

City of Chattanooga

Department of
Economic Development

Public Meeting for FY21- 22 Consolidated Annual Performance Evaluation Report (CAPER)

Hybrid Meeting
September 20, 2022
DRC Room 1A



Housing and Community Investment

Charged with managing City's Entitlement and other funds from the U.S. Department of Housing and Urban Development (HUD)

- Community Development Block Grant (CDBG)
- HOME Investment Partnership (HOME)
- Emergency Solutions Grant (ESG)
- Local and other federal funds

Resources to develop a viable, urban community that provides

Decent housing,
Suitable living environment, and
Expanded economic opportunities

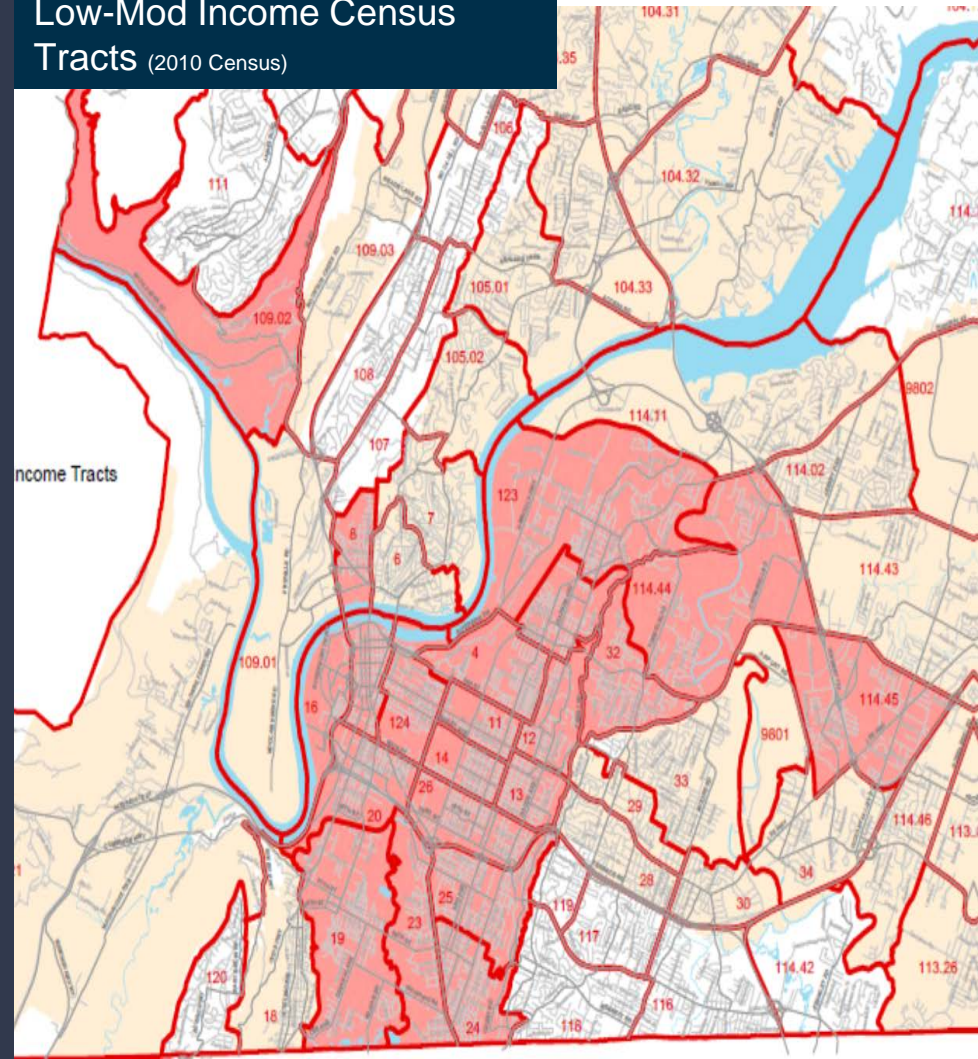
For low-and moderate-income residents.



Public Meeting Purpose:

- ✓ Inform Public of the Availability of the 2021-22 CAPER, Its Purpose, and Content
- ✓ Allow City and Partner Entities Opportunity to Highlight Projects/Programs/Activities and Challenges
- ✓ Provide Opportunity for Public Questions and Comments
- ✓ Provide Opportunity for Input on FY 2023 – 2024 Anticipated Funding

Low-Mod Income Census Tracts (2010 Census)



What is the Consolidated Annual Performance Evaluation Report (CAPER)?

