



Third Program Year CAPER

The CPMP Third Year Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

GENERAL

NORTHEAST TENNESSEE/VIRGINIA HOME CONSORTIUM Executive Summary

Program Year 3 CAPER Executive Summary response:

The Northeast Tennessee/Virginia HOME Consortium completed its tenth year in 2012-13. This group of cities and counties (Bristol, Tennessee and Bristol, Virginia; Bluff City, Johnson City and Kingsport, Tennessee; and Sullivan and Washington County, Tennessee) established the first and only HOME Consortium in the State of Tennessee. Four of the cities also receive CDBG Entitlement funds. The Consortium has concentrated on homeownership (down-payment and closing-cost assistance) and owner-occupied rehabilitation/reconstruction activities for low and moderate-income households.

Since July 2003, the Consortium has:

- Assisted 511 households with the purchase of owner-occupied real estate with an average purchase price of approximately \$85,000.
- Rehabilitated a 24-unit apartment complex that is rented to HUD Section 8 and Frontier Health special needs clients.
- Rehabilitated 42 owner-occupied homes.
- Totally reconstructed 41 owner-occupied homes with an additional one underway.
- Assisted two CHDOs with capacity building funds
- Assisted three CHDOs with new construction, acquisition and rehab
- Formed partnerships with other agencies, lenders and nonprofit groups to leverage additional funds to be able to serve lower income clients who were previously unable to purchase homes.

This results in the following:

- Our clients have been able to purchase over \$45 million in real estate. These clients have moved from being renters to tax-paying property owners.
- Improved living conditions and property values of those applicants who have received rehabilitation/reconstruction assistance.
- An increasing loan portfolio for the Consortium of over \$5.5 million dollars that will eventually bring recaptured funds/program income that will be available for future projects.

General Questions

1. Assessment of the one-year goals and objectives:
 - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.

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- b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.
 - c. If applicable, explain why progress was not made towards meeting the goals and objectives.
2. Describe the manner in which the recipient would change its program as a result of its experiences.
 3. Affirmatively Furthering Fair Housing:
 - a. Provide a summary of impediments to fair housing choice.
 - b. Identify actions taken to overcome effects of impediments identified.
 4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.
 5. Leveraging Resources
 - a. Identify progress in obtaining "other" public and private resources to address needs.
 - b. How Federal resources from HUD leveraged other public and private resources.
 - c. How matching requirements were satisfied.

CAPER General Questions response:

1. This section reports on the activities and accomplishments that were completed during the past fiscal year of July 1, 2012, through June 30, 2013. The information contained in this report was obtained from records kept by the jurisdiction and/or reported by other organizations using Federal funds to address housing and shelter issues within the Consortium area. The activities undertaken address pertinent Strategic Plan objectives and areas of high priority identified in the Northeast Tennessee/Virginia HOME Consortium's Consolidated Plan and, more specifically, in the one-year Action Plan for 2012-13.

The Consortium addressed the following HOME objectives:

- Provide decent affordable housing to lower income households.
- Expand the capacity of nonprofit housing providers.
- Expand the ability of state and local governments to provide housing.
- Leverage private sector participation.

The Consortium was awarded 2012-13 HOME funds of \$863,009 that the Consortium Board allocated as follows:

Administration (10%)	\$86,300.90
CHDO Set-Aside	\$130,417.35
Bluff City	\$10,000.00 (Rehabilitation)
Bristol, Tennessee	\$45,000.00 (Homeownership)
Bristol, Tennessee	\$24,991.98 (Rehabilitation)
Bristol, Virginia	\$57,266.17 (Rehabilitation)
Kingsport	\$75,000.00 (Homeownership)
Kingsport	\$71,346.87 (Rehabilitation)
Sullivan County	\$30,000.00 (Homeownership)
Sullivan County	\$78,169.43 (Rehabilitation)
Washington County	\$40,000.00 (Homeownership)
Washington County	\$42,717.80 (Rehabilitation)

Johnson City	\$100,000 (Homeownership)
Johnson City	\$71,798.50 (Rehabilitation)

The Cities/Counties also addressed projects with carryover funds from 2011-12.

