

# CITY OF CHATTANOOGA

## CONSOLIDATED PLAN

2015-2019

Department of Economic & Community Development

2015



## Executive Summary

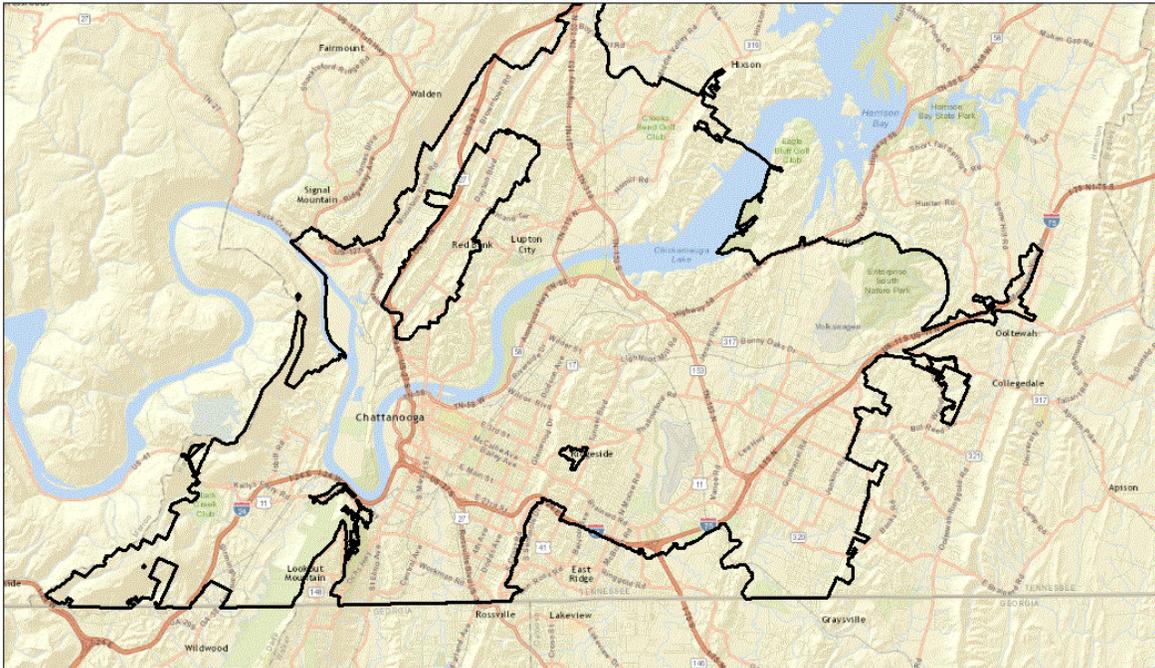
### ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

#### 1. Introduction

The City of Chattanooga receives entitlement funds from the U.S. Department of Housing and Urban Development (HUD) on an annual basis; Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG) and HOME Investment Partnerships Act (HOME) funds. The Consolidated Plan serves as a planning document for the use of the funds to develop a viable urban community by providing decent housing, a suitable living environment, expanded economic opportunities principally for low and moderate-income persons, and programs that will address the needs of homeless and near homeless persons. The major sections of the Consolidated Plan include a Housing Market Analysis, Housing and Homeless Needs Assessment, 5-year Strategic Plan, a 1-year Action Plan, and Consultation and Citizen Participation, with accompanying documentation relating to public comments.

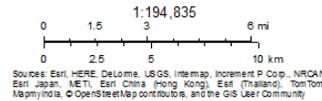
Incorporated into the Consolidated Plan are an analysis of the local housing market and a review of housing and homeless needs in Chattanooga, a means of defining the current environment in which federal funding is being used. The Consolidated Plan provides a strategic plan for meeting priority needs that were identified through a community participation process. The analytical parts of the document draw from the 2005-2009, 2007-2011 and 2009-2013 American Community Surveys and 2005 CHAS data provided by HUD. Other data sources include the 2010 U.S. Census and information gathered locally, including the Chattanooga Continuum of Care, 2013 Chattanooga Housing Study, information from public input processes, and surveys of citizens and service providers used to assist in prioritizing needs.

## City of Chattanooga - Entitlement Funding Area



February 28, 2015

Override 1



## City of Chattanooga - Entitlement Funding Area

### 2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The City of Chattanooga is in the midst of community, economic, and civic renewal driven by the following local priorities: Safer Streets, Smarter Students and Stronger Families, Stronger Neighborhoods, Sounder Government and Growing Economy. The City will target federal funds to assist in this renewal, for our low-to-moderate income citizens, in the areas of housing and community development. Shrinking funding levels minimizes the number and range of projects the City can undertake. To utilize the funds in the most efficient, effective, and impactful manner, the funds will be targeted to activities/programs/projects that can deliver the greatest benefit.

Developed through the community input process, the following goals for addressing housing and community development needs were developed:

- 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.

Under these broad goals a range of objectives, outcomes were formulated to address needs identified for homelessness, housing, non-housing community development, barriers to affordable housing, lead-based paint hazards, special needs, and economic development which include:

- Increase access to and supply of affordable rental housing for the City's low-to-moderate income households.
- Preserve existing affordable housing stock.
- Provide housing and services to special needs populations.
- Increase access to affordable homeownership opportunities for City residents.
- Continue to collaborate with homeless providers to supply a continuum of services.
- Support services aimed at the prevention and elimination of homelessness.
- Increase the viability for potential homeownership opportunities.
- Provide funding for public/facility improvements, strategically coordinated with housing and community revitalization activities.
- Promote economic development activities by supporting businesses and individuals engaged in economic development activities.
- Increase the number of newly constructed homes available on the affordable housing market.
- Improve the condition of housing for low-income renters and home owners.
- Help stabilize and restore the quality of life and housing conditions in low income neighborhoods by alleviating danger from properties that are a threat to public health, substandard, and/or vacant.

These goals are supported by a collection of associated objectives and performance goals. These objectives seek to work toward meeting the goals stated, addressing the need for more affordable housing, housing rehabilitation, public facilities and infrastructure improvements, and social services. Specifics can be found in the Strategic Plan and Annual Action Plan.

### **3. Evaluation of past performance**

The overall goal of HUD's community planning and development programs is to develop viable communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low and moderate income persons. The City of Chattanooga has a long history of successful programs funded through the Community Development Block Grant, Emergency Solutions Grant and HOME Investment Partnership Program.

The City's performance has been consistent with the goals, objectives and priorities in the City's annual plans and the five year Consolidated Plan. Activities undertaken improved housing conditions for owner-occupants and renters, created homeownership opportunities, assisted the homeless, eliminated blighting conditions, and enhanced or improved services, infrastructure and facilities in lower income neighborhoods. For the past strategic plan, the City has been able to meet, surpass or address the challenges, goals and objectives outlined in the Consolidate Plan and Action Plan. The success is attributable to what the city is known widely for, planning, collaboration and leveraging. The City was also fortunate to receive ARRA and stimulus funds, without which, the City definitely would not have been able to meet the established goals. The City continues to work to build additional resources to accomplish community development goals. With resources shrinking, collaborative efforts are even more critical to accomplishing established goals. Details of past performance can be found in the City's Consolidated Annual Performance and Evaluation Report (CAPER).

#### **4. Summary of citizen participation process and consultation process**

The Citizen Participation Plan (CPP) was adapted for development of the 2015-2019 Consolidated Plan from the plan created in 2004 for the 2005-2009 Consolidated Plan. The CPP provides details for public notice for all meetings and the various stages of Consolidated Plan development, public hearings before the citizens of Chattanooga, accommodations for persons with disabilities, and public review of draft documents.

Conforming to the provisions of the Citizen Participation Plan, several public outreach events were held to make the public aware of the Consolidated Plan process and the value of their input. Three Consolidated Plan public forums were held, at well utilized recreation centers, in LMI areas, to gather the public's priorities for the Consolidated Plan. A public meeting was also held to announce the results of the public input on priorities.

Additionally, a community survey was distributed in various community and organizational meetings, placed in agencies' offices; distributed at public events with target populations, and posted on the City's website.

In response to having a Hispanic population that consists of over 5% of the City's population, the survey was translated into Spanish and placed with La Paz, a community organization that provides a range of services and outreach to the Latino community. In addition, public notices were published in all three of Chattanooga's newspapers, including the Spanish newspaper. Additionally, two segments, discussing the

plan and processes were done on the department's weekly radio show. All of the dates, as well as additional public outreach efforts, are detailed in the plan.

## **5. Summary of public comments**

Comments received included concerns about sidewalks, streets and lighting in Piney Woods/Alton Park, and general questions about past programs and their results. There were also comments received about the good work the ECD department is doing. In addition, we had over 200 Consolidated Plan Priority Surveys returned over 60 citizens participated in a priority-setting game, at various locations.

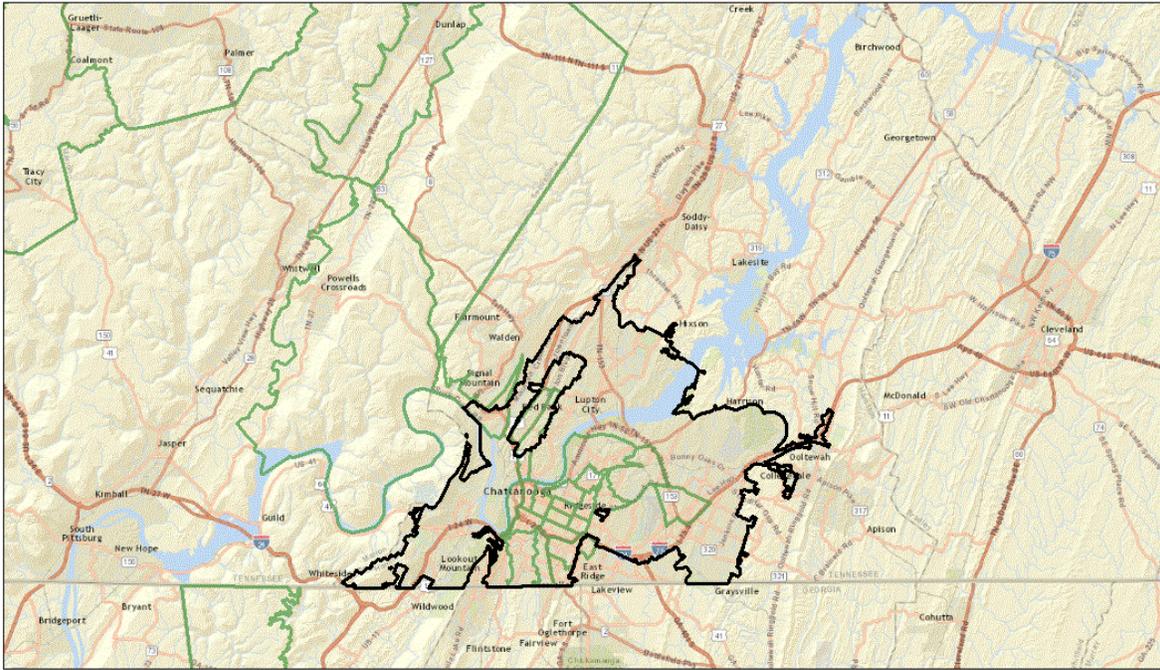
## **6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments were considered.

## **7. Summary**

This document was developed through a process that included a significant community engagement component, (which included focus groups, workshops, and a public review period) along with extensive community data supplied by HUD local studies and plans. Supplementing the data with the various sources of input from the community allowed the City to develop a plan that allocates the corresponding resources in the most efficient, effective, and impactful manner strategic, ensuring the funds will be targeted to activities/programs/projects that can deliver the greatest benefit to the community.

### City of Chattanooga - Low-Moderate Income Census Tracts



February 28, 2015  
Override 1  
Low Mod Tract

1:395,453  
0 3.25 6.5 13 mi  
0 5 10 20 km  
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

### City of Chattanooga - Low-Moderate Income Census Tracts

## The Process

### PR-05 Lead & Responsible Agencies 24 CFR 91.200(b)

**1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source**

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

| Agency Role        | Name | Department/Agency                |
|--------------------|------|----------------------------------|
| CDBG Administrator |      | Economic & Community Development |
| HOME Administrator |      | Economic & Community Development |
| ESG Administrator  |      | Economic & Community Development |

**Table 1 – Responsible Agencies**

### Narrative

The lead agency for the development of the Consolidated Plan is the Economic and Community Development Department of the City of Chattanooga. The City also consulted with a number of other agencies including the Chattanooga Housing Authority, the City's Community Housing Development Organizations (CHDOs), and the agencies involved in the local Continuum of Care to address homelessness.

### Consolidated Plan Public Contact Information

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## **PR-10 Consultation - 91.100, 91.200(b), 91.215(I)**

### **1. Introduction**

The City of Chattanooga works with a wide variety of agencies, organizations, and service providers in identifying the local housing and community development needs. The City's consultation is achieved through ongoing relationships, meetings, special task forces, and partnering with stakeholders and actively involving citizens.

Beginning in September 2014, area agencies and organizations and City departments rendering various types of services to the citizenry of Chattanooga were interviewed to gather input for the 2015-2019 Consolidated Plan. These entities represent public and nonprofit agencies whose mission includes services to the elderly, the disabled, HIV/AIDS, alcohol and drug addition, homelessness, health and social welfare, financial and philanthropic foundations. Consultations were conducted during one-on-one interview sessions and surveys with organizational representatives to ascertain the focus, activities, and needs of these service providers during the course of the Consolidated Plan to ascertain current and proposed type and level of services.

### **Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I)).**

The City also works closely with the Chattanooga Housing Authority which organizes resources from the federal government to address the housing needs of the City's lowest income households. Through the Continuum of Care process, the City maintains relationships with mental health providers, homeless shelter and services providers, and other governmental agencies with specific responsibilities for homeless individuals and families. The City also facilitate/ participates in a variety of other coalitions that seek to address other issues that relate to housing and service needs.

Contributing further to the development of the 2015-2019 Consolidated Plan were the City of Chattanooga's "Blueprint to End Homelessness in the Chattanooga Region", the Chattanooga Housing Authority's Five Year Plan", the "Chattanooga Homeless Coalition's 2014 Continuum of Care Plan", the process in updating the 2030 Comprehensive Plan for Hamilton County, 2040 Regional Transportation Plan, Chattanooga Housing Study, Thrive 2055, Places for People (Chattanooga Parks Assessment)and, "Chattanooga Neighborhood Enterprise (CNE) Strategic Plan".

The 2015-2019 Consolidated Plan has made full use of the valuable information, strategic plans, and the scope and strengths of these community assessment plans.

The City has ongoing relationships with a number of housing providers, including two (CHDOs), working on housing development activities. Through sub-recipient and developer partnerships these agencies grow and meet their own targeted clientele, other special needs populations and the general low income population.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

City staff works actively with the Chattanooga Regional Homeless Coalition (CRHC), the Regional Continuum of Care for the area, in addressing the needs of homeless person. The City has continuously provided CDBG resources to supplement Continuum of Care initiatives and distributes Emergency Solutions Grant funding to the various agencies that make up the membership of CRHC. The also City provides funding for the operation and maintenance of the HMIS, operated by CRHC. Additionally, the City's mayor is one of a growing coalition of mayors, governors, and local officials that have committed to ending Veteran homelessness in the community by the end of 2015.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS**

Performance standards and funding, policies and procedures for the administration of HMIS had been established through discussions and consultations with the Continuum of Care. Policies and procedures are provided to Continuum of Care members for review and comment, along with surveys requesting entities to rank priorities for ESG allocations. The Homeless Coalition has managed the community's Homelessness Management Information System (HMIS), a centralized assessment system that meets HUD requirements, since 1998. and works as a mentor agency for new HMIS sites.

**2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities**

**Table 2 – Agencies, groups, organizations who participated**

|   |  |   |
|---|--|---|
| 1 | <b>Agency/Group/Organization</b>   | CHATTANOOGA HOUSING AUTHORITY   |
|   | <b>Agency/Group/Organization Type</b>  | PHA   |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment<br>Public Housing Needs<br>Homelessness Strategy<br>Homeless Needs - Chronically homeless<br>Homeless Needs - Families with children<br>Homelessness Needs - Veterans<br>Homelessness Needs - Unaccompanied youth<br>Non-Homeless Special Needs |
|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | One-on-one consultation, "Housing Summit" participant. CHA is City's primary resource/partner providing affordable housing for very low and low income citizens.  |
| 2 | <b>Agency/Group/Organization</b>   | CHATTANOOGA NEIGHBORHOOD ENTERPRISE   |
|   | <b>Agency/Group/Organization Type</b>  | Housing Services - Housing  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment   |
|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | On-going one-on-one consultation as one of the City's major stakeholders and developers of affordable housing, and "Housing Summit" participant.  |
| 3 | <b>Agency/Group/Organization</b>   | BUFFALO VALLEY, INC   |
|   | <b>Agency/Group/Organization Type</b>  | Housing Services-homeless   |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Homeless Needs - Chronically homeless<br>Homelessness Needs - Veterans  |

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|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | "Housing Summit" participant, provided input on capacity and wherewithal to partner with City in increasing affordable housing inventory.            |
| 4 | <b>Agency/Group/Organization</b>   | HABITAT FOR HUMANITY   |
|   | <b>Agency/Group/Organization Type</b>  | Housing  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment  |
|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey and "Housing Summit" participant, provided input on capacity and wherewithal to partner with City in increasing affordable housing inventory. |
| 5 | <b>Agency/Group/Organization</b>   | PENNROSE PROPERTIES, LLC   |
|   | <b>Agency/Group/Organization Type</b>  | Housing  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment  |
|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | "Housing Summit" participant, provided input on capacity and wherewithal to partner with City in increasing affordable housing inventory.            |
| 6 | <b>Agency/Group/Organization</b>   | CHATTANOOGA COMMUNITY HOUSING ORGANIZATION, INC  |
|   | <b>Agency/Group/Organization Type</b>  | Housing  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment  |
|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey and "Housing Summit" participant, provided input on capacity and wherewithal to partner with City in increasing affordable housing inventory. |

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| 7 | <b>Agency/Group/Organization</b>   | Helen Ross McNabb Center  |
|   | <b>Agency/Group/Organization Type</b>  | Housing<br>Services - Housing<br>Services-Persons with Disabilities<br>Services-homeless  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Homelessness Needs - Veterans   |
|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | One-on-one consultation and site visit. Organization provided input on capacity and wherewithal to partner with City in increasing affordable housing inventory.  |
| 8 | <b>Agency/Group/Organization</b>   | La Paz de Dios, Inc.  |
|   | <b>Agency/Group/Organization Type</b>  | Services-Education<br>Service-Fair Housing  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Anti-poverty Strategy   |
|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - provided input on capacity and wherewithal to partner with City in increasing outreach to Latino population to determine needs and resources.  |
| 9 | <b>Agency/Group/Organization</b>   | SOUTHEAST TENNESSEE HUMAN RESOURCE AGENCY   |
|   | <b>Agency/Group/Organization Type</b>  | Housing<br>Services-homeless  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment<br>Homelessness Needs - Veterans  |
|   | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Homeless Veterans Task Force, Survey and "Housing Summit" participant, provided input on capacity and wherewithal to partner with City in increasing affordable housing inventory and services to homeless and homeless veterans. |

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| 10 | <b>Agency/Group/Organization</b>   | ORANGE GROVE TRAINING CENTER   |
|    | <b>Agency/Group/Organization Type</b>  | Services-Persons with Disabilities<br>Services-Education<br>Services-Employment  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Non-Homeless Special Needs<br>Anti-poverty Strategy  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | One-on-one consultation - assessment of services for citizens with developmental disabilities and coordination of educational and employment training.   |
| 11 | <b>Agency/Group/Organization</b>   | Girls Inc  |
|    | <b>Agency/Group/Organization Type</b>  | Services-Children<br>Services-Education  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Anti-poverty Strategy  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - provided input on capacity and wherewithal to partner with City in increasing educational resources to low income girls.  |
| 12 | <b>Agency/Group/Organization</b>   | PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS  |
|    | <b>Agency/Group/Organization Type</b>  | Services - Housing<br>Services-Children<br>Services-Elderly Persons<br>Services-Persons with Disabilities<br>Services-Victims of Domestic Violence<br>Services-homeless<br>Services-Education<br>Services-Employment<br>Service-Fair Housing<br>Services - Victims |

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|    | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment<br>Homelessness Strategy<br>Homeless Needs - Chronically homeless<br>Homeless Needs - Families with children<br>Homelessness Needs - Veterans<br>Homelessness Needs - Unaccompanied youth<br>Non-Homeless Special Needs<br>Anti-poverty Strategy |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - provided input on capacity and wherewithal to partner with City in improving lives and families and individuals, moving them from vulnerable situations to living stable lives.   |
| 13 | <b>Agency/Group/Organization</b>   | UNITED WAY OF GREATER CHATTANOOGA  |
|    | <b>Agency/Group/Organization Type</b>  | Services-Children<br>Services-Education<br>Regional organization   |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Anti-poverty Strategy  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - provided input on services and goals and intended focus of resources.   |
| 14 | <b>Agency/Group/Organization</b>   | Benwood Foundation   |
|    | <b>Agency/Group/Organization Type</b>  | Housing<br>Foundation  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment<br>Anti-poverty Strategy   |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | One-on-one sessions, and survey - received information to assist in coordinating efforts to address affordable housing and community development.  |

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| 15 | <b>Agency/Group/Organization</b>   | BrightBridge Inc.   |
|    | <b>Agency/Group/Organization Type</b>  | Regional organization<br>Community Development Financial Institution  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Economic Development  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | On-going interaction, survey and quarterly reports to establish coordinated strategy for addressing improved economic opportunities for L/M citizens. |
| 16 | <b>Agency/Group/Organization</b>   | CADAS   |
|    | <b>Agency/Group/Organization Type</b>  | Housing<br>Services-Persons with Disabilities<br>Substance Abuse  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Homelessness Strategy<br>Homeless Needs - Chronically homeless  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - Coordination of homeless services.   |
| 17 | <b>Agency/Group/Organization</b>   | COMMUNITY KITCHEN   |
|    | <b>Agency/Group/Organization Type</b>  | Services - Housing<br>Services-homeless<br>Services-Employment  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Homelessness Strategy<br>Homeless Needs - Chronically homeless  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - Coordinate homeless services   |

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| 18 | <b>Agency/Group/Organization</b>   | CHATTANOOGA CARES   |
|    | <b>Agency/Group/Organization Type</b>  | Services-Persons with HIV/AIDS<br>Services-Health<br>Services-Education<br>Health Agency  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Homelessness Strategy<br>Homeless Needs - Chronically homeless  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - Coordination of homeless services and to ensure that all of the city's vulnerable populations are receiving services.                        |
| 19 | <b>Agency/Group/Organization</b>   | Chattanooga Community Housing Development Organization  |
|    | <b>Agency/Group/Organization Type</b>  | Housing   |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment   |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - To coordinate housing needs within the city. They are a major player in affordable housing and rental housing development.                   |
| 20 | <b>Agency/Group/Organization</b>   | Family Promise of Greater Chattanooga (formerly Interfaith Homeless Network)  |
|    | <b>Agency/Group/Organization Type</b>  | Services - Housing<br>Services-homeless   |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Homelessness Strategy<br>Homeless Needs - Chronically homeless<br>Homeless Needs - Families with children<br>Homelessness Needs - Unaccompanied youth |

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|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - To coordinate homeless services  |
| 21 | <b>Agency/Group/Organization</b>   | Chattanooga Goodwill Industries   |
|    | <b>Agency/Group/Organization Type</b>  | Services-Elderly Persons<br>Services-Persons with Disabilities<br>Services-homeless<br>Services-Health<br>Services-Education<br>Services-Employment |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Homelessness Strategy<br>Homeless Needs - Families with children  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - To coordinate services for youth, elderly, homeless families   |
| 22 | <b>Agency/Group/Organization</b>   | FRONT PORCH ALLIANCE  |
|    | <b>Agency/Group/Organization Type</b>  | Services - Housing<br>Services-Children<br>Services-Elderly Persons<br>Services-homeless<br>Services-Education                                      |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Homelessness Strategy   |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - to coordinate services for elderly, youth, and homeless residents of Chattanooga.  |
| 23 | <b>Agency/Group/Organization</b>   | Hosanna House   |
|    | <b>Agency/Group/Organization Type</b>  | Housing<br>Services-Persons with Disabilities   |

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|    | <b>What section of the Plan was addressed by Consultation?</b>   | Homeless Needs - Chronically homeless  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - To coordinate housing for people with disabilities  |
| 24 | <b>Agency/Group/Organization</b>   | Lyndhurst Foundation   |
|    | <b>Agency/Group/Organization Type</b>  | Philanthropic Org - Social Welfare Foundation  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Anti-poverty Strategy<br>Social Welfare  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey to establish organization's future focus to eliminate duplication and coordinate funding efforts.         |
| 25 | <b>Agency/Group/Organization</b>   | Office of Multicultural Affairs  |
|    | <b>Agency/Group/Organization Type</b>  | Service-Fair Housing Grantee Department  |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Homelessness Strategy  |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - This agency manages the Fair Housing activities in the City. Determining focus to minimize duplication. |
| 26 | <b>Agency/Group/Organization</b>   | Tri-State Resources and Advocacy Center (TRAC)   |
|    | <b>Agency/Group/Organization Type</b>  | Services - Housing<br>Services-Persons with Disabilities   |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment<br>Homeless Needs - Chronically homeless   |

|    |  |  |
|----|--|--|
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - To coordinate services for people with disabilities.      |
| 27 | <b>Agency/Group/Organization</b>   | Urban League of Greater Chattanooga                                |
|    | <b>Agency/Group/Organization Type</b>  | Services-Education<br>Services-Employment                          |
|    | <b>What section of the Plan was addressed by Consultation?</b>   | Economic Development   |
|    | <b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Survey - To coordinate economic development and education services |

**Identify any Agency Types not consulted and provide rationale for not consulting**

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

| <b>Name of Plan</b> | <b>Lead Organization</b>                | <b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>  |
|---------------------|---|--|
| Continuum of Care   | Chattanooga Regional Homeless Coalition | The Chattanooga Homeless Coalition coordinates the application process for various organizations and the City to receive funding for the community. A consolidated application is submitted, which includes a single Continuum of Care application and requests from local nonprofit homeless service providers and the City. The goals of the Strategic Plan are coordinated with those of the Continuum of Care Program to promote community-wide commitment to the goal of ending homelessness. |

| Name of Plan                      | Lead Organization             | How do the goals of your Strategic Plan overlap with the goals of each plan?   |
|-----------------------------------|-------------------------------|--|
| PHA 5-Year Plan                   | Chattanooga Housing Authority | The 5-Year Plan addresses specific planning, inventory, maintenance and needs of the housing authority and the community which plays a major role in the local coordinated efforts in addressing the local housing needs outlined in the Strategic Plan. |
| 2030 Comprehensive Plan           | Regional Planning Agency      | The Comprehensive Plan provides a local regional strategy to focus on neighborhoods and centers, and revise the codes and laws that govern development, including housing and community development in L/M neighborhoods.                                |
| 2040 Regional Transportation Plan | Regional Planning Agency      | The plan provides proposed transportation projects that are planned through 2040 in disadvantaged areas.   |
| Chattanooga Housing Study         | Regional Planning Agency      | Plan provides data housing needs and strategies that are incorporated in the Strategic Plan.   |

**Table 3 – Other local / regional / federal planning efforts**

**Describe cooperation and coordination with other public entities, including the State and any adjacent units of general local government, in the implementation of the Consolidated Plan (91.215(l))**

The City of Chattanooga coordinates efforts with other entities, the State and Hamilton County in addressing community development, economic development and housing needs. City and Hamilton County are also cooperative partners in addressing and ending homelessness in the community.

**Narrative (optional):**

## **PR-15 Citizen Participation**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

The Citizen Participation Plan provides policies and procedures that assure that the public has adequate notice and opportunities to provide input into the development of the Consolidated Plan. Generally, it provides for appropriate notice prior to public meetings and accommodations for persons with disabilities. Conforming to the provisions of the Citizen Participation Plan, there were several public outreach events held to make the public aware of the Consolidated Plan process and the value of their input during the process. Surveys is one method used to question the public on the most effective ways to get information to them about the Consolidated Plan and other HUD programs. Three Consolidated Plan public forums were held, at well utilized recreation centers in LMI areas, to gather the public's priorities for the Consolidated Plan. A public meeting was also held to announce the results of the public input on priorities. A community survey was distributed in various other meetings, agencies and public events with target populations, and posted on the City's website for completion, tabulation, and consideration in the development of priorities relating to community needs. In response to having a Hispanic population that consists of over 5% of the City's population, the survey was translated into Spanish and placed with La Paz, a community organization that provides a range of services and outreach to the Hispanic community. In addition, public notices were posted in all three of Chattanooga's newspapers, including the Spanish newspaper. Additionally, two segments, discussing the plan and processes were done on the department's weekly radio show. All of the dates, as well as additional public outreach efforts, are detailed below.