5- Year Consolidated Plan

Strategy for prioritizing and meeting needs identified over 5 years

- Required by U.S. Department of Housing and Urban Development to plan for use of Federal grant funds
- Assessment of community development and housing needs of low- and moderate income citizens in identified area
- Outlines sources and uses of anticipated resources (federal funds and local leverage)



Annual Action Plan

- Details the fiscal year's projects
- Identifies resources and partner entities involved
- Reports on citizen participation efforts
- Submitted to HUD for approval



CAPER

Year-end report on efforts to meet annual priorities of 5- Year Consolidated Plan and Action Plan(s)

- Details activities funded and/or undertaken
- Compares actual performance with purposed goals
- Outlines challenges faced
Allows for public comments

2020- 2024 Funding Priorities

- ✓ Affordable Housing (Preservation & Production)
- ✓ Housing Related Services
- ✓ Infrastructure and Public Facilities in Coordination With Housing
- ✓ Economic Development

City's Goals to Address Housing & Community Development Needs

- ✓ Increase supply of affordable rental housing and housing for homeownership available to the City's low-to-moderate income households;
- ✓ Preserve existing affordable housing stock;
- ✓ Provide housing and services to special needs populations;
- ✓ Improve/increase opportunities for citizens to access/retain affordable housing;
- ✓ Support neighborhood stabilization and development through public improvements in strategic coordination with housing activities, and;
- ✓ Promote economic development activities in the City.

Target Populations

2021 Income Limits (Median Family Income: \$71,300)

	Low Income 80% AMI	60% AMI	Very Low 50% AMI	Extremely Low 30% AMI
Family Size				
1 Person	\$39,950	\$30,000	\$25,000	\$15,000
2 Person	\$45,650	\$34,260	\$28,550	\$17,150
3 Person	\$51,350	\$38,520	\$32,100	\$19,300
4 Person	\$57,050	\$42,780	\$35,650	\$21,400
5 Person	\$61,650	\$46,260	\$38,550	\$23,150
Rent Limits				
	1br	2br	3br	4br
CDBG/HOME	694	838	1,092	1,306
Some HOME Units	681	817	944	1,053

The following income categories are used for programs:

- Extremely low – households with income less than 30 percent of area median income (AMI)
- Very low – households with income between 30 and 50 percent of AMI
- Low – households with income between 51 and 80 percent of AMI
- Moderate – households with income between 81 and 120 percent of AMI
- Above moderate – households with income above 120 percent of AMI

Resources (Annual HUD Entitlement Allocations)

<i>Source</i>	<i>2021-2022 Allocation</i>	<i>Prior Year Balance (Includes Committed, Uncommitted, and PI*)</i>	<i>Grant Balance as of July 1, 2021</i>
<i>CDBG</i>	\$1,556,543	\$3,601,395	\$5,157,938
<i>HOME</i>	\$818,418	\$3,510,077	\$4,794,178
<i>Total</i>	\$2,374,961	\$7,111,472	\$9,952,116

Program Income Received:

CDBG \$267,015

HOME \$465,683

*Program Income (PI) is not actually not part of the prior year balance, but the amount of Program Income received during the year. At the beginning of each year the PI is estimated.

Resources (State and Special Allocations)

<i>Source</i>	<i>2021-2022 Allocation</i>	<i>Prior Year Balance (Includes Committed and Uncommitted)</i>	<i>Grant Balance as of July 1, 2021</i>
<i>ESG 21 (THDA)</i>	<i>\$161,250</i>	<i>\$0</i>	<i>\$161,250</i>
<i>CDBG – CV (COVID)</i>	<i>\$0</i>	<i>\$2,387,672</i>	<i>\$2,387,672</i>
<i>HOME ARP</i>	<i>\$0</i>	<i>\$2,966,210</i>	<i>\$2,966,210</i>
<i>ESG CV1 (THDA)</i>	<i>\$0</i>	<i>\$258,998</i>	<i>\$258,998</i>
<i>ESG CV2 (THDA)</i>	<i>\$0</i>	<i>\$436,800</i>	<i>\$436,800</i>
<i>CDBG – DR</i>	<i>\$0</i>	<i>\$721,031</i>	<i>\$721,031</i>
<i>Total</i>	<i>\$161,250</i>	<i>\$6,770,711</i>	<i>\$6,931,961</i>

Expenditure Summary

<i>Source</i>	<i>Grant Balance as of July 1, 2021</i>	<i>FY 2021-2022 Expenditures</i>	<i>Grant Balance as of June 30, 2022</i>
<i>CDBG</i>	<i>\$5,157,938</i>	<i>\$1,557,247</i>	<i>\$3,600,691</i>
<i>HOME</i>	<i>\$4,794,178</i>	<i>\$639,582</i>	<i>\$4,154,596</i>
<i>Total</i>	<i>\$9,952,116</i>	<i>\$2,196,829</i>	<i>\$7,755,287</i>