Throughout the year, budget transfers between homeownership and rehabilitation within a jurisdiction were made in order to address the needs within the cities and counties. The Consortium’s Citizen Participation Plan allows for up to 20% of the total grant to be utilized in this manner. The 20% was not exceeded in 2012-13.

The City of Bristol, Tennessee continued to serve as Lead Entity for the Consortium and assumed the responsibilities associated with this designation.

CHDO Projects

Horizon Community Development Corporation - \$130,417.35 of 2012-13 CHDO funds were awarded to Horizon Community Development Corporation to construct one duplex home in Bristol, Tennessee, to provide rental assistance. The construction of Windsor Avenue – is underway.

Performance Measurement
 Objectives: Decent Housing
 Outcome: Availability/Accessibility

Homeownership - \$274,808.47

The following homeownership accomplishments met the goals to *provide decent affordable housing to lower-income households, to expand the capacity of nonprofit housing providers and to leverage private sector participation.*

A Downpayment and Closing Cost program continued with the following parameters:

Beneficiaries of the program must have a total family annual gross income at or below 80% of Area Median Income (AMI). Income limits are determined by HUD income guidelines. Families at or below 80% of AMI will be eligible for a deferred payment loan based on the following income categories:

0-30% of Area Median Income (AMI)	\$10,000
31-50% of Area Median Income (AMI)	\$7,500
51-80% of Area Median Income (AMI)	\$5,000

Families were assisted into homeownership as follows:

Bristol, Tennessee	11 households	\$66,175
Bristol, Virginia	4 households	\$21,500
Johnson City	6 households	\$34,075
Kingsport	9 households	\$68,958.47
Sullivan County	5 households	\$31,875
Washington County	8 households	\$52,225

The above figures represent the expenditure of original allocations plus recaptured funds and, in some cases, transfers between a Consortium member’s line items.

The homeownership program was marketed by the Administrative Agent throughout the year. Numerous visits were made by staff to real estate offices and lenders in order to educate them about the programs of the Northeast Tennessee/Virginia HOME Consortium. The FTDD staff spoke at Head Start in Bluff City and at Head Start in Bristol, Tennessee regarding financial stability and how to get prepared to purchase a home.

Performance Measurement
Objective – Decent Housing
Outcome – Affordability

In June 2013, the Bristol, Tennessee City Council adopted a Resolution Designating June 2013 as National Homeownership Month.

Rehabilitation/Reconstruction - \$341,968.30

The HOME Consortium has utilized its funds to preserve the supply of affordable housing. The following rehabilitation/reconstruction accomplishments also met the goal to *provide decent affordable housing to lower income households*:

Johnson City – 3 reconstructions completed (Bragg, Gibson, and Mullins)	\$240,416.00
Sullivan County – 1 rehab and 1 reconstructions (Carter and Sims)	\$101,552.30

Performance Measurement
Objectives: Decent Housing
Outcome: Availability/Accessibility

2. Because of the experience over the past ten years and the success that has been demonstrated through the homeownership and rehabilitation/reconstruction projects, the Northeast Tennessee/Virginia HOME Consortium does not plan to change its program at the present time.

3. Affirmatively Furthering Fair Housing

Four members of the Northeast Tennessee/Virginia HOME Consortium address Fair Housing issues in conjunction with the use of CDBG funds. See the individual chapters of the CDBG Entitlement communities for specific accomplishments and impediments to fair housing choice. All applicants for the homeownership and rehabilitation/reconstruction programs are provided fair housing information, as well as those involved in any other expenditure of HOME funds.

Legal Aid of Upper East Tennessee offers services to low income residents of our region. They have worked specifically with landlords in the area to prevent discrimination of tenants. They also have conducted fair housing workshops in conjunction with Kingsport and Bristol's Housing Authorities. The Southwest Virginia Legal Aid Society serves Bristol Virginia residents.

The Northeast Tennessee/Virginia HOME Consortium consistently promotes fair housing through the distribution of the "Fair Housing, It's Your Right" brochure that is distributed to all HOME applicants for both homeownership and rehabilitation activities. Fair Housing is addressed during the application process for all HOME funds. Both Bristol and Johnson City run Fair Housing informational ads on the local

government channels of Charter Communications and BTES whose viewing area covers not only the cities but the counties as well.