**Citizen Participation Outreach**

| Sort Order | Mode of Outreach | Target of Outreach  | Summary of response/attendance  | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|---|---|------------------------------|--|---------------------|
| 1          | Public Outreach  | Minorities<br><br>Persons with disabilities<br><br>Non-targeted/broad community<br><br>Residents of Public and Assisted Housing | Occurred on 7-8-2014. 40 people attended. This was a Homeless Coalition Board Meeting. Surveys were distributed and the upcoming Consolidated Plan was discussed. | 40 surveys returned          | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance  | Summary of comments received  | Summary of comments not accepted and reasons   | URL (If applicable) |
|------------|------------------|------------------------------|---|---|--|---------------------|
| 2          | Public Outreach  | Non-targeted/broad community | <p>RPA Pop up Planner. Discussed the upcoming Consolidated Plan process with citizens who came up to the planning booth. Also assisted in gathering information about Chattanooga's priorities, that we are able to use in the Consolidated Plan. Pop up planners were held through out the city and county, during the months of May and June of 2014, to include a broad range of citizens. The locations that were accessible to many LMI residents were:</p> <p>East Gate Library</p> | We received over 500 responses to the planning game that was presented. | The Community Development office rejected any responses from people who did not live within the City of Chattanooga. |                     |

Consolidated Plan

CHATTANOOGA

| Sort Order | Mode of Outreach | Target of Outreach     | Summary of response/attendance   | Summary of comments received  | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------|--|---|--|---------------------|
| 3          | Public Meeting   | Citizen Advisory Board | <p>Occurred on 10-6-14. 14 attended the meeting. the upcoming Consolidated Plan was discussed as well as potential changes to the Citizen's Participation Plan and the advisory committee's structure and input process.</p> | <p>The board emphasized that they did not want to completely dissolve the Advisory Board, like some cities have done, but they were open to changing the structure and function of the board.</p> | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach     | Summary of response/attendance  | Summary of comments received            | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------|---|---|--|---------------------|
| 4          | Public Meeting   | Citizen Advisory Board | Occurred on 12-1-14. 12 attended the meeting. Gave an update on the data collection process for the Consolidated Plan and discussed the proposed changes to the allocation process, the Citizen's Participation Plan, and the Advisory Board's new roles and structure. | The board viewed the changes favorably. | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach                      | Summary of response/attendance  | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|---|---|------------------------------|--|---------------------|
| 5          | Public Meeting   | Citizen's Advisory Board<br>New Members | <p>Occurred on 12-3-14. 12 attended the meeting. Discussed the Consolidated Plan with the newly appointed Advisory Board members. Discussed the proposed changes to the allocation process, the Citizen's Participation Plan, and the Advisory Board's new roles and structure.</p> | None                         | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance  | Summary of comments received  | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|---|---|--|---------------------|
| 6          | Public Meeting   | Non-targeted/broad community | Occurred on 11-3-14. 6 people attended. The results of the data collection for the Consolidated Plan priorities were presented. | One person came accidentally. She thought it was a different meeting. Another gentleman commented that we were doing a good job with what we had and commented on how participation at public meetings was always so low. | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance   | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|--|------------------------------|--|---------------------|
| 7          | Public Outreach  | Non-targeted/broad community | Occurred on 11-21-14. 94 were in attendance. The meeting was a Foster Grandparents In Service Meeting and surveys were distributed and the Consolidated Plan and process were discussed. | 94 surveys were returned     | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance   | Summary of comments received   | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|--------------------|--|--------------------------------|--|---------------------|
| 8          | Public Outreach  | Housing Providers  | <p>Occurred on 12-10-14. 24 were in attendance. This was a meeting with many of the city's major housing providers to discuss the future of housing in Chattanooga and future housing priorities and strategies. Surveys were distributed and housing priorities were established for the Consolidated Plan.</p> | Housing priorities established | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach  | Summary of response/attendance   | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|---|--|------------------------------|--|---------------------|
| 9          | Public Meeting   | Non-targeted/broad community<br><br>City neighborhood leaders | Occurred on 4-3-14. 22 were in attendance. This was a Neighborhood Leadership Roundtable that is attended by neighborhood leaders. Surveys were distributed asking what was the best way to get information about the Consolidated Plan out and the best time for public meetings. | Received 22 surveys back     | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach  | Summary of response/attendance  | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|---|---|------------------------------|--|---------------------|
| 10         | Public Meeting   | Non-targeted/broad community<br><br>City neighborhood leaders | Occurred on 4-16-14. 27 were in attendance. This was a Neighborhood Leadership Roundtable that is attended by neighborhood leaders. Surveys were distributed asking what was the best way to get information about the Consolidated Plan out and the best time for public meetings. | Received 27 surveys back     | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach                                     | Summary of response/attendance  | Summary of comments received | Summary of comments not accepted and reasons         | URL (If applicable) |
|------------|------------------|--|---|------------------------------|--|---------------------|
| 11         | Public Outreach  | Non-English Speaking - Specify other language: Spanish | Distributed surveys and fliers to La Paz, an agency specializing in the Hispanic population, to inform the Hispanic population about the Consolidated Plan. | 26 surveys were received.    | 2 rejected because they did not live in Chattanooga  |                     |
| 12         | Public Outreach  | LMI community  | Surveys were distributed to Metropolitan Ministries to capture the LMI population.  | 110 surveys received         | 25 rejected because they did not live in Chattanooga |                     |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance   | Summary of comments received   | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|--|--|--|---------------------|
| 13         | Public Meeting   | Non-targeted/broad community | <p>Occurred on 10-16-14. 19 people attended. This was a public forum at the East Chattanooga Recreation Center, to gather citizens' priorities for the Consolidated Plan using a game setup.</p> | <p>19 game responses received. A summary of the comments and questions were:1. Can funds be used for fixing substandard homes?2. What is an example of prevention and rehousing through ESG?3. Section 8 ameliorates tenant issues. Do you work with CHA?4. What is HOPE 6 displacement? Is it a place?5. Displaced public housing residents are promised to be a priority in other housing units, but that did not happen.6. What</p> | None   |                     |

Consolidated Plan

CHA/EPAN/USA

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance  | Summary of comments received  | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|---|---|--|---------------------|
| 14         | Public Meeting   | Non-targeted/broad community | <p>Occurred on 10-23-14. 14 people attended. This was a public forum at the South Chattanooga Recreation Center, to gather citizens' priorities for the Consolidated Plan using a game setup.</p> | <p>14 game responses received. A summary of the comments and questions are:1. was the home repair program the forgivable loans grants for the elderly?2. Did the Blueprint to End Homelessness work?3. Does that include displacement? When they tear down public housing?4. Lost St Elmo, what does that mean?5. Need more speed humps in Piney Woods/Alton Park6. Need sidewalks and streets in PW/AP</p> | None   | 34                  |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance  | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|---|------------------------------|--|---------------------|
| 15         | Public Meeting   | Non-targeted/broad community | Occurred on 10-13-14. 4 people attended. This was a public forum at the Brainerd Recreation Center during the daytime, to gather citizens' priorities for the Consolidated Plan using a game setup. | 4 survey responses received  | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance  | Summary of comments received   | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|---|--|--|---------------------|
| 16         | Public Outreach  | Non-targeted/broad community | Occurred on 10-7-14. This was a neighborhood National Night Out event at East Chattanooga Recreation Center. Booths were set up to gather citizens' priorities for the Consolidated Plan. | 10 people participated, 17 surveys received  | None   |                     |
| 17         | Public Outreach  | Non-targeted/broad community | Occurred on 10-7-14. This was a neighborhood National Night Out event at Washington Hills Recreation Center. Booths were set up to gather citizens' priorities for the Consolidated Plan. | 4 people participated Several people commented afterward that they did not know we were there. | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance   | Summary of comments received               | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|--|--|--|---------------------|
| 18         | Public Outreach  | Non-targeted/broad community | Occurred on 10-7-14. This was a neighborhood National Night Out event at South Chattanooga Recreation Center. Booths were set up to gather citizens' priorities for the Consolidated Plan. | 38 people participated, 6 surveys received | None   |                     |

| Sort Order | Mode of Outreach  | Target of Outreach   | Summary of response/attendance  | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable)   |
|------------|-------------------|--|---|------------------------------|--|---|
| 19         | Public Outreach   | Non-targeted/broad community   | Occurred on 10-7-14. This was a neighborhood National Night Out event at Eastdale Recreation Center. Booths were set up to gather citizens' priorities for the Consolidated Plan. | 35 people participated       | None   |   |
| 20         | Internet Outreach | Non-English Speaking - Specify other language: Spanish<br><br>Non-targeted/broad community | Posted Consolidated Plan informational flier (English and Spanish) and survey on the City's Website. The survey was translated into Spanish for distribution through La Paz.      | 40 online surveys received   | 10 rejected due to being incomplete          | <a href="http://www.surveymonkey.com/s/8B6WL88">http://www.surveymonkey.com/s/8B6WL88</a> |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance  | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|---|------------------------------|--|---------------------|
| 21         | Public Outreach  | Non-targeted/broad community | Occurred on 9-9-14. Did a segment during Neighborhood Talk on WNOO to discuss the Consolidated Plan process.  | None                         | None   |                     |
| 22         | Public Outreach  | Non-targeted/broad community | Occurred on 10-21-14. Did a segment during Neighborhood Talk on WNOO to discuss the Consolidated Plan and the surveys out for citizens to complete. | None                         | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach           | Summary of response/attendance  | Summary of comments received | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|------------------------------|---|------------------------------|--|---------------------|
| 23         | Newspaper Ad     | Non-targeted/broad community | Occurred on 10-12-14 in the Chattanooga Times Free Press. Public Meeting Notice for the Consolidated Plan Forums.           | None                         | None   |                     |
| 24         | Newspaper Ad     | Non-targeted/broad community | Occurred on 10-10-14 in the Chattanooga News Chronicle. Public Meeting Notice for the Consolidated Plan Forums.             | None                         | None   |                     |
| 25         | Newspaper Ad     | Non-targeted/broad community | Occurred on 10-16-14 in the Noticias Libres, the Spanish newspaper. Public Meeting Notice for the Consolidated Plan Forums. | None                         | None   |                     |

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance  | Summary of comments received           | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|--------------------|---|--|--|---------------------|
| 26         | Public Meeting   | Housing Providers  | This occurred on 2-2-15. 21 people were in attendance. This was a housing summit meeting to discuss and coordinate housing priorities and efforts for LMI and homeless citizens of Chattanooga. A questionnaire was distributed targeting housing efforts for the upcoming fiscal year. | Questionnaire responses were received. | None   |                     |

**Table 4 – Citizen Participation Outreach**

# Needs Assessment

## NA-05 Overview

### Needs Assessment Overview

The Needs assessment looks at a variety of housing, homeless, community development, and non-homeless special needs through an examination of census and CHAS data, which was created by the U.S. Census Bureau and the U.S. Department of Housing and Urban Development. These data quantify housing problems, such as overcrowding and cost burden, and measure the magnitude of special needs populations, such as the elderly, frail elderly, and persons with HIV/AIDS.

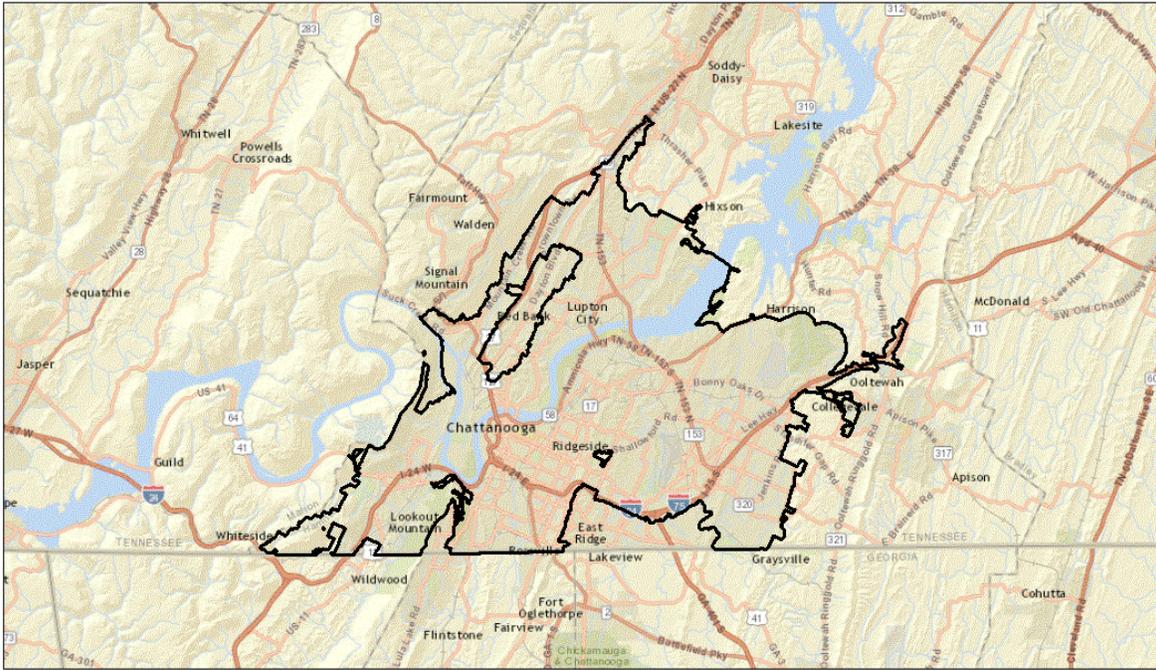
The Needs Assessment identifies those needs with the highest priority, which form the basis for the Strategic Plan and targeting of resources. Most of the data tables in this section are populated with default data from Comprehensive Housing Affordability Strategy (CHAS) developed by the Census Bureau for HUD based on 2007-2011 American Community Survey (ACS) Census. The City also used results from the online survey, 2013 Chattanooga Housing Study, and comments received during the public input sessions, and consultation process.

This Section of the Plan provides a summary of the City's needs related to affordable housing, special needs housing, community development, and homelessness. The Needs Assessment includes the following sections:

- Housing Needs Assessment
- Disproportionately Greater Need
- Public Housing
- Homeless Needs Assessment
- Non-Homeless Needs Assessment
- Non-Housing Community Development Needs

As shown in the following analysis, cost burden (paying more than 30 percent of household income on housing expenses) and extreme cost burden (paying more than 50 percent of household income on housing expenses) has a considerable impact on households in Shreveport, particularly lower income households. Measures of housing condition (lack of complete kitchen or plumbing facilities) doesn't provide a very reliable measure of condition, though it represents the best, easily accessible data on the topic. Other needs are represented through public housing wait lists and various census and state data sources.

## CPD Maps - Consolidated Plan and Continuum of Care Planning Tool



February 28, 2015  
Override 1

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0 4 8 16 km  
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, Mapbox, © OpenStreetMap contributors, and the GIS User Community

## CPD Maps - Consolidated Plan and Continuum of Care Planning Tool

## NA-10 Housing Needs Assessment - 24 CFR 91.205 (a,b,c)

### Summary of Housing Needs

The City of Chattanooga has approximately 166,298 residents and about 69,947 households, increases of seven (7) percent for both respectively from 2000 to 2011. The change in the City's median household income, for that same period, was fifteen (15) percent. At the time of this report the most current figure for the area median household income is for 2014 at \$54,200. The data in this section analyze households with housing problems, those experiencing 1) overcrowding; 2) substandard housing; 3) cost burden (paying more than 30 percent of household income for housing costs); and 4) severe cost burden (spending over 50 percent of household income for housing costs).

The following income categories are used throughout the Plan:

- 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

The majority of the data used in this report is based on 2007-2011 ACS data provided by HUD. The following information can be used as a guide in considering information related to 2011 and 2014 incomes for low-income households.

|               | 2011     | 2014     |
|---------------|----------|----------|
| Median Income | \$57,800 | \$54,200 |
| 30% AMI       | \$17,350 | \$16,550 |
| 50% AMI       | \$28,900 | \$27,550 |
| 80% AMI       | \$46,250 | \$44,100 |

Based on the data below, approximately 32,160 or 45.9 percent of total households in Chattanooga are at or below 80 percent of AMI and considered "low income" per HUD regulations. This equates to annual incomes of \$44,100 or less for a family of four. The composition of these households is a major factor in determining how resources will be targeted in addressing identified needs.

Elderly Renter and Small Related households with income 0-30%AMI and Owner households with income >30-50% AMI are the most cost burdened. Renter households with incomes 0-30%AMI are also most affected by overcrowding and substandard housing.

| <b>Demographics</b> | <b>Base Year: 2000</b> | <b>Most Recent Year: 2011</b> | <b>% Change</b> |
|---------------------|------------------------|-------------------------------|-----------------|
| Population          | 155,554                | 166,298                       | 7%              |
| Households          | 65,513                 | 69,947                        | 7%              |
| Median Income       | \$32,006.00            | \$36,689.00                   | 15%             |

**Table 5 - Housing Needs Assessment Demographics**

**Data Source:** 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

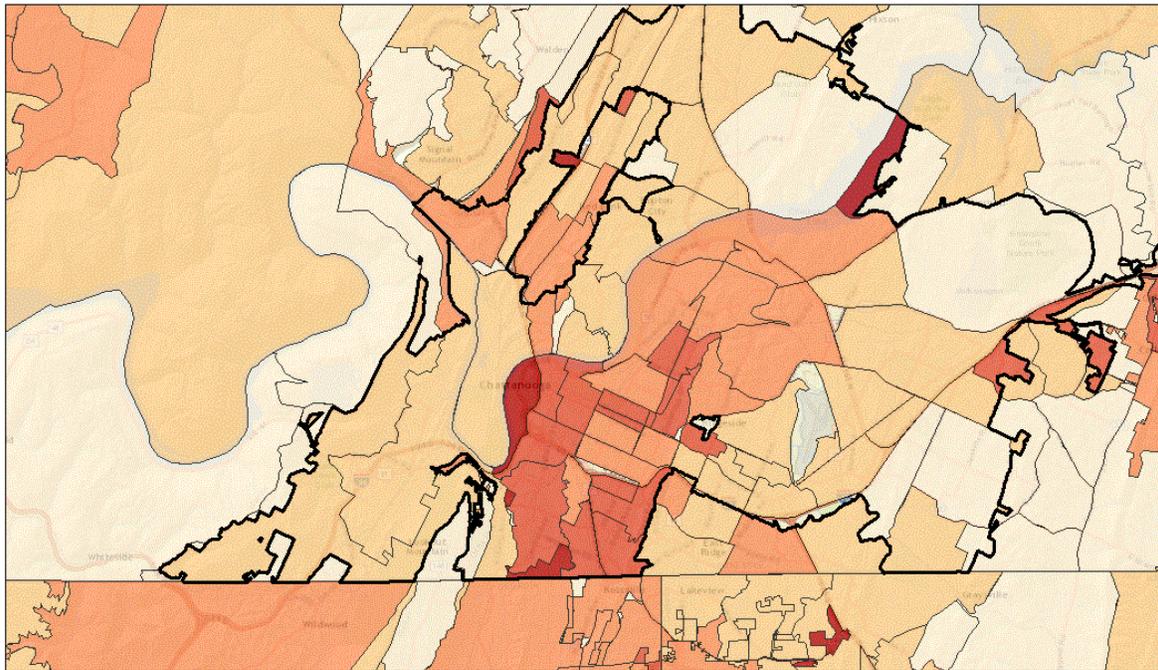
**Number of Households Table**

|  | <b>0-30%<br/>HAMFI</b> | <b>&gt;30-50%<br/>HAMFI</b> | <b>&gt;50-80%<br/>HAMFI</b> | <b>&gt;80-100%<br/>HAMFI</b> | <b>&gt;100%<br/>HAMFI</b> |
|--|------------------------|-----------------------------|-----------------------------|------------------------------|---------------------------|
| Total Households *   | 11,045                 | 8,405                       | 12,710                      | 6,350                        | 31,450                    |
| Small Family Households *  | 3,925                  | 2,465                       | 3,975                       | 2,150                        | 15,275                    |
| Large Family Households *  | 690                    | 410                         | 615                         | 250                          | 1,650                     |
| Household contains at least one person 62-74 years of age          | 1,590                  | 1,740                       | 2,245                       | 1,169                        | 5,845                     |
| Household contains at least one person age 75 or older             | 1,255                  | 1,600                       | 2,375                       | 770                          | 2,735                     |
| Households with one or more children 6 years old or younger *      | 2,523                  | 1,269                       | 1,679                       | 655                          | 2,741                     |
| * the highest income category for these family types is >80% HAMFI |                        |                             |                             |                              |                           |

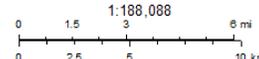
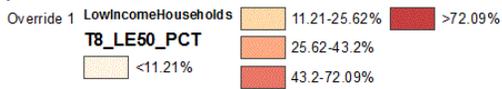
**Table 6 - Total Households Table**

**Data Source:** 2007-2011 CHAS

CPD Maps - Consolidated Plan and Continuum of Care Planning Tool



February 27, 2015



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

CPD Maps - Consolidated Plan and Continuum of Care Planning Tool

## Housing Needs Summary Tables

### 1. Housing Problems (Households with one of the listed needs)

|   | Renter    |             |             |              |       | Owner     |             |             |              |       |
|---|-----------|-------------|-------------|--------------|-------|-----------|-------------|-------------|--------------|-------|
|   | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total |
| <b>NUMBER OF HOUSEHOLDS</b>   |           |             |             |              |       |           |             |             |              |       |
| Substandard Housing - Lacking complete plumbing or kitchen facilities                 | 235       | 95          | 440         | 110          | 880   | 30        | 15          | 60          | 49           | 154   |
| Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing) | 105       | 120         | 10          | 25           | 260   | 0         | 0           | 25          | 20           | 45    |
| Overcrowded - With 1.01-1.5 people per room (and none of the above problems)          | 274       | 130         | 145         | 35           | 584   | 15        | 4           | 90          | 25           | 134   |
| Housing cost burden greater than 50% of income (and none of the above problems)       | 4,595     | 1,760       | 289         | 125          | 6,769 | 1,360     | 1,305       | 800         | 170          | 3,635 |
| Housing cost burden greater than 30% of income (and none of the above problems)       | 1,170     | 2,030       | 2,505       | 385          | 6,090 | 370       | 650         | 2,010       | 980          | 4,010 |

|   | Renter    |             |             |              |       | Owner     |             |             |              |       |
|---|-----------|-------------|-------------|--------------|-------|-----------|-------------|-------------|--------------|-------|
|   | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total |
| Zero/negative Income (and none of the above problems) | 810       | 0           | 0           | 0            | 810   | 295       | 0           | 0           | 0            | 295   |

**Table 7 – Housing Problems Table**

Data 2007-2011 CHAS

Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

|   | Renter    |             |             |              |        | Owner     |             |             |              |        |
|---|-----------|-------------|-------------|--------------|--------|-----------|-------------|-------------|--------------|--------|
|   | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total  | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total  |
| <b>NUMBER OF HOUSEHOLDS</b>   |           |             |             |              |        |           |             |             |              |        |
| Having 1 or more of four housing problems                             | 5,215     | 2,100       | 890         | 295          | 8,500  | 1,410     | 1,330       | 975         | 265          | 3,980  |
| Having none of four housing problems                                  | 2,795     | 3,190       | 5,735       | 2,615        | 14,335 | 510       | 1,780       | 5,110       | 3,180        | 10,580 |
| Household has negative income, but none of the other housing problems | 810       | 0           | 0           | 0            | 810    | 295       | 0           | 0           | 0            | 295    |

**Table 8 – Housing Problems 2**

Data 2007-2011 CHAS

Source:

3. Cost Burden > 30%

|                             | Renter    |             |             |       | Owner     |             |             |       |
|-----------------------------|-----------|-------------|-------------|-------|-----------|-------------|-------------|-------|
|                             | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| <b>NUMBER OF HOUSEHOLDS</b> |           |             |             |       |           |             |             |       |
| Small Related               | 2,585     | 1,570       | 1,125       | 5,280 | 565       | 420         | 924         | 1,909 |
| Large Related               | 480       | 234         | 125         | 839   | 34        | 34          | 154         | 222   |
| Elderly                     | 1,124     | 735         | 610         | 2,469 | 872       | 1,054       | 965         | 2,891 |

|                      | Renter    |             |             |        | Owner     |             |             |       |
|----------------------|-----------|-------------|-------------|--------|-----------|-------------|-------------|-------|
|                      | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total  | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| Other                | 2,095     | 1,415       | 1,305       | 4,815  | 284       | 470         | 845         | 1,599 |
| Total need by income | 6,284     | 3,954       | 3,165       | 13,403 | 1,755     | 1,978       | 2,888       | 6,621 |

**Table 9 – Cost Burden > 30%**

Data 2007-2011 CHAS  
Source:

4. Cost Burden > 50%

|                             | Renter    |             |             |       | Owner     |             |             |       |
|-----------------------------|-----------|-------------|-------------|-------|-----------|-------------|-------------|-------|
|                             | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| <b>NUMBER OF HOUSEHOLDS</b> |           |             |             |       |           |             |             |       |
| Small Related               | 2,165     | 600         | 100         | 2,865 | 490       | 245         | 214         | 949   |
| Large Related               | 395       | 120         | 0           | 515   | 34        | 30          | 4           | 68    |
| Elderly                     | 734       | 415         | 170         | 1,319 | 599       | 650         | 375         | 1,624 |
| Other                       | 1,765     | 685         | 105         | 2,555 | 255       | 400         | 220         | 875   |
| Total need by income        | 5,059     | 1,820       | 375         | 7,254 | 1,378     | 1,325       | 813         | 3,516 |

**Table 10 – Cost Burden > 50%**

Data 2007-2011 CHAS  
Source:

5. Crowding (More than one person per room)

|                                       | Renter    |             |             |              |       | Owner     |             |             |              |       |
|---------------------------------------|-----------|-------------|-------------|--------------|-------|-----------|-------------|-------------|--------------|-------|
|                                       | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total |
| <b>NUMBER OF HOUSEHOLDS</b>           |           |             |             |              |       |           |             |             |              |       |
| Single family households              | 324       | 90          | 125         | 60           | 599   | 15        | 0           | 40          | 24           | 79    |
| Multiple, unrelated family households | 55        | 130         | 14          | 0            | 199   | 0         | 4           | 75          | 25           | 104   |
| Other, non-family households          | 0         | 30          | 25          | 0            | 55    | 0         | 0           | 0           | 0            | 0     |
| Total need by income                  | 379       | 250         | 164         | 60           | 853   | 15        | 4           | 115         | 49           | 183   |

**Table 11 – Crowding Information – 1/2**

Data 2007-2011 CHAS  
Source:

|                                  | Renter    |             |             |       | Owner     |             |             |       |
|----------------------------------|-----------|-------------|-------------|-------|-----------|-------------|-------------|-------|
|                                  | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| Households with Children Present | 0         | 0           | 0           | 0     | 0         | 0           | 0           | 0     |

**Table 12 – Crowding Information – 2/2**

Data Source  
Comments:

**Describe the number and type of single person households in need of housing assistance.**

Overcrowding creates health and safety problems for members of the household, especially for children. Relatively high values may indicate a demand for more and/or larger affordable housing units. Addressing the presence of overcrowded housing is key to improving the livability of neighborhoods and reducing the geographic concentration of lower income groups.

Data indicate that of the 1,023 households (renters and owners) challenged with crowding (more than one person per room), 378 or 66.3 % are single person households and nearly eighty-eight percent (87.6%) of these are low-income. Additionally, eighty-two percent (82%) of single persons households with crowding issues are renters verse eighteen percent (18%) for owners.

Furthermore, 32.2% percent of low income households are Small Family Households compared to 5% for Large Family Households. And of total low-income 33.5% contain at least one person over 62 years of age. Comparatively, the number/percent of low-income households with one or more children 6 years old or younger is 5,471/17%.

Data from the Chattanooga Housing Authority’s LIPH waiting list for one and two bedroom units for 2014, show applicants for one bedroom units represented 51% of the applicant population as compared to only 12% in 2010. Similarly, with regard to two bedroom units, the percentage of waiting list applicants increased from 20% in 2009 to 26% in 2014. In contrast, LIPH waiting list data show a decline in the demand for three bedroom units with a drop from 25% in 2010 to 19% in 2014.

This data coincides with information outlined in the Chattanooga Housing Study. Accordingly, the study states, “Fewer households with children and smaller household sizes indicate the need for smaller houses, low maintenance, and a greater variety of housing types. With a relatively high unemployment rate, with over half of families headed by a single parent, and with plenty of low income families burdened in paying for housing, Chattanooga must find ways to increase the supply of affordable housing, both rental and owner occupied.

While detached single-family homes will continue to be Chattanooga’s primary housing choice option, two key housing drivers (Baby Boomers/Generation Y) representing over 60% of the population will present a growing demand for apartments and smaller housing units located in communities with more

convenient access to daily needs. This is already being confirmed by the increasing share of apartment and townhouse development activity which increased from 34% to 54% of all housing units built from 2000-2013.”

**Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.**

Based on 2009-2013 American Community Survey 5-year Estimates, approximately 26,740 (16%) of the 166,298 individuals in Chattanooga identify with a disability. Over half (15,047) are between the ages of 18 to 64.

2013 Tennessee Bureau of Investigation reported 2,875 cases of domestic violence in Chattanooga and Hamilton County. The through its Family Violence Center, Partnership for Families Children and Adults provided services to 1,615 victims of domestic violence and over 600 victims of sexual assault and elder abuse through a 24/7 crisis hotline, shelter, crisis counseling, forensic exams, court advocacy transitional housing, immigration advocacy, and other wrap around services and resources. According to the Violence Policy Council, Tennessee is ranked 3rd in the nation in female homicides committed by males.

Of 2,830 applicants on the CHA LIPH Waiting List, 57(2%) are identified as disabled, while 785 (39%) of the 2,033 households in LIPH occupied units are identified as disabled. HCVP Occupied Household Data for 3,450 households indicate 1,215 (36%) are disabled.

In the 2014 Point-in-Time count 627 individuals, which consisted of 502 households, were identified. One hundred sixty one (161) were victims of domestic violence and others identified the following disabilities:

|                                      |     |
|--------------------------------------|-----|
| Adults with a Substance Use Disorder | 146 |
| Adults with a Serious Mental Illness | 164 |
| Adults with HIV/AIDS                 | 11  |

Determining the number of persons needing supportive housing in the community and targeting a population that can most benefit from a particular type of housing or living arrangement is an extremely difficult proposition as the disabilities vary so greatly. Chattanooga has a number of non-profit organizations through which an array of services, education, and housing opportunities are provided to adults and children. The City partners collaboratively with many of these entities, for-profit developers, and local philanthropic organizations to housing needs for these citizens.

## **What are the most common housing problems?**

Based on the data in the tables in this section, housing cost burden for Small Related Households and Other Households is a primary issue followed overcrowding and substandard housing, lacking complete plumbing or kitchen facilities, which are very close in number of low-income households with these issues.

Table 11 shows 13,403 low-income renter households and 6,621 owner households are paying greater than 30% of their income for housing. Table 12 indicates that for 7,254 renter households and 3,516 owner households more than 50% of their incomes are for housing expenses. The tables also show renters at 0-30% AMI are the most cost burdened of households paying greater than 30% and 50% of incomes for housing. Owners

## **Are any populations/household types more affected than others by these problems?**

Based on the data in the tables in this section, housing cost burden for Small Related Households and Elderly Households is a primary issue followed overcrowding and substandard housing, lacking complete plumbing or kitchen facilities, which are very close in number of low-income households with these issues.

## **Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance**

Household characteristics that lead to housing instability include poverty (especially those within 0-30% AMI), physical, mental and developmental disabilities, domestic violence, unstable employment, and drug dependence/addiction. A lack of affordability is also a characteristic leading to housing instability. Cost burdens make it less likely that a household will be able to pay their rent or mortgage and face a higher risk of homelessness due to eviction or foreclosure.

Households, both individuals and families with children, in the extremely low-income group are at high risk of becoming homeless due to limited or lack of income, or high housing cost burden. Job loss, which is the leading cause of homelessness. Additionally, a shortage of affordable housing, further increase the risk of homelessness for individuals and families with children in the extremely low-income group.

A total of 627 homeless individuals, (125 children) were counted as part of the local point-in-time count, the results of which are summarized in the Homeless Count, 72 percent of whom were sheltered either in emergency shelters or transitional housing. The City and agencies in the Continuum of Care have

focused homeless prevention resources on diverting households that are at the most imminent risk of homelessness from entering the homeless services system. Prevention providers have agreed their common aim is to stabilize such households and improve their housing stability to avoid future housing crises.

Rapid Re-Housing is a critical strategy for ending homelessness for households, especially those with children. Continuum of Care partners are working to develop more housing opportunities for families who are experiencing homelessness to rapidly move them to stable housing.

The CoC has chosen to reallocate funds from the SSO Community VoiceMail to a Rapid Re housing project for families due to a lack of options for families experiencing homelessness in Chattanooga and the surrounding counties. In particular, there is a lack of resources for intact families with both parents. Currently, Family Promise of Greater Chattanooga, Family Promise of Bradley County, and the Family Housing Learning Center (CoC funded transitional housing program) are the only resources for homeless families. Family Promise places families in local churches and as a result obtain background checks on all individuals precluding some of the most vulnerable families. The Family Housing Learning Center provides transitional housing however the CoC has identified a need for rapid re-housing as some families do not need the extensive services available with Transitional Housing.

**If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:**

Data on Chattanooga's homeless population is tracked through the Homeless Management Information System (HMIS), a federally mandated on-line data system for all dedicated homeless, prevention, and housing programs who receive CoC funding. The HMIS collects data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness.

The Chattanooga CoC utilizes HUD's official definition of homelessness, including the at-risk definition, as required by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act), which definition was updated on December 5, 2012. The criteria for defining at-risk of homelessness is as follows:

Category 1- Individuals and Families

An individual or family who:

(i) Has an annual income below 30% of median family income for the area; AND

(ii) Does not have sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter or another place defined in Category 1 of the "homeless definition"; AND

(iii) Meets one of the following conditions:

(A) Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance; OR

(B) Is living in the home of another because of economic hardship; OR

(C) Has been notified that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance; OR

(D) Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government programs for low-income individuals; OR

(E) Lives in an SRO or efficiency apartment unit in which there reside more than 2 persons or lives in a larger housing unit in which there reside more than one and a half persons per room; OR (F) Is exiting a publicly funded institution or system of care; OR

(G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved Con Plan

#### Category 2 – Unaccompanied Children and Youth

A child or youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under another Federal statute

#### Category 3 – Families with Children and Youth

An unaccompanied youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under section 725(2) of the McKinney-Vento Homeless Assistance Act, and the parent(s) or guardian(s) or that child or youth if living with him or her.

### **Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness**

The housing characteristics most commonly linked with instability and an increased risk of homelessness include high cost burden (the gap between income and the high cost of housing), a tight rental market, and a shortage of affordable housing. These are further compounded by job loss and high unemployment rate and personal circumstances such as health conditions, mental illness, substance abuse, and trauma.

#### **Discussion**

Cost burden and extreme cost burden are the most common housing problem across all lower income households in Chattanooga, both renter and owner. The lower the income of the household, the more extreme the cost burden. Overcrowding is also a common problem in many lower income households. There is some concern with lack of complete plumbing and kitchen facilities, but these conditions are not widespread. As a proxy for housing condition, lack of complete kitchen or plumbing facilities does not tell the entire story. Many units with complete kitchen and plumbing facilities may not be habitable.

While detached single-family homes will continue to be Chattanooga's primary housing choice option, two key housing drivers (Baby Boomers/Generation Y) representing over 60% of the population will present a growing demand for apartments and smaller housing units located in communities with more convenient access to daily needs. This is already being confirmed by the increasing share of apartment and townhouse development activity which increased from 34% to 54% of all housing units built from 2000-2013.

## NA-15 Disproportionately Greater Need: Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

According to HUD, a disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in category as a whole. The four severe housing problems are: 1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) More than 1 person per room; and 4) Cost Burden over 30%.

As shown in the table below, created from data in the following tables Housing Problems, the groups experiencing a disproportionate housing need at 0-30% are American Indian and Hispanic, Asian and Hispanic at 30-50% and Asian and Pacific Islanders at 50-80%. The Hispanic population makes up 5.5% of the City's population while for all other groups, combined, is 7.1%.