Expenditure Summary Continued

<i>Source</i>	<i>Grant Balance as of July 1, 2021</i>	<i>FY 2021-2022 Expenditures</i>	<i>Grant Balance as of June 30, 2022</i>
<i>ESG 21 (THDA) (Homeless Prevention & Rehousing Services)</i>	<i>\$161,250</i>	<i>\$161,250</i>	<i>\$0</i>
<i>CDBG – CV (COVID) (Housing)</i>	<i>\$2,387,672</i>	<i>\$104,726</i>	<i>\$2,282,946</i>
<i>HOME ARP</i>	<i>\$2,966,210</i>	<i>\$0</i>	<i>\$2,966,210</i>
<i>ESG CV1 (THDA) (Homeless Prevention & Rehousing Services)</i>	<i>\$258,998</i>	<i>\$258,998</i>	<i>\$0</i>
<i>ESG CV2 (THDA) (Homeless Prevention & Rehousing Services)</i>	<i>\$436,800</i>	<i>\$436,800</i>	<i>\$0</i>
<i>CDBG – DR</i>	<i>\$721,031</i>	<i>\$0</i>	<i>\$721,031</i>
<i>Total</i>	<i>\$6,931,961</i>	<i>\$961,774</i>	<i>\$5,970,187</i>

FY 2021- 2022 CDBG/HOME Expenditure Summary

CATEGORY	EXPENDITURES	% of TOTAL
HOUSING*	\$1,206,070	55%
PUBLIC FACILITIES & INFRASTRUCTURE	\$87,666	4%
BLIGHT CLEARANCE & DEMOLITION	\$68,785	3.1%
ADMIN & PLANNING	\$466,588	21.2%
PUBLIC SERVICES – HOMELESS*	\$43,022	2%
ECONOMIC DEVELOPMENT	\$324,699	14.7%
TOTAL EXPENDITURES	\$2,196,830	100%

*Additional expenditures in the amount of \$1,000,000 were allocated for the purchase of 100 units of affordable housing.

FY 2021- 2022 Highlights

- ✓ 465 people received housing assistance through the Office of Homelessness and Supportive Housing
- ✓ 100% of CDBG and HOME funds were expended to benefit households/individuals with incomes at or below 80% of the Area Median Income (AMI)
- ✓ 89 units of affordable housing (rental, homeowner) were preserved through various levels of renovations – minor repair, roofs, substantial rehabs
- ✓ 34 substandard structures were demolished – blight elimination – 8 using CDBG
- ✓ 13 assisted with home purchases – 1 using HOME

FY 2021- 2022 Highlights

- ✓ Leveraging federal, state, and local funds, local agencies assisted over 12,000 individuals facing various challenges related to homelessness. (rental assistance, meals, case management, overnight shelter)
- ✓ The Point-In-Time count for the Chattanooga area was held on February 24, 2022. The count was 3,328, over double last year's count of 1,482.

CARES Act and Disaster Relief Highlights

- ✓ Of the \$2,387,672 in CDBG-CV that was received, \$400,000 was allocated to the Rapid Rental Repair Program. Of this amount, \$104,726 has been expended. The remaining balance of CDBG-CV funds (\$1,987,672) is still available for allocation to COVID related activities.
- ✓ No funds have been expended from the \$2,966,210 HOME ARP funds. Our FY 2021 Action Plan stipulates that these funds will be used for affordable housing and homeless services.
- ✓ Of the \$721,031 in CDBG-DR (Disaster Recovery) Funds that were received for the April 2020 tornado, no funds have been expended. The City is facing a challenge with expending these funds due to the tornado not affecting an LMI census tract.

2021- 2022

Consolidated Plan Partners

Family Promise	Habitat for Humanity
Chattanooga Neighborhood Enterprise	Public Works Dept.
Southeast Tenn. Dev. District	Community Development Dept.
Chattanooga Homeless Coalition	Office of Multicultural Affairs
Chattanooga Community Housing Dev.	Partnership for FCA
Chattanooga Housing Authority	Room in the Inn
City Homeless Division	Private Developers

Habitat for Humanity

Homeowner Rehabilitation and New
Construction for Homeownership



Habitat
for Humanity®
of Greater Chattanooga Area



Through shelter we empower.



Repaired
more than 150
existing homes since
the program began
including 10 current
CDBG jobs

Primarily in the
Bushtown, Glass
Farm, and Orchard
Knob communities
and other locations
in Chattanooga



Through shelter we empower.

New Construction

- **New Home Construction cost ~\$135,000**
- **Built in 16 weeks using volunteers on weekends**
- **Funding comes from donations, fundraisers, grants**
- **HOME funds provided through the City**
 - **Currently being used or planned for seven new homes in the Villages Alton Park @ \$40,000 each**
 - **One closed already this year**
 - **Four homes constructed in 2020 using a combination of HOME and other sources**

Through shelter we empower.

Chattanooga Neighborhood Enterprise (CNE)

Homeowner Rehabilitation and New
Construction for Rental

Chattanooga Neighborhood Enterprise





CNE believes that the future of Chattanooga is rooted in the vibrancy of our neighborhoods and the prosperity of our people.

