



HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD

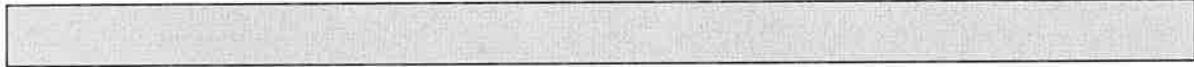
**City of Chattanooga, Tennessee
MONTHLY MEETING MINUTES**

**John P. Franklin, Sr. Council Building
Assembly Room
1000 Lindsay Street
Chattanooga, TN 37402**

**for
Monday, November 17, 2025
12:30 PM**

Present Board Members: Hicks Armor (Chair); Richard Johnson (Vice-Chair); Andrea Smith; Brian Erwin; Tom Hirsch; and Jonathan Mason. Absent were Hank Wells (Secretary); Malcolm Harris; and Kanika Wellington-Jones.

Also present were Phillip A. Noblett (Counsel to the Board); Janice Gooden (CALEB); Megan Miles and Hanneke van Duersen (Housing); Valerie Malueg (OCA); Sandra Gober (Community Development); and Jake Toner (CNE).



Chairman Armor confirmed that the meeting was properly advertised, and there is a quorum present to conduct business.



**MINUTES APPROVAL FOR THE OCTOBER 20, 2025,
MONTHLY MEETING**

On motion of Mr. Brian Erwin, seconded by Ms. Andrea Smith, the October 20, 2025, minutes for the monthly meeting were unanimously approved as written. The motion carried.



PUBLIC COMMENTS

There was no one wishing to make any public comments.



RESOLUTIONS

On motion of Mr. Johnson, seconded by Mr. Mason,

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE AN AGREEMENT WITH ENTERPRISE COMMUNITY PARTNERS, INC., IN SUBSTANTIALLY THE FORM ATTACHED, IN A MATCHING GRANT AMOUNT OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) TO PROVIDE GRANTS, TRAINING, AND TECHNICAL ASSISTANCE TO EIGHT (8) FAITH-BASED ORGANIZATIONS IN ORDER TO INCREASE THE AFFORDABLE HOUSING STOCK IN THE CITY. (HEB-2025-16)

Ms. Hanneke van Duersen said that this is an exciting initiative and will be the Enterprise Community Partners first program in Chattanooga. Enterprise is a national organization and building housing. They run a successful technical systems program all over the country. The specific initiative of faith-based development initiative, they have done in Atlanta and Florida. They have seen a lot of interest from the faith community in leveraging the One Chattanooga plan for approval. It is not a simple path from point A to point B. We are matching grant dollars from the Maclellan Foundation.

The Chair asked how the faith-based organizations are going to be educated. They have put out a press release. An event will be hosted at the downtown library for any interested organizations to come and learn more about the program. The date is January 7th at 12:00 PM. It is a three-year program which involves classroom hours, pairing each faith organization with a development consultant with 75 hours of free training. It is completely free to participate in the program, and they will also receive some development grants. The program is specifically tailored to the organizations and putting them in a position where they can make the go- or no-go decision. If they want to do affordable homeownership opportunities or if they want to do tax credit development, it is part of the curriculum for the organizations to identify with the right fit.

They could do senior housing as well. Enterprise is knowledgeable about all the different sources of funding for affordable housing and the different approaches. Part of the curriculum is understanding the options that are available and how to secure the funding it will take to meet the goals.

The only requirement is that they own land that they would like to utilize. It would be an application process, and the first step is really to attend the event. Enterprise would be working with interested parties to prepare the application because they want the people to be competitive in the process. There are eight spots. This is the first piloting initiative. They are in Nashville but have not done this program in Tennessee yet. It is the organization's tax status. Attorney Noblett said that they would have to be selected as a member of the faith-based cohort participant to be one of the eight. Enterprise has their application process. They will select eight that they are going to work with.

The number was scaled to the size of our community. In Atlanta their cohorts are about 12 houses of worship and find that somewhere between eight and ten are the sweet spots to make sure that the houses of worship can learn from each other as they go through this process and they have enough one on one time with them. It was really scaled to the size of the community.

Mr. Erwin said that this has been informative. It is a 27-page resolution. Mr. Erwin has a three-part question regarding the funding and financing. It was mentioned that some of the community partners that the City will match, will that be 500 and 500 or are those partners put in for \$500,000 each? The Maclellan Foundation has made a generous grant for the affordable housing space, which is super exciting to be working with them on this initiative.