### 0%-30% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 8,570                                    | 2,190                                 | 705  |
| White                          | 3,295                                    | 865                                   | 305  |
| Black / African American       | 4,835                                    | 1,265                                 | 385  |
| Asian                          | 64                                       | 15                                    | 10   |
| American Indian, Alaska Native | 34                                       | 0                                     | 0  |
| Pacific Islander               | 0  | 0                                     | 0  |
| Hispanic                       | 285                                      | 35                                    | 15   |

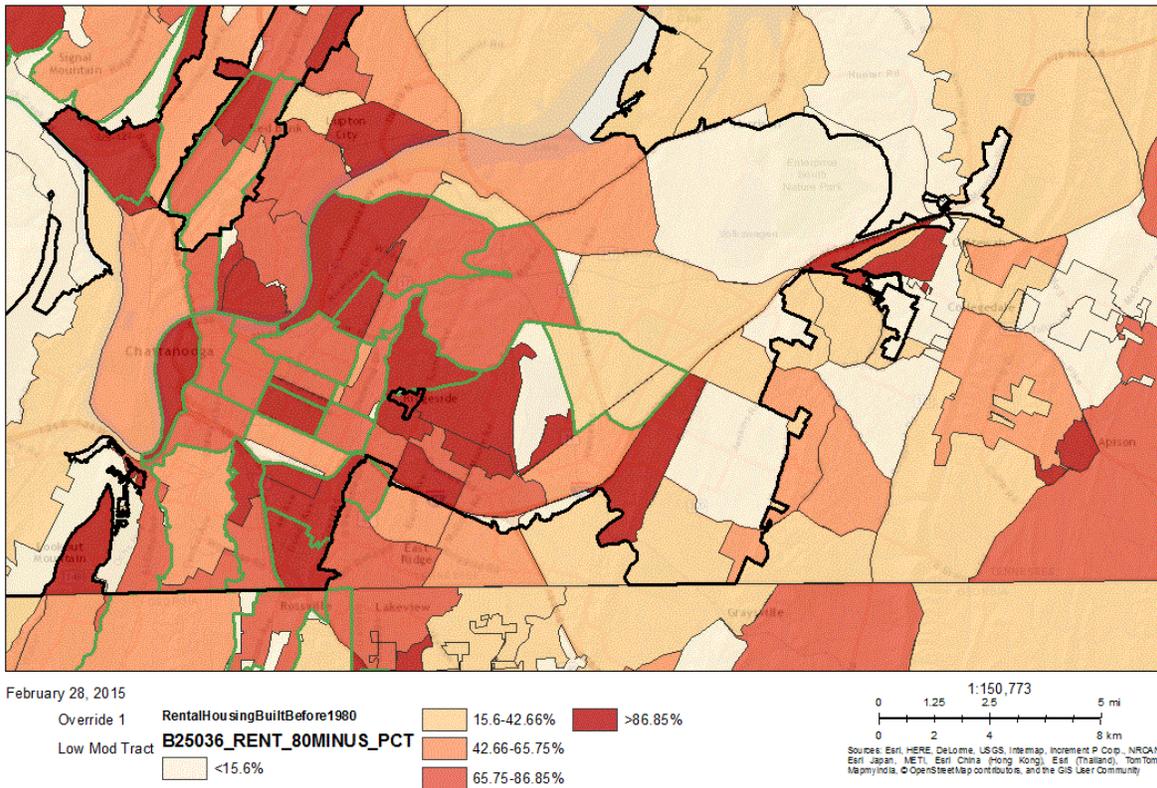
**Table 13 - Disproportionally Greater Need 0 - 30% AMI**

Data Source: 2007-2011 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

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**30%-50% of Area Median Income**

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 6,510                                    | 3,185                                 | 0  |
| White                          | 2,875                                    | 2,080                                 | 0  |
| Black / African American       | 3,210                                    | 1,005                                 | 0  |
| Asian                          | 105                                      | 0                                     | 0  |
| American Indian, Alaska Native | 10                                       | 19                                    | 0  |
| Pacific Islander               | 0  | 0                                     | 0  |
| Hispanic                       | 190                                      | 65                                    | 0  |

**Table 14 - Disproportionally Greater Need 30 - 50% AMI**

Data Source: 2007-2011 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

### 50%-80% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 5,240                                    | 7,355                                 | 0  |
| White                          | 2,960                                    | 4,520                                 | 0  |
| Black / African American       | 2,025                                    | 2,500                                 | 0  |
| Asian                          | 50                                       | 30                                    | 0  |
| American Indian, Alaska Native | 0  | 15                                    | 0  |
| Pacific Islander               | 15                                       | 0                                     | 0  |
| Hispanic                       | 133                                      | 130                                   | 0  |

**Table 15 - Disproportionally Greater Need 50 - 80% AMI**

Data Source: 2007-2011 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

### 80%-100% of Area Median Income

| Housing Problems               | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 1,755                                    | 5,680                                 | 0  |
| White                          | 975                                      | 3,790                                 | 0  |
| Black / African American       | 700                                      | 1,670                                 | 0  |
| Asian                          | 20                                       | 85                                    | 0  |
| American Indian, Alaska Native | 0  | 0                                     | 0  |
| Pacific Islander               | 0  | 0                                     | 0  |
| Hispanic                       | 40                                       | 115                                   | 0  |

**Table 16 - Disproportionally Greater Need 80 - 100% AMI**

Data Source: 2007-2011 CHAS

\*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4. Cost Burden greater than 30%

## **Discussion**

The CHAS data show that there is little disproportionately greater need among the racial and ethnic groups in Chattanooga. With the exception of a relatively small Hispanic population showing a higher percentage of housing problems for the lowest groups, all racial groups fall close to the jurisdiction-wide percentages. In the very small populations, Asian, American Indian/Alaska Native, and Pacific Islander populations, a disproportionate housing need displays at 0-30% for American Indian and Hispanic, Asian and Hispanic at 30-50% and Asian and Pacific Islanders at 50-80%. The Hispanic population makes up 5.5% of the City's population while all other groups, combined, is 7.1%.

## NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction

The 2005-2009 CHAS data, constructed from data collected by the US Census Bureau for HUD, show housing problems by income and race/ethnicity. The housing problems include incomplete kitchen or plumbing facilities, cost burden greater than 30 percent, and overcrowding (more than 1 person per room). The tables below show the distribution of one or more problems by race/ethnicity for each of four lower income groups, 0 to 30 percent of the area median income, 30 to 50 percent of the area median income, 50 to 80 percent of the area median income, and 80 to 100 percent of the area median income. The discussion following the tables will identify disproportionately greater need within each income group for particular racial or ethnic group. The next section will look at severe housing problems (severe overcrowding and extreme cost burden).

Households with disproportionately severe housing problems are in the small populations of Asians and Hispanics.

### 0%-30% of Area Median Income

| Severe Housing Problems*       | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 6,595                                    | 4,175                                 | 705  |
| White                          | 2,720                                    | 1,415                                 | 305  |
| Black / African American       | 3,460                                    | 2,630                                 | 385  |
| Asian                          | 64                                       | 15                                    | 10   |
| American Indian, Alaska Native | 30                                       | 4                                     | 0  |
| Pacific Islander               | 0  | 0                                     | 0  |
| Hispanic                       | 255                                      | 64                                    | 15   |

**Table 17 – Severe Housing Problems 0 - 30% AMI**

Data Source: 2007-2011 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

### 30%-50% of Area Median Income

| Severe Housing Problems*       | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 3,110                                    | 6,570                                 | 0  |
| White                          | 1,410                                    | 3,545                                 | 0  |
| Black / African American       | 1,480                                    | 2,740                                 | 0  |
| Asian                          | 90                                       | 15                                    | 0  |
| American Indian, Alaska Native | 10                                       | 19                                    | 0  |
| Pacific Islander               | 0  | 0                                     | 0  |
| Hispanic                       | 115                                      | 140                                   | 0  |

**Table 18 – Severe Housing Problems 30 - 50% AMI**

Data Source: 2007-2011 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

### 50%-80% of Area Median Income

| Severe Housing Problems*       | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole        | 1,190                                    | 11,405                                | 0  |
| White                          | 745                                      | 6,755                                 | 0  |
| Black / African American       | 405                                      | 4,125                                 | 0  |
| Asian                          | 15                                       | 65                                    | 0  |
| American Indian, Alaska Native | 0  | 15                                    | 0  |
| Pacific Islander               | 15                                       | 0                                     | 0  |
| Hispanic                       | 0  | 268                                   | 0  |

**Table 19 – Severe Housing Problems 50 - 80% AMI**

Data Source: 2007-2011 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

**80%-100% of Area Median Income**

| <b>Severe Housing Problems*</b> | <b>Has one or more of four housing problems</b> | <b>Has none of the four housing problems</b> | <b>Household has no/negative income, but none of the other housing problems</b> |
|---------------------------------|---|--|---|
| Jurisdiction as a whole         | 530   | 6,900  | 0   |
| White                           | 210   | 4,565  | 0   |
| Black / African American        | 285   | 2,090  | 0   |
| Asian                           | 0   | 105  | 0   |
| American Indian, Alaska Native  | 0   | 0  | 0   |
| Pacific Islander                | 0   | 0  | 0   |
| Hispanic                        | 10  | 145  | 0   |

**Table 20 – Severe Housing Problems 80 - 100% AMI**

Data Source: 2007-2011 CHAS

\*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

**Discussion**

With regard to severe housing problems detailed above, there is little disproportionately greater need between the major racial groups (White and African American). The Hispanic groups at 30-50% AMI show an 11% disproportionately greater need and other small groups showing higher incidences at all income ranges.

## NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.205 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

### Introduction:

This table displays cost burden information for the jurisdiction and each racial and ethnic group, including no cost burden (less than 30%), cost burden (30-50%, severe cost burden (more than 50%), and no/negative income.

Based on the date in Table 21, of those with cost burdens (30-50%) 50% are White, 44% Black/African American, 1% Asian and 3% Hispanic. Those with sever cost burden (more than 50%) 46% are White, 48% are Black/African American, 2% Asian, and 3% Hispanic.

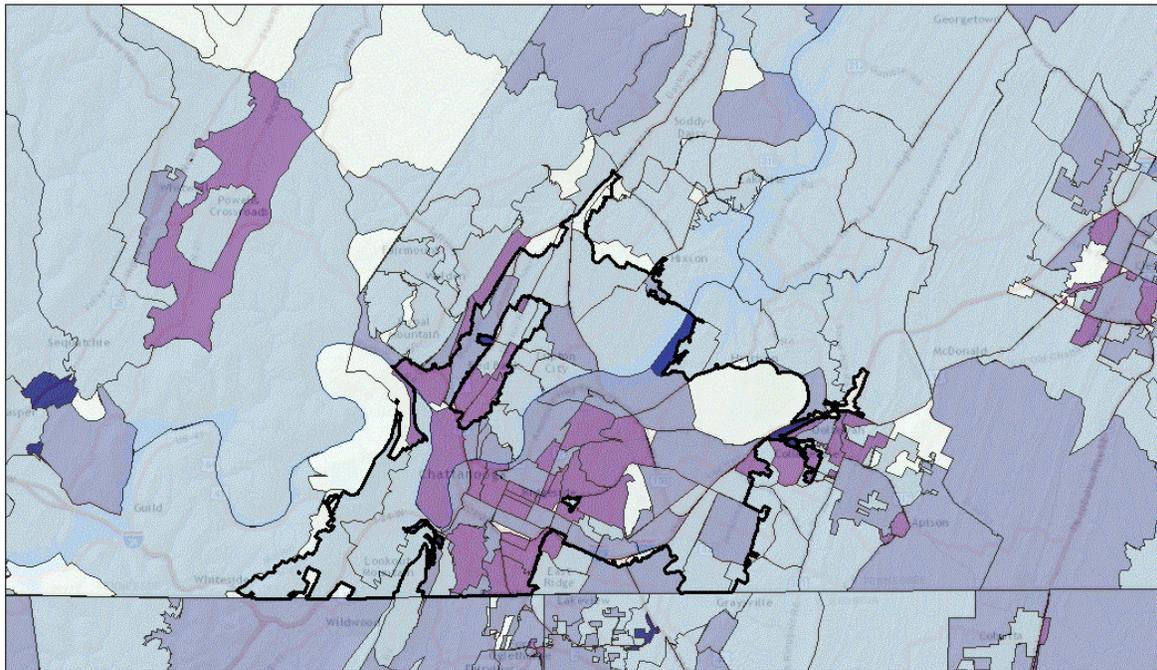
### Housing Cost Burden

| Housing Cost Burden            | <=30%  | 30-50% | >50%   | No / negative income (not computed) |
|--------------------------------|--------|--------|--------|-------------------------------------|
| Jurisdiction as a whole        | 47,480 | 12,450 | 10,555 | 705                                 |
| White                          | 33,845 | 6,220  | 4,890  | 305                                 |
| Black / African American       | 11,865 | 5,470  | 5,065  | 385                                 |
| Asian                          | 535    | 180    | 199    | 10                                  |
| American Indian, Alaska Native | 99     | 14     | 40     | 0                                   |
| Pacific Islander               | 0      | 0      | 15     | 0                                   |
| Hispanic                       | 810    | 384    | 265    | 15                                  |

**Table 21 – Greater Need: Housing Cost Burdens AMI**

Data Source: 2007-2011 CHAS

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February 28, 2015

Override 1

**HousingCostBurden**

**B25106\_CB\_PCT**

<11.6% Paying>30%

11.6-29.15% Paying>30%

29.15-44.93% Paying>30%

44.93-72.98% Paying>30%

72.98-98.93% Paying>30%

>98.93% Paying>30%

0 2.5 5 10 mi  
0 4.25 8.5 17 km

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

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| Cost Burden > 50% (renter) | 0-30% AMI | 30-50% AMI | 50-80% AMI | All Households |
|----------------------------|-----------|------------|------------|----------------|
| Small Related              | 2,165     | 600        | 100        | 2,900          |
| Large Related              | 395       | 120        | 0          | 515            |
| Elderly                    | 734       | 415        | 170        | 1,423          |
| Other                      | 1,765     | 685        | 105        | 2,555          |
| Total Households by Income | 8,825     | 5,290      | 6,625      | 31,615         |
| 2007-11 CHAS               |           |            |            |                |

Table 22 - For CHATTANOOGA (CDBG Grantee) - Cost Burden > 50% (renter)

| Costs   | Number | Percentage |
|---|--------|------------|
| Paying > 30%  | 25,242 | 36.09      |
| Earning Less than \$34,999 paying > 30%                 | 21,031 | 30.07      |
| Earning More Than \$35,000 paying > 30%                 | 4,211  | 6.02       |
| Owner Occupied Earning Less than \$35,000 paying > 30%  | 7,062  | 18.42      |
| Owner Occupied Earning More than \$35,000 paying > 30%  | 3,487  | 9.10       |
| Renter Occupied Earning Less than \$35,000 paying > 30% | 13,969 | 44.19      |
| Renter Occupied Earning More than \$35,000 paying > 30% | 724    | 2.29       |
| 2007-11 ACS   |        |            |

**Table 23 - For CHATTANOOGA (CDBG Grantee) - Costs**

| <b>Race</b>   | <b>Number</b> | <b>Percentage</b> |
|---|---------------|-------------------|
| White alone (not Hispanic)                                      | 92,346        | 55.53             |
| Black or African American alone (not Hispanic)                  | 57,738        | 34.72             |
| American Indian and Alaska Native alone (not Hispanic)          | 299           | 0.18              |
| Asian alone (not Hispanic)                                      | 3,296         | 1.98              |
| Native Hawaiian and Other Pacific Islander alone (not Hispanic) | 38            | 0.02              |
| Some other race alone (not Hispanic)                            | 162           | 0.10              |
| Two or more races (not Hispanic)                                | 2,546         | 1.53              |
| Persons of Hispanic Origin                                      | 9,873         | 5.94              |
| Total   | 166,298       |                   |
| 2007-11 ACS   |               |                   |

**Table 24 - For CHATTANOOGA (CDBG Grantee) - Race**

**Discussion:**

Based on the data, overall, with the exception of American Indian, Alaska Natives and Pacific Islanders (who make up less than one percent of the City’s population) there is not one sizable racial or ethnic group that has disproportionately greater need in comparison to the needs of that category as a whole. American Indian, Alaska Natives and Pacific Islanders are the ethnic groups that show a disproportionately greater need in comparison to the needs of those who are severely burdened (>50% AML.)

## **NA-30 Disproportionately Greater Need: Discussion – 91.205(b)(2)**

**Are there any income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?**

The following tables show disproportionately greater need for Hispanics, Asians, and American Indian groups.

### **Housing Problems**

**If they have needs not identified above, what are those needs?**

Per the data supplied by HUD in the development of this Plan, the needs have been identified in this section of the Plan.

**Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?**

The total Hispanic population makes up 5.5% of the City's population and .07 to 28.3% of populations in Low-to-Moderate Income census tracts where City CPD funding will be concentrated.

## **NA-35 Public Housing – 91.205(b)**

### **Introduction**

The Chattanooga Housing Authority (CHA) provides subsidized housing and related housing services primarily to low-income individuals in Chattanooga. The CHA is a public body corporate and political with a seven member Board of Commissioners. The Mayor of Chattanooga appoints the Board of Commissioners. However, the Housing Authority has complete administrative authority and it recruits and employs personnel.

### ***Summary of State of Public Housing (At the Time of This Report)***

- CHA removed from HUD’s list of troubled agencies in late 2011.
- CHA’s total annual operating budget: \$40 million.
- Number of Housing Choice Vouchers (HCV): 3,568
- HCVP Occupied Units:3,450
- Budget for Housing Choice Voucher Program: \$21.7 million
- HCVP Family Self-Sufficiency Program participants: 132
- HCV Program new homeowners: 43 since 2004.
- HCVP Waiting list;1,000
- HUD subsidy for LIPH in 2015: \$11 million
- Capital fund for LIPH in 2011: \$3 million
- CHA’s Low-Income Public Housing (LIPH) number of units: 2,475
- LIPH Occupancy: 2,033 households
- LIPH waiting list: 2,830 families;
- Project-Based Vouchers:219

### Affordability

Occupancy lists indicate that 95% of the HCVP units and 94% of the LIPH units are occupied by residents with an annual income level below 50% of the AMI and with the majority of these in the extremely low category.

**Totals in Use**

|                            | Program Type |           |                |          |                 |                |                                     |                            |            |
|----------------------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|------------|
|                            | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |            |
|                            |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| # of units vouchers in use | 0            | 0         | 2,515          | 3,221    | 202             | 2,970          | 29                                  | 0                          | 0          |

**Table 25 - Public Housing by Program Type**

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

**Characteristics of Residents**

|   | Program Type |           |                |          |                 |                |                                     |                            |  |
|---|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|--|
|   | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |  |
|   |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program |  |
| Average Annual Income                   | 0            | 0         | 8,213          | 10,162   | 8,598           | 10,171         | 12,929                              | 0                          |  |
| Average length of stay                  | 0            | 0         | 5              | 5        | 3               | 5              | 0                                   | 0                          |  |
| Average Household size                  | 0            | 0         | 1              | 2        | 1               | 2              | 1                                   | 0                          |  |
| # Homeless at admission                 | 0            | 0         | 4              | 33       | 1               | 32             | 0                                   | 0                          |  |
| # of Elderly Program Participants (>62) | 0            | 0         | 491            | 463      | 105             | 351            | 4                                   | 0                          |  |

|   | Program Type |           |                |          |                 |                |                                     |                            |
|---|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|
|   | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |
|   |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program |
| # of Disabled Families                          | 0            | 0         | 570            | 822      | 61              | 749            | 9                                   | 0                          |
| # of Families requesting accessibility features | 0            | 0         | 2,515          | 3,221    | 202             | 2,970          | 29                                  | 0                          |
| # of HIV/AIDS program participants              | 0            | 0         | 0              | 0        | 0               | 0              | 0                                   | 0                          |
| # of DV victims                                 | 0            | 0         | 0              | 0        | 0               | 0              | 0                                   | 0                          |

**Table 26 – Characteristics of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

### Race of Residents

| Race                          | Program Type |           |                |          |                 |                |                                     |                            |            |
|-------------------------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|------------|
|                               | Certificate  | Mod-Rehab | Public Housing | Vouchers |                 |                | Special Purpose Voucher             |                            |            |
|                               |              |           |                | Total    | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| White                         | 0            | 0         | 219            | 622      | 103             | 501            | 14                                  | 0                          | 0          |
| Black/African American        | 0            | 0         | 2,284          | 2,586    | 99              | 2,457          | 14                                  | 0                          | 0          |
| Asian                         | 0            | 0         | 2              | 4        | 0               | 4              | 0                                   | 0                          | 0          |
| American Indian/Alaska Native | 0            | 0         | 3              | 5        | 0               | 4              | 1                                   | 0                          | 0          |
| Pacific Islander              | 0            | 0         | 7              | 4        | 0               | 4              | 0                                   | 0                          | 0          |
| Other                         | 0            | 0         | 0              | 0        | 0               | 0              | 0                                   | 0                          | 0          |

**\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

**Table 27 – Race of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

**Ethnicity of Residents**

| Ethnicity    | Certificate | Mod-Rehab | Public Housing | Program Type |                 |                |                                     |                            |            |
|--------------|-------------|-----------|----------------|--------------|-----------------|----------------|-------------------------------------|----------------------------|------------|
|              |             |           |                | Vouchers     |                 |                | Special Purpose Voucher             |                            |            |
|              |             |           |                | Total        | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| Hispanic     | 0           | 0         | 41             | 57           | 9               | 48             | 0                                   | 0                          | 0          |
| Not Hispanic | 0           | 0         | 2,474          | 3,164        | 193             | 2,922          | 29                                  | 0                          | 0          |

**\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

**Table 28 – Ethnicity of Public Housing Residents by Program Type**

Data Source: PIC (PIH Information Center)

**Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:**

Of 2,830 applicants on the CHA LIPH Waiting List, 48% are African American, 46% Other and 5% Caucasian. Over half (51%) of those on the waiting list are requesting one-bedroom units, 26% two-bedroom units and 19% three-bedroom units. 57(2%) are identified as disabled, while 785 (39%) of the 2,033 households in LIPH occupied units are identified as disabled. HCVP Occupied Household Data for 3,450 households indicate 1,215 (36%) are disabled.

**Most immediate needs of residents of Public Housing and Housing Choice voucher holders**

Data from the Chattanooga Housing Authority’s LIPH waiting list for one and two bedroom units for 2014, show applicants for one bedroom units represented 51% of the applicant population as compared to only 12% in 2010. Similarly, with regard to two bedroom units, the percentage of waiting list applicants increased from 20% in 2009 to 26% in 2014. In contrast, LIPH waiting list data show a decline in the demand for three bedroom units with a drop from 25% in 2010 to 19% in 2014.

**LIPH Waiting List Data (2,830 Applicants)**

|                               |                               |                                      |                        |
|-------------------------------|-------------------------------|--------------------------------------|------------------------|
| <b>Ethnicity</b>              | <b>Not Hispanic or Latino</b> | <b>Hispanic or Latino</b>            | <b>Not Assigned</b>    |
|                               | 1,504 (53%)                   | 23(1%)                               | 1,303(46%)             |
| <b>Race: African American</b> | 1,371 (48%)                   | <b>Other/Not Assigned</b> 1,307(46%) | <b>Caucasian</b>       |
|                               | 125(5%)                       |                                      |                        |
| <b>Accessibility :</b>        | Disabled 57 (2%)              | Non-Disabled 2,773 (98%)             |                        |
|                               | <b>1BR</b>                    | <b>2BR</b>                           | <b>3BR</b> <b>4+BR</b> |
| <b>Bedroom Size Needed</b>    | 1,450(51%)                    | 724 (26%)                            | 545(19%)      114(4%)  |

**How do these needs compare to the housing needs of the population at large**

Data indicate 33.6% percent of low income households are Small Family Households compared to 5.4% for Large Family Households. And of total low-income 33.3% contain at least one person over 62 years of age. Comparatively, the number/percent of low-income households with one or more children 6 years old or younger is 5,993/17.9%.

This coincides with the information depicting the needs of those on the LIPH waiting list and with information outlined in the Chattanooga Housing Study. Accordingly, the study states, “Fewer

*households with children and smaller household sizes indicate the need for smaller houses, low maintenance, and a greater variety of housing types. With a relatively high unemployment rate, with over half of families headed by a single parent, and with plenty of low income families burdened in paying for housing, Chattanooga must find ways to increase the supply of affordable housing, both rental and owner occupied.*

Further demonstrating the need this need, the CHA updated its Housing Choice Voucher Program through a one-day lottery process on January 26, 2015. Computer software randomly selected 1,000 applicants from a pool of 6,533 to place on the HCVP waiting list.

## **Discussion**

### Affordability

Occupancy lists indicate that 95% of the HCVP units and 94% of the LIPH units are occupied by residents with an annual income level below 50% of the AMI and with the majority of these in the extremely low category.

### Supply

HCVP – CHA began participating in the Small Area Fair Market Rent Demonstration Program 10/1/2012, which allows for higher FMRs for certain areas within Hamilton County. With the higher payment standards the number of landlords offering property under the program is expected to increase.

LIPH - To address the threat to the long term viability of public housing sites as a result of declining federal funding, CHA has shifted the focus of its renovation/modernization efforts to bare minimum preservation of housing. This new approach prioritizes building envelope and structural integrity, as well as plumbing, and other systems to ensure building longevity and occupant safety. The new approach allows Capital Funds to have the greatest impact on the preservation of housing. On the operational side, CHA is focused on minimizing vacancy, as well as putting increased focus on preventative maintenance.

CHA plans to identify additional development opportunities in areas in around the City and use any available funding mechanisms for acquisition, including Replacement Housing Funds and/or Demolition/Disposition Transition Funds (DDTF).

### Accessibility

CHA continues to work to document, maintain and enhance its responsiveness to the needs of individuals with disabilities. The upgrades at Emma Wheeler Homes include a number of units equipped for use by individuals with mobility and aural/visual disabilities.

## NA-40 Homeless Needs Assessment – 91.205(c)

### Introduction:

The Chattanooga Regional Homeless Coalition (CRHC) is an interagency council made up of public and private entities interested in ending homelessness through providing assistance with; mental health, health, substance abuse and recovery services, human services, youth, domestic violence prevention, that work together to implement county-wide programs through a collaborative system. The Chattanooga/Southeast Tennessee Region has adopted the Federal Goal to end Veteran’s homelessness by 2015 and by 2020 for families, children and youth.

The following table provides an estimate of homeless individuals and families within several categories. These numbers are taken from the previous 2014 Point-in-time count. Estimates for the number of homeless persons each year, becoming homeless each year, number exiting homeless each year, and duration of homelessness have not been made.

### Homeless Needs Assessment

| Population   | Estimate the # of persons experiencing homelessness on a given night |             | Estimate the # experiencing homelessness each year | Estimate the # becoming homeless each year | Estimate the # exiting homelessness each year | Estimate the # of days persons experience homelessness |
|--|--|-------------|--|--|---|--|
|  | Sheltered  | Unsheltered |  |  |   |  |
| Persons in Households with Adult(s) and Child(ren) | 70   | 132         | 0  | 0  | 0   | 0  |
| Persons in Households with Only Children           | 0  | 0           | 0  | 0  | 0   | 0  |
| Persons in Households with Only Adults             | 99   | 290         | 0  | 0  | 0   | 0  |
| Chronically Homeless Individuals                   | 32   | 53          | 0  | 0  | 0   | 0  |
| Chronically Homeless Families                      | 0  | 8           | 0  | 0  | 0   | 0  |
| Veterans   | 13   | 37          | 0  | 0  | 0   | 0  |
| Unaccompanied Child                                | 0  | 0           | 0  | 0  | 0   | 0  |
| Persons with HIV                                   | 0  | 4           | 0  | 0  | 0   | 0  |

**Table 29 - Homeless Needs Assessment**

**Data Source Comments:** Data from 2014 Point-in-Time Count.

Indicate if the homeless population is: Has No Rural Homeless

**If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):**

**Chronically Homeless**

Of the 627 individuals reported on, 151 reported as being chronically homeless, thus 24% of those reporting are chronically homeless. Eighty-nine (89) or 59% were sheltered.

**Additional Challenges**

|                                      | <b>Sheltered</b> | <b>Unsheltered</b> | <b>Total</b> |
|--------------------------------------|------------------|--------------------|--------------|
| Adults with a Serious Mental Illness | 109              | 61                 | 164          |
| Adults with a Substance Use Disorder | 94               | 52                 | 146          |
| Adults with HIV/AIDs                 | 11               | 0                  | 11           |
| Consolidated Plan                    |                  | CHATTANOOGA        | 74           |

Victims of Domestic Violence

96

65

161

Consolidated Plan

CHATTANOOGA

75

**Nature and Extent of Homelessness: (Optional)**

| <b>Race:</b>                     | <b>Sheltered:</b> | <b>Unsheltered (optional)</b> |
|----------------------------------|-------------------|-------------------------------|
| White                            | 272               | 98                            |
| Black or African American        | 178               | 66                            |
| Asian                            | 0                 | 0                             |
| American Indian or Alaska Native | 0                 | 0                             |
| Pacific Islander                 | 0                 | 0                             |
| <b>Ethnicity:</b>                | <b>Sheltered:</b> | <b>Unsheltered (optional)</b> |
| Hispanic                         | 5                 | 2                             |
| Not Hispanic                     | 451               | 169                           |

Data Source  
Comments:

**Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.**

According to the 2014 Point-In-Time Count (PIT), of the 627 persons counted, 125 (20%) were children and 68 (11%) were veterans. Eighteen percent (18%) of the children were unsheltered, while 82% were sheltered. As for the veterans, 20% were unsheltered and 80% sheltered in primarily (67%) in emergency housing and 12% in transitional housing.

**Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.**

**Point In Time Count 1/30/2014 data indicates shows the following:**

**Race**

White                                    370 (59%)  
 Black                                      244 (39%)  
 Multiple Races                        13 (2%)

**Ethnicity**

Non-Hispanic/Non-Latino      620 (99%)

Hispanic/Latino                7(1%)

**Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.****Discussion:**

The majority of homeless persons in Chattanooga are individuals living in shelters or transitional housing. 24 percent of those reporting reported as being chronically homeless.

## **NA-45 Non-Homeless Special Needs Assessment - 91.205 (b,d)**

### **Introduction:**

Non-homeless special needs populations include the elderly, frail elderly, persons with physical and developmental disabilities, substance abusers, persons with mental illness, and persons living with HIV/AIDS. These families and individuals are living either with families, in group facilities, or independently. They have a wide variety of needs, many of which are being met without public assistance.

### **Describe the characteristics of special needs populations in your community:**

This group can include all ages, races, and ethnicities. According to 2009-2013 American Community Survey 5-YEAR Estimates, among the civilian non-institutionalized population, 16 percent reported a disability. The likelihood of having a disability varied by age from 6 percent of people under 18 years old, to 14 percent of people 18 to 64 years old, and 41 percent of those 65 and over. The population of females with a disability (16.5%) is higher than for males by one percent. As for race or ethnicity, the distribution is close among Whites (16.1%) and African Americans (17.6%). These are followed by; Native Hawaiian/Pacific Islanders (12.8%), American Indian (11.8%), and Latinos (6.7%)

In persons under 18 years old, the most prevalent disability is cognitive difficulty, between 18 to 64 cognitive difficulty and ambulatory difficulty are the most prevalent disabilities. In the population 65 years and over, ambulatory difficulty, independent living difficulty, and hearing difficulty are the most prevalent, with ambulatory difficulty being the highest at 28.1 percent.

These populations have a broad spectrum of characteristics, similar to the population at large, but a distinguishing factor for them is an increased risk of homelessness due to the fragile nature of their existence, some relying heavily on others for their care, others living on fixed incomes and vulnerable to hardships caused by sudden demands on their resources. Alcohol and drug abuse are defined as excessive and impairing use of alcohol or other drugs.

Elderly are those individuals aged 62 or older. 2009 -2013 ACS puts the elderly population for Chattanooga at 17 percent. The elderly population continues to show a strong growth pattern as a population group. The elderly live a distinctive lifestyle requiring numerous supportive services.

### **What are the housing and supportive service needs of these populations and how are these needs determined?**

Persons with physical or developmental disabilities require a range of special facilities and care. Persons with developmental disabilities sometimes lack the capacity to care for themselves and rely on a

caretaker to see to their daily needs. More often than not the caretaker is a parent. If the child outlives the parent who has provided their care all their lives, other arrangements must be made to see to their continued care. Persons with ambulatory difficulties require housing retrofitted to provide maximum independence and enjoyment in the home. The goal for the community is to have a system of services and housing that allows individuals in these populations the opportunity for an independent and productive lifespan. Through consultations and public forums the following were identified as many of the housing and supportive service needs of these populations:

Group housing,

Nutritional support,

Dental care,

Substance abuse services,

Clothing vouchers,

Transitional housing,

Healthcare,

Consultation and referral services for Latino population,

Mental health outreach,

Physical rehabilitation and medical care,

Teen and adult job trainings,

Unemployment and the resulting loss of income/ insurance coverage due to inability to perform job functions,

Extensive medical care and treatment,

Housing and services for adolescents ageing out of foster care,

Rehabilitation programs,

Counseling/ support groups to deal with the problem,

Medical care/prescription medications, straining their already limited income,

Special transportation needs due to medical and physical condition,

Mobility assistance in normal daily activities,

**Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:**

According to the State of Tennessee Department of Health's 2013 HIV Disease/STD Surveillance Report, there were 1,616 cases of HIV in Chattanooga/Hamilton County, with 43 new cases reported in 2013. Of the 1,616 twenty-three percent (23%) were female and seventy-seven percent (77%) male. Of the new case seven (7) were women and thirty-six (36) male.

**Race/ethnicity:** Hispanic, all races:46 (2.8%); Black: 760 (47%); White:786 (48.6%); Multiple races: 12(.007%); Unknown 4.