We work to manifest that future through the following programs:

- Homeownership promotion- creation of 1st time homebuyers
- Down payment assistance/loans
- Financial coaching and homebuyer education

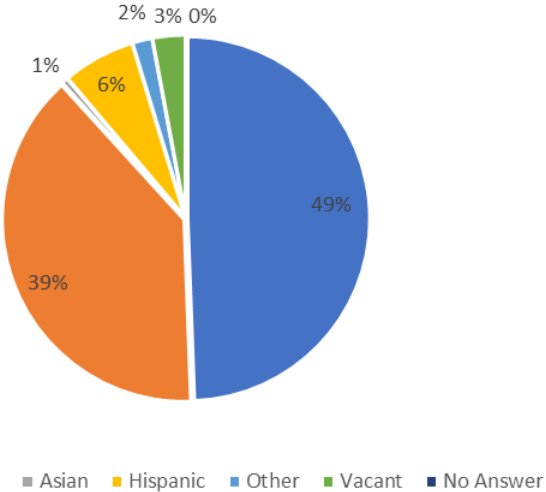
- Real estate development – CNE develops single-family for-sale housing and multi-family mixed income rental housing in Chattanooga

- Property management – provides property management services for the rental portfolio. Currently 170 units. 76 under construction. 82 in predevelopment

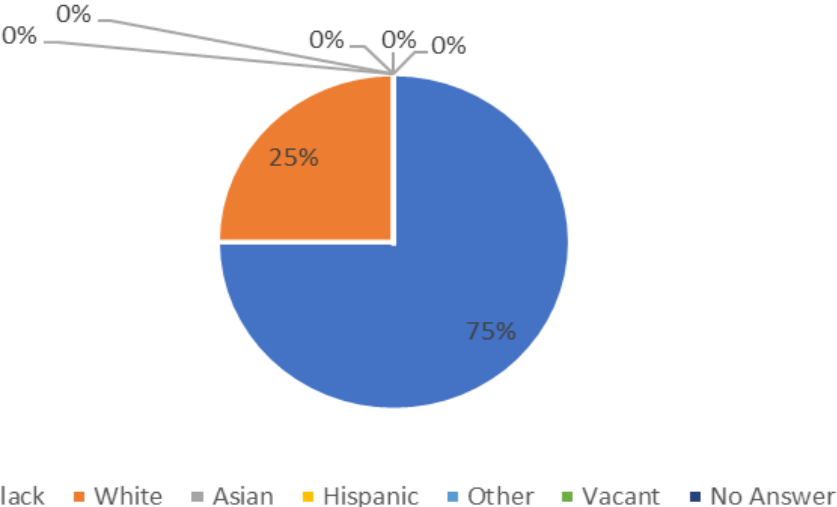
- Neighborhood engagement – helps residents and other community stakeholders to develop leadership to build a stronger community
- Small dollar loan – this program offers an alternative to payday loans with affordable short-term loans
- Home improvement loan program to help low-income homeowners make improvements to their home

WHO CNE SERVES

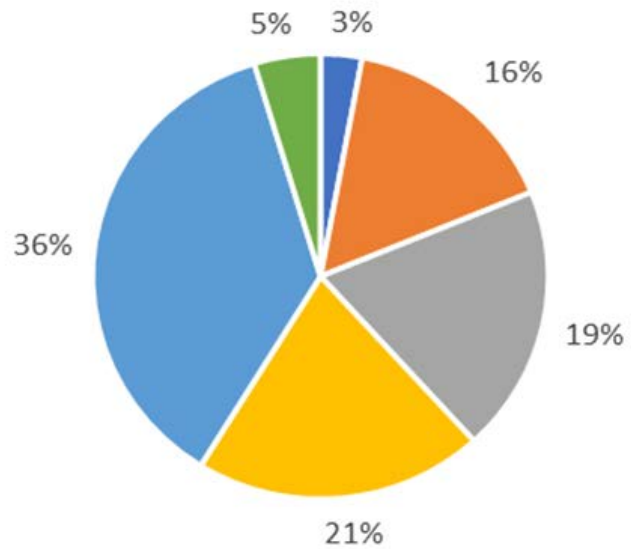
All Properties Demographics



HOME Units



AMI Breakdown



- Vacant
- Below 30% AMI
- 30%-49% AMI
- 50%-59% AMI
- 60%-79% AMI
- 80%-85% AMI

TENANT STORIES



***"I like the area, it's quiet and feels safe, and CNE has made us feel welcome. Also love the sense of community I have here. My neighbor and I, we're two peas in a pod. One big family on outside of the building."
- Darrica***



"When all the kids were doing virtual work from home and the other moms went to work, but I checked in ~~let~~ them know how everyone was doing. My neighbors would buy food and bring it over, and I would cook ~~big~~ meals for everyone." Whitney

***"I have been happy ever since (moving in), not just about the place but about the attitude of caring from CNE. This is the place where I've landed, and I hope it's where they carry me out."
- MaryAnne***



Chattanooga Community Housing Development Org. (CCHDO)

Homeowner Rehabilitation and New
Construction for Homeownership



Revitalizing Chattanooga

Presented by:

Roya Evans

Executive Director



History

Chattanooga Community Housing Development Organization was founded in 1992 and has been committed to providing desirable, marketable and sustainable affordable housing and revitalizing neighborhoods in various communities throughout the city of Chattanooga. The organization builds hope, human capital, homes and creates economic opportunity for the many residents of neighborhoods within the city of Chattanooga.