For the January 7th event, when is the application deadline? The deadline has not yet been set will be open six weeks and open by January 7th. This is informational to learn about the program. From that meeting, there will be a four-to-six-week application window. Folks have plenty of time to learn about the program.

Mr. Erwin asked about the disbursement of funds. Will that be based on the need or a uniform allotment based on the City's grant? Ms. van Duersen said that they are scheduled into chunks. It will be about 50/50 from this year and next year.

Mr. Johnson asked in terms of training, will they be tapping into real estate commission or community as well. Enterprise Community Partners is the program running this program. We are giving them a grant to launch the program. They have designed the curriculum. They are looking into more single-family home development in connection with local builders.

Attorney Noblett said that he wanted the Board to know that they had \$500,000 that was transferred by the City to the HEB by Resolution No. 32637 and the \$500,000 would not be expended all at one time at least broken up into two new calendar years beginning quarter four is half and next half in quarter four of 2026. It will give the Board more time to have more money in the account since the HEB is a separate corporation from the City of Chattanooga. The money is passing through the HEB to go back to Enterprise.

What sort of data reporting results will be available as this goes forward? How many affordable housing, units have been created, all those things, to see the value? Chairman Armor said that we do an annual report on what we do, and this would be with the annual housing report? There are metrics written into the scope of work. It is important to understand what this is. Investing in a pipeline. To get underutilized land is a long process. This is investing in a pipeline for affordable housing development. We do not have specific expectations or the types of housing that will be built. Chairman Armor said that typically some of those do have land. Sometimes they have extra land around their facilities. It is a natural match for some.

After further discussion, the motion carried.

ADOPTED

On motion of Mr. Johnson, seconded by Mr. Hirsch.

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE AN AGREEMENT WITH LEGAL AID OF EAST TENNESSEE, IN SUBSTANTIALLY THE FORM ATTACHED, TO ADMINISTER AN EVICTION PREVENTION PROGRAM TO HELP INDIVIDUALS AND FAMILIES AT RISK OF HOMELESSNESS TO MAINTAIN EXISTING HOUSING, FOR AN AMOUNT UP TO FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00). (HEB-2025-17)

Ms. Megan Miles said that this contract is funding lawyers and paralegals who work with families who provide access to counsel for tenants to help them to work with challenges that they have with vendors and represent them. This is funding for ongoing eviction prevention and initiative being run by Legal Aid which provides access to counsel tenants that are facing eviction. The grant goes to the Legal Aid of East Tennessee, and they do this on behalf of the City. This is an ongoing program. We have been funding this since 2021 or 2022 in the same amount. In the past we have had ARPA dollars that we were using to fund this. When COVID hit we had an eviction crisis. One of the things that the City invested in with the American Rescue Plan Act dollars was eviction prevention. That might have been a direct allocation.

They have a lot of metrics and reports. Attorney Noblett said that it references Resolution No. 32637, which is the same resolution that we just mentioned. It is two separate amounts but one resolution. One million dollars is coming to the Board and being split. One to Legal Aid and one to Enterprise from the City to the HEB. It is \$500,000 for each one.

Chairman Armor asked what the Board's responsibility is as far as disbursing the money and follow-up. If you have annual reporting and you determine that there is a problem with the records, you can ask for better records. There is a requirement for indemnification and termination requirement in each contract that allows to either terminate for cause or convenience.

Chairman Armor asked if the Board has done this prior? Not to Attorney Noblett's knowledge. Ms. Miles said that they also have the report coming to the City and they will be managing the process on the Board's behalf.

Mr. Erwin asked regarding the Legal Aid of East Tennessee, are they appointing local attorneys to represent these evictions. Ms. Miles said yes, Legal Aid of East Tennessee runs out of all the East Tennessee, but they have an office here in Chattanooga over at the Family Justice Center and have local attorneys who work on this project. Mr. Erwin said that he may have overlooked it but what is the eligibility of a tenant who has had an eviction notice filed against them, what is their response or how do they qualify for legal aid? Ms. Miles said right now if you have an eviction filed against you, there is an income requirement, and believes it's 80% of Area Median Income or below, you can call Legal Aid, and they will connect you with an attorney, they will talk to you about the case, and it is access to counsel in court. There is eviction court. If you are represented by a Legal Aid attorney, they will provide counsel during that period. It is

incredibly helpful to have an attorney present. Typically, a landlord will have their attorney, but often time tenants do not have that opportunity to be represented in court. Having that connection is important and we also have the Legal Aid attorneys present at court every Thursday and sometimes they can talk to people the day of. They can do a lot of negotiations with landlords as that arises. That has been a helpful resource.