According to the latest survey of homeless persons, eleven reported HIV/AIDS. All were sheltered.

**Discussion:**

Non-homeless special needs populations encompass a wide variety of persons and households and cannot be easily categorized except in very general terms. Some find needs that can only be met with help from outside their family. Some are on the verge of homelessness themselves and struggle from day to day. Some live independently, while others depend of family or caregivers to help them on a daily basis. Needs for these populations are as varied as the populations are themselves and depend on individual situations. However, with the goal for the community being to have a system of services and housing that allows individuals in these populations the opportunity for an independent and productive lifespan, to the greatest extent possible, the City will collaborate with service providers, housing providers, housing developers, state and local government units to leverage funding and programs in this plan to acheive that goal.

## **NA-50 Non-Housing Community Development Needs – 91.215 (f)**

### **Describe the jurisdiction’s need for Public Facilities:**

In comparison to housing, economic development and public services, public facilities rank fourth as top critical priority. The priorities listed under public facility needs include:

### **How were these needs determined?**

The City conducted surveys of residents and service providers asking their input into the ranking process for the variety of uses of CDBG, HOME and ESG funds. The Community Development Division also collaborated with the Regional Planning Agency in gathering input for the update of the region's 2030 Comprehensive Plan. The surveys were available online, at some of the service providers waiting areas and distributed at forums and organization meetings. Through the surveys, meetings, and public forums, input was received from over 900 citizens.

### **Describe the jurisdiction’s need for Public Improvements:**

In comparison to housing, economic development and public services, public facilities rank fourth as top critical priority. The priorities listed under public facility needs include:

### **How were these needs determined?**

The City conducted surveys of residents and service providers asking their input into the ranking process for the variety of uses of CDBG, HOME and ESG funds. The Community Development Division also collaborated with the Regional Planning Agency in gathering input for the update of the region's 2030 Comprehensive Plan. The surveys were available online, at some of the service providers waiting areas and distributed at forums and organization meetings. Through the surveys, meetings, and public forums, input was received from over 900 citizens.

### **Describe the jurisdiction’s need for Public Services:**

In comparison to housing, economic development and public services, public facilities, public services rank third as a top critical priority. The priorities listed under public service needs include:

## **How were these needs determined?**

The City conducted surveys of residents and service providers asking their input into the ranking process for the variety of uses of CDBG, HOME and ESG funds. The Community Development Division also collaborated with the Regional Planning Agency in gathering input for the update of the region's 2030 Comprehensive Plan. The surveys were available online, at some of the service providers waiting areas and distributed at forums and organization meetings. Through the surveys, meetings, and public forums, input was received from over 900 citizens.

# Housing Market Analysis

## MA-05 Overview

### Housing Market Analysis Overview:

The local housing market affects the availability and affordability of housing. In Chattanooga, the housing market has slowly rebounded from the foreclosure crisis of the last decade. With that recovery, housing prices have increased, but with the near historically low mortgage interest rates found in the current market, are still affordable to most income levels. The following analysis looks at a variety of data from the American Community Survey, the census, the Chattanooga Housing Study, and local housing partners to provide a picture of the local market.

## **MA-10 Number of Housing Units – 91.210(a)&(b)(2)**

### **Introduction**

This section provides information on the affordability and condition of the housing market in the City of Chattanooga. Many of the data tables were populated by HUD and use the American Community Survey (ACS) and the Comprehensive Housing Affordability Strategy (CHAS) five year (2006-2010) data set. ACS data shows that the City has a total of 40,226 housing units with a homeownership rate of approximately 57.09%

The local housing market affects the availability and affordability of housing. In Chattanooga, the housing market has slowly rebounded from the foreclosure crisis of the last decade. With that recovery, housing prices have increased, but are still affordable with the near historically low mortgage interest rates found in the current market. The following analysis looks at a variety of data from the American Community Survey, the census, the Chattanooga Housing Study, and local housing partners to provide a picture of the local market.

In July 2013, Chattanooga-Hamilton Regional Planning Agency (RPA) completed the final draft of the Chattanooga Housing Study. This study was conducted per the request of Chattanooga City Council. City Council requested RPA to conduct a study of the Chattanooga housing market to assess the housing market, current plans/development policies and how they respond to these new trends. The perceived concern was that current plans/policies/code requirements may be discouraging infill housing development, particularly moderate to high-density development.

The report indicates that the combined effects of the Great Recession, the significant changes in household size/type over the past several decades and the growing influence of the Baby Boomers (born 1946 - 1964) and Generation Y (born 1984 - 2002) are fundamentally changing the housing needs for Chattanooga's future and current citizens. Key findings from the report note:

- Although the local market is rebounding, the Great Recession has significantly impacted the financial capacity of households to obtain affordable housing: nationally family net worth actually declined 40% between 2007 and 2010. Between 2000 and 2010 family incomes increased (+25%) at only half the rate of housing costs (+52%).
- While detached single-family homes will continue to be Chattanooga's primary housing choice option, two key housing drivers (Baby Boomers/Generation Y) representing over 60% of the population will present a growing demand for apartments and smaller housing units located in communities with more convenient access to daily needs. This is already being confirmed by the increasing share of apartment and townhouse development activity which increased from 34% to 54% of all housing units built from 2000-2013.
- Chattanooga has a dwindling supply of undeveloped subdivision lots (can accommodate 1.9 years), and yet has a significant number of vacant lots (10,255 parcels) scattered throughout the

City. However, many of these lots are located in neighborhoods that will require revitalization intervention activity to make them attractive for redevelopment.

- Current City codes impact housing affordability and the feasibility for small lot infill due to site engineering, road width and setback requirements which limit options for retaining a site’s natural features or to configure the development in a way that promotes compatibility.
- Housing affordability affects all income levels, but is even more acute among those with lower incomes. In Chattanooga 77% of households with incomes less than \$15,000 and 51% of households with income of \$15,000 - \$29,999 have a housing cost burden (spending 30% or more of their monthly income on housing).

### All residential properties by number of units

| Property Type                   | Number        | %           |
|---------------------------------|---------------|-------------|
| 1-unit detached structure       | 48,292        | 60%         |
| 1-unit, attached structure      | 3,105         | 4%          |
| 2-4 units                       | 9,838         | 12%         |
| 5-19 units                      | 10,630        | 13%         |
| 20 or more units                | 7,127         | 9%          |
| Mobile Home, boat, RV, van, etc | 1,469         | 2%          |
| <b>Total</b>                    | <b>80,461</b> | <b>100%</b> |

**Table 30 – Residential Properties by Unit Number**

Data Source: 2007-2011 ACS

### Unit Size by Tenure

|                    | Owners        |             | Renters       |             |
|--------------------|---------------|-------------|---------------|-------------|
|                    | Number        | %           | Number        | %           |
| No bedroom         | 101           | 0%          | 1,297         | 4%          |
| 1 bedroom          | 664           | 2%          | 7,599         | 24%         |
| 2 bedrooms         | 8,896         | 23%         | 15,130        | 48%         |
| 3 or more bedrooms | 28,674        | 75%         | 7,586         | 24%         |
| <b>Total</b>       | <b>38,335</b> | <b>100%</b> | <b>31,612</b> | <b>100%</b> |

**Table 31 – Unit Size by Tenure**

Data Source: 2007-2011 ACS

| Units Affordable to Households Earning | Owner   | Renter  |
|--|---------|---------|
| 30% HAMFI                              | No Data | 3,540   |
| 50% HAMFI                              | 2,625   | 8,715   |
| 80% HAMFI                              | 9,075   | 21,455  |
| 100% HAMFI                             | 13,033  | No Data |
| 2007-11 CHAS                           |         |         |

**Table 32 - For CHATTANOOGA (CDBG Grantee) - Units Affordable to Households Earning**

**Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.**

The City has used CDBG, HOME, Shelter Plus Care and NSP funds to develop, support the development of or subsidized affordable housing units for housing for households ranging from 0 to 120% of the AMI with the majority of these being below 80%. These include rental and homeownership units. Over the past four years:

- 177 households were assisted in purchasing a home – majority < 80% AMI
- 1026 households were assisted with minor to substantial rehab to their homes – all < 80% AMI
- 114 affordable rental units were created – all <80% AMI, many <60% AMI

Currently 226 of the affordable rental units in the City that is are available to very low to moderate income households were developed with CDBG, HOME and or HOME funds. An additional 31 units rental units are subsidized with Shelter Plus Care vouchers provided by the City.

Though the State 1,894 are affordable housing units are available in Chattanooga and a total of 2,209, county-wide, as a result of Low Income Housing Tax Credits (LIHTC). A minimum of twenty percent of the units must be occupied by households with incomes no greater than 50% of AMI.

Developments must remain in low-income use for as long as 30 years. Remaining occupancy requirements for these units range from eight to twenty-eight years.

Shelter Plus Care funding allows the City and other local agencies to provide rent and utility assistance to 50 households with members who were homeless and dually diagnosed with substance abuse issues and mentally or physically disabled. Incomes of these households range from 0 – 50% AMI.

**Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.**

The Chattanooga Housing Authority faces significant challenges with its two oldest and largest sites: College Hill Courts and East Lake Courts. College Hill Courts, opened in 1940, consists of 497 units of low income public housing for families. East Lake Courts, opened in 1940, consists of 417 units of low income public housing for families.

The CHA has engaged architects to conduct physical needs assessments on both properties with very similar resulting conclusions. Significant portions of the units at both sites are becoming, or will become obsolete, due to declining physical conditions, location, and deferred maintenance issues, ultimately making the units/developments unusable for housing purposes. There is no viable means to revitalize the units, common areas and infrastructure under the current HUD funding streams through the Capital Fund Program. The costs for rehabilitation at both sites are projected to exceed 90% of total development costs, the standard for HUD-approved demolition/disposition.

At both sites, there exist structural deficiencies, substantial deterioration and other design and site problems that cannot be addressed without significant financial investments to preserve the properties into the future. Specifically it is estimated that \$50 million would be needed at College Hill Courts and \$35 million at East Lake Courts to renovate and preserve the properties for the long term.

Ongoing deterioration of infrastructure, including roofs, electrical systems, asbestos, sanitary sewers and water supply systems will contribute to the further obsolescence of the sites for safe and sanitary use by families. The units exhibit deteriorated plaster walls, obsolete radiant heaters, moisture problems in exterior walls, narrow roads, inadequate parking, and limited storage in the units.

Disposition and demolition of the properties, or portions thereof, will allow the CHA to create affordable units mixed use environments, using private funding, Low Income Housing Tax Credits, and injection of funds from other investors/developers.

Although there is no immediate plan for an application for demolition/disposition at either site, the CHA hopes to begin to work with residents and other local stakeholders on how to address these issues realistically and most favorably for low and moderate income families, given the current fiscal position of the CHA and the declining HUD funding for these older properties.

### **Does the availability of housing units meet the needs of the population?**

The data shown in Tables 28 and 29 would lead one to conclude that with a total of 80,461 units (78,992 without mobile homes, boats, RV, vans, etc), compared to the total number of households for City of 69,960 that there should be a surplus of housing units available. However, substandard conditions and high cost make these units unavailable/inaccessible to low-moderate income households. Evidence of this is the CHA's LIPH waiting list of 2,830 and HCVP waiting list of 1,000 (narrowed down from 6,533 lottery applicants).

This coupled with increasing demand for smaller units due to competition for these units driven by a larger aging population and smaller households suggests the need for increasing the number of smaller, affordable units through development of new units and/or rehab of substandard units, along with increased supplements/incentives to make more units available on the market affordable to households with incomes < 80% AMI.

### **Describe the need for specific types of housing:**

Data from the Chattanooga Housing Authority's LIPH waiting list for one and two bedroom units for 2014, show applicants for one bedroom units represented 51% of the applicant population as compared

to only 12% in 2010. Similarly, with regard to two bedroom units, the percentage of waiting list applicants increased from 20% in 2009 to 26% in 2014. In contrast, LIPH waiting list data show a decline in the demand for three bedroom units with a drop from 25% in 2010 to 19% in 2014.

This data coincides with information outlined in the Chattanooga Housing Study. Accordingly, the study states, "Fewer households with children and smaller household sizes indicate the

need for smaller houses, low maintenance, and a greater variety of housing types. With a relatively high unemployment rate, with over half of families headed by a single parent, and with plenty of low income families burdened in paying for housing, Chattanooga must find ways to increase the supply of affordable housing, both rental and owner occupied.

While detached single-family homes will continue to be Chattanooga's primary housing choice option, two key housing drivers (Baby Boomers/Generation Y) representing over 60% of the population will present a growing demand for apartments and smaller housing units located in communities with more convenient access to daily needs. This is already being confirmed by the increasing share of apartment and townhouse development activity which increased from 34% to 54% of all housing units built from 2000-2013."

## **Discussion**

The housing stock in Chattanooga is weighted toward single-family housing, with 64 percent of structures being single-family detached structures and 34 percent being two or more units. Based on the data provided, approximately 54 percent of Chattanooga's households are home owners, and 46 percent renters. 75 percent of owner housing units contain three or more bedrooms. Seventy six percent of occupied rental units contain fewer than three bedrooms.

Total units available less mobile homes, boats, RV yields 78,992 housing units. Subtracting owner occupied units of 38,335 and occupied renter units of 31,618 leads to the conclusion that there are approximately 9,039 unoccupied units available on the market. This could falsely lead to the conclusion that the City has a vacancy rate of 11 percent and thus have an ample supply of units available to address the housing needs in the community

This is contradictory to the CHA data showing 2,830 on a waiting list for public housing and 1,000 for Housing Choice Vouchers (who were randomly selected from a pool of 6,533 applicants.)

## MA-15 Housing Market Analysis: Cost of Housing - 91.210(a)

### Introduction

Housing costs are a major portion of any households' monthly budget. In 2000, the median home value in Chattanooga was \$83,300. By 2011, the median value had increased by 62 percent to over \$138,100. Rental costs had similar, though somewhat lower, increases rising 35 percent from \$401 in 2000 to \$543 in 2011. Using the more recent 2009-2013 ACS data, the change for Median Contract Rent is even more drastic with an 80 percent change.

Data Source (2009-2013 American Community Survey 5-Year Estimates)

In Chattanooga, 49 percent of renter households paid between \$500 and \$999 per month in rent. Less than 11 percent of the rental housing stock was affordable to households earning less than 30 percent of the area median income. No homes were priced in a range that would be affordable for a household earning less than 30 percent of the area median income.

Tables in this section are pre-populated with 2007-2011 data from HUD but because the changes in rental housing has been so drastic in Chattanooga, more recent data from the 2009-2013 ACS is being used to supplement this data.

### Cost of Housing

|                      | Base Year: 2000 | Most Recent Year: 2011 | % Change |
|----------------------|-----------------|------------------------|----------|
| Median Home Value    | 83,300          | 134,700                | 62%      |
| Median Contract Rent | 401             | 543                    | 35%      |

Table 33 – Cost of Housing

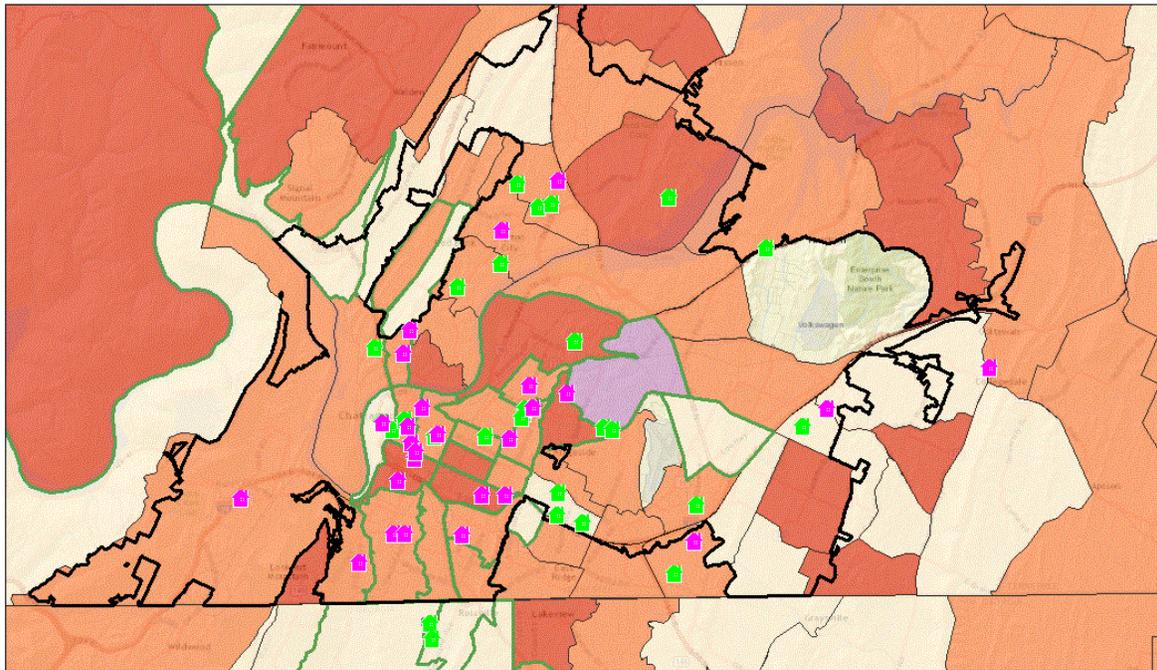
Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

| Rent Paid       | Number        | %             |
|-----------------|---------------|---------------|
| Less than \$500 | 14,028        | 44.4%         |
| \$500-999       | 15,549        | 49.2%         |
| \$1,000-1,499   | 1,397         | 4.4%          |
| \$1,500-1,999   | 367           | 1.2%          |
| \$2,000 or more | 271           | 0.9%          |
| <b>Total</b>    | <b>31,612</b> | <b>100.0%</b> |

Table 34 - Rent Paid

Data Source: 2007-2011 ACS

### Change In Rents - Need for Affordable Rental and Incentives



### Change In Rents - Need for Affordable Rental and Incentives

#### Housing Affordability

| % Units affordable to Households earning | Renter        | Owner         |
|--|---------------|---------------|
| 30% HAMFI                                | 3,540         | No Data       |
| 50% HAMFI                                | 8,715         | 2,625         |
| 80% HAMFI                                | 21,455        | 9,075         |
| 100% HAMFI                               | No Data       | 13,033        |
| <b>Total</b>                             | <b>33,710</b> | <b>24,733</b> |

Table 35 – Housing Affordability

Data Source: 2007-2011 CHAS

#### Monthly Rent

| Monthly Rent (\$) | Efficiency (no bedroom) | 1 Bedroom | 2 Bedroom | 3 Bedroom | 4 Bedroom |
|-------------------|-------------------------|-----------|-----------|-----------|-----------|
| Fair Market Rent  | 484                     | 584       | 727       | 989       | 1,114     |
| High HOME Rent    | 515                     | 590       | 679       | 923       | 1,036     |
| Low HOME Rent     | 507                     | 543       | 652       | 754       | 841       |

### Table 36 – Monthly Rent

Data Source: HUD FMR and HOME Rents

#### **Is there sufficient housing for households at all income levels?**

As would be expected, the lowest income households have the least housing stock from which to choose, clearly not enough to meet the needs of the community. With no homes priced at a level affordable to those earning below 30 percent of the area median income, rental properties are their only option. The data show that less than 11 percent of rental units are affordable to those earning less than 30 percent of the area median income. With this limited housing stock, many households are forced to spend more of their income on housing expenses, moving up to higher priced rental housing. This creates a cost burden for those households. In many cases it creates an extreme cost burden, requiring more than 50 percent of their income for housing. This along with the CHA's LIPH waiting list of 2,830 and HCVP waiting list of 1,000 (narrowed down from 6,533 lottery applicants) is evidence there is not sufficient housing/access to affordable housing for households at all income levels, particularly for low income households because they are competing with many others for units in price ranges they can afford.

Household size went from 2.87 persons per household in 1970 down to 2.26 by 2010. People are more likely to delay marriage, have fewer children or live alone than they were forty years ago. Families with both a husband and wife living with children declined from 76% in 1970 to 49% in 2010. Families headed by a single mother nearly doubled, from 22% to 40%. More people are living to an advanced age than in 1970. There are now two large generations, the Baby Boomers and Gen Y, who are significantly impacting housing.

The demographic shift of Baby Boomers retiring and Generation Y coming into the housing market place affect the demand for housing. These generations increase demand for smaller lots and housing sizes supported by a neighborhood that is walkable and connected to their daily needs. Based on the lifestyles of the Boomers and Gen Ys, the City will need to consider strategies to diversify housing options for all income levels and implement neighborhood revitalization programs that increase the number of safe, walkable communities that offer an urban lifestyle.

#### **How is affordability of housing likely to change considering changes to home values and/or rents?**

Rents are less affordable than in 2000 and the demand for rental housing is higher. Households in the lower income groups tend to be renters, spend more of income on housing than homeowners, and are concentrated in the central city. A May 1, 2014 article in the *Chattanooga Times Free Press* reported that Chattanooga ranks seventh in the country for the fastest-growing rents for the period 2007 – 2012, according to a senior analyst at NerdWallet ([www.NerdWallet.com](http://www.NerdWallet.com)). Rents had risen 25% during that time. Even between the 2007-2011 ACS and the 2009-2013 ACS median home values increased only by 2.5 percent versus 33.33 percent for rents.

In addition, competing factors in the housing market, slow rising prices and historically low mortgage interest rates, have kept homeownership affordability somewhat constant over the past decade. Mortgage interest rates are at historic lows, which make home purchases more affordable than would have been possible in 2000. However, the large number of foreclosures resulted in an increase in the supply of homes on the market and a dip in home prices. But many were unable to take advantage of the market conditions because of a tightening of mortgage requirements and the inability of many to qualify for mortgage under the more stringent rules. With former homeowners who lost their homes to foreclosure looking for rental housing instead of looking to buy, rents increased by 33 percent since 2000, putting pressure on lower income households looking for rental opportunities.

### **How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?**

According to 2009-2013 ACS data, the median rent for Chattanooga is \$724. The median rent covers all unit sizes while HOME and Fair Market Rents are shown by unit size, indicated by the number of bedrooms. HOME and Fair Market Rents compare favorably to the area median rent of \$724 for units with three or more bedrooms but not for units with fewer bedrooms. As alluded to previously, currently in the community, there is a greater demand for smaller units (units with fewer than three bedrooms) than for larger units.

In a tight rental market, where demand exceeds supply, property owners can demand higher rents, which can exceed the set HOME rents. In such a market, the City has to strategically address this challenge through incentivizing the development and preservation of affordable units.

### **Discussion**

A February 6, 2013 Chattanooga Times Free Press article reported, "Total home sales in Chattanooga in 2012 peaked above \$1 billion for the first time since 2008, growing to \$1.1 billion from \$886 million the prior year, according to (GCAR) Realtors reports for 2012. Home inventory is at an eight-year low, and the number of rental households has climbed almost 25% in the last decade, straining current capacity." This article points to the emerging rebound of the Chattanooga housing market and the immediate supply constraints. The City of Chattanooga will need to revise development policies to promote more infill housing development that would include a greater variety of housing options. Moving forward, in order to ensure adequate housing supply and to fully accommodate growing housing needs within the city, the City will need to consider a combination of neighborhood revitalization, property assembly, incentives and code modifications to promote the redevelopment of these properties.

In addition, some urban areas have scattered vacant lots located within neighborhoods that have historically struggled to attract private housing investment. As a result, it will be difficult to develop these vacant lots without a targeted neighborhood revitalization program to stabilize neighborhood conditions and assemble properties for redevelopment. This also provides an opportunity for infill housing and for creative designs on smaller properties.

During the time period of 2000-2012, there was a surge in the number of apartment units built. There were over 4000 apartment units built during that time period. Apartments made up over 36% of all housing units built. By 2012, fifty-four percent of new housing units permitted were for either attached single family or apartments.

While detached single-family homes will continue to be Chattanooga's primary housing choice option, two key housing drivers (Baby Boomers/Generation Y) representing over 60% of the population will present a growing demand for apartments and smaller housing units located in communities with more convenient access to daily needs. This is already being confirmed by the increasing share of apartment and townhouse development activity which increased from 34% to 54% of all housing units built from 2000-2013.

## MA-20 Housing Market Analysis: Condition of Housing – 91.210(a)

### Introduction

Substandard condition is defined as a combination of incomplete kitchen or plumbing facilities, missing windows or exterior doors, severely compromised foundations, outdated electrical infrastructure, holes in floors or walls, and holes in roof or severely compromised roofing materials preventing closure from weather penetration. Many units with a combination that includes all these conditions may be unfit for human occupation. Some may be candidates for rehabilitation, others may not be. Substandard condition by suitable for rehabilitation would be units where the cost of the combination of needed repairs of all conditions does not exceed the estimated after-rehabilitation value of the house.

48 percent of occupied rental units have at least one housing condition that needs addressing, compared to 26 percent owner occupied units. This is not surprising given that 65 percent of owner occupied and 70 percent rental occupied units are over 35 years old. Units this old, built before 1980, could also have lead-based paint hazards present and endanger the health of children. The data below indicates approximately 4 percent of children living in owner occupied housing and 6 percent of those in rental occupied units are susceptible to lead-based paint hazards.

### Definitions

Seventy-one percent of the owner-occupied housing stock and 64 percent of the renter-occupied housing was built prior to 1980, placing the age of that housing at more than 30 years old, much of it many years older. As the housing stock ages, water infiltration and many other factors can cause rapid deterioration of housing units, particularly where the residents don't or can't provide needed maintenance. In some areas of Chattanooga, the housing stock may exceed 50 years of age and the median income of the residents of those areas may be less than 50 percent of the area median income. In these situations it is likely that housing conditions generally throughout these areas are poor. Housing condition surveys conducted by the City in past years confirm this eventuality. In large areas of Chattanooga one can find many homes with poor external conditions which suggest equally poor internal conditions. The City operates owner and rental rehabilitation programs that target these areas in an effort to improve the basic housing stock found in the city.

### Condition of Units

| Condition of Units             | Owner-Occupied |            | Renter-Occupied |             |
|--------------------------------|----------------|------------|-----------------|-------------|
|                                | Number         | %          | Number          | %           |
| With one selected Condition    | 10,144         | 26%        | 13,887          | 44%         |
| With two selected Conditions   | 176            | 0%         | 1,185           | 4%          |
| With three selected Conditions | 44             | 0%         | 142             | 0%          |
| With four selected Conditions  | 0              | 0%         | 0               | 0%          |
| No selected Conditions         | 27,971         | 73%        | 16,398          | 52%         |
| <b>Total</b>                   | <b>38,335</b>  | <b>99%</b> | <b>31,612</b>   | <b>100%</b> |

**Table 37 - Condition of Units**

Data Source: 2007-2011 ACS

| <b>Households with one of the listed needs (renter)</b>                               | <b>0-30% AMI</b> | <b>30-50% AMI</b> | <b>50-80% AMI</b> | <b>80-100% AMI</b> | <b>All Households</b> |
|---|------------------|-------------------|-------------------|--------------------|-----------------------|
| Substandard Housing - Lacking complete plumbing or kitchen facilities                 | 235              | 95                | 440               | 110                | 1,095                 |
| Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing) | 105              | 120               | 10                | 25                 | 324                   |
| Overcrowded - With 1.01-1.5 people per room (and none of the above problems)          | 274              | 130               | 145               | 35                 | 775                   |
| Housing cost burden greater than 50% of income (and none of the above problems)       | 4,595            | 1,760             | 289               | 125                | 6,775                 |
| Housing cost burden greater than 30% of income (and none of the above problems)       | 1,170            | 2,030             | 2,505             | 385                | 6,240                 |
| Zero/negative Income (and none of the above problems)                                 | 810              | 0                 | 0                 | 0                  | 810                   |
| 2007-11 CHAS  |                  |                   |                   |                    |                       |

**Table 38 - For CHATTANOOGA (CDBG Grantee) - Households with one of the listed needs (renter)**

| <b>Households with one or more severe housing problem: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden (owner)</b> | <b>0-30% AMI</b> | <b>30-50% AMI</b> | <b>50-80% AMI</b> | <b>80-100% AMI</b> | <b>All Households</b> |
|--|------------------|-------------------|-------------------|--------------------|-----------------------|
| Having 1 or more of four housing problems  | 1,410            | 1,330             | 975               | 265                | 4,520                 |
| Having none of four housing problems   | 510              | 1,780             | 5,110             | 3,180              | 33,520                |
| Household has negative income, but none of the other housing problems  | 295              | 0                 | 0                 | 0                  | 295                   |
| 2007-11 CHAS   |                  |                   |                   |                    |                       |

**Table 39 - For CHATTANOOGA (CDBG Grantee) - Households with one or more Housing problems: Lacks kitchen or bathroom, Overcrowding, cost burden (owner)**

**Year Unit Built**

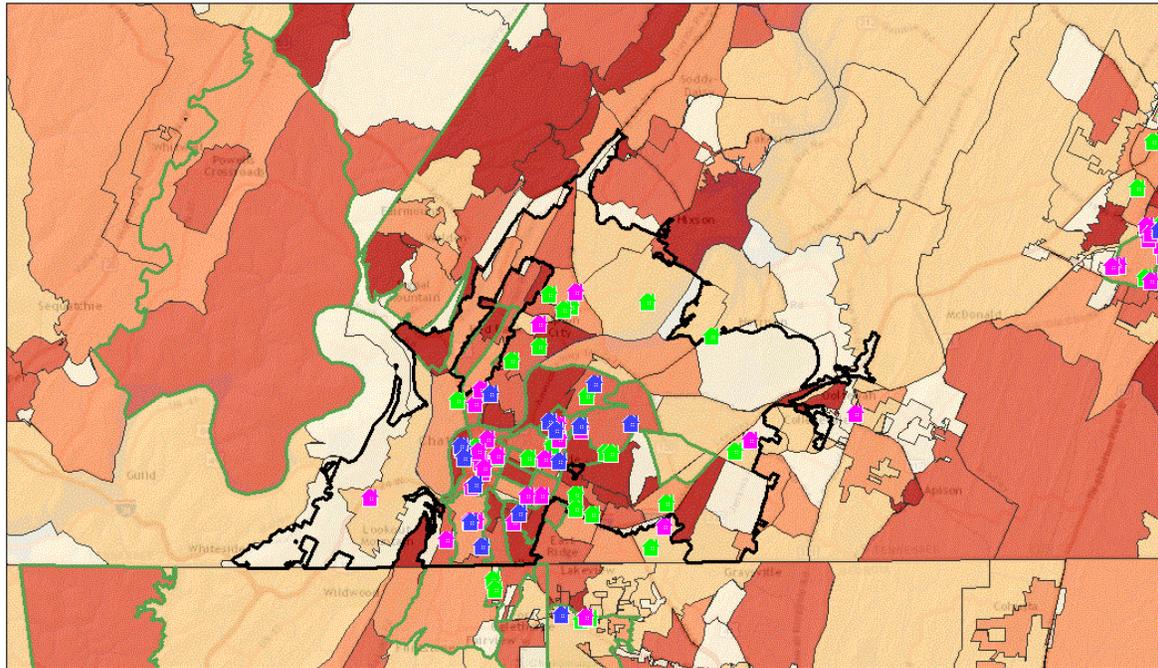
| <b>Year Unit Built</b> | <b>Owner-Occupied</b> |          | <b>Renter-Occupied</b> |          |
|------------------------|-----------------------|----------|------------------------|----------|
|                        | <b>Number</b>         | <b>%</b> | <b>Number</b>          | <b>%</b> |
| 2000 or later          | 4,465                 | 12%      | 3,648                  | 12%      |
| 1980-1999              | 6,834                 | 18%      | 7,601                  | 24%      |
| 1950-1979              | 18,690                | 49%      | 13,442                 | 43%      |
| Before 1950            | 8,346                 | 22%      | 6,921                  | 22%      |

| Year Unit Built | Owner-Occupied |             | Renter-Occupied |             |
|-----------------|----------------|-------------|-----------------|-------------|
|                 | Number         | %           | Number          | %           |
| <b>Total</b>    | <b>38,335</b>  | <b>101%</b> | <b>31,612</b>   | <b>101%</b> |

**Table 40 – Year Unit Built**

Data Source: 2007-2011 CHAS

**CPD Maps - Consolidated Plan and Continuum of Care Planning Tool**



**CPD Maps - Consolidated Plan and Continuum of Care Planning Tool**

**Risk of Lead-Based Paint Hazard**

| Risk of Lead-Based Paint Hazard                       | Owner-Occupied |     | Renter-Occupied |     |
|---|----------------|-----|-----------------|-----|
|   | Number         | %   | Number          | %   |
| Total Number of Units Built Before 1980               | 27,036         | 71% | 20,363          | 64% |
| Housing Units build before 1980 with children present | 1,404          | 4%  | 1,815           | 6%  |

**Table 41 – Risk of Lead-Based Paint**

Data Source: 2007-2011 ACS (Total Units) 2007-2011 CHAS (Units with Children present)

**Vacant Units**

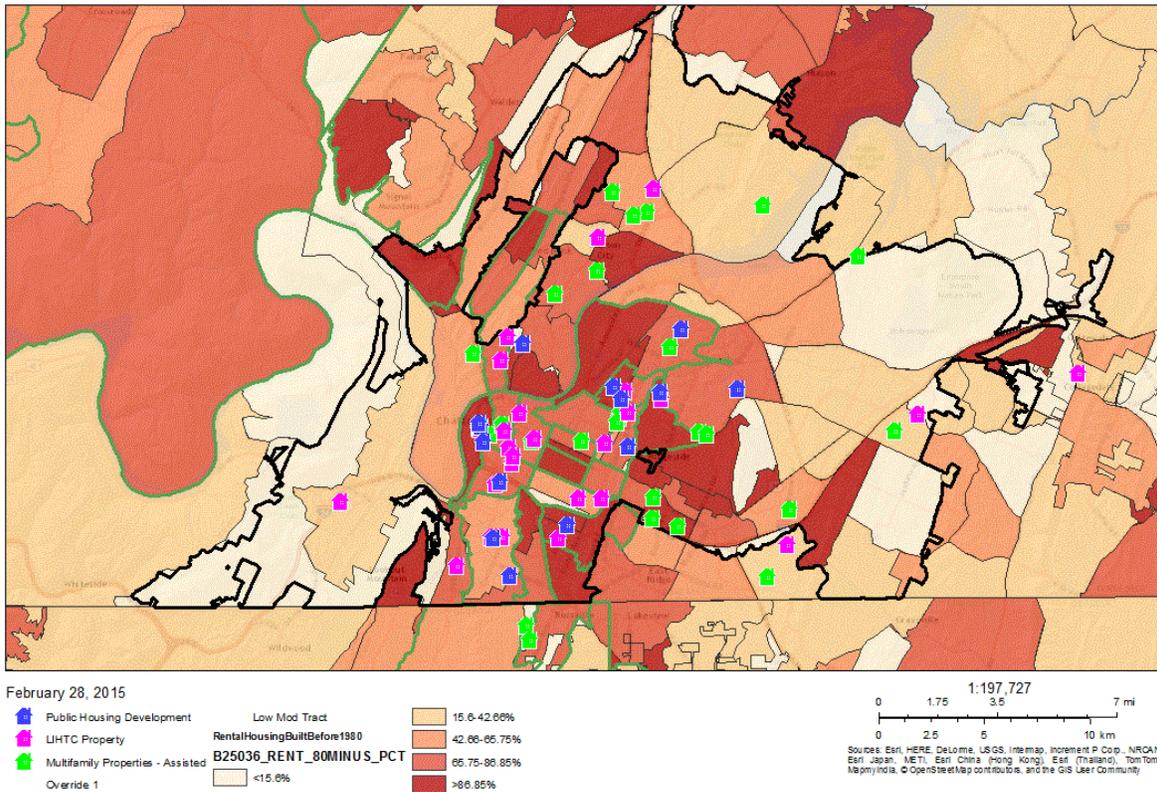
|                        | Suitable for Rehabilitation | Not Suitable for Rehabilitation | Total |
|------------------------|-----------------------------|---------------------------------|-------|
| Vacant Units           | 0                           | 0                               | 0     |
| Abandoned Vacant Units | 0                           | 0                               | 0     |

|                          | Suitable for Rehabilitation | Not Suitable for Rehabilitation | Total |
|--------------------------|-----------------------------|---------------------------------|-------|
| REO Properties           | 0                           | 0                               | 0     |
| Abandoned REO Properties | 0                           | 0                               | 0     |

Table 42 - Vacant Units

Data Source: 2005-2009 CHAS

CPD Maps - Consolidated Plan and Continuum of Care Planning Tool



CPD Maps - Consolidated Plan and Continuum of Care Planning Tool

Need for Owner and Rental Rehabilitation

71 percent of all owneroccupied housing and 64 percent of rental housing in Chattanooga was built before 1980, placing the age of that housing at more than 30 years old, much many years older. As the housing stock ages, water infiltration and many other factors can cause rapid deterioration of housing units, particularly where the residents do not or cannot provide required maintenance. In some areas of Chattanooga, the housing stock may exceed 50 years of age and the median income of the residents in those areas may be less that 50 percent of the area median income. In these situations it is likely that housing conditions generally throughout these areas are poor.