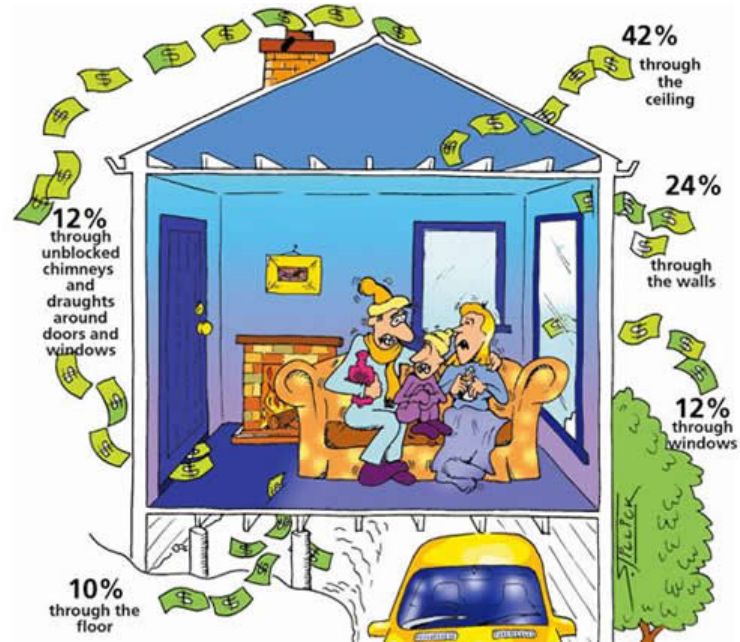
CCHDO's Mission

To promote, support and serve as an advocate for the comprehensive efforts of the city of Chattanooga, to **increase housing opportunities for low to moderate income individuals and families** through partnerships with other housing and community development organizations.



We Build Well Designed, Energy Efficient Low Maintenance Homes

Affordable homes are not just priced for affordability, but they are built for the owner to afford to live in them.

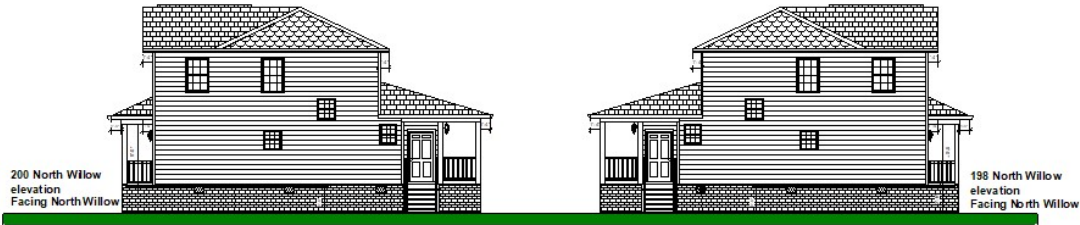


Affordable
Home-ownership
220 N Hickory St.



Affordable Home-ownership currently under construction.

