened in 2007, THDA began working along with the Tennessee Department of Financial Institutions, the Tennessee Division of Consumer Affairs, and the Tennessee Attorney General's Office to spread the word about predatory lending and resources available to homeowners facing default and foreclosure. This foreclosure task force

distributed news releases and public service announcements on the issue, as well as participated in numerous public forums and seminars. In addition, comprehensive foreclosure resource information was made available for the public at www.thda.org.

THDA also established a network of non-profit foreclosure counseling agencies to carry out counseling services under the National Foreclosure Mitigation Counseling (NFMC) Grant. A list of these agencies has been provided to the 211 service. NFMC funds provided the resources needed to establish Tennessee's network of non-profit foreclosure counseling agencies. The funds also helped the non-profit counselors attend a place-based training as well as NeighborWorks® Institutes to obtain foreclosure mitigation counseling certification. NFMC funds then provided funding dollars to provide free counseling to an estimated 3,426 Tennessee homeowners in default or danger of default. NFMC funds allowed THDA to strengthen its foundation for the state's foreclosure prevention initiative and expand our outreach to those in need.

THDA's foreclosure counseling network is continuing to serve Tennessee's default and foreclosure customers under Round 2 of the NFMC Grant. We expect to perform more than 1,828 counseling units during the second round.

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