Housing condition surveys conducted by the City in past years confirm this eventuality. In large areas of the City one can find many homes with poor external conditions which suggest equally poor internal

conditions. The City operates owner and rental rehabilitation programs that target these areas in an effort to improve the basic housing stock.

### **Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards**

The data show that the number of housing units in Chattanooga built prior to 1980, and potentially where lead-based paint hazards might be found, include 71 percent of all owner housing and 64 percent of rental housing. Four percent of owner housing units and 6 percent of rental housing units built prior to 1980 are occupied by families, a total of over 3,200 housing units. As housing units and neighborhoods age, they typically fall through the income classes from middle- or moderate-income households to lower income households.

Neighborhoods that were once middle class become home to lower income groups as they age. Typically, with some exceptions, the oldest neighborhoods found in a large city are where the poorest residents are found. As a result, it is reasonable to assume that most of the 3,200 units in Chattanooga built prior to 1980 and occupied by families with children are likely occupied by low- or moderate-income families.

### **Discussion**

There is an extensive need for rehabilitation programs in Chattanooga, from minor home repair to substantial to not only stabilize the home but to in many cases to stabilize the households, keeping them housed and stabilizing the neighborhood, demising its decline. Home repair/improvement programs are currently ongoing through the City's Community Development Block Grant funding, providing owners and landlords loans/grants to facilitate needed repairs. These repairs include minor repairs to substantial improvements that include testing and remediation of lead-based paint hazards in older homes.

## MA-25 Public and Assisted Housing – 91.210(b)

### Introduction

The Chattanooga Housing Authority operates a total of 2,187 public housing units in 11 eleven sites and 3,288 vouchers in their efforts to assist low-income residents of Chattanooga. Average inspection scores for the housing developments range from 83(C) to 100 (A). The CHA currently has 219 project based vouchers, including those at Dogwood Manor, that serve disabled, handicapped and several other specific populations at various facilities. In the case of new construction or significant renovation, CHA may participate as a developer, fee consultant and/or lender. The CHA plans to continue to issue project-based vouchers through the RFP process as special housing needs are identified and/or as demand for additional subsidized housing operations increases. The CHA’s Housing Choice Voucher Program currently has a waiting list of approximately 1,000 applicants. Currently unit occupancy lists indicate that 95% of the HCVP units and 94% of the LIPH units are occupied by residents with an income level below 50% of the AMI and with the majority of these in the extremely low category.

### Totals Number of Units

|                               | Program Type |           |                |          |                |               |                                     |                            |            |
|-------------------------------|--------------|-----------|----------------|----------|----------------|---------------|-------------------------------------|----------------------------|------------|
|                               | Certificate  | Mod-Rehab | Public Housing | Vouchers |                |               |                                     |                            |            |
|                               |              |           |                | Total    | Project -based | Tenant -based | Special Purpose Voucher             |                            |            |
|                               |              |           |                |          |                |               | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| # of units vouchers available |              |           | 2,923          | 3,183    |                |               | 294                                 | 0                          | 0          |
| # of accessible units         |              |           |                |          |                |               |                                     |                            |            |

\*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 43 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

### Describe the supply of public housing developments:

**Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:**

The Chattanooga Housing Authority operates a total of 2,187 public housing units in 11 eleven sites and 3,288 vouchers in their efforts to assist low-income residents of Chattanooga. Average inspection scores for the housing developments range from 83(C) to 100 (A). The CHA currently has 219 project based vouchers, including those at Dogwood Manor, that serve disabled, handicapped and several other specific populations at various facilities. The occupied LIPH units consist of 1,1157 one-bedroom units, 238 two-bedroom units, 230 three-bedroom units, 120 four-bedroom units and 88 five or more bedrooms.

## Public Housing Condition

| Public Housing Development | Average Inspection Score |
|----------------------------|--------------------------|
|                            |                          |

Table 44 - Public Housing Condition

### Describe the restoration and revitalization needs of public housing units in the jurisdiction:

All of CHA's public housing developments are aging and in need of major rehabilitation. College Hill Courts and East Lake Courts are the two oldest public housing developments in the CHA's portfolio. There is no longer adequate capital funding to maintain and/or improve these properties into the indefinite future. In 2015, the CHA plans to work with the City of Chattanooga, the Regional Planning Agency, residents, community leaders and other interested parties to develop a plan to address these aging properties. The CHA plans to engage a team of professionals to assist in creating a Master Development Plan for these communities that will include economic development of the surrounding areas and neighborhoods. The team will include, but not be limited to, architects, engineers, urban planners, tenant relocation specialists, community engagement facilitators and others to assist in these efforts. In addition, there is an ongoing major renovation program at Emma Wheeler Homes using Capital Funds and a comprehensive renovation of Dogwood Manor underway in 2014-2015.

### Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

CHA's strategy for improving the living environment of low-and moderate income families include:

- Deconcentrating poverty by bringing higher income public households into lower income developments
- Promoting income mixing in public housing by assuring access for lower income families into higher income developments
- Continuing and enhancing efforts to discourage and eliminate crime and security problems in public housing
- Designating developments or buildings for particular resident groups (elderly, persons with disabilities).

Additionally, CHA is putting more focus on quality problems identified under the Uniform Physical Condition Standard (UPCS) and HUD REAC inspection protocols. CHA is also moving toward a greater ability to promptly address resident behaviors that are creating health and safety problems.

**Discussion:**

CHA has shifted the focus of its renovation/modernization efforts to bare minimum preservation of housing. This new approach prioritizes building and structural integrity, as well as plumbing, electrical, and HVAC repairs to ensure building longevity and occupant safety. This new approach is allowing the remaining Capital Funds to have the greatest impact on the preservation of housing. On the operational side, CHA is focused on minimizing vacancy, as well as putting an increased focus on preventative maintenance.

CHA plans to identify additional development opportunities in areas around the City and use any available funding mechanisms for acquisition, including Replacement Housing Funds and/or Demolition/Disposition Transition Funds (DDTF).

## MA-30 Homeless Facilities and Services – 91.210(c)

### Introduction

The following data are the most current count of homeless facilities and housing in Chattanooga.

### Facilities and Housing Targeted to Homeless Households

|   | Emergency Shelter Beds          |                                    | Transitional Housing Beds | Permanent Supportive Housing Beds |                   |
|---|---------------------------------|------------------------------------|---------------------------|-----------------------------------|-------------------|
|   | Year Round Beds (Current & New) | Voucher / Seasonal / Overflow Beds | Current & New             | Current & New                     | Under Development |
| Households with Adult(s) and Child(ren) | 161                             | 0                                  | 238                       | 375                               | 0                 |
| Households with Only Adults             | 181                             | 180                                | 69                        | 238                               | 0                 |
| Chronically Homeless Households         | 0                               | 0                                  | 0                         | 0                                 | 0                 |
| Veterans                                | 0                               | 0                                  | 8                         | 35                                | 0                 |
| Unaccompanied Youth                     | 0                               | 0                                  | 0                         | 0                                 | 0                 |

**Table 45 - Facilities and Housing Targeted to Homeless Households**

Data Source Comments:

**Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons**

Homeless service providers in Chattanooga provide a wide range of housing and services to their clients, including shelters and transitional housing facilities, substance abuse treatment, case management, job training, clothes closets to provide clothing suitable for job interviews, food, and transportation. All depend, to some extent, on mainstream services to supplement those offered in-house. These include transportation services, dental care, legal assistance, health and mental health care, job training, and childcare. Some of these services are offered pro bono from caring professionals. Other services require some payment from the client.

**List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.**

Chattanooga is served by a wide range of organizations that address the needs of homeless individuals and families. Included are:

Partnership for Families, Children & Adults - Homeless supportive services, housing, family counseling, services and housing for victims of domestic violence

Family Promise - Transitional housing, supportive services

McClellan Family Shelter - Emergency shelter/transitional housing for families

Chattanooga Rescue Mission - Emergency shelter

A.I.M- Transitional housing, permanent supportive housing

Orange Grove - Permanent supportive housing for persons with physical disabilities

SETHRA - Permanent supportive housing for families & veterans

Ward House - Permanent supportive housing for youth aging out of foster care

Chattanooga Room in the Inn - Emergency shelter for women and children, transitional housing, supportive service

Chattanooga Outreach - Emergency Shelter

House of Refuge - Transitional housing, counseling

Chattanooga Church Ministries - Emergency shelter, respite care, meals, seasonal emergency housing, referrals

Bradley/Central Community Services - Emergency shelter

CADAS - Transitional housing, permanent supportive housing, counseling

HOME Place - Permanent supportive housing

The Next Door - Transitional housing and services for individuals transitioning from incarceration

Fortwood Center - Shelter for victims of domestic violence, permanent supportive housing and services for individuals dealing with mental illness

## **MA-35 Special Needs Facilities and Services – 91.210(d)**

### **Introduction**

Special needs populations in Chattanooga include the elderly; frail elderly; persons with mental, physical, or developmental disabilities; persons with HIV/AIDS; and persons with substance abuse problems. Considering the non-homeless special needs population, many in these populations are currently having their housing and service needs met without or with limited public assistance. Circumstances, however, are subject to change and the more the community prepares for future needs, the better it will be able to meet those needs when they occur.

### **Including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addictions, persons with HIV/AIDS and their families, public housing residents and any other categories the jurisdiction may specify, and describe their supportive housing needs**

The supportive housing needs of special needs populations in Chattanooga vary according to the population. In coming years, the needs of the elderly and frail elderly will increase as the over 65 year old population grows with the aging of the baby boom population. These needs may include nursing care facilities targeted to lower income households who cannot afford private nursing home care. Permanent supportive housing options for persons with mental, physical, and developmental disabilities may also become a pressing issue as persons with disabilities who previously been taken care of parents lose those caregivers to death or incapacity. With healthcare systems enabling persons with disabilities to live longer, many are now outliving their caregivers, increasing demand for group housing that provides the care this population needs.

### **Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing**

Many of the homeless providers operate under a rapid re-housing structure for clients coming into the system. Individuals typically retain there units/services/case manager for up to 90 days for mental health institutionalization, 30 days for incarceration. but there is no established protocol within the service provision structure in Chattanooga regarding returning patients from mental and physical health institutions.

### **Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)**

The City will be funding housing rehabilitation and emergency repair programs that work with the elderly, among other populations, in an attempt to maintain their home so they can continue to reside there. As a homeowner ages he/she is often unable to continue to provide the maintenance needed to keep the home habitable. The City's programs work with those homeowners to address pressing issues that arise, such as roof leaks or plumbing failures, and also more extensive rehabilitation needed to bring a home completely up to current building code.

**For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))**

Through a diverse mix of programs and services provided through federal, state, and local funding sources the Department of Youth and Family Development's top priority is providing a better quality of life for the citizens of Chattanooga, through education, recreation, social services, leadership and career development. Chattanooga YFD offers a large variety of programs, activities, classes, and opportunities for youth, adults and seniors at numerous locations all across Chattanooga. These include, but not limited to, recreation, therapeutic facilities, child care services, social services, and senior facilities.

The department is divided into 5 AREAS OF FOCUS.

**Education:** Enhancing the minds of youth through exceptional programs that embrace literacy, early childhood development and cultural influence through staff and partners. Programs include: Lexia Literacy Programs, Head Start, Child Care, Homework Help, The Arts, Technology Training and more.

**Leadership:** Creating tomorrow's leaders through character development, mentoring, core values, good decision making, developmental assets, and internship opportunities with continued community support. YFD is also proud to offer the Chattanooga Ambassadors Program (CAP), developing tomorrow's leaders.

**Career Development:** Providing opportunity through job training, referrals, community service, entrepreneurship, and internships so that all citizens can achieve personal goals.

**Recreation:** Providing diverse, recreation and leisure opportunities that build character development, through camps, tournaments, aquatics, fitness and wellness classes, Therapeutic Recreation and sports leagues for all ages and abilities in safe, well maintained environments. Recreation is proud to offer state of the art facilities including the Summit of Softball, Warner Park, Champions Club and Warner Park Pool and Spray Park.

**Social Services:** Wrap around crisis assistance and support services to low income and vulnerable residents of Chattanooga and Hamilton County through education programs, commodities, partners, and counseling. Programs include Commodity Distribution, Low Income Home Energy Assistance (LIHEAP), Community Service Block Grant (CSBG), Foster Grandparent Program, and more.

Services, information, and facility locations can be found on the left side menu.

The mission of the Department of Youth and Family Development is to provide educational, recreational, career development, leadership, and social service opportunities to create smarter students and stronger families.

## **MA-40 Barriers to Affordable Housing – 91.210(e)**

### **Negative Effects of Public Policies on Affordable Housing and Residential Investment**

In conducting the Chattanooga Housing Study 2013, RPA surveyed members of the Greater Chattanooga Association of Realtors® (GCAR) and the Home Builders Association of Greater Chattanooga (Home Builders) on their views of the current housing market and on the future market five and ten years out. RPA also held separate focus groups with neighborhoods, subsidized housing renters, non-profit housing providers, home builders and regulatory agencies to gather different perspectives that should be considered in improving the housing market for everyone. These are excerpts from the study regarding challenges seen by the groups to developing and or providing access to housing.

*Current City codes impact housing affordability and the feasibility for small lot infill due to site engineering, road width and setback requirements which limit options for retaining a site's natural features or to configure the development in a way that promotes compatibility.*

*The Neighborhood Focus Group believed that the current land use zoning creates a gap in the supply of alternative housing options in existing neighborhoods. At the time the survey was conducted financing was a problem for both builders and buyers. So while there may be an increased demand for certain types of housing, builders were having a hard time getting financing for their projects. Realtors also identified buyer financing as being an issue, with home loans more difficult to obtain.*

*In the Homebuilders Focus Group, excessive site engineering requirements (grading/wider streets) and the need to upgrade urban infrastructure (sewer lines) was indicated as a major challenge to infill development and affordable housing.*

*The Subsidized Rental Focus Group cited several barriers to affordable rental housing within Chattanooga. They noted that Housing Choice Vouchers are too low to cover housing in more desirable neighborhoods; many landlords are resistant to rent to voucher holders; affordable housing is often in very poor condition; and there is no coordinated and sustained support for low-income families transitioning from public housing to the private market.*

*According to the builders survey and focus group, more flexibility and streamlining is needed for building and development regulations. Builders also cited street right-of-way, site engineering, urban sewer repairs and setbacks as regulatory barriers to infill development. This would allow builders to respond to demand more rapidly and thereby reduce gaps between supply and demand. The neighborhoods said the enforcement of building codes and city standards was a major issue. Problem properties hurt the marketability of neighborhoods with a supply of dwelling units and vacant properties.*

## MA-45 Non-Housing Community Development Assets – 91.215 (f)

### Introduction

Housing preferences are fulfilled by a household's ability to meet the financial needs of owning or renting their desired housing unit. The economic health of a community has a large impact on that ability through the job market, business activity, and the households relative place in the economy determined by their level of education and employment status. The data below provide a look at where jobs and economic activity in Chattanooga provide employment opportunities and some descriptive consideration of education and employment levels.

### Economic Development Market Analysis

#### Business Activity

| Business by Sector                            | Number of Workers | Number of Jobs | Share of Workers % | Share of Jobs % | Jobs less workers % |
|---|-------------------|----------------|--------------------|-----------------|---------------------|
| Agriculture, Mining, Oil & Gas Extraction     | 60                | 53             | 0                  | 0               | 0                   |
| Arts, Entertainment, Accommodations           | 7,501             | 15,297         | 15                 | 12              | -3                  |
| Construction                                  | 1,878             | 5,835          | 4                  | 5               | 1                   |
| Education and Health Care Services            | 9,193             | 22,479         | 18                 | 17              | -1                  |
| Finance, Insurance, and Real Estate           | 4,926             | 14,249         | 10                 | 11              | 1                   |
| Information                                   | 1,136             | 2,863          | 2                  | 2               | 0                   |
| Manufacturing                                 | 8,169             | 17,253         | 16                 | 13              | -3                  |
| Other Services                                | 2,209             | 4,736          | 4                  | 4               | 0                   |
| Professional, Scientific, Management Services | 3,365             | 9,289          | 7                  | 7               | 0                   |
| Public Administration                         | 1                 | 0              | 0                  | 0               | 0                   |
| Retail Trade                                  | 6,873             | 16,506         | 14                 | 13              | -1                  |
| Transportation and Warehousing                | 2,884             | 13,988         | 6                  | 11              | 5                   |
| Wholesale Trade                               | 2,233             | 6,511          | 4                  | 5               | 1                   |
| Total   | 50,428            | 129,059        | --                 | --              | --                  |

**Table 46 - Business Activity**

Data Source: 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)



## Labor Force

|  |        |
|--|--------|
| Total Population in the Civilian Labor Force   | 85,543 |
| Civilian Employed Population 16 years and over | 75,155 |
| Unemployment Rate                              | 12.14  |
| Unemployment Rate for Ages 16-24               | 38.40  |
| Unemployment Rate for Ages 25-65               | 7.45   |

**Table 47 - Labor Force**

Data Source: 2007-2011 ACS

| Occupations by Sector                            | Number of People |
|--|------------------|
| Management, business and financial               | 16,692           |
| Farming, fisheries and forestry occupations      | 3,379            |
| Service  | 9,493            |
| Sales and office                                 | 17,803           |
| Construction, extraction, maintenance and repair | 4,790            |
| Production, transportation and material moving   | 4,331            |

**Table 48 – Occupations by Sector**

Data Source: 2007-2011 ACS

## Travel Time

| Travel Time        | Number        | Percentage  |
|--------------------|---------------|-------------|
| < 30 Minutes       | 59,944        | 84%         |
| 30-59 Minutes      | 9,941         | 14%         |
| 60 or More Minutes | 1,566         | 2%          |
| <b>Total</b>       | <b>71,451</b> | <b>100%</b> |

**Table 49 - Travel Time**

Data Source: 2007-2011 ACS

## Education:

### Educational Attainment by Employment Status (Population 16 and Older)

| Educational Attainment                      | In Labor Force    |            | Not in Labor Force |
|---|-------------------|------------|--------------------|
|   | Civilian Employed | Unemployed |                    |
| Less than high school graduate              | 5,747             | 1,278      | 5,827              |
| High school graduate (includes equivalency) | 15,763            | 2,450      | 6,360              |
| Some college or Associate's degree          | 19,153            | 1,934      | 5,125              |

| Educational Attainment      | In Labor Force    |            | Not in Labor Force |
|-----------------------------|-------------------|------------|--------------------|
|                             | Civilian Employed | Unemployed |                    |
| Bachelor's degree or higher | 19,596            | 837        | 3,021              |

**Table 50 - Educational Attainment by Employment Status**

Data Source: 2007-2011 ACS

### Educational Attainment by Age

|   | Age       |           |           |           |         |
|---|-----------|-----------|-----------|-----------|---------|
|   | 18–24 yrs | 25–34 yrs | 35–44 yrs | 45–65 yrs | 65+ yrs |
| Less than 9th grade                       | 853       | 1,212     | 1,044     | 1,685     | 2,707   |
| 9th to 12th grade, no diploma             | 3,284     | 2,261     | 1,923     | 4,727     | 3,813   |
| High school graduate, GED, or alternative | 5,557     | 6,055     | 5,800     | 12,742    | 7,760   |
| Some college, no degree                   | 7,297     | 5,629     | 4,936     | 10,049    | 4,694   |
| Associate's degree                        | 402       | 1,376     | 1,546     | 2,789     | 670     |
| Bachelor's degree                         | 1,402     | 5,679     | 3,364     | 6,867     | 3,306   |
| Graduate or professional degree           | 138       | 1,979     | 1,589     | 4,007     | 1,874   |

**Table 51 - Educational Attainment by Age**

Data Source: 2007-2011 ACS

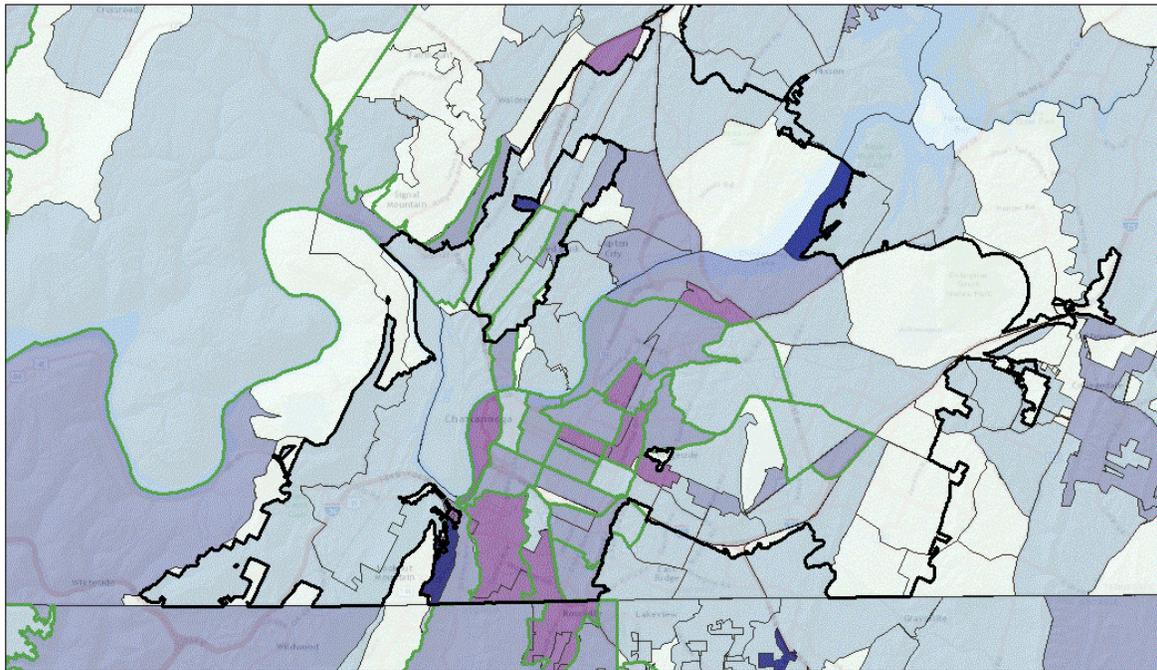
### Educational Attainment – Median Earnings in the Past 12 Months

| Educational Attainment                      | Median Earnings in the Past 12 Months |
|---|---------------------------------------|
| Less than high school graduate              | 16,852                                |
| High school graduate (includes equivalency) | 22,428                                |
| Some college or Associate's degree          | 28,277                                |
| Bachelor's degree                           | 40,935                                |
| Graduate or professional degree             | 54,384                                |

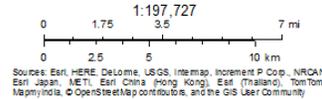
**Table 52 – Median Earnings in the Past 12 Months**

Data Source: 2007-2011 ACS

### Unemployment - Low Income Census Tracts -



February 28, 2015



### Unemployment - Low Income Census Tracts -

**Based on the Business Activity table above, what are the major employment sectors within your jurisdiction?**

The most active business sectors in Chattanooga, in terms of the number of workers in the various industries, are Education and Health Care Services with 17 percent of all workers followed by Manufacturing 15 percent, Arts, Entertainment, Accommodations and Retail Trade with 14 and 12 percent respectively. Finance, Insurance, and Real Estate have a nine percent share of workers, followed by Professional, Scientific, Management Services with six percent share and Transportation and Warehousing with five percent.

**Describe the workforce and infrastructure needs of the business community:**

Economic development, jobs, and training were identified as a top priorities in community meetings, task forces, forums, and surveys. The community input processes placed a high priority level on a variety of economic development activities that target resources toward building the business environment to attract company and generate jobs. These activities include, commercial and industrial land acquisition and disposition; commercial and industrial infrastructure development; commercial and industrial building acquisition, construction, or rehabilitation; other commercial and industrial activities; economic

development assistance to for-profit organizations; economic development technical assistance; and micro-enterprise assistance.

When international site selection consultants, the Wadley-Donovan Group, completed a recent locational audit of Chattanooga, they identified a number of key strategic reasons for locating businesses in the region. The Wadley-Donovan Group highlighted Chattanooga's location, infrastructure, workforce, institutions of higher learning, water supply, and quality of life. They concluded that Chattanooga is an excellent location for a wide range of businesses including mobile entrepreneurs, distribution and transportation companies, high-end office operations, food processing, and manufacturing.

**Describe any major changes that may have an economic impact, such as planned local or regional public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.**

Economic development incentives have resulted in drawing large employers like Volkswagen and Amazon and launching EPB's high-speed Internet. These have, in turn, spurred job growth and opportunities in many other sectors in the local economy. With Volkswagen driving new industry and EPB's high-speed Internet propelling digital tech entrepreneurs, Chattanooga is one of the five best cities in the United States for growing manufacturing businesses, according to the editors of Chief Executive magazine.

The Chattanooga area has seen phenomenal changes in the business community with the location of large employers like Volkswagen, Alstrom, and Amazon and the launching of EPB's high-speed Internet over the past ten years. It is expected that these alone will continue to affect job and business growth in the coming years. This is coupled with other local initiatives like The Chattanooga Area Chamber of Commerce, "Can Do" campaign to grow and recruit more business to Chattanooga as a result of which manufacturing firms have invested more than \$6 billion in capital investments since 2009.

In addition to attracting large employers, efforts are equally focused on helping small, local companies expand here. The City of Chattanooga is committed to growing Chattanooga's economy by supporting every business -- whether it has 5 employees, or 500 through efforts like the Growing Small Businesses initiative which aids real job growth by providing incentives to businesses of 100 employees or fewer who make a substantial workforce expansion. And, to grow Chattanooga's minority, veteran, and women owned businesses, the City has partnered with the Chamber, the Urban League, and LAUNCH to establish the Chattanooga Alliance for Diverse Business Enterprises. These investments will require new skills in the local workforce, many of which can be provided in partnership with existing job training programs.

**How do the skills and education of the current workforce correspond to employment opportunities in the jurisdiction?**

Generally, there is a wide range of jobs in Chattanooga with a variety of educational skill requirements. The industry with the most workers in Chattanooga is the Education and Health Care Sector, which typically has stringent education and skill requirements for the most visible portions of the workforce, the educators, doctors, and nurses. The sector also has a large support staff with lower education skill requirements, including maintenance workers, drivers, and many other job classifications. The training and education requirements can vary greatly. The area's second largest sector is manufacturing which can also call for special skills or just a need for basic training. Followed by manufacturing is Arts, Entertainment, Accommodations, which typically call for less educated, less skilled workforce.

Chattanooga has a relatively well educated workforce, with almost four times as many residents over the age of 16 having a college degree as those not having finished high school. The City of Chattanooga is continuously revamping, changing and poising its resources and the local workforce to take advantage of opportunities being presented through a constantly and rapidly changing economy.

**Describe any current workforce training initiatives, including those supported by Workforce Investment Boards, community colleges and other organizations. Describe how these efforts will support the jurisdiction's Consolidated Plan.**

In the Chattanooga area, as with any region, a highly motivated, well-trained workforce is critical to continued economic growth and prosperity and enhanced quality of life. Both the challenges and opportunities in today's workplace are recognized and there is a commitment to improving workforce quality.

The Chamber, through its Workforce Development Program provides workforce recruiting and training resources that bring businesses and services together to address the region's workforce needs – connecting companies, the community and continuous education. The goal of the program is to ensure the Chattanooga area is equipped with workforce needed in order to meet employment demands of the 21st century.

The Chattanooga Chamber Foundation serves as the region's leading economic development organization and is responsible for implementing the community's comprehensive job creation strategy. The Chamber Foundation is incorporated as a 501(c)3 non-profit and offers the following services to all eligible businesses:

- Existing Business Support - Expansion support and other services to assist existing local businesses.
- Site Selection Services - Chattanooga's one-stop-shop for site selection services and recruitment support.
- Entrepreneurial Support - One of America's largest and most successful business INCubators.
- Workforce Development - Engaging business people in education and workforce development.
- Leadership Chattanooga - The community's premiere leadership program (9 months).
- Chattanooga Insight - A mini-leadership program to get oriented to the community (1.5 days).

**Does your jurisdiction participate in a Comprehensive Economic Development Strategy (CEDs)?**

No

**If so, what economic development initiatives are you undertaking that may be coordinated with the Consolidated Plan? If not, describe other local/regional plans or initiatives that impact economic growth.**

The City will continue to support job creation/retention through assisting businesses to develop/expand using the Section 108 Loan Guarantee, backed by CDBG funds. It is expected that 36 jobs will be created through the creation/expansion of nine businesses.

**Discussion**

Chattanooga is poised for a dynamic future by making itself an attractive location for business location, expansion, and relocation for the benefit of every resident in the community.

## **MA-50 Needs and Market Analysis Discussion**

### **Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")**

The census tracts that are identified as eligible for CDBG area benefit (income below 80 percent of the area median income) include some of the oldest neighborhoods in the city. The housing in these areas are often in poor condition and many in need of extensive rehabilitation or removal. These neighborhoods are also where the lowest income households in the city live, in housing stock that is in poor condition, and therefore, offered at lower rents or sales prices. Despite the lower rents or purchase price, the lower income households pay a larger percentage of their income on housing expenses. In this case, concentrated would mean that a large portion of the neighborhood shows the impact of these housing problems.