200 North Willow and 198 North Willow



Roofing Program



Before

After

Roofing Program



Before



After

Roofing Program

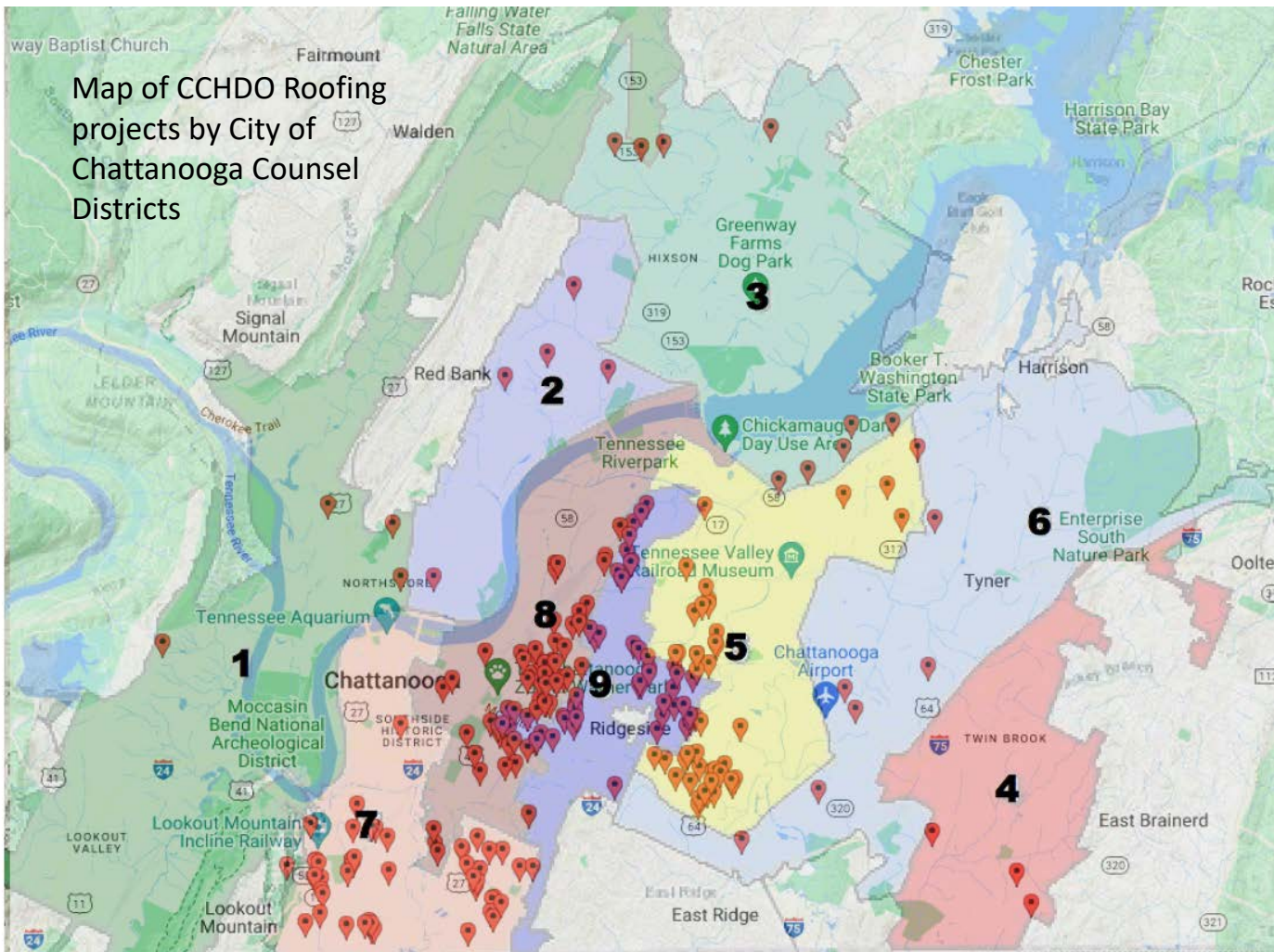


Before



After

Map of CCHDO Roofing projects by City of Chattanooga Counsel Districts



Affordable Rental





Thank you



Chattanooga Homeless Coalition

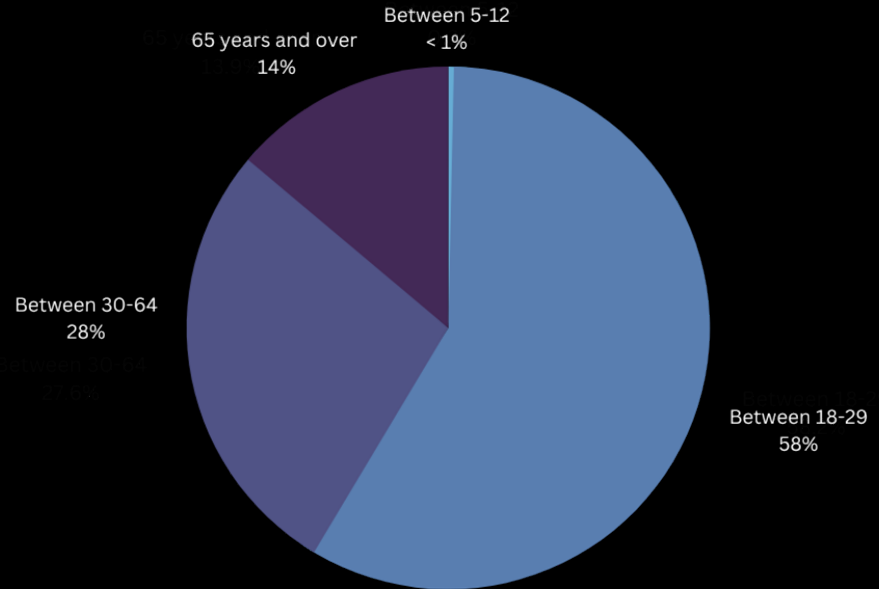
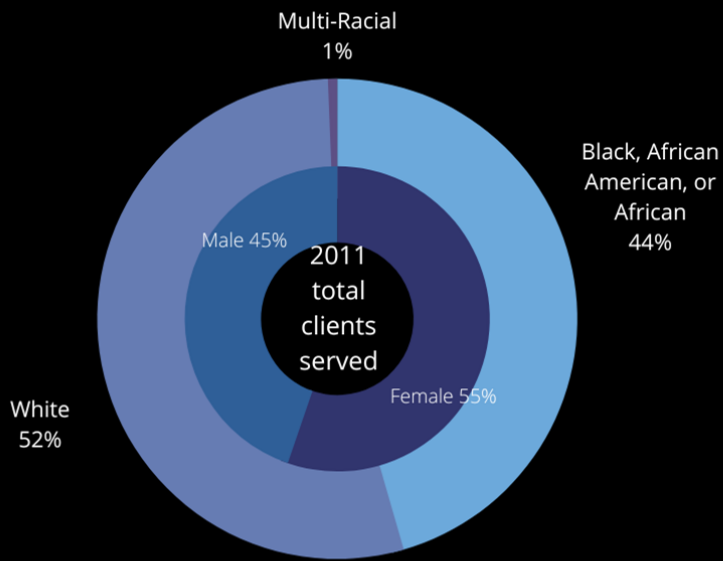
Homeless Services