Funds expended for fair housing activities and programs were from the Admin budget line in conjunction with the staff time charged to these activities.

Please see the attached IDIS table HOME Summary of Accomplishments, Home Unit Completions by Racial/Ethnic category during the 2012-13 fiscal year. Of the 48 units completed, forty five were White, one was Black, one was Asian and one was American Indian/Alaskan Native and White. The overall minority population of the Consortium area is approximately 5.3%; however, 20% of those served were from the minority categories. It is evident that all segments of the jurisdiction were more than equally served regardless of their protected class.

In 2008-09, a new Analysis of Impediments to Fair Housing was prepared by the members of the Northeast Tennessee/Virginia HOME Consortium and adopted by the Consortium Board. Listed below are actions that are being undertaken as a result of the updated Analysis of Impediments to Fair Housing. The following actions continue to be a part of our annual plan and program:

Continue and expand community outreach efforts to increase public awareness of Fair Housing Laws. This has been accomplished through the Fair Housing ads on our local government channel and the Resolution declaring April Fair Housing Month.

Establish greater participation with the Public Housing Authorities to include outreach efforts to rental owners for the Section 8 Program. This is accomplished in cooperation with the Housing Authorities within the Consortium boundaries.

Encourage and support efforts, particularly with local lenders, to increase the supply of low-income housing in all parts of the City. This is an ongoing effort through our Homeownership Assistance Program. One-on-one meetings have been held with lenders to educate them about our program that provides downpayment and closing cost assistance to first-time homebuyers.

Encourage and support efforts to increase job opportunities for low and moderate-income households. Economic development activities are undertaken in each city through the Chamber of Commerce, Economic Development Boards, the Johnson City Development Authority and the Tennessee Small Business Development Center in conjunction with East Tennessee State University and NETWORKS in Sullivan County.

The Consortium Analysis of Impediments is a summary of many housing and housing-related practices evident throughout the Consortium area that inadvertently or deliberately prevent people from living where they choose. The following factors were identified in the AI that might limit housing choice.

4. The Northeast Tennessee/Virginia HOME Consortium continues its efforts to create collaborative partnerships. As stated in the Action Plan, the funding provided through the HOME Program will be utilized to assist persons into homeownership and to rehabilitate and reconstruct single-family, owner-occupied homes. Partnerships will be continued with other housing (CHDO) and service agencies to overcome obstacles in meeting underserved needs.

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5. Leveraging Resources:
 - a. "Other" public and private resources were utilized to address the needs within the Consortium area. Some examples are: Federal Home Loan Bank, USDA Rural Development, Tennessee Housing Development Agency, Federation of Appalachian Housing Enterprise and Holston Habitat for Humanity.
 - b. Funds in the amount of \$3,401,952 were leveraged by lenders who assisted homebuyers.
 - c. The required match for the Northeast Tennessee/Virginia HOME Consortium is 25%. This was accomplished through working with private organizations, i.e., Holston Habitat for Humanity and the Tennessee Housing Development Agency, that offer subsidized interest rates to the homebuyer (foregone interest). Private and state loans/grants such as nonfederal funds from the Federal Home Loan Bank of Cincinnati are also utilized as are THDA New Start loans through Eastern Eight CDC.

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

CAPER Managing the Process response:

The City of Bristol, Tennessee, serves as the Lead Entity for the Northeast Tennessee/Virginia HOME Consortium. Additionally, the First Tennessee Development District serves as the Administrative Agent. Staff from the City of Bristol, TN and First Tennessee Development District attended several in-person trainings and webinars throughout the year offered by HUD, such as, Community Housing Development Organization, Participating Jurisdictions, Environmental, Financing, Fair Housing, and Staff Development. We also conducted HOME Rule and Procedure workshops to insure our CHDO's understand and comply with the HOME regulations. To insure comprehensive planning requirements, staff regularly attends Continuum of Care meetings, Housing Coalition meetings, and meetings conducted by local service agencies. Information from these meetings was used to assist us in the planning of our programs. Staff regularly seeks guidance from the Knoxville HUD office to ensure that projects are managed in accordance with the overall program requirements as outlined by the statutes and CPD notices.