### **Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")**

In this instance, concentrated would mean that the percentage of a particular racial or ethnic minority in an area is significantly higher than its percentage of the overall population. Whites comprise 58 percent of the City's population, African Americans 34.9 percent and Hispanic/Latino 5.5%. However, in some low income census tracts African Americans make up over 89 percent of the population of that tract and in some other low income census tracts, the Hispanic/Latino population is as high as 28 percent.

### **What are the characteristics of the market in these areas/neighborhoods?**

These neighborhoods contain much of the poorest housing stock in the city. One census tract has no homeowner units at all. As a result, the housing market contains much of the lowest cost housing as well. Code enforcement officials work extensively in these areas in an attempt to maintain the integrity of the community. Dilapidated homes are removed in an effort to improve the sustainability for the neighborhoods. Some neighborhoods have a large number of boarded duplexes and other areas have vacant lots where homes have been removed.

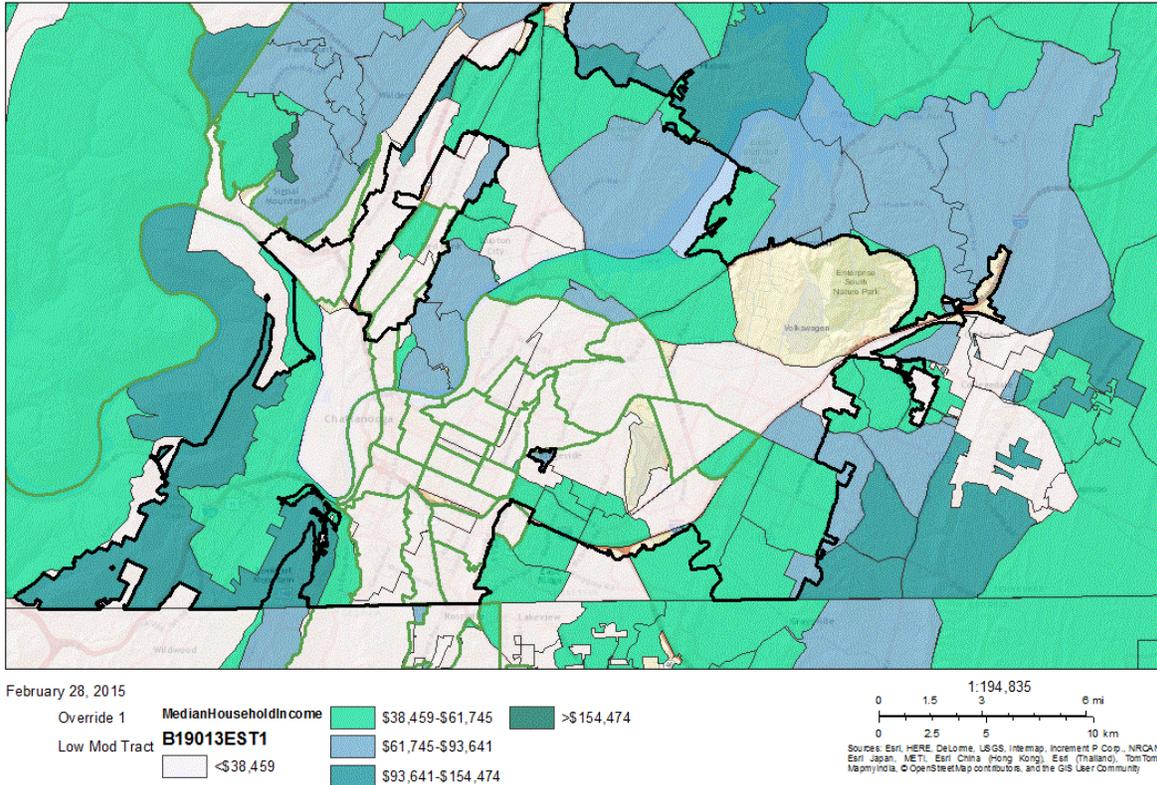
### **Are there any community assets in these areas/neighborhoods?**

These areas do have community assets, including community and senior centers, parks, and other public facilities. Much of the public housing in Chattanooga is also located within these neighborhoods, though efforts are being made to deconcentrate public housing with scattered site housing and vouchers. Many of the vacant lots and duplexes can also be seen as an asset in addressing in-fill housing.

### **Are there other strategic opportunities in any of these areas?**

In these neighborhoods many of the vacant lots and duplexes can be seen as assets in providing opportunities for development of new housing units. These efforts would aid in sustainability efforts, bringing more people into the neighborhoods and improving the housing stock.

Median Income and Low Income Census Tracts -



Median Income and Low Income Census Tracts -

# Strategic Plan

## SP-05 Overview

### Strategic Plan Overview

The Strategic Plan lays out the direction the City intends to take in the distribution of the Community Development Block Grant (CDBG) HOME Investment Partnership Funds (HOME) and Emergency Solution Grant (ESG) funds for the next five years. The priorities listed were determined through consultation with service providers and consideration of the community surveys and community input conducted in the development of the Consolidated Plan as well as early strategic planning processes for the updating of the area Comprehensive Plan and numerous community input sessions conducted by the Mayor in defining the direction for the City.

Some of the activities included will be targeted to individual households who qualify for the programs according to their income status (individual benefit). Other programs/activities are directed toward particulars within Chattanooga where the median incomes of the census tracts involved are below 80 percent of the area median income (area benefit). The City's goals and objectives are listed below and summarized in Section SP-45.

## **SP-10 Geographic Priorities – 91.215 (a)(1)**

### **Geographic Area**

**Table 53 - Geographic Priority Areas**

#### **General Allocation Priorities**

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

For the most part, CDBG and HOME funds will be used to address the needs of a city-wide basis with the beneficiary being an individual of low-to moderate income (limited clientele benefit). However, activities that provide a benefit on an area basis do so in areas that are determined to have a low-to moderate income population of at least 51%. The table below shows the low-to moderate income census tracts within the City of Chattanooga.

## SP-25 Priority Needs - 91.215(a)(2)

### Priority Needs

Table 54 – Priority Needs Summary

|          |                                  |   |
|----------|----------------------------------|---|
| <b>1</b> | <b>Priority Need Name</b>        | Increase Supply of Affordable Rental Housing  |
|          | <b>Priority Level</b>            | High  |
|          | <b>Population</b>                | Extremely Low<br>Low<br>Moderate<br>Large Families<br>Families with Children<br>Elderly<br>Public Housing Residents<br>Chronic Homelessness<br>Individuals<br>Families with Children<br>Mentally Ill<br>Chronic Substance Abuse<br>veterans<br>Persons with HIV/AIDS<br>Victims of Domestic Violence<br>Unaccompanied Youth<br>Elderly<br>Persons with Mental Disabilities<br>Persons with Physical Disabilities<br>Persons with Developmental Disabilities<br>Persons with Alcohol or Other Addictions<br>Persons with HIV/AIDS and their Families<br>Victims of Domestic Violence |
|          | <b>Geographic Areas Affected</b> |   |
|          | <b>Associated Goals</b>          | Increase Affordable Housing Opportunities<br>Administration and Planning  |

|          |                                    |  |
|----------|------------------------------------|--|
|          | <b>Description</b>                 | ECD is working to reduce the number of run-down properties through rehabilitation and demolition of blighted structures, and increase the supply of affordable housing units throughout the city. We will promote the development and rehabilitation of affordable units as well as engage in LIHTC partnerships to bring on line large scale affordable housing developments.   |
|          | <b>Basis for Relative Priority</b> | The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs  |
| <b>2</b> | <b>Priority Need Name</b>          | Preserve existing housing stock  |
|          | <b>Priority Level</b>              | High   |
|          | <b>Population</b>                  | Extremely Low<br>Low<br>Moderate<br>Large Families<br>Families with Children<br>Elderly<br>Public Housing Residents<br>Chronic Homelessness<br>Individuals<br>Families with Children<br>Mentally Ill<br>Chronic Substance Abuse<br>veterans<br>Persons with HIV/AIDS<br>Victims of Domestic Violence<br>Unaccompanied Youth<br>Elderly<br>Persons with Mental Disabilities<br>Persons with Physical Disabilities<br>Persons with Developmental Disabilities<br>Persons with Alcohol or Other Addictions<br>Persons with HIV/AIDS and their Families<br>Victims of Domestic Violence<br>Non-housing Community Development |
|          | <b>Geographic Areas Affected</b>   |  |

|          |                                    |  |
|----------|------------------------------------|--|
|          | <b>Associated Goals</b>            | Increase Affordable Housing Opportunities<br>Administration and Planning   |
|          | <b>Description</b>                 | The city will demolish blighted structures to preserve at risk neighborhoods. In addition, we will facilitate a wide range of programs that will preserve the current affordable rental and homeownership housing stock.   |
|          | <b>Basis for Relative Priority</b> | The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs  |
| <b>3</b> | <b>Priority Need Name</b>          | Housing and services for homeless populations  |
|          | <b>Priority Level</b>              | High   |
|          | <b>Population</b>                  | Extremely Low<br>Large Families<br>Families with Children<br>Elderly<br>Chronic Homelessness<br>Individuals<br>Families with Children<br>Mentally Ill<br>Chronic Substance Abuse<br>veterans<br>Persons with HIV/AIDS<br>Victims of Domestic Violence<br>Unaccompanied Youth |
|          | <b>Geographic Areas Affected</b>   |  |
|          | <b>Associated Goals</b>            | Increase Affordable Housing Opportunities<br>Services and Housing for Homeless<br>Administration and Planning  |
|          | <b>Description</b>                 | The City will support programs and activities related to homeless prevention and rapidly re-housing individuals and families.  |
|          | <b>Basis for Relative Priority</b> | The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs and consultation with the Continuum of Care.   |
| <b>4</b> | <b>Priority Need Name</b>          | Increase access to homeownership opportunities   |

|   |                                    |  |
|---|------------------------------------|--|
|   | <b>Priority Level</b>              | High   |
|   | <b>Population</b>                  | Extremely Low<br>Low<br>Moderate<br>Large Families<br>Families with Children<br>Elderly<br>Public Housing Residents        |
|   | <b>Geographic Areas Affected</b>   |  |
|   | <b>Associated Goals</b>            | Increase Affordable Housing Opportunities<br>Administration and Planning   |
|   | <b>Description</b>                 | The City will continue to support homeownership development, homebuyer assistance, and homebuyer education programs.       |
|   | <b>Basis for Relative Priority</b> | The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs            |
| 5 | <b>Priority Need Name</b>          | Community public facilities /infrastructure  |
|   | <b>Priority Level</b>              | High   |
|   | <b>Population</b>                  | Other  |
|   | <b>Geographic Areas Affected</b>   |  |
|   | <b>Associated Goals</b>            | Community Dev Public Facilities & Infrastructure<br>Administration and Planning  |
|   | <b>Description</b>                 | The city will target public facilities and infrastructure that will best complement the development of affordable housing. |
|   | <b>Basis for Relative Priority</b> | The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs            |
| 6 | <b>Priority Need Name</b>          | Promote economic development activities  |
|   | <b>Priority Level</b>              | High   |

|          |                                    |  |
|----------|------------------------------------|--|
|          | <b>Population</b>                  | Extremely Low<br>Low<br>Moderate   |
|          | <b>Geographic Areas Affected</b>   |  |
|          | <b>Associated Goals</b>            | Increase Employment Opportunities<br>Administration and Planning   |
|          | <b>Description</b>                 | The City will continue to support the development and expansion of businesses and job creation/retention through the Section 108 loan program. |
|          | <b>Basis for Relative Priority</b> | The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs                                |
| <b>7</b> | <b>Priority Need Name</b>          | Improved/Increased Access/Retention to Housing   |
|          | <b>Priority Level</b>              | High   |

|                                    |  |
|------------------------------------|--|
| <b>Population</b>                  | Extremely Low<br>Low<br>Moderate<br>Middle<br>Large Families<br>Families with Children<br>Elderly<br>Public Housing Residents<br>Chronic Homelessness<br>Individuals<br>Families with Children<br>Mentally Ill<br>Chronic Substance Abuse<br>veterans<br>Persons with HIV/AIDS<br>Victims of Domestic Violence<br>Unaccompanied Youth<br>Elderly<br>Frail Elderly<br>Persons with Mental Disabilities<br>Persons with Physical Disabilities<br>Persons with Developmental Disabilities<br>Persons with Alcohol or Other Addictions<br>Persons with HIV/AIDS and their Families<br>Victims of Domestic Violence |
| <b>Geographic Areas Affected</b>   |  |
| <b>Associated Goals</b>            | Increase Affordable Housing Opportunities<br>Administration and Planning   |
| <b>Description</b>                 | <b>Improve/increase opportunities for citizens to access/retain affordable housing through education, i.e.; homebuyer counseling/education, foreclosure counseling/education, renter/landlord education, fair housing education, and social services.</b>  |
| <b>Basis for Relative Priority</b> | The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs.   |

**Narrative (Optional)**

## SP-30 Influence of Market Conditions – 91.215 (b)

### Influence of Market Conditions

| <b>Affordable Housing Type</b>        | <b>Market Characteristics that will influence the use of funds available for housing type</b>  |
|---------------------------------------|--|
| Tenant Based Rental Assistance (TBRA) | The use of tenant-based rental assistance is dependent on rental property owners willingness to rent their units to TBRA clients. In many communities, landlords are reluctant to rent to these clients due to the reputation they have that the clients do not take care of the property as well as other renters do. Other market conditions that could influence the use of TBRA have to do with rents being asked for rental property. If rents are too high, the rental assistance might not be enough to allow clients to lease the units, even if the landlord was willing.   |
| TBRA for Non-Homeless Special Needs   | Added to the description of TBRA market characteristics above, non-homeless special needs clients may also encounter housing units that do not meet their accessibility needs. Most housing in any community has not had accessibility improvements that allow persons with mobility issues ease of access. While landlords are obligated to make reasonable accommodations for such renters, many need more accommodations than typical landlords would consider reasonable. Landlords do seem to be more amenable if the client also has supportive services and thus a case manager to monitor the individuals well-being.  |
| New Unit Production                   | <p>The production of new housing units is influenced by several market conditions, including the cost of land, the cost of construction, and prevailing interest rates. While rates are currently at historic lows, the mortgage markets are still recovering from the recent mortgage foreclosure crisis and restrictions placed on lending institutions that resulted.</p> <p>Using funds for the production of rental housing of rental housing is a high priority due to the short supply. The production of housing for homeownership is not as high because, with low interest rates and supply of affordable units for purchase, except for pre-identified buyers (Habitat &amp; CHDO clients), until the market changes, it is not feasible to utilize these funds for homeowner housing production.</p> |

| <b>Affordable Housing Type</b>      | <b>Market Characteristics that will influence the use of funds available for housing type</b>  |
|-------------------------------------|--|
| Rehabilitation                      | <p>Preservation of affordable housing is a high priority, as it serves in allowing residents access to housing, it can be a means by which residents can remain housed - if substandard contributing issues are eliminated, and it can greatly contribute to stabilizing a community.</p> <p>Rehabilitation activities can be influenced by location, zoning requirements and the cost of materials and labor. In Chattanooga, these costs are relative low in comparison to other areas of the country. The efficiency of rehabilitation is also dependent on the after rehabilitation value of the home. If the market value of the home does not support the extent of rehabilitation required, it's not worth the effort to repair the home.</p> |
| Acquisition, including preservation | <p>Acquisition, including preservation, can be a tool by which more affordable units can be delivered to a community if the overall cost does not exceed the value of the after-rehab value of the property. Some preservation can be cost prohibitive, as in the case sometimes when historic preservation is involved or the unit is too far gone to restore. The overarching determining factor is the market value of the structure versus the cost.</p> <p>With home purchases by private individuals, the historic low interest rates off-set increases in the market value of the housing stock and thus families can get more home for their money.</p>  |

**Table 55 – Influence of Market Conditions**

**SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)**

**Introduction**

The City of Chattanooga receives funding from three federal grant programs, the Community Development Block Grant Program, the HOME Investment Partnership, and the Emergency Solutions Grant Program. It is anticipated that these three grant programs combined will bring \$2,470,490 into the city to support affordable housing, homeless, and community development programs and projects. An additional \$295,000 in program income from CDBG and HOME projects brings the total resources for the first year of the Consolidated Plan to \$2,765,490 and approximately \$13,827,450 for the five years covered under the Consolidated Plan.

**Anticipated Resources**

| Program | Source of Funds  | Uses of Funds  | Expected Amount Available Year 1 |                    |                          |           | Expected Amount Available Remainder of ConPlan \$ | Narrative Description                                       |
|---------|------------------|--|----------------------------------|--------------------|--------------------------|-----------|---|---|
|         |                  |  | Annual Allocation: \$            | Program Income: \$ | Prior Year Resources: \$ | Total: \$ |   |   |
| CDBG    | public - federal | Acquisition<br>Admin and Planning<br>Economic Development<br>Housing<br>Public Improvements<br>Public Services | 1,654,122                        | 135,000            | 0                        | 1,789,122 | 7,156,488   | Expected amount for remainder of Con Plan is Year 1 times 4 |

| Program | Source of Funds  | Uses of Funds   | Expected Amount Available Year 1 |                    |                          |           | Expected Amount Available Reminder of ConPlan \$ | Narrative Description                                       |
|---------|------------------|---|----------------------------------|--------------------|--------------------------|-----------|--|---|
|         |                  |   | Annual Allocation: \$            | Program Income: \$ | Prior Year Resources: \$ | Total: \$ |  |   |
| HOME    | public - federal | Acquisition<br>Homebuyer assistance<br>Homeowner rehab<br>Multifamily rental new construction<br>Multifamily rental rehab<br>New construction for ownership<br>TBRA                         | 665,430                          | 160,000            | 0                        | 825,430   | 3,301,720  | Expected amount for remainder of Con Plan is Year 1 times 4 |
| ESG     | public - federal | Conversion and rehab for transitional housing<br>Financial Assistance<br>Overnight shelter<br>Rapid re-housing (rental assistance)<br>Rental Assistance<br>Services<br>Transitional housing | 150,938                          | 0                  | 0                        | 150,938   | 603,752  | Expected amount for remainder of Con Plan is Year 1 times 4 |

Table 56 - Anticipated Resources

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

HOME funds will be matched with carry-over HOME match, donated property, and partner contributions. ESG match will be addressed sub-grantees. Housing activities are expected to be heavily leveraged with developer resources like Low Income Housing Tax Credits, local PILOT projects, and foundation funding.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

A critical tool the City expects to utilize in addressing affordable is the newly established Land Bank. The City will utilize this resource in holding/assembling expropriated abandoned and adjudicated property as well as donated property in a strategic manner for the purpose of developing/preserving affordable in an impactful way.

**Discussion**

To accomplish the goals outlined in the Consolidated Plan the City will have to rely heavily on resources and tools outside of the above allocations as the funding is steadily decreasing. Program income was not added into the expected funding for years 2-5 as that resource is also decreasing at an unpredictable rate.

## SP-40 Institutional Delivery Structure – 91.215(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

| Responsible Entity   | Responsible Entity Type  | Role   | Geographic Area Served |
|--|--------------------------|--|------------------------|
| City of Chattanooga  | Government               | Economic Development<br>Homelessness<br>Non-homeless special needs<br>Ownership<br>Planning<br>Rental<br>neighborhood improvements<br>public facilities<br>public services | Jurisdiction           |
| CHATTANOOGA NEIGHBORHOOD ENTERPRISE  | Non-profit organizations | Ownership<br>Rental  | Jurisdiction           |
| CHATTANOOGA HOUSING AUTHORITY  | PHA                      | Homelessness<br>Public Housing   | Region                 |
| HABITAT FOR HUMANITY   | CHDO                     | Ownership  | Jurisdiction           |
| Chattanooga Community Housing Development Organization                       | CHDO                     | Ownership<br>Rental  | Jurisdiction           |
| BrightBridge Inc.  | Regional organization    | Economic Development   | Region                 |
| CHATTANOOGA HOMELESS COALITION   | Non-profit organizations | Homelessness   | Region                 |
| Chattanooga Community Kitchen  | Non-profit organizations | Homelessness   | Jurisdiction           |
| Family Promise of Greater Chattanooga (formerly Interfaith Homeless Network) | Non-profit organizations | Homelessness   | Jurisdiction           |
| Hamilton County Social Services EAP  | Government               | Homelessness   | Jurisdiction           |

| Responsible Entity                            | Responsible Entity Type  | Role         | Geographic Area Served |
|---|--------------------------|--------------|------------------------|
| ROOM IN THE INN                               | Non-profit organizations | Homelessness | Jurisdiction           |
| PARTNERSHIP FOR FAMILIES, CHILDREN AND ADULTS | Non-profit organizations | Homelessness | Region                 |

**Table 57 - Institutional Delivery Structure**

**Assess of Strengths and Gaps in the Institutional Delivery System**

The institutional delivery system in Chattanooga is well coordinated and spans a range of community needs. The City has many years of experience managing and implementing the programs addressed in the Consolidated Plan, as well as working with outside agencies that fill some of the needs as outlined in the Consolidated Plan. Services provided by the Emergency Solutions Grant Program are managed by a group of homeless service providers who work together as a coalition in response to HUD grant requirements as the Homeless Coalition. Though this organization, the group collects facilities and client information and prepares grant proposals in an effort to bring additional resources to Chattanooga. The coalition's greatest need is increased capacity in housing services, particularly permanent housing, a single site emergency shelter and rental assistance.

The Housing Authority of Chattanooga operates public housing units and works well with City staff and the City political leadership. The lone gap is the limited number of CHDOs operating in Chattanooga. At this time there are only two CHDOs, though the City provides ongoing technical assistance.

**Availability of services targeted to homeless persons and persons with HIV and mainstream services**

| Homelessness Prevention Services        | Available in the Community | Targeted to Homeless | Targeted to People with HIV |
|---|----------------------------|----------------------|-----------------------------|
| <b>Homelessness Prevention Services</b> |                            |                      |                             |
| Counseling/Advocacy                     | X                          | X                    |                             |
| Legal Assistance                        | X                          | X                    |                             |
| Mortgage Assistance                     |                            |                      |                             |
| Rental Assistance                       | X                          | X                    |                             |
| Utilities Assistance                    | X                          | X                    |                             |
| <b>Street Outreach Services</b>         |                            |                      |                             |
| Law Enforcement                         |                            |                      |                             |
| Mobile Clinics                          |                            |                      |                             |
| Other Street Outreach Services          | X                          | X                    |                             |
| <b>Supportive Services</b>              |                            |                      |                             |
| Alcohol & Drug Abuse                    | X                          | X                    |                             |
| Child Care                              | X                          | X                    |                             |

|                                    |   |   |  |
|------------------------------------|---|---|--|
| Education                          | X | X |  |
| Employment and Employment Training |   |   |  |
| Healthcare                         | X | X |  |
| HIV/AIDS                           | X | X |  |
| Life Skills                        | X | X |  |
| Mental Health Counseling           | X | X |  |
| Transportation                     | X | X |  |
| <b>Other</b>                       |   |   |  |
|                                    |   |   |  |

**Table 58 - Homeless Prevention Services Summary**

**Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)**

All services in our system are available to people who are experiencing homelessness.

**Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above**

The service providers in Chattanooga work closely together to provide a continuum of services in response to needs identified through surveys of homeless persons and general observations of the providers. Providers in Chattanooga are particularly strong in the areas of mental health services and life skills training. The lone gaps identified in the chart above are child care services and services for unaccompanied youth. Another gap in the coordination of services centers on the lack of universal participation of providers in the HMIS system. All homeless providers who participate in federal funding programs are enrolled in the HMIS system. Other agencies, however, do not participate for various reasons, some are faith-based and do not have the staff/capacity or will to do the reporting.

**Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs**

- Obtain reliable comprehensive inventory of current services, providers, and available housing,
- Evaluate current systems and services to make them more accessible and efficient, and
- Eliminate redundancy and efficiency,
- Quickly and efficiently triage persons struggling with homelessness;
- Obtain grants/funds/resources to address identified needs; and
- Develop a system that quickly and accurately produces information on outcomes.

**SP-45 Goals Summary – 91.215(a)(4)**

**Goals Summary Information**

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|-----------|------------|----------|----------|-----------------|-----------------|---------|------------------------|
|------------|-----------|------------|----------|----------|-----------------|-----------------|---------|------------------------|

| Sort Order | Goal Name                                 | Start Year | End Year | Category           | Geographic Area | Needs Addressed  | Funding                                | Goal Outcome Indicator   |
|------------|---|------------|----------|--------------------|-----------------|--|--|--|
| 1          | Increase Affordable Housing Opportunities | 2015       | 2019     | Affordable Housing |                 | Increase Supply of Affordable Rental Housing<br>Preserve existing housing stock<br>Housing and services for homeless populations<br>Increase access to homeownership opportunities<br>Improved/Increased Access/Retention to Housing | CDBG: \$3,586,490<br>HOME: \$3,714,435 | Public service activities for Low/Moderate Income Housing Benefit:<br>10000 Households Assisted<br><br>Rental units constructed:<br>1107 Household Housing Unit<br><br>Rental units rehabilitated:<br>100 Household Housing Unit<br><br>Homeowner Housing Added:<br>50 Household Housing Unit<br><br>Homeowner Housing Rehabilitated:<br>1305 Household Housing Unit<br><br>Direct Financial Assistance to Homebuyers:<br>100 Households Assisted<br><br>Housing for Homeless added:<br>90 Household Housing Unit<br><br>Buildings Demolished:<br>75 Buildings |

| Sort Order | Goal Name  | Start Year | End Year | Category                          | Geographic Area | Needs Addressed                               | Funding                                 | Goal Outcome Indicator   |
|------------|--|------------|----------|-----------------------------------|-----------------|---|---|--|
| 2          | Services and Housing for Homeless                | 2015       | 2019     | Homeless                          |                 | Housing and services for homeless populations | CDBG:<br>\$420,000<br>ESG:<br>\$698,090 | Tenant-based rental assistance / Rapid Rehousing:<br>1075 Households Assisted<br><br>Homeless Person Overnight Shelter:<br>2000 Persons Assisted<br><br>Homelessness Prevention:<br>375 Persons Assisted |
| 3          | Increase Employment Opportunities                | 2015       | 2019     | Non-Housing Community Development |                 | Promote economic development activities       | CDBG:<br>\$2,150,000                    | Jobs created/retained:<br>180 Jobs<br><br>Businesses assisted:<br>45 Businesses Assisted   |
| 4          | Community Dev Public Facilities & Infrastructure | 2015       | 2019     | Non-Housing Community Development |                 | Community public facilities /infrastructure   | CDBG:<br>\$1,000,000                    | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit:<br>63867 Persons Assisted   |

| Sort Order | Goal Name                   | Start Year | End Year | Category | Geographic Area | Needs Addressed  | Funding   | Goal Outcome Indicator |
|------------|-----------------------------|------------|----------|----------|-----------------|--|---|------------------------|
| 5          | Administration and Planning | 2015       | 2019     | Admin    |                 | Increase Supply of Affordable Rental Housing<br>Preserve existing housing stock<br>Housing and services for homeless populations<br>Increase access to homeownership opportunities<br>Community public facilities /infrastructure<br>Promote economic development activities<br>Improved/Increased Access/Retention to Housing | CDBG: \$1,789,120<br>HOME: \$412,715<br>ESG: \$56,600 | Other: 63867 Other     |

Table 59 – Goals Summary

Goal Descriptions

|   |                         |  |
|---|-------------------------|--|
| 1 | <b>Goal Name</b>        | Increase Affordable Housing Opportunities  |
|   | <b>Goal Description</b> | Increase opportunities for access and affordability to housing.<br>Rental Acquisition and Rehabilitation, New construction of rental and homeowner, homeowner rehab, homeowner downpayment assistance, homebuyer/renter outreach/education, Lead-based paint hazards, Code enforcement/demolition, Fair Housing, |
| 2 | <b>Goal Name</b>        | Services and Housing for Homeless  |
|   | <b>Goal Description</b> | Homeless activities  |
| 3 | <b>Goal Name</b>        | Increase Employment Opportunities  |
|   | <b>Goal Description</b> | Through Section 108 Loan, assist with job creation/retention, and business/individual development/expansion  |
| 4 | <b>Goal Name</b>        | Community Dev Public Facilities & Infrastructure   |
|   | <b>Goal Description</b> | Public Facility or infrastructure activities in strategic coordination with community development/housing development.   |
| 5 | <b>Goal Name</b>        | Administration and Planning  |
|   | <b>Goal Description</b> | Program/grants management  |

**Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)**

The City of Chattanooga will assist extremely low-income, low-income and moderate income families who meet HUD's income limits with rental housing and homeownership opportunities. CHDOs like Habitat can assist approximately 15 low-income families with homeownership opportunities. It is anticipated that, at minimum, 27 rental units will be for homeless/extremely low-income households and the other units to low-to moderate income households.

## **SP-50 Public Housing Accessibility and Involvement – 91.215(c)**

### **Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)**

Under an agreement signed with HUD in 2011, CHA continues to work to document, maintain and enhance its responsiveness to the needs of individuals with disabilities. The upgrades at Emma Wheeler Homes are including a number of units to be equipped for use by individuals with mobility and aural/visual disabilities.

#### **CHA Goals:**

- It will also designate developments or buildings for particular resident groups (elderly, persons with disabilities).
- Undertake affirmative measures to ensure access to assisted housing regardless of race, color, religion national origin, sex, sexual orientation, gender identity, familial status of disability.
- Undertake affirmative measures to provide a suitable living environment for families living in assisted housing, regardless of race, color, religion national origin, sex, sexual orientation, gender identity, familial status, or disability
- Undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities regardless of unit size required
- Take affirmative action to diversify the public housing resident and HCVP participant populations

#### **Activities to Increase Resident Involvements**

Resident Councils are located at the following sites: Boynton terrace, Greenwood/Scattered Sites, Mary Walker Towers. There is also a Resident Advisory Board.

**Is the public housing agency designated as troubled under 24 CFR part 902?**

No

**Plan to remove the 'troubled' designation**

N/A

## **SP-55 Barriers to affordable housing – 91.215(h)**

### **Barriers to Affordable Housing**

In conducting the Chattanooga Housing Study 2013, RPA surveyed members of the Greater Chattanooga Association of Realtors® (GCAR) and the Home Builders Association of Greater Chattanooga (Home Builders) on their views of the current housing market and on the future market five and ten years out. RPA also held separate focus groups with neighborhoods, subsidized housing renters, non-profit housing providers, home builders and regulatory agencies to gather different perspectives that should be considered in improving the housing market for everyone. These are excerpts from the study regarding challenges seen by the groups to developing and or providing access to housing.

*Current City codes impact housing affordability and the feasibility for small lot infill due to site engineering, road width and setback requirements which limit options for retaining a site's natural features or to configure the development in a way that promotes compatibility.*

*The Neighborhood Focus Group believed that the current land use zoning creates a gap in the supply of alternative housing options in existing neighborhoods. At the time the survey was conducted financing was a problem for both builders and buyers. So while there may be an increased demand for certain types of housing, builders were having a hard time getting financing for their projects. Realtors also identified buyer financing as being an issue, with home loans more difficult to obtain.*

*In the Homebuilders Focus Group, excessive site engineering requirements (grading/wider streets) and the need to upgrade urban infrastructure (sewer lines) was indicated as a major challenge to infill development and affordable housing.*

*The Subsidized Rental Focus Group cited several barriers to affordable rental housing within Chattanooga. They noted that Housing Choice Vouchers are too low to cover housing in more desirable neighborhoods; many landlords are resistant to rent to voucher holders; affordable housing is often in very poor condition; and there is no coordinated and sustained support for low-income families transitioning from public housing to the private market.*

*According to the builders survey and focus group, more flexibility and streamlining is needed for building and development regulations. Builders also cited street right-of-way, site engineering, urban sewer repairs and setbacks as regulatory barriers to infill development. This would allow builders to respond to demand more rapidly and thereby reduce gaps between supply and demand. The neighborhoods said the enforcement of building codes and city standards was a major issue. Problem properties hurt the marketability of neighborhoods with a supply of dwelling units and vacant properties.*

### **Strategy to Remove or Ameliorate the Barriers to Affordable Housing**

Following are recommendations from the 2013 Chattanooga Housing Study and the Mayor's Housing Task Force, appointed to identify tools/solutions to address the affordable housing needs in the

community. All of these recommendations have or are the process of being created/developed.

1. Establish an Affordable Housing Trust to provide financing assistance to public, private, or non-profit housing providers at a discount in return for incorporating affordable housing into their projects.
2. Consider replacing the City's current zoning codes in select areas with a Form-based Code.
3. Establish a Land Bank Authority (LBA) to aid in the process of encouraging the production of affordable housing and other economic development in a thoughtful, but expedient way.
4. Restrict the current Payment in Lieu of Taxes (PILOT) incentive program to developers with projects that reserve at least 20% of the units for tenants or homeowners with income levels that do not exceed 80% (AMI).
5. Establish a Rental Registry requiring landlords within the city limits to register and maintain their rental property to defined standards.