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**Chattanooga Regional
Homeless Coalition**

Demographics of Clients Served



1104
Female Head of Household

80
Elderly

950
Disabled

111
Veterans

SERVED

City Office of Homelessness and Supportive Housing

Homeless Services

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Services

- Total people served - 255
 - Veterans served - 4
 - Average days to house - 190 Days
- Outreach
 - Total people engaged - 67
 - Emergency shelter - 8
 - Average days in shelter - 90
- Housing navigation
 - over 150 housing partners are current working with the program
- Average VISPIDAT Score - 6

Home ARP

- Consolidated plan is completed and has been approved
- \$2.9 Million in funding total
 - Consolidated plan splits the amount into three categories:
 - Housing acquisition
 - Housing operation
 - Supportive services
 - No funding has been spent as plan is being evaluated in relation to low barrier shelter project and new strategic plan will be created soon.

City Programs

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City Program FY 21- 22 Accomplishments

Program	Funding Source	Accomplishments
Chattanooga Affordable Housing Fund (Econ. Development,HEB)	City General Funds	Allocated \$500,000 to CNE for affordable housing, 24 units on ML King Blvd. \$55,000 allocated to CNE for a housing feasibility study. Acquisition costs for four Habitat homes in the Viillages.
Rent and Utility Assistance (OHSB)	State ESG Funds	Assisted 465 people with rent and utility assistance
PILOT Program (Econ. Development)	City General	No units completed, however there was a groundbreaking at Reserve at Mountain Pass, 240 affordable units on Central Avenue in Alton Park
HOME Affordable Housing Program (Econ. Development)	HOME Funds	Completed 5 units for homeownership and 2 rental units
Landlord Renovation Program (Econ. Development)	CDBG Funds	Completed 4 rental units

City Program FY 21- 22 Accomplishments Cont.

Program	Funding Source	Accomplishments
Sewer Lateral Assistance Program (Public Works)	CDBG	No units completed
Rapid Rental Repair (Econ. Development)	CDBG-CV Funds	Completed 31 units
Minor HOME Repair (Comm. Development)	City General	No units completed due to program not being active this year, however the program is expected to be available next year.
Sidewalks (Public Works)	City General Funds, CDBG Funds	No sidewalks were completed this year in LMI census tracts
Demolitions (Comm. Development)	City General Funds, CDBG Funds	Demolished 34 blighted units
Lead Safe and Healthy Homes Grant (Econ. Development)	Lead Safe and Healthy Homes Funds	No activity on grant – closed out September 2021. Completed 25 units in total for Lead and 7 units for Healthy Homes

Consolidated Plan Updates

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Changes to the Consolidated Plan/2021 Action Plan

- ✓ On April 8, 2021 HUD announced the HOME-ARP allocations for participating jurisdictions. The City of Chattanooga was awarded \$2,966,210 as a non-entitlement allocation.
- ✓ The City submitted a HOME ARP Plan under the 2021 Action Plan which outlines what the City plans to do with the HOME ARP funds.
- ✓ The HOME ARP funds are intended to offer additional homelessness assistance and supportive services through the following activities:
 - Development and support of affordable housing, as currently permitted under the HOME program;
 - Tenant-based rental assistance
 - Supportive services, including activities such as transitional housing, housing counseling, and homelessness prevention services; and/or
 - Acquisition and development of non-congregate shelter units; which may be converted into permanent affordable housing, used as emergency shelter, or remain as non-congregate shelter units

Updates on Five Year Goals

Goal	Period	Funding	Outcome - Indicator
Increase Affordable Housing Opportunities	2020-24	CDBG \$688,938 HOME \$326,000	50 Homeowner units added (YTD 48) 1,107 Rental units constructed/developed (YTD 341) 100 Rental units renovated (YTD 655) 1,305 Homeowner units renovated (YTD 791) 100 Households assisted with home purchase (YTD 27) 90 Housing units for homeless added (YTD 7) 113 Assisted with homebuyer education, counseling, and Fair Housing education, (YTD 112)

Updates on Program Related Issues

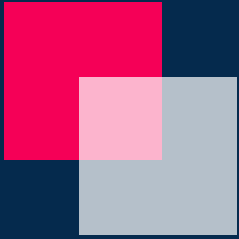
Goal	Period	Funding	Outcome - Indicator
Provide Services and Housing for Homeless	2020-24	CDBG \$43,022 Reallocated CDBG \$600,000 THDA ESG \$150,000	1,075 Households assisted with tenant-based rental assistance/rapid-re-housing (YTD 892) 2000 Assisted through overnight shelters (YTD 8292) 373+ Provided with services to prevent homelessness (YTD 1966)
Increase Employment Opportunities	2020-24	CDBG \$2,150,000	Jobs created/retained: 180 Jobs (YTD 383) 319) Businesses assisted: Businesses Assisted (YTD
Community Dev Public Facilities & Infrastructure	2020-24	CDBG: \$87,666	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 400 Persons Assisted (64,267 YTD)