Citizen Participation

1. Provide a summary of citizen comments.
2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

CAPER Citizen Participation response:

Fifteen-day public comment periods were conducted in the four CDBG Entitlement Cities and any public comments received are recorded in each of those cities' CDBG CAPERs. At all sessions, the 2012-13 HOME Consortium accomplishments were reviewed and draft copies of this document were made available.

Draft copies of the Consolidated Annual Performance Report were available at public locations throughout the Consortium area. Public Hearings were advertised on the following dates in conjunction with CDBG and the HOME Consortium. The documents were approved by representatives of each of the entitlement cities.

The **Bristol, Tennessee** Community Development Advisory Committee conducted a Public Hearing on September 12, 2013, to review the 2012-13 CAPER for both the Community Development Block Grant and the HOME Consortium. On August 30, 2013, an advertisement was published in the *Bristol Herald Courier* announcing a fifteen-day public comment period for the City's Community Development Block Grant and HOME Consortium projects and listing the following locations where the public could view the CAPER: Bristol Public Library, Slater Community Center and the Community Development office. Members of the CDAC reviewed copies (prior to and on September 12th) of the CAPER chapters that included all 2012-13 expenditures and accomplishments with both CDBG and HOME funds.

The City Council of **Bristol, Virginia** conducted a Public Hearing on September 6, 2013. The notice of a fifteen-day comment period was advertised in the *Bristol Herald Courier* prior to the Public Hearing. Copies of the CAPER chapters that included all 2012-13 expenditures and accomplishments with both CDBG and HOME funds were available for public review at the Bristol Public Library and at the Office of Community Development and Planning in Bristol, Virginia.

The City of Johnson City conducted a Public Hearing on Thursday, August 22, 2013, at the Johnson City Community Development Advisory Board meeting. The notice of a fifteen-day comment period was advertised in the *Johnson City Press* and ran from August 15 through August 30, 2013. Copies of the CAPER chapters that included all 2012-13 expenditures and accomplishments with both CDBG and HOME funds were available for public review at the office of the Community Development Director.

The **City of Kingsport** advertised a public comment period in the *Kingsport Times News* that ran September 8-24, 2013.

Additionally, the **Northeast Tennessee/Virginia HOME Consortium Board** met on September 18, 2013. The 2012-13 CAPER for the Consortium was reviewed and approved by the Board for submittal to the HUD regional offices in Knoxville and Richmond. Consortium members complimented staff on this continuing partnership and the achievements of the past year as well as the ten years since the Consortium was created.

Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

CAPER Institutional Structure response:

The institutional structure through which the five-year strategy is affected includes private industry, nonprofit organizations and public institutions. The Consortium continues to

create collaborative partnerships between local governments to provide housing assistance to low-income and special needs persons. We continually work at expanding regional partnerships for needed support services for the at-risk special needs and homeless populations. The primary vehicle through which we strive to close these gaps is the Appalachian Regional Coalition on Homelessness. For specific accomplishments see the Homeless Section and Specific Homeless Prevention Elements.

Monitoring

1. Describe how and the frequency with which you monitored your activities.
2. Describe the results of your monitoring including any improvements.
3. Self Evaluation
 - a. Describe the effect programs have in solving neighborhood and community problems.
 - b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
 - c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.
 - d. Indicate any activities falling behind schedule.
 - e. Describe how activities and strategies made an impact on identified needs.
 - f. Identify indicators that would best describe the results.
 - g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
 - h. Identify whether major goals are on target and discuss reasons for those that are not on target.
 - i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

CAPER Monitoring response:

1. The members of the Northeast Tennessee/Virginia HOME Consortium are responsible for monitoring the progress of strategies, priorities, and objectives outlined in the current Consolidated Plan. Bristol, Tennessee, as the Lead Entity, along with the First Tennessee Development District, the Consortium's Administrative Agent, are responsible for administering the program and projects of the Consortium. All activities are reviewed annually to ensure that they are implemented in accordance with applicable laws, ordinances and program regulations.
2. As a result of monitoring activities, there continues to be a need for assistance to CHDOs, as well as a need for the Consortium to provide additional guidance and support to new CHDOs. Several members of the Consortium have had many years of experience with homeownership and rehabilitation projects, and this experience has proven to be extremely helpful in administering these activities. This also simplifies the monitoring of such activities.
3. All activities and strategies made a significant impact on the identified needs and have positively impacted neighborhoods within the Consortium area. The Consolidated Plan specifically identified the need for homeownership and single-family owner-occupied rehabilitation/reconstruction. These have been the primary goals of the Consortium. Both of these programs have also provided decent housing

and a suitable living environment, as well as expanded economic opportunity, for low and moderate-income persons.