While there are a number of market forces at work that make affordable housing development difficult the above recommendations are some of the tools that will be utilized by the City to address this issue. Other tools are incentives to developers and landlords which include subsidies to reduce project costs and supportive services to households helping them to be good tenants. There are also strategies being developed to make accessing housing easier, minimizing the red tape, particularly for homeless and those facing homelessness.

The City will continue its proactive position in regard to affordable housing by continuing to provide both financial and technical assistance to affordable housing activities and projects. The City is committed to the principle that all individuals should have available to them an equal opportunity for housing choices regardless of their race, color, religion, familial status, sex, national origin or handicap.

The City is also focusing resources toward educating the community in regards to Fair Housing. Some of the planned activities include:

1. ECD will partner with CNE and make available the viewing of "A Matter of Place" a film produced by the Fair Housing Justice Center;
2. Carrying out activities during Fair Housing Month, including issuing a Proclamation in the Times Free Press on April 1st,

3. Partnering with the Chattanooga Realtors Association and Tennessee Legal Aid to provide Fair Housing Workshops;
4. Provide mandatory Fair Housing training to partner/subrecipient organizations ,
5. Participate in the annual Fair Housing event during MLK week in partnership with the Unity Group, OMA and ECD.
6. City staff will also be attending various Fair Housing Workshops, and will participate in the Fair Housing activities hosted by fellow PJs.
7. Use testers to identify/eliminate any issues with housing descrimination in the City.

A Fair Housing Survey was conducted along with the Consolidated Plan Survey. The results are included in the Attachments Section. 171 responses were received.

## **SP-60 Homelessness Strategy – 91.215(d)**

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

The City will staff will continue its work with Chattanooga Regional Homeless Coalition, the local coalition that organizes the Continuum of Care and submits grant applications for homeless initiatives. The coalition also conducts yearly point-in-time counts of the homeless and conducts a bi-yearly survey of the homeless. City staff participate in the counts and surveys. The point-in-time counts and the surveys work to reach out to homeless persons, including unsheltered persons, and assesses individual and family needs, contributing to the consultation brought to the Consolidated Plan forums and survey from which priorities are formed.

### **Addressing the emergency and transitional housing needs of homeless persons**

The Strategic Plan provides that the City provide support for fundraising efforts for non-profit homeless providers who work with organizations to add transitional housing units. The City also provides funding for organizations that offer emergency shelters through the Emergency Solutions Grant program.

**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 Strategic Plan supports efforts to provide permanent supportive housing, including special needs populations. The plan also provides for attention to expansion of services for the prevention of homelessness through tenant-based vouchers and rental assistance programs that provide temporary assistance to prevent evictions.

**Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs**

The plan provides support for tenant-based rental assistance programs in an effort to prevent evictions and the homelessness that would ensue.

## **SP-65 Lead based paint Hazards – 91.215(i)**

### **Actions to address LBP hazards and increase access to housing without LBP hazards**

The City of Chattanooga is located in Hamilton County in southeastern Tennessee. The 2009-2013 U.S. Census American Community Survey estimates that there are 79,607 housing units within city limits, both homeowner and rental. The number of units that are considered to have a high risk of lead-based paint hazards is approximately 2% or 2,800 of the 22,000 housing units that were constructed prior to 1950. Of the total number of 22,000 units built prior to 1950, it is estimated that approximately 73% or 16,000 units are occupied by low income individuals. The number of children under the age of 5 living below poverty is 2,650 or 23.9%.

The City of Chattanooga will ensure continued integration and coordination of its efforts in housing and public health programs.

The Tennessee Childhood Lead Poisoning Prevention Program (CLPPP) is established in the 14 County Health Departments within the state to provide testing and educational outreach services to residents for the protection of children that may be exposed to lead-based paint in their residencies. The Chattanooga-Hamilton County Health Department also provides public education outreach through health fairs, event attendance and workshops on lead based paint hazards.

In addition, the City of Chattanooga's Department of Economic and Community Development intends to apply either for HUD's Lead Hazard Reduction Control grant or the Lead Hazard Reduction Demonstration grant. If successful, Chattanooga would be able to remediate a large number of pre-1978 homes belonging to LMI residents in the subsequent 3-year grant expenditure period.

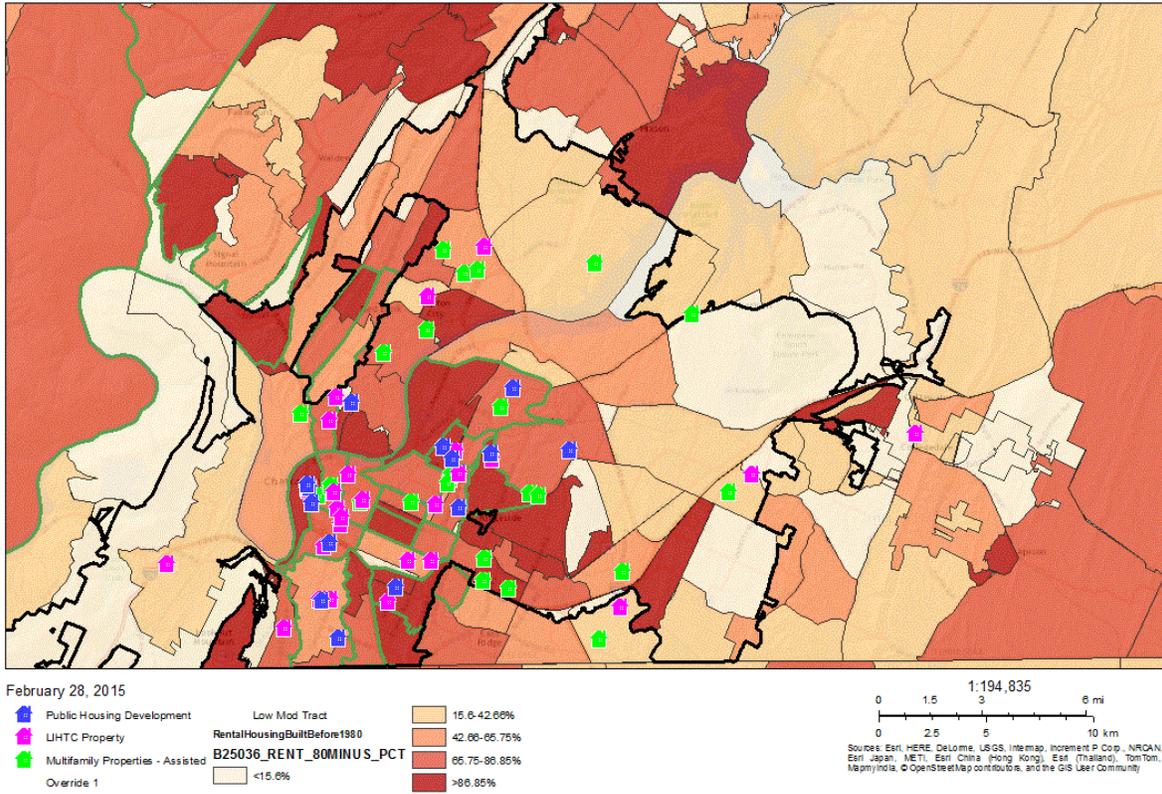
The Community Development Office has a staff member licensed by the State of Tennessee and certified by the U.S. Environmental Protection Agency to perform lead based paint inspections and clearance exams.

### **How are the actions listed above related to the extent of lead poisoning and hazards?**

### **How are the actions listed above integrated into housing policies and procedures?**

The City of Chattanooga CDBG and HOME program policies include provisions for compliance with applicable lead-based paint hazard regulations.

Rental Units Built Before 1980 - Potential Lead Hazard Mediation Needs



Rental Units Built Before 1980 - Potential Lead Hazard Mediation Needs

## **SP-70 Anti-Poverty Strategy – 91.215(j)**

### **Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families**

The City of Chattanooga provides general funds to non-profit agencies. These activities historically benefit a large number of very low and low income persons many provide self sufficiency training and employment/educational programs.

The Chattanooga Housing Authority operates a Family Self Sufficiency Program which has the goal of promoting economic independence (for its clients on rental assistance). Existing opportunities for education, occupational training and job seeking assistance are coordinated to assist families in overcoming the barriers which prohibited them from achieving self sufficiency. Participants in the Family Self Sufficiency work towards setting and obtaining future life and career goals by accomplishing specific activities and objectives.

The City's Youth and Family Development Centers provide programs to help residents attain and sustain economic self-sufficiency by engaging them in activities to make them more competitive in the local job market. These activities include basic education and customized job training, personal and career development, employment and life skills workshops, job placement and vocational assessment and counseling.

Several non-profits, including the Urban League and LAUNCH, provide entrepreneurial classes to assist potential entrepreneurs with starting their business and making it successful.

The City has recognized the need for taking a more coordinated and cooperative approach to addressing anti-poverty and affordable housing needs. One approach is the City's development of the Affordable Housing Initiative which serves to reduce poverty by providing affordable rental housing. Also, the City is targeting efforts towards the following housing goals:

- a) Increase supply of affordable rental housing
- b) Preserve existing housing stock
- c) Housing/services to special needs populations
- d) Increase access to homeownership opportunities
- e) Provide funding for public improvements in coordination with housing
- f) Promote economic development activities

The City is also developing programs to assist homeless and at-risk homeless with housing, specifically veterans. To assist with this, the City has hired a employee in ECD to handle veteran housing specifically.

### **How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan**

The City's CDBG and HOME funds will be used entirely on housing and housing related services. All other social services that had been previously assisted with CDBG funds will now be assisted with City General Funds. The housing goals listed above are the result of a period of intense surveying of the City's residents for their priorities for the next Consolidated Plan. ECD has identified six goals that they will focus on for FY 2015-2016. The department will work combine their resources along with other public and private funds and partners to accomplish the following goals:

a) Increase supply of affordable rental housing

Reduce the number of run-down properties through rehabilitation and demolition and increase the supply of affordable housing units throughout the City.

b) Preserve existing housing stock

ECD facilitates the Affordable Housing Initiative, HOMEAgain Program, Transitional Housing Initiative, Rental Property Renovation Program, and the Home Repair Program – which work to repair, build, or maintain high quality housing within the City of Chattanooga.

Blighted and abandoned properties lower property values when left unkempt, and can increase the risk of fire and crime by becoming a refuge for criminals. By issuing blight related violation notices or turning blighted properties into neighborhood assets, the City is helping keep our neighborhoods safe and strong.

c) Housing/services to special needs populations

The City will focus on veterans initially, with the intention of alleviating Veterans homelessness in a couple of years.

d) Increase access to homeownership opportunities

The City will continue to support homeownership development and homeownership education programs.

- e) Provide funding for public improvements in coordination with housing

The City will target infrastructure money where it will best complement the development of new affordable housing.

- f) Promote economic development activities

The City of Chattanooga's 2015 budget included funding for the Chattanooga Alliance for Diverse Business Enterprise, a multi-agency effort focused on supporting the development, growth, and success of minority, women, and veteran-owned businesses. The alliance model offers an innovative and sustainable approach to DBE development as it brings together a broad base of community partners who are leveraging resources and offering business development services at every stage of the entrepreneurial pipeline.

## **SP-80 Monitoring – 91.230**

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

Projects and programs that are funded with CDBG, ESG and HOME monies are subject to monitoring. All subrecipients receiving CDBG, HOME and ESG funds are monitored on a regular basis through the submittal of either monthly, quarterly, or one-time reports to ECD, as identified in their annual Contracts. Each report provides statistics on the program participants and a narrative on the activities undertaken during the reporting period. The information that is provided to ECD is input into HUD's Integrated Disbursement and Information System (IDIS). On either a monthly, quarterly, or one-time basis, dependent upon the Funding Agreement, the subrecipients submit reimbursement requests including proof of payment for all expenses. Site visits are made on an annual basis by ECD staff to review the subrecipients' financial and program records.

For organizations that receive funds for development of housing, long-term affordability controls (either rental or ownership) are recorded in conjunction with the funding documents. ECD staff conducts compliance reviews as required by the program regulations or as deemed prudent. In addition, each recipient of funds is subject to federal audit requirements. Any deficiencies or findings are followed up by the City. For rental complexes that have received funding through the CDBG or HOME programs, regular reporting and compliance monitoring is conducted by ECD staff. Quarterly reporting includes information on the number of household members, household income level, if the household receives HCV rental assistance; the bedroom size of the unit, if the unit is HOME assisted; the rent being charged; the maximum rent that can be charged for the unit; and the household's recertification date. HOME units are subject to regular on-site monitoring.

The CDBG and HOME programs performance is evaluated by staff at the end of the City's fiscal year, June 30th. That review is incorporated into the CAPER.

On an annual basis, the City submits the HOME MBE/WBE Report to HUD. The City encourages participation from minority and women business enterprises. This effort includes notices in bid solicitation, newspaper advertisements and contract clauses requiring contractors, to the greatest extent feasible, to provide opportunities for training and employment for minority and women business enterprises.



## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The City of Chattanooga receives funding from three federal grant programs, the Community Development Block Grant Program, the HOME Investment Partnership, and the Emergency Solutions Grant Program. It is anticipated that these three grant programs combined will bring \$2,470,490 into the city to support affordable housing, homeless, and community development programs and projects. An additional \$295,000 in program income from CDBG and HOME projects brings the total resources for the first year of the Consolidated Plan to \$2,765,490 and approximately \$13,827,450 for the five years covered under the Consolidated Plan.

#### Anticipated Resources

| Program | Source of Funds  | Uses of Funds  | Expected Amount Available Year 1 |                    |                          |           | Expected Amount Available Reminder of ConPlan \$ | Narrative Description                                       |
|---------|------------------|--|----------------------------------|--------------------|--------------------------|-----------|--|---|
|         |                  |  | Annual Allocation: \$            | Program Income: \$ | Prior Year Resources: \$ | Total: \$ |  |   |
| CDBG    | public - federal | Acquisition<br>Admin and Planning<br>Economic Development<br>Housing<br>Public Improvements<br>Public Services | 1,654,122                        | 135,000            | 0                        | 1,789,122 | 7,156,488  | Expected amount for remainder of Con Plan is Year 1 times 4 |

| Program | Source of Funds  | Uses of Funds   | Expected Amount Available Year 1 |                    |                          |           | Expected Amount Available Remainder of ConPlan \$ | Narrative Description                                       |
|---------|------------------|---|----------------------------------|--------------------|--------------------------|-----------|---|---|
|         |                  |   | Annual Allocation: \$            | Program Income: \$ | Prior Year Resources: \$ | Total: \$ |   |   |
| HOME    | public - federal | Acquisition<br>Homebuyer assistance<br>Homeowner rehab<br>Multifamily rental new construction<br>Multifamily rental rehab<br>New construction for ownership<br>TBRA                         | 665,430                          | 160,000            | 0                        | 825,430   | 3,301,720   | Expected amount for remainder of Con Plan is Year 1 times 4 |
| ESG     | public - federal | Conversion and rehab for transitional housing<br>Financial Assistance<br>Overnight shelter<br>Rapid re-housing (rental assistance)<br>Rental Assistance<br>Services<br>Transitional housing | 150,938                          | 0                  | 0                        | 150,938   | 603,752   | Expected amount for remainder of Con Plan is Year 1 times 4 |

Table 60 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

HOME funds will be matched with carry-over HOME match, donated property, and partner contributions. ESG match will be addressed sub-grantees. Housing activities are expected to be heavily leveraged with developer resources like Low Income Housing Tax Credits, local PILOT

projects, and foundation funding.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

A critical tool the City expects to utilize in addressing affordable is the newly established Land Bank. The City will utilize this resource in holding/assembling expropriated abandoned and adjudicated property as well as donated property in a strategic manner for the purpose of developing/preserving affordable in an impactful way.

**Discussion**

To accomplish the goals outlined in the Consolidated Plan the City will have to rely heavily on resources and tools outside of the above allocations as the funding is steadily decreasing. Program income was not added into the expected funding for years 2-5 as that resource is also decreasing at an unpredictable rate.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

| Sort Order | Goal Name                                 | Start Year | End Year | Category           | Geographic Area | Needs Addressed   | Funding                            | Goal Outcome Indicator  |
|------------|---|------------|----------|--------------------|-----------------|---|------------------------------------|---|
| 1          | Increase Affordable Housing Opportunities | 2015       | 2019     | Affordable Housing |                 | Increase Supply of Affordable Rental Housing<br>Preserve existing housing stock<br>Increase access to homeownership opportunities<br>Improved/Increased Access/Retention to Housing | CDBG: \$814,122<br>HOME: \$742,887 | Public service activities for Low/Moderate Income Housing Benefit: 2000 Households Assisted<br>Rental units constructed: 221 Household Housing Unit<br>Rental units rehabilitated: 20 Household Housing Unit<br>Homeowner Housing Added: 10 Household Housing Unit<br>Homeowner Housing Rehabilitated: 261 Household Housing Unit<br>Direct Financial Assistance to Homebuyers: 20 Households Assisted<br>Housing for Homeless added: 18 Household Housing Unit<br>Buildings Demolished: 20 Buildings |

| Sort Order | Goal Name  | Start Year | End Year | Category                          | Geographic Area | Needs Addressed                                | Funding                           | Goal Outcome Indicator   |
|------------|--|------------|----------|-----------------------------------|-----------------|--|-----------------------------------|--|
| 2          | Services and Housing for Homeless                | 2015       | 2019     | Homeless                          |                 | Improved/Increased Access/Retention to Housing | CDBG: \$100,000<br>ESG: \$139,618 | Tenant-based rental assistance / Rapid Rehousing: 215 Households Assisted<br>Homeless Person Overnight Shelter: 60280 Persons Assisted<br>Homelessness Prevention: 75 Persons Assisted |
| 3          | Increase Employment Opportunities                | 2015       | 2019     | Non-Housing Community Development |                 | Promote economic development activities        | CDBG: \$430,000                   | Jobs created/retained: 36 Jobs<br>Businesses assisted: 9 Businesses Assisted   |
| 4          | Community Dev Public Facilities & Infrastructure | 2015       | 2019     | Non-Housing Community Development |                 | Community public facilities /infrastructure    | CDBG: \$100,000                   | Public Facility or Infrastructure<br>Activities other than Low/Moderate Income Housing<br>Benefit: 63867 Persons Assisted  |

| Sort Order | Goal Name                   | Start Year | End Year | Category | Geographic Area | Needs Addressed  | Funding  | Goal Outcome Indicator |
|------------|-----------------------------|------------|----------|----------|-----------------|--|--|------------------------|
| 5          | Administration and Planning | 2015       | 2019     | Admin    |                 | Increase Supply of Affordable Rental Housing<br>Preserve existing housing stock<br>Housing and services for homeless populations<br>Increase access to homeownership opportunities<br>Community public facilities /infrastructure<br>Promote economic development activities<br>Improved/Increased Access/Retention to Housing | CDBG: \$357,824<br>HOME: \$82,543<br>ESG: \$11,320 | Other: 63867 Other     |

Table 61 – Goals Summary

**Goal Descriptions**

|   |                         |  |
|---|-------------------------|--|
| 1 | <b>Goal Name</b>        | Increase Affordable Housing Opportunities  |
|   | <b>Goal Description</b> | Rental Acquisition and Rehabilitation, New construction of rental and homeowner, homeowner rehab, homeowner downpayment assistance, homebuyer/renter outreach/education, Lead-based paint hazards, Code enforcement, Fair Housing. |

|   |                         |   |
|---|-------------------------|---|
| 2 | <b>Goal Name</b>        | Services and Housing for Homeless   |
|   | <b>Goal Description</b> | Activities to serve the homeless  |
| 3 | <b>Goal Name</b>        | Increase Employment Opportunities   |
|   | <b>Goal Description</b> | Through Section 108 Loan, assist with job creation/retention, and business/individual development/expansion |
| 4 | <b>Goal Name</b>        | Community Dev Public Facilities & Infrastructure  |
|   | <b>Goal Description</b> | Community development public facilities and infrastructure in coordination with housing.                    |
| 5 | <b>Goal Name</b>        | Administration and Planning   |
|   | <b>Goal Description</b> | Grant oversight and management  |

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The following projects will be funded for the FY 2015-2016 year to achieve our goals. All of the projects funded align with our six main priorities:

1. Increase the supply of affordable housing
2. Preserve existing housing stock
3. Housing and services for special needs populations
4. Increase affordable housing opportunities
5. Provide funding for public improvements in coordination with housing
6. Promote economic development activities

#### Projects

| #  | Project Name  |
|----|---|
| 1  | CD HOME Administration  |
| 2  | ECD HOME Rental Housing                                       |
| 3  | CD CDBG Administration  |
| 4  | CD HOPE VI Debt Service                                       |
| 5  | Department of Transportation - Sidewalks                      |
| 6  | ECD Rental Unit Renovation Program                            |
| 7  | ECD Demolitions   |
| 8  | ECD Home Repair Program                                       |
| 9  | Chattanooga Community Housing Development Org Roofing Program |
| 10 | CNE Homebuyer Education/Pre-Purchase Counseling               |
| 11 | CNE Homeowner Rehabilitation Program                          |
| 12 | Family Promise of Chattanooga                                 |
| 13 | Homeless Coalition - COC                                      |
| 14 | Homeless Coalition - HMIS                                     |
| 15 | Habitat for Humanity  |
| 16 | ESG 15 Homeless Prevention                                    |

**Table 62 – Project Information**

## **Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

The distribution of funds for this fiscal year is based upon priorities developed in the Consolidated Plan process for Fiscal Years 2015-2019. Allocations are approved based on a competitive solicitation of proposals from non-profit organizations, including: social services agencies and affordable housing developers that are committed to provide housing and services to low to moderate income households, to prevent homelessness, to serve the homeless, to improve communities and to provide economic development opportunities.

Funding is allocated to entities carrying out eligible activities/projects/programs identified in the consolidated plan as a high priority. Requests are reviewed and evaluated on a number of criteria such as eligibility, organizational capacity, leveraging ability, number and income of citizens being served, and area being served. All activities/projects/programs are within a low/moderate income census tract or are programs that serve low/moderate income citizens, all within the city limits of Chattanooga.

The City of Chattanooga currently has a deficit in decent, affordable rental housing. The city is inundated with substandard rental properties and blighted, abandoned homes. Affordable rental housing has also been labeled as a high priority by the citizens.

One major obstacle to assisting the city's undeserved population is the continuing reduction of federal funds. Another is the continued problem of potential homebuyers not being credit worthy to qualify for even low income loans. Issues with regulations has slowed the expected progress of the Affordable Housing Initiative. A Land Bank Authority has been approved where property can easily be transferred for the purposes of developing affordable rental housing. In many areas the City is still dealing with slum lords and many low income residents living in substandard housing.

**AP-38 Project Summary**  
**Project Summary Information**

|          |  |   |
|----------|--|---|
| <b>1</b> | <b>Project Name</b>  | CD HOME Administration  |
|          | <b>Target Area</b>   |   |
|          | <b>Goals Supported</b>   |   |
|          | <b>Needs Addressed</b>   |   |
|          | <b>Funding</b>   | HOME: \$82,543  |
|          | <b>Description</b>   | Funds for the administration, monitoring and staffing of the HOME program.  |
|          | <b>Target Date</b>   | 6/30/2016   |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Not applicable - Administration funds   |
|          | <b>Location Description</b>  | 101 E 11th Street, Suite 200, City Hall, Chattanooga, TN 37402  |
|          | <b>Planned Activities</b>  | Administration, monitoring and staffing of the HOME program   |
| <b>2</b> | <b>Project Name</b>  | ECD HOME Rental Housing   |
|          | <b>Target Area</b>   |   |
|          | <b>Goals Supported</b>   | Increase Affordable Housing Opportunities   |
|          | <b>Needs Addressed</b>   | Increase Supply of Affordable Rental Housing<br>Preserve existing housing stock<br>Increase access to homeownership opportunities |
|          | <b>Funding</b>   | HOME: \$643,072   |
|          | <b>Description</b>   | Funds to provide/develop affordable rental and homeownership  |
|          | <b>Target Date</b>   | 6/30/2016   |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Approximately 269 LMI families and special needs individuals will benefit   |
|          | <b>Location Description</b>  | City-wide.  |
|          | <b>Planned Activities</b>  | Rental housing rehabilitation/development, all in partnership with non-profits, for-profits, including LIHTC partnerships.        |
| <b>3</b> | <b>Project Name</b>  | CD CDBG Administration  |
|          | <b>Target Area</b>   |   |
|          | <b>Goals Supported</b>   | Administration and Planning   |

|          |  |   |
|----------|--|---|
|          | <b>Needs Addressed</b>   | Improved/Increased Access/Retention to Housing  |
|          | <b>Funding</b>   | CDBG: \$357,824   |
|          | <b>Description</b>   | Funds for the administration, monitoring and staffing of the CDBG program and Fair Housing activities   |
|          | <b>Target Date</b>   | 6/30/2016   |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Not Applicable - Administration funds including Fair Housing activities.  |
|          | <b>Location Description</b>  | 101 E 11th Street, Suite 200, City Hall, Chattanooga, TN 37402  |
|          | <b>Planned Activities</b>  | Administration, monitoring and staffing of the CDBG program   |
| <b>4</b> | <b>Project Name</b>  | CD HOPE VI Debt Service   |
|          | <b>Target Area</b>   |   |
|          | <b>Goals Supported</b>   | Increase Employment Opportunities   |
|          | <b>Needs Addressed</b>   | Promote economic development activities   |
|          | <b>Funding</b>   | CDBG: \$430,000   |
|          | <b>Description</b>   | Funds for the debt loan repayment for job creation/retention.   |
|          | <b>Target Date</b>   |   |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Loan repayment for HOPE VI for creating/retaining jobs. Anticipating assisting 9 businesses to create/retain 36 jobs to be made available for low-moderate income citizens. |
|          | <b>Location Description</b>  | 101 E 11th Street, Suite 200, City Hall, Chattanooga, TN 37402  |
|          | <b>Planned Activities</b>  | Outreach, recruiting businesses, particularly minority businesses and businesses in underserved areas.  |
| <b>5</b> | <b>Project Name</b>  | Department of Transportation - Sidewalks  |
|          | <b>Target Area</b>   |   |
|          | <b>Goals Supported</b>   | Community Dev Public Facilities & Infrastructure  |
|          | <b>Needs Addressed</b>   | Community public facilities /infrastructure   |
|          | <b>Funding</b>   | CDBG: \$200,000   |
|          | <b>Description</b>   | funds for the repair and placement of sidewalks in LMI census tracts  |
|          | <b>Target Date</b>   | 6/30/2016   |

|          |  |   |
|----------|--|---|
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Families that reside in LMI census tracts, approximately 68,000 people  |
|          | <b>Location Description</b>  | Low-to moderate income census tracts.   |
|          | <b>Planned Activities</b>  | New sidewalk installations  |
| <b>6</b> | <b>Project Name</b>  | ECD Rental Unit Renovation Program  |
|          | <b>Target Area</b>   |   |
|          | <b>Goals Supported</b>   | Increase Affordable Housing Opportunities   |
|          | <b>Needs Addressed</b>   | Increase Supply of Affordable Rental Housing<br>Preserve existing housing stock<br>Improved/Increased Access/Retention to Housing |
|          | <b>Funding</b>   | CDBG: \$177,298   |
|          | <b>Description</b>   | Funds to rehabilitate unoccupied, substandard rental units for LMI rental   |
|          | <b>Target Date</b>   | 6/30/2016   |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 20 LMI families will benefit from 20 newly renovated affordable units coming on the market  |
|          | <b>Location Description</b>  | City-wide   |
|          | <b>Planned Activities</b>  | Rehabilitation of vacant, substandard units for affordable rental for LMI individuals and families                                |
| <b>7</b> | <b>Project Name</b>  | ECD Demolitions   |
|          | <b>Target Area</b>   |   |
|          | <b>Goals Supported</b>   | Community Dev Public Facilities & Infrastructure  |
|          | <b>Needs Addressed</b>   | Preserve existing housing stock<br>Improved/Increased Access/Retention to Housing   |
|          | <b>Funding</b>   | CDBG: \$50,000  |
|          | <b>Description</b>   | Funds to demolish blighted structures in LMI census tracts  |
|          | <b>Target Date</b>   | 6/30/2016   |

|          |  |  |
|----------|--|--|
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 20 blighted units will be demolished in LMI census tracts, stabilizing several Chattanooga neighborhoods |
|          | <b>Location Description</b>  | Low-to moderate income census tracts.  |
|          | <b>Planned Activities</b>  | Demolition of blighted structures  |
| <b>8</b> | <b>Project Name</b>  | ECD Home Repair Program  |
|          | <b>Target Area</b>   |  |
|          | <b>Goals Supported</b>   | Increase Affordable Housing Opportunities  |
|          | <b>Needs Addressed</b>   | Preserve existing housing stock<br>Improved/Increased Access/Retention to Housing                        |
|          | <b>Funding</b>   | CDBG: \$175,000  |
|          | <b>Description</b>   | Funds to provide minor to substantial home repairs for LMI homeowners                                    |
|          | <b>Target Date</b>   |  |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 261 LMI homeowners, primarily elderly and disabled   |
|          | <b>Location Description</b>  | Low-to moderate income census tracts.  |
|          | <b>Planned Activities</b>  | Minor to substantial home rehabilitations for LMI homeowners   |
| <b>9</b> | <b>Project Name</b>  | Chattanooga Community Housing Development Org Roofing Program  |
|          | <b>Target Area</b>   |  |
|          | <b>Goals Supported</b>   | Increase Affordable Housing Opportunities  |
|          | <b>Needs Addressed</b>   | Preserve existing housing stock<br>Improved/Increased Access/Retention to Housing                        |
|          | <b>Funding</b>   | CDBG: \$150,000  |
|          | <b>Description</b>   | Funds to repair/replace roofs for LMI homeowners   |
|          | <b>Target Date</b>   | 6/30/2016  |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 20 LMI homeowners will receive roof replacements to stabilize their homes                                |
|          | <b>Location Description</b>  | City-wide  |

|           |  |   |
|-----------|--|---|
|           | <b>Planned Activities</b>  | Replace roofs on 20 homes   |
| <b>10</b> | <b>Project Name</b>  | CNE Homebuyer Education/Pre-Purchase Counseling   |
|           | <b>Target Area</b>   |   |
|           | <b>Goals Supported</b>   | Increase Affordable Housing Opportunities   |
|           | <b>Needs Addressed</b>   | Improved/Increased Access/Retention to Housing  |
|           | <b>Funding</b>   | CDBG: \$15,000  |
|           | <b>Description</b>   | Funds to provide homeowner education and pre-purchase counseling classes                          |
|           | <b>Target Date</b>   | 6/30/2016   |
|           | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 70 potential homebuyers will receive homebuyer education and pre-purchase counseling              |
|           | <b>Location Description</b>  | Primarily for low/moderate income residents of the City-wide                                      |
|           | <b>Planned Activities</b>  | homebuyer education classes and pre-purchase counseling   |
| <b>11</b> | <b>Project Name</b>  | CNE Homeowner Rehabilitation Program  |
|           | <b>Target Area</b>   |   |
|           | <b>Goals Supported</b>   | Increase Affordable Housing Opportunities   |
|           | <b>Needs Addressed</b>   | Preserve existing housing stock<br>Improved/Increased Access/Retention to Housing                 |
|           | <b>Funding</b>   | CDBG: \$100,000   |
|           | <b>Description</b>   | Funds to provide homeowner rehabilitation for LMI homeowners, including lead remediation.         |
|           | <b>Target Date</b>   | 6/30/2016   |
|           | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 4 low income homeowners will have their homes rehabilitated                                       |
|           | <b>Location Description</b>  | City-wide   |
|           | <b>Planned Activities</b>  | Rehabilitate homes in substandard condition for qualified homeowners, including lead remediation. |
| <b>12</b> | <b>Project Name</b>  | Family Promise of Chattanooga   |
|           | <b>Target Area</b>   |   |

|           |  |  |
|-----------|--|--|
|           | <b>Goals Supported</b>   | Services and Housing for Homeless  |
|           | <b>Needs Addressed</b>   | Housing and services for homeless populations  |
|           | <b>Funding</b>   | CDBG: \$25,000   |
|           | <b>Description</b>   | Funds for the salary for a centralized intake manager  |
|           | <b>Target Date</b>   | 6/30/2016  |
|           | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | An estimated 100 families will be served by the Centralized Intake Manager   |
|           | <b>Location Description</b>  | 1184 Baldwin Street, Chattanooga, TN 37403   |
|           | <b>Planned Activities</b>  | Provide case management through intake and assessment, securing connections to supportive services, and assisting in securing housing  |
| <b>13</b> | <b>Project Name</b>  | Homeless Coalition - COC   |
|           | <b>Target Area</b>   |  |
|           | <b>Goals Supported</b>   | Services and Housing for Homeless  |
|           | <b>Needs Addressed</b>   | Housing and services for homeless populations  |
|           | <b>Funding</b>   | CDBG: \$25,000   |
|           | <b>Description</b>   | Funds to support the planning activities associated with the Continuum of Care application   |
|           | <b>Target Date</b>   | 6/30/2016  |
|           | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | It is expected that 3000 people will benefit from the Homeless Coalition receiving the Continuum of Care grant   |
|           | <b>Location Description</b>  | 600 N Holtzclaw Avenue, Chattanooga, TN 37404  |
|           | <b>Planned Activities</b>  | Policy and advocacy meetings, COC APR technical assistance, Point in Time Count, Housing Inventory Count, COC application, Technical Assistance for community COC applications, and COC consistency with Consolidated Plan |
| <b>14</b> | <b>Project Name</b>  | Homeless Coalition - HMIS  |
|           | <b>Target Area</b>   |  |
|           | <b>Goals Supported</b>   | Services and Housing for Homeless  |
|           | <b>Needs Addressed</b>   | Housing and services for homeless populations  |

|    |  |   |
|----|--|---|
|    | <b>Funding</b>   | CDBG: \$34,000  |
|    | <b>Description</b>   | Funds to provide the mandatory match for the HMIS system                                    |
|    | <b>Target Date</b>   |   |
|    | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 141 agencies will be on the HMIS system, allowing coordination of benefits for the homeless |
|    | <b>Location Description</b>  | 600 N Holtzclaw Avenue, Chattanooga, TN 37404   |
|    | <b>Planned Activities</b>  | HMIS training, licenses, and maintenance  |
| 15 | <b>Project Name</b>  | Habitat for Humanity  |
|    | <b>Target Area</b>   |   |
|    | <b>Goals Supported</b>   | Increase Affordable Housing Opportunities   |
|    | <b>Needs Addressed</b>   | Preserve existing housing stock<br>Improved/Increased Access/Retention to Housing           |
|    | <b>Funding</b>   | CDBG: \$50,000  |
|    | <b>Description</b>   | Funds for home repairs for LMI homeowners   |
|    | <b>Target Date</b>   | 6/30/2016   |
|    | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 16 LMI homeowners will receive homre repairs  |
|    | <b>Location Description</b>  | East Chattanooga  |
|    | <b>Planned Activities</b>  | Weatherization repairs, critical repairs, minor repairs                                     |
| 16 | <b>Project Name</b>  | ESG 15 Homeless Prevention  |
|    | <b>Target Area</b>   |   |
|    | <b>Goals Supported</b>   | Services and Housing for Homeless   |
|    | <b>Needs Addressed</b>   | Housing and services for homeless populations   |
|    | <b>Funding</b>   | ESG: \$150,938  |
|    | <b>Description</b>   | Funds to support ESG activities   |
|    | <b>Target Date</b>   | 6/30/2016   |

|  |  |   |
|--|--|---|
|  | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Over 700 will homeless clients will benefit from the ESG funds, as well as over 180,000 meals will be served to the homeless.             |
|  | <b>Location Description</b>  | City-wide   |
|  | <b>Planned Activities</b>  | Rapid Re-Housing, Homeless Prevention, Shelter Operations, Obtaining HMIS license, Emergency Shelter, and Administration of the ESG Grant |

## **AP-50 Geographic Distribution – 91.220(f)**

### **Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

Funding received for Consolidated Plan projects and activities serve low and moderate income residents and neighborhoods within the city limits of Chattanooga. The current median income for a family of four in Chattanooga is \$54,200. Incomes for families served under these programs/activities do not exceed \$44,100 (80% of the median income). Although CDBG regulations require a minimum of 70% of the funds, (over a three year period, be used to benefit low/moderate income residents), past reporting has shown that for the City of Chattanooga 100% of the funding has met that requirement.