Updates on Program Related Issues

City's Programs

- No changes in program goals or objectives outlined in the Consolidated Plan
- City expects it will continue to be eligible for ESG allocation from the State (THDA)
- Self- Evaluation

City's progress and that of partner entities have been greatly impacted by COVID. City has met/exceed targets, in public service area mainly due to partner agencies and City using and leveraging newly awarded resources to address COVID. Progress under other programs is slow, but team members and partners are trying to be creative in delivering services and programs in a different way.



Questions? Comments?

Can also be emailed to Sandra Gober at: sgober@chattanooga.gov

Funding History

(Used in Setting Budget for 5- Year Plan)

Consolidated Plans	CDBG	HOME	ESG	Total	% Change
2001 - 2004	\$12,330,000	\$6,541,861	\$438,413	\$19,310,274	-
2005 - 2009	\$9,557,826	\$5,820,413	\$419,711	\$15,797,950	-18.2%
2010 - 2014	\$8,506,999	\$4,478,595	\$508,703	\$13,494,297	-14.6%
2015 - 2019	\$8,175,650	\$3,675,037	\$733,102	\$12,581,789	-6.8%
2020 – 2025	\$7,981,200	\$4,236,180	\$0	\$12,217,380	-2.9%

City of Chattanooga

Low- moderate Income Census Tracts

Area	Census Tract	Percentage L/M	Race/Ethnicity				
			White	Black	Hispanic	Am. Indian	Asian
Orchard Knob, Avondale	4	68.45%	6.8%	89.2%	2.4%	0.6%	0.0%
Hill City	8	68.31%	64.7%	32.8%	1.1%	1.6%	0.0%
Fortwood	11	62.87%	29.5%	50.2%	23.3%	0.0%	0.0%
Glenwood	12	61.11%	13.6%	84.8%	0.7%	1.2%	0.0%
East Lake, Ridgedale	13	74.25%	38.6%	50.5%	18.5%	0.4%	0.0%
Highland Park	14	66.42%	56.1%	42.2%	9.7%	0.0%	0.2%
Westside	16	100.00%	18.3%	80.0%	0.0%	0.9%	0.8%
South Chattanooga, Alton Park, Piney Wood	19	85.83%	2.8%	94.7%	1.3%	0.3%	0.0%
Southside	20	85.02%	21.0%	65.1%	11.5%	2.4%	0.0%
Clifton Hills,	23	68.56%	43.4%	29.3%	26.5%	0.9%	0.0%
Cedar Hill, East Lake	24	78.12%	72.9%	13.0%	28.3%	2.0%	3.7%
East Lake	25	80.76%	35.7%	55.1%	11.4%	2.1%	0.0%
Oak Grove	26	75.76%	34.5%	49.4%	24.3%	0.0%	0.0%
Downtown	31	60.53%	64.2%	34.7%	3.3%	0.0%	0.0%
Foxwood Heights	32	61.81%	15.5%	75.6%	5.2%	3.9%	0.0%
Signal Mt. Blvd.	109.02	70.31%	100.0%	0.0%	0.0%	0.0%	0.0%
Eastdale	114.44	59.59%	17.3%	80.8%	2.4%	0.0%	0.0%
Shepherd	114.45	51.24%	55.2%	39.5%	10.2%	0.0%	1.1%
Avondale, East Chattanooga	122	86.55%	5.7%	92.9%	2.0%	0.0%	0.0%
Amnicola, East Chatt, Glass Farm	123	66.32%	30.5%	63.9%	0.8%	2.0%	1.2%
ML King, Fortwood	124	68.17%	64.1%	28.5%	2.1%	0.1%	6.6%

Source: 2007-2011 ACS

Expenditures July 1, 2021 – June 30, 2022

July 1, 2021 - June 30, 2022		
Expenditures Under the CDBG Program		
Housing Preservation		\$663,938
Public Facilities and Infrastructure		\$87,666
Public Services		\$43,022
Demolition and Clearance		\$68,785
Economic Development		\$324,699
Program Administration		369138
Total CDBG Expenditures		\$1,557,248
Funding Available		\$5,157,938
Balance as of June 30, 2022		\$3,600,690
CDBG Program Income Generated	\$267,015	
Expenditures Under the HOME Program		
Affordable Housing - Preservation and Production		\$459,603
Community Housing Development Org Set Aside (CCHDO)		\$52,460
CNE Homebuyer Assistance		\$30,069
Program Administration		\$97,450
Total HOME Expenditures		\$639,582
Funding Available		\$4,794,178
Balance as of June 30, 2022		\$4,154,596
HOME Program Income Generated		\$465,683
HOME Match Generated	\$165,136	