Ms. Valerie Malueg said that there is their scope of work that begins on page nine of this particular contract. It talks about client characteristics about the income levels served in topographic geographic distributions. Some of the items that they are going to be included is part of the metrics. Attorney Noblett said that the good thing about metrics is that each Council District will have geographic distribution as well. We know throughout the City who is having issues with problems in keeping people in and out of houses.

Ms. Miles said that is one of the things we are really working on right now is using this as an opportunity not just to provide counsel in the moment but to gain a better understanding of the eviction prevention process, who is being impacted where that is happening that is going to allow us to intervene and think through a policy that can support that overall.

The motion carried.

ADOPTED

On motion of Mr. Johnson, seconded by Mr. Erwin,

A RESOLUTION AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE A SLOPE EASEMENT AGREEMENT BY AND BETWEEN CHATTANOOGA NEIGHBORHOOD ENTERPRISE (CNE) AS THE GRANTEE, THE CREATOR GROUP, LLC AS THE GRANTOR, AND THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA (HEB) FOR PROPERTY OWNED BY THE HEB AND LEASED TO CNE AT THE CORNER OF S. LYERLY STREET AND E. 19TH STREET. (HEB-2025-18)

Attorney Noblett said that it is a Slope Easement on this property where CNE has a PILOT for this particular property that is ongoing with them. The portion of the lot needs to have an easement to keep the water off that property.

Mr. Jake Toner is with CNE. The only reason this is required for the signature is because the HEB legally owns the property under the PILOT. The Slope Easement is to bank against a driveway entrance that was built a little bit above grate. The two ways to solve the problem were to go in and rip it out and put a footing underneath it or to backfill it with dirt. It keeps it from washing out. To do that on somebody else's property, you have got to get an easement on them, so they are granting an easement, and it encumbers their property to CNE and the HEB. There are

no obligations to CNE. They are giving us an easement on their land but must be signed by all parties. It is encumbering the adjacent property at no cost to CNE or to the Board. But we get the right to make sure that the slope is there in perpetuity.

Attorney Noblett said that there is a value on the Oath of Value of zero dollars, is this something the Chair must sign or CNE will sign. Mr. Toner did not know the answer, because the HEB is the fee simple owner, there has been no exchange of money for this, the issue popped up, how do you solve it, there are two ways. This is the least expensive, the contractor used to have ownership of the land, and during construction, they thought they could get it done while they still owned it. He transitioned out of that ownership structure, but he went out and got his partners to grant us the easement and there is no exchange of funds for the easement.

CNE paid only legal bills. There is no payment from CNE for the easement. The work is already done. This is just a piece of paper that says you cannot move this dirt if you want to knock down these houses and put another building, you cannot move this dirt without coming and granting us and saying we need your permission to move this, here is what we are going to do. If you move that dirt, maybe 20 years from now, part of that driveway might wash out.

Attorney Noblett was just trying to make sure if the Chairman must sign the Oath of Value. Ms. Malueg said the Grantee signs it and collectively the Board and CNE. Ms. Malueg said out of an abundance of caution both should sign it, so it is not rejected at recording. It should have been two separate Oaths of Value, but to get it properly recorded and not rejected, because it lists the Grantee collectively as both parties, we need to add one more sheet and will e-mail Mr. Noblett.

Mr. Erwin said that the way he reads this is that it is not a shared access and the entire tract is being granted over, is that correct? Mr. Toner said the easement is a Slope Easement not an access easement. It is adjacent to the access drive.

The motion carried.

ADOPTED

OTHER BUSINESS-DISCUSSION

- a. FYI – Notice of Non-Payment regarding CNE and contractor RLP Construction.

Attorney Noblett said there is an update because the last sheet is that ERG Empower Rental Group has been paid. CNE got it resolved. At the time of the agenda, it had not been paid, and it came in over the weekend. We are just giving it to the Board for their notice because the HEB are the property owners, and we do not want any lawsuits against you.

After further discussion, a motion to adjourn the meeting was made by Mr. Johnson, seconded by Mr. Mason, and the meeting adjourned at 1:10 PM.

Respectfully submitted,



Hank Wells, Secretary

APPROVED:



Hicks Armor, Chair