### **Geographic Distribution**

| <b>Target Area</b> | <b>Percentage of Funds</b> |
|--------------------|----------------------------|
|                    |                            |

**Table 63 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

Investments in the City are directed in the low to moderate income census tracts when using CDBG and HOME Investment Act funds. It is obvious that not all affordable housing projects are located in those census tracts, but the households receiving assistance are low-to-moderate income. Projects that have an area benefit are definitely located in the tracts designated low to moderate income. These tracts are made up of at least 51% low to moderate income citizens. Projects that have an area benefit are located accordingly.

### **Discussion**

The distribution of funds are projected to be primarily citywide due to the use of funds for administrative, non-profit programs, and assistance to individuals under housing activities.

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

The Department of Economic and Community Development has made affordable rental and homeownership housing its number one priority. The department is committed to providing housing for non-homeless, homeless and special needs populations, with special emphasis on homeless veterans. ECD will commit department dollars as well as CDBG and HOME funds to the development of affordable units for rental and homeownership and the rehabilitation of existing units to maintain housing affordability. In addition, we will look to LIHTC partnerships to help provide large scale affordable rental units. ECD is also committed to housing related services, such as homebuyer education and infrastructure improvements that support affordable housing, including sidewalks, sewer lateral replacements, and demolition of blighted structures.

| <b>One Year Goals for the Number of Households to be Supported</b> |       |
|--|-------|
| Homeless   | 435   |
| Non-Homeless   | 2,000 |
| Special-Needs  | 27    |
| Total  | 2,462 |

**Table 64 - One Year Goals for Affordable Housing by Support Requirement**

| <b>One Year Goals for the Number of Households Supported Through</b> |     |
|--|-----|
| Rental Assistance  | 205 |
| The Production of New Units  | 249 |
| Rehab of Existing Units  | 271 |
| Acquisition of Existing Units  | 20  |
| Total  | 745 |

**Table 65 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

##### Affordable Homeownership Objectives

Homeownership opportunities for low- to moderate-income families will be provided through Habitat for Humanity. HOME funds are used by Habitat for homeownership development.

Homeownership education is provided by CNE to insure that owning a home will be a successful experience instead of a failure for low/moderate, first time home purchasers. Homeowner

##### Rehabilitation Objectives

CNE Homeowner Rehabilitation Program: Funding will subsidize a program managed by CNE under

which LMI families, who are unable to get bank financing for needed home improvements, can access low- to no-interest loans to repair their homes and bring them up to local code standards. CNE expects to serve 4 households this year.

**CCHDO Roof Replacement Program:** Roof replacement is often the most expensive improvement made to a home. CCHDO's Roof Replacement Program is designed to assist lower-income families in making this vital improvement. Using CDBG funds, the Chattanooga Community Housing Development Organization (CCHDO) proposes to assist approximately 20 homeowners with stabilizing their homes by providing new roofs.

**ECD Home Repair Program:** This program will assist 200 LMI homeowners, primarily elderly and the disabled, with home repairs.

**Habitat for Humanity Brushed with Kindness Program:** Weatherization and critical repairs will be provided to 16 LMI homeowners in the Bushtown Neighborhood and the surrounding area.

#### Affordable Rental Objectives

**Low-Income Housing Tax Credit (LIHTC):** Low-Income Housing Tax Credit (LIHTC): The City will offer gap financing to support the development of LIHTC backed projects funded through the Tennessee Housing Development Agency (THDA).

**ECD Rental Housing Program (AHI):** This is a pot of HOME money reserved for the development of affordable rental housing for LMI individuals, families, special needs and veterans.

**Rental Property Renovation Program:** Provides funds for rehabilitation of vacant, substandard rental units for affordable rental. Will provide 10 renovated affordable rental units to the current market.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The CHA currently has 219 project based vouchers, including those at Dogwood Manor, that serve disabled, handicapped and several other specific populations at various facilities. In the case of new construction or significant renovation, CHA may participate as a developer, fee consultant and/or lender. The CHA plans to continue to issue project-based vouchers through the RFP process as special housing needs are identified and/or as demand for additional subsidized housing operations increases.

The CHA's Housing Choice Voucher Program currently has a waiting list of 1,000 applicants.

Currently unit occupancy lists indicate that 95% of the HCVP units and 94% of the LIPH units are occupied by residents with an income level below 50% of the AMI and with the majority of these in the extremely low category.

### **Actions planned during the next year to address the needs to public housing**

Goal: Increase the availability of decent, safe and affordable housing by expanding the supply of assisted housing in Chattanooga

Goal: Increase assisted housing choices through providing public housing to voucher conversions and outreach efforts to obtain new Section 8 landlords

Goal: Improve community quality of life and economic vitality by promoting more mixed income housing and continue to discourage and eliminate crime and security problems in public housing

Goal: Promote client self-sufficiency and asset development by providing support to elderly and disabled clients' independence and enhance the employability of clients

Goal: Ensure equal opportunity in and affirmatively further fair housing by implementing affirmative action measured and diversifying public housing resident populations

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

Resident Councils are located at the following sites: Boynton Terrace, Greenwood/Scattered Sites, Mary Walker Towers to encourage residents to become involved in the activities and concerns of their housing development. There is also a Resident Advisory Board.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

Chattanooga Housing Authority officials were notified on 11/15/11 that the agency is no longer designated as “troubled” by the U.S. Department of Housing and Urban Development.

**Discussion**

The CHA’s Housing Choice Voucher Program currently has a waiting list of approximately 1,000 applicants, selected through a lottery process from a pool of over 6,500 applicants.

HCVP – CHA began participating in the Small Area Fair Market Rent Demonstration Program 10/1/2012, which allows for higher FMRs for certain areas within Hamilton County. With the higher Payment Standards, we have seen an increase in the number of landlords offering property on our program. CHA continues to administer 50 vouchers for veterans under the VASH program. The HCVP is also involved in a pilot program that enables participants to receive higher payment standards for units in more desirable Zip Codes in Hamilton County, Tennessee. The program is called the SAFMR Program.

LIPH- To address the threat to the long term viability of our public housing sites in this era of declining federal funding, CHA has shifted the focus of its renovation/modernization efforts to bare minimum preservation of housing. This new approach prioritizes building envelope and structural integrity; as well as plumbing, electrical and HVAC repairs to ensure building longevity and occupant safety. Less focus is placed on upgrades to living spaces, except insofar as they affect the viability of the site. This new approach is allowing our remaining Capital Funds to have the greatest impact on the preservation of housing. On the operational side,

Currently unit occupancy lists indicate that 95% of the HCVP units and 94% of the LIPH units are occupied by residents with an income level below 50% of the AMI and with the majority of these in the extremely low category.

According to the CCP, there is an increasing need for an expanded supply of one, two and three bedroom, non-elderly affordable units both in public and private housing. This statement is supported by data from the LIPH waiting list for one and two bedroom units.

CHA and the CCP both recognize that there is a demand in Chattanooga for Special Needs Housing. This includes, but is not limited to, housing for disabled/handicapped families, homeless families, victims of domestic violence, children aging out of foster care and veterans. Specialized housing for those requiring

fully accessible units and units for the hearing and vision impaired are needed.

Under an agreement signed with HUD in 2011, CHA continues to work to document, maintain and enhance its responsiveness to the needs of individuals with disabilities. The upgrades at Emma Wheeler Homes are including a number of units to be equipped for use by individuals with mobility and aural/visual disabilities.

Currently unit occupancy lists indicate that 95% of the HCVP units and 94% of the LIPH units are occupied by residents with an income level below 50% of the AMI and with the majority of these in the extremely low category.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

Funding from the Emergency Solutions Grant Program is used to support non-profit homeless services providers in Chattanooga. These funds provide agencies with additional means to target specific activities. In the coming program year, the following goals were identified for the ESG request for proposals.

(1) Street Outreach funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

(2) Emergency Shelter funds may be used for costs of providing essential services to homeless families and to individuals in emergency shelters, renovating buildings to be used as emergency shelter for homeless families and individuals, and operating emergency shelters.

(3) Homelessness Prevention funds may be used to provide housing relocation and stabilization services and short and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place.

(4) Rapid Re-housing Assistance funds may be used to provide housing relocation and stabilization services and short and/or medium term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing.

(5) Relocation and Stabilization Services funds may be used to pay financial assistance to housing owners, utility companies and other third parties.

(6) HMIS funds may be used to pay the costs of contributing data to the HMIS designated by the Continuum of Care for the area.

The City is committed to end homelessness for all. ESG funds have been used in the past to assist area agencies in this mission and will continue to do so for the 2015-2016 Action Plan year. Efforts are concentrated in the areas of rapid re-housing, homeless prevention, emergency shelter, and shelter support.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

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

Chattanooga Regional Homeless Coalition, the coalition of local homeless service agencies, conducts annual surveys of homeless individuals, including unsheltered persons. These surveys serve to help focus agency activities for the coming year, as well as provide documentation in response to HUD program requirements. ESG funding includes street outreach activities. Homeless providers are focusing efforts on improving the process for identifying and triaging homeless for assistance.

ESG & CDBG funds are provided for a full time housing stabilization manager who will assess incoming homeless families and individuals needs and rapidly re-house them. The Community Kitchen also provides outreach to the homeless population to assist them with appropriate referrals and other resources.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The City is providing funding to Partnership for Families, Children, and Adults, who provide emergency shelter for domestic violence victims and homeless families. The Community Kitchen also provides emergency shelter during the cold months to assist the homeless with getting off the streets during the dangerous winter temperatures. Family Promise and Room in the Inn also provides emergency shelter to incoming clients. Youth and Family Development will provide rapid re-housing assistance to those who are newly homeless. Hamilton County Health Department will provide financial assistance for housing for current clients of the Health Department programs.

### **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**

Many agencies that the City funds (Partnership and Room in the Inn) have self-sufficiency plans that are required of their clients while they are living at the shelter. They are committed to continuing this practice and strive to keep the length of shelter stays to a minimum, while at the same time having the clients continually progressing through their programs and toward their self sufficiency goals. Stays can be longer if a client is in need of more assistance or time. These plans can include obtaining a GED, getting into college to Community College, obtaining employment and saving for permanent housing. Room in the Inn is also equipped with transitional housing that clients can move to before becoming ready to completely moved to permanent housing, in order to maximize success.

### **Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving**

**assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

The City funds agencies to provide emergency assistance for the purposes of preventing homelessness. The Hamilton County Health Department provides rent and utility assistance to clients who are in danger of becoming homeless. Youth and Family Development provides similar assistance as well as deposits to rapidly re-house people who are in imminent danger of losing their home as a result of substandard living conditions. In addition, the City has a Rental Housing program that will provide funding to rehabilitate or develop rental housing for special need individuals, veterans, and other target populations.

**Discussion**

The City will fund several programs using ESG funds to address homeless needs. These programs include:

Hamilton County Health Department - Emergency Assistance Program

Chattanooga Community Kitchen - Shelter Support

Room in the Inn - Shelter Support, HMIS and Rapid Re-Housing

Family Promise - Full Time Housing Stabilization Manager

Youth and Family Development - Rapid Re-Housing assistance

Partnership for FCA - Emergency Shelter for families and victims of domestic violence

## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

Chattanooga seeks to improve communities by increasing the availability of affordable housing in neighborhoods throughout the City. This effort involves builders, realtors, developers, housing agencies and citizens in the creation of a variety of housing opportunities. This approach has proven to make for better neighborhoods and serves as a means of removal of barriers to the creation of affordable housing alternatives.

The development of affordable housing in the Chattanooga community is impacted by the limited amount of federal, state, and local dollars to purchase the land and build affordable housing units. Each year, the amount of CDBG and HOME Investment Act dollars has decreased. The nonprofit housing developers do not have the financial resources to construct housing without other incentives that would allow those organizations to profit from the creation of such units in order to reinvest more dollars into the construction or renovation of units.

Over the next year, \$652,298 in CDBG funds will be used to fund provide affordable housing through development and/or stabilization through rehabilitation. These programs include:

|            |  |
|------------|--|
| \$150,000  | CCHDO Roofing Repair                                   |
| \$100,000  | CNE Homeowner Rehabilitation Program                   |
| \$175,000  | ECD Home Repair Program                                |
| \$177, 298 | ECD Landlord Unit Repair Program                       |
| \$50,000   | Habitat for Humanity Brushed With Kindness Home Repair |

Over the next year, \$765,245 in HOME funds will be used to fund provide affordable housing through development and homebuyer assistance. These programs include:

| Funds     | Agency | Project                      |
|-----------|--------|------------------------------|
| \$665,430 |        | ECD Rental Housing Program   |
| \$99,815  |        | ECD Mandatory CHDO set aside |

**Actions it planned 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**

1. Establish an Affordable Housing Trust to provide financing assistance to public, private, or non-profit housing providers at a discount in return for incorporating affordable housing into their projects.
2. Consider replacing the City's current zoning codes in select areas with a Form-based Code which, in part, could allow a wider variety of real property uses.
3. Establish a Land Bank Authority (LBA) to aid in the process of encouraging the production of affordable housing and other economic development in a thoughtful, but expedient way.
4. Restrict the current Payment in Lieu of Taxes (PILOT) incentive program to developers with projects that reserve at least 20% of the units for tenants or homeowners with income levels that do not exceed 80% of the Area Median Income (AMI) as annually defined by US Department of Housing and Urban Development HUD.
5. Establish a Rental Registry requiring landlords within the city limits to register and maintain their rental property to defined standards.

Fair Housing testers will go out during the months of March, April, May, June.

During the month of April, ECD will partner with CNE and make available the viewing of "A Matter of Place" a film produced by the Fair Housing Justice Center; a Proclamation in the Times Free Press on April 1st, ECD will partner with the Chattanooga Realtors Association and Tennessee Legal Aid to provide (2) Fair Housing Workshops; Mandatory Fair Housing Training will be required for all organizations receiving funding for the FY 2015/2016; The annual Fair Housing event will be sponsored during MLK week in partnership with the Unity Group, OMA and ECD. The City will also be attending various Fair Housing Workshops, and will participate in the Fair Housing activities in Knoxville on April 17th.

A Fair Housing Survey was conducted as part of the Consolidated Plan process, The results have are included in the Attachments Section. 171 responses we received.

**Discussion:**

In conducting the Chattanooga Housing Study 2013, RPA surveyed members of the Greater Chattanooga Association of Realtors® (GCAR) and the Home Builders Association of Greater Chattanooga (Home

Builders) on their views of the current housing market and on the future market five and ten years out. RPA also held separate focus groups with neighborhoods, subsidized housing renters, non-profit housing providers, home builders and regulatory agencies to gather different perspectives that should be considered in improving the housing market for everyone. These are excerpts from the study regarding challenges seen by the groups to developing and or providing access to housing.

*Current City codes impact housing affordability and the feasibility for small lot infill due to site engineering, road width and setback requirements which limit options for retaining a site's natural features or to configure the development in a way that promotes compatibility.*

*The Neighborhood Focus Group believed that the current land use zoning creates a gap in the supply of alternative housing options in existing neighborhoods. At the time the survey was conducted financing was a problem for both builders and buyers. So while there may be an increased demand for certain types of housing, builders were having a hard time getting financing for their projects. Realtors also identified buyer financing as being an issue, with home loans more difficult to obtain.*

*In the Homebuilders Focus Group, excessive site engineering requirements (grading/wider streets) and the need to upgrade urban infrastructure (sewer lines) was indicated as a major challenge to infill development and affordable housing.*

*The Subsidized Rental Focus Group cited several barriers to affordable rental housing within Chattanooga. They noted that Housing Choice Vouchers are too low to cover housing in more desirable neighborhoods; many landlords are resistant to rent to voucher holders; affordable housing is often in very poor condition; and there is no coordinated and sustained support for low-income families transitioning from public housing to the private market.*

*According to the builders survey and focus group, more flexibility and streamlining is needed for building and development regulations. Builders also cited street right-of-way, site engineering, urban sewer repairs and setbacks as regulatory barriers to infill development. This would allow builders to respond to demand more rapidly and thereby reduce gaps between supply and demand. The neighborhoods said the enforcement of building codes and city standards was a major issue. Problem properties hurt the marketability of neighborhoods with a supply of dwelling units and vacant properties.*

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

The City currently provides a variety of services to the residents of Chattanooga, some funded by CDBG, HOME, and ESG, with private, State, and City funding bringing additional assets to bear on these problems. Below are some of the actions currently performed by the City or under consideration for the future.

### **Actions planned to address obstacles to meeting underserved needs**

The City will continue to look for new funding sources for programs to address underserved needs. Funding is the major obstacle in providing the services needed to focus on the vast variety of issues that prevent families from breaking out of poverty and from living in the best, most affordable housing possible.

### **Actions planned to foster and maintain affordable housing**

Addressing the need for affordable is a major priority in this city. Additional resources are being sought after and new tools explored to increase funding and eliminate the barriers. Over 75 percent of anticipated funding is targeted directly for housing.

CDBG, ESG and HOME is expected only cover a small percentage of the cost to address affordable housing needs. The City is addressing this through partnering with developers using LIHTC funding, making incentives available to developers to encourage investments in affordable housing, using a Land Bank Authority to assemble property in a strategic manner for development, and eliminating any counter-productive codes. The 2015-16 home repair programs, partnering with developers to create affordable rental housing for LMI families and special needs populations, with emphasis on veterans housing are some efforts designed to assist in addressing the need.

### **Actions planned to reduce lead-based paint hazards**

The City is applying for a Lead Based Paint Reduction Grant in June 2015. If this grant is received, we will provide lead reduction to many low income homes in the Chattanooga area.

The City of Chattanooga went into compliance with the Lead Based Paint regulations in 2002. The City will continue to implement the HUD regulations for elimination of lead based paint hazards. The City ensures that all of the affordable housing providers/developers using federal funds comply with HUD's Lead-Safe Housing Regulations and lead hazard evaluation and reduction activities are included in all housing and improvement programs. The Community Development Office has a staff member licensed by the State of Tennessee and certified by the EPA to perform lead based paint inspections and dust

wipe clearance exams.

### **Actions planned to reduce the number of poverty-level families**

The City will continue its efforts in conjunction with the Homeless Coalition Continuum of Care, other service providers and the Housing Authority of Chattanooga to reduce the number of poverty-level families through the development of services needed to assist those families with educational opportunities, job growth, and life skills training through the various social service agencies operating in the city.

### **Actions planned to develop institutional structure**

There are several trainings provided to City employees each year. These include Title VI training, Fair Housing training, and EEO training. In addition, the Office of Community Development attends regular trainings to keep abreast of HUD program changes.

The City is restructuring departments and services to match the priorities of the communities, ensuring that departments are more attentive than ever to the lives of the people they serve - including transportation, affordable housing, clean streets and clean water, and finding productive after school activities for kids.

The Chattanooga Performance Dashboard (ChattaData) serves as a platform to measure our progress towards our goals, through a more streamlined government than ever before. This space will provide an overview of our overarching policy objectives, provide data on how we are meeting those objectives, and empowering private sector partners, public sector leaders, and all Chattanoogaans to track and help make choices that lead to safer streets, smarter students, stronger neighborhoods, a growing economy, and sounder government.

The Berke Administration implemented Budgeting for Outcomes (BFO) citywide for the fiscal year 2015 budget, including agency support. Budgeting for Outcomes is an innovative, performance-based approach to allocating funds. Through a full implementation of BFO, the City has realigned dollars more closely with strategic, community priorities and reinforced a culture of performance and results.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

Collaboration and coordinating efforts is something the City takes pride in. These efforts have allowed the City to make great strides in developing systems to better serve the citizens. The City will continue to coordinate planning activities with private housing and social service agencies, including participation in Homeless Coalition meetings and development of the Continuum of Care. City staff will also continue

its participation in other coalitions and study groups as the opportunity arises.

The City has applied for a Promise Zone designation from the federal government. If received, it would facilitate a concerted effort into the East Chattanooga area, which is statistically one of the poorest, with the highest crime and unemployment rates.

**Discussion:**

The actions are primarily the continuation of what the City is currently doing in the various areas. No major obstacles in the institutional structure have been identified that need to be addressed. The City is also satisfied with its efforts to coordinate with private housing and social service agencies.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

#### Introduction:

The following provides details on program specific requirements for each of the three entitlement programs, Community Development Block Grant, HOME Investment Partnership, and Emergency Solutions Grant.

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

|  |          |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed  | 0        |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0        |
| 3. The amount of surplus funds from urban renewal settlements  | 0        |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan   | 0        |
| 5. The amount of income from float-funded activities   | 0        |
| <b>Total Program Income:</b>   | <b>0</b> |

#### Other CDBG Requirements

|   |         |
|---|---------|
| 1. The amount of urgent need activities   | 0       |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 100.00% |

**HOME Investment Partnership Program (HOME)**  
**Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City continues to apply for resources in support of the implementation of its community development programs. In addition to HOME, CDBG, and ESG funds, the City relies on other federal and state resources for leveraging. The following are other grants currently received or represent applications for funding currently under consideration:

THDA Weatherization Funds - The City anticipates receiving approximately \$200,000 in State funds from Tennessee Housing Development Agency for weatherization improvements to low income residents in Hamilton County. SETHRA is operating the program on behalf of the City. The City plans to take advantage at every opportunity to apply for available funding from THDA for housing activities.

Promise Zone - The City has applied for a Promise Zone designation from the federal government. If received, it would facilitate a concerted effort into the East Chattanooga area, which is statistically one of the poorest, with the highest crime and unemployment rates.

Low Income Housing Tax Credits Private - developers are encouraged to apply for state allocations of tax credit equity for affordable housing development and the proceeds from the syndication of tax credits will be used to leverage multifamily rental development projects.

Lead Based Paint - the City will submit an application for Lead Based Paint funding. Funds will be used to provide mitigation assistance for housing impacted by lead based paint.

Choice Neighborhood Implementation Grant If available - the City will apply for a Choice Neighborhood Implementation Grant. This grant is designed to support those communities that have undergone a comprehensive local planning process and are ready to implement their Transformation Plan to redevelop the neighborhood.

Youthbuild - If available, the City will apply for a YouthBuild Grant. The YouthBuild programs engages low-income young people ages 16 to 24 to work full-time for 6 to 24 months toward their GEDs or high school diplomas while learning job skills by building affordable housing in their communities.

Private, Non-profit, for-profit, Sub-grantee Partners: Leveraging resources are strongly encouraged from entities partnering with the City in developing housing.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

#### Recapture Option

When HOME funds are used as a direct subsidy, recapture provisions must be used and if the HOME recipient sells the property within the affordability period, the direct HOME subsidy must be recaptured. The sale of the HOME assisted property, (through direct subsidy), during the affordability period triggers repayment (recapture) of the direct HOME subsidy in full, except in instances where a forgivable loan is used to finance the HOME assistance to the homebuyer and the HOME balance is reduced by an equal amount annually during the period of affordability. In which case, the unreduced balance must be recaptured. If the net proceeds are not sufficient to recapture the full HOME investment plus enable the homeowner to recover the amount of the homeowner's down-payment and any capital improvement investment made by the owner since purchase, the net proceeds will be divided proportionally. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs.

A subsequent income-eligible homebuyer may be permitted to assume existing loan and affordability restrictions under the recapture provision. However, an eligible homebuyer can only assume the existing loan and affordability obligations if no additional HOME assistance is provided to the subsequent homebuyer. In cases in which the subsequent homebuyer needs HOME assistance in excess of the balance of the original HOME loan, the HOME subsidy (the direct subsidy as described in § 92.254) to the original homebuyer would be recaptured and separate HOME subsidy would be provided to the new homebuyer.

#### Resale Option

If the HOME assistance is only used as development subsidy, the assisted housing is designated as an affordable unit and resale requirements are applicable and must be incorporated as part of a covenant deed running with the land and in a HOME agreement with the homebuyer. A development subsidy is the difference between the cost to develop housing and the market price.

The homebuyer must retain the property as a principal residence and the housing must remain affordable to a reasonable range of low-income homebuyers through the period of affordability. This includes households with incomes at or below 80% AMI paying no more than 30 percent of income for principle, interest, property taxes, and insurance. If the housing does not continue to be the principal residence of the family for the duration of the period of affordability, the housing must then be made available for subsequent purchase only to a HOME eligible buyer that qualifies as a low-income family and who will use the property as its principal residence.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Subrecipients will be required to enforce compliance with affordability restrictions by imposing deed restrictions and covenants running with the land or other similar mechanisms. The affordability requirements for projects qualifying as affordable rental housing in accordance with 24 CFR 92.252 must be enforced by default provisions or deed of trust restrictions. When the Subrecipient provides homeownership assistance, contracts must include provision for sale or recapture as set forth in the City's Resale/Recapture guidelines.

In the event of a failure of a HOME Program beneficiary to satisfactorily adhere to all applicable affordability requirements, the City of Chattanooga will use the following recapture/resale provisions to ensure that the intent of the HOME funded activity is accomplished or that the unforgiven portion of the HOME funds are recaptured and used for other activities eligible under the HOME Program. However, in order to keep a property affordable for the intended duration of the period of affordability, the City reserves the right to assign a project to another capable, willing and eligible entity to carry out the terms of the original agreement.

The affordability restrictions will terminate due to foreclosure or a transfer of the property in lieu of a foreclosure; however, if the owner obtains an ownership interest in the property before the foreclosure or deed in lieu of foreclosure, during the original affordability period, the affordability restrictions shall be revived.

HOME funds may be used to refinance existing debt on single-family, owner-occupied properties in connection with HOME-funded rehabilitation. The refinancing must be necessary to reduce the owner's overall housing costs and make the housing more affordable. Refinancing for the purpose of taking out equity is not permitted. HOME may also be used to refinance existing debt on multi-family projects being rehabilitated with HOME funds, if refinancing is necessary to permit or continue long-term affordability. In addition, the rehabilitation must be the primary activity (e.g. the majority of HOME funds going to rehabilitation).

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The written policy for refinancing existing debt is outlined in our Resale/Recapture Policy, and below:

HOME funds may be used to refinance existing debt on single-family, owner-occupied properties in connection with HOME-funded rehabilitation. The refinancing must be necessary to reduce the owner's overall housing costs and make the housing more affordable. Refinancing for the purpose of taking out equity is not permitted. HOME may also be used to refinance existing debt on multi-family projects being rehabilitated with HOME funds, if refinancing is necessary to permit or continue long-term affordability. In addition, the rehabilitation must be the primary activity (e.g. the majority of HOME funds going to rehabilitation).

Currently we have no plans to employ the option of refinancing a current multi-family project with HOME funds.

#### **Emergency Solutions Grant (ESG) Reference 91.220(I)(4)**

1. Include written standards for providing ESG assistance (may include as attachment)

Included as an attachment due to size.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Congress has directed HUD to improve the collection of data on the extent of homelessness locally and nationally. Communities must collect an array of data including an unduplicated count of homeless persons, analyze their patterns of the use of the McKinney-Vento and other assistance, including information on how they enter and exit the homelessness assistance system and assess the effectiveness of that assistance. Through the Federal Register Notice, the Emergency Solutions Grants Program and Community Development Block Grants were made a part of this mandate. Therefore, all proposed projects/organizations must provide written certification of their participation in an existing HMIS.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City of Chattanooga expects to receive approximately \$150,938 for the FY2015 Emergency Solutions Grant (ESG) Program. These funds will be awarded to community-based, nonprofit organizations providing emergency shelter and related services to the homeless, on a dollar-for-dollar match. Emergency Solutions Grant funds may be used for operations and maintenance, homeless prevention, essential support services and renovation/rehabilitation activities in connection with emergency shelters for the homeless. It is a priority of the U.S. Department of Housing and Urban Development (HUD) and the City of Chattanooga to work under a Continuum of Care approach to homelessness to assist homeless individuals and families to obtain a decent living environment, either through rental housing or home ownership. The City seeks proposals to provide shelter and supportive services for the homeless.

#### PRIORITIES

The purpose of the Emergency Solutions Grant (ESG) Program is to: 1) Broaden existing emergency shelter and homelessness prevention activities; 2) Emphasize Rapid Re-Housing; and, 3) Help people quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness; 4) Enhance alignment of ESG regulations with other HUD programs including CDBG, HOME, and Housing Choice Voucher (HCV) program; and support more coordinated and effective data collection, performance measurement, and program evaluation.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City requires non-profits participating in the ESG program to have homeless representatives on their boards of directors.

5. Describe performance standards for evaluating ESG.

HUD has implemented a mandated system of reporting performance measurements in a precise and timely manner. All recipients funded under this proposal must provide needed data to the city of Chattanooga in order to be reimbursed for eligible expenses. All of the activities funded must identify one of the three performance measurements overarching objectives: 1) creating suitable living environment (In general, this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment); 2) providing decent affordable housing (This objective focuses on housing programs where the purpose is to meet individual family or community needs and not programs where housing is an element of a larger effort); 3) creating economic opportunities (This objective applies to the types of activities related to economic development, commercial revitalization, or job creation). There are also three

outcomes under each objective: (1) Availability/Accessibility, (2) Affordability, and (3) Sustainability. Thus, the three objectives, each having three possible outcomes, will produce nine possible outcome/objective statements within which to categorize grant activities, as follows:

**Availability/Accessibility.** This outcome category applies to activities that make services, infrastructure, housing, or shelter available or accessible to low-and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low-and moderate-income people.

**Affordability.** This outcome category applies to activities that provide affordability in a variety of ways in the lives of low-and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or daycare.

**Sustainability: Promoting Livable or Viable Communities.** This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefits to persons or low-and moderate-income people or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods

**Discussion:**

The City strives to meet all program specific requirements as detailed in the enabling legislation and program guidelines. City staff work with subgrantees to ensure that these requirements are met, and oversees internal operations towards the same goal.

## Appendix - Alternate/Local Data Sources