The Consortium is committed to building capacity with and assisting CHDOs through monitoring their activities on a one-on-one basis throughout the year. Ongoing monitoring of projects will continue as we strive to assist CHDOs with their provision of affordable housing to low-income households within the Consortium area.

Monitoring in accordance with HOME regulations has been completed in a timely manner, and all reporting requirements adhered to with submission to the appropriate agency. The Consortium's accounts are formally audited separately by an independent auditing firm as part of the annual audit performed for the City of Bristol, Tennessee.

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

CAPER Lead-based Paint response:

Lead-Based Paint: All members of the Northeast Tennessee/Virginia HOME Consortium address the issue of lead-based paint and adhere to the federal regulations at 24 CFR, Part 35, et al., Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Federally Owned Residential Property and Housing Receiving Federal Assistance; Final Rule. Rehabilitation work conducted on pre-1978 homes requires a risk assessment and clearance by HUD-certified inspectors. The work is performed by a HUD-certified contractor who has been trained in safe work practices and who has provided such training to his workers. The hazards of lead-based paint and the dangers of such paint are discussed with all rehab applicants and through distribution of the pamphlet entitled "Protect Your Family From Lead In Your Home." A new booklet entitled "Renovate Right (Important Lead Hazard Information for Families, Child Care Providers and Schools)" is also distributed. The Affordable Homeownership Program also adheres to these regulations. Visual assessments are conducted on all homes.

HOUSING

Housing Needs

1. Describe Actions taken during the last year to foster and maintain affordable housing.

CAPER Housing Needs response:

As discussed previously, the activities undertaken by the Northeast Tennessee/Virginia HOME Consortium consist of (1) Homeownership/down payment assistance, and (2) Rehabilitation/Reconstruction of single-family owner-occupied homes. By providing ten-year forgivable grants to first-time homebuyers, the Consortium assisted 43 families into homeownership in 2012-13. Due to the housing market crisis, accomplishments fell considerably short of the Action Plan projections that were based on prior years' experience. There is still a great need for homeownership in the Consortium area, and efforts continue to assist prospective homebuyers when possible.

Homeownership Projects

City/County	Projected in Action Plan	Accomplishments
Bluff City, Tennessee	5	0
Bristol, Virginia	6	4
Bristol, Tennessee	6	11
Johnson City, Tennessee	12	6
Washington County, Tennessee	7	8
Sullivan County, Tennessee	8	5
Kingsport, TN HOPE VI & Others	0	9

Rehabilitation/reconstruction projects have assisted owners with improving the existing housing stock thereby enabling them to live in a safe and sanitary environment once the home is brought up to code. One rehab and four reconstruction projects were completed in 2012-13.

Rehab/Reconstruction Projects

City/County	Projected in Action Plan	Accomplishments
Bluff City, Tennessee	3	0
Bristol, Virginia	3	0
Bristol, Tennessee	1	0
Johnson City, Tennessee	3	3 reconstructions complete
Kingsport, Tennessee	2	0
Washington County, Tennessee	3	0
Sullivan County, Tennessee	4	2 completed/1 underway

Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.
3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

CAPER Specific Housing Objectives response:

1. All households assisted with HOME Consortium funds for homeownership and rehab/reconstruction met the HUD income guidelines with the following results in 2012-13:

	Extremely Low Income (0-30%)	Low Income (31-50%)	Moderate Income (51-80%)	Total
Homeownership	7	6	30	43
Rehab/Reconstruction	3	1	1	5

These results meet the goals as proposed in the 2012-13 Action Plan.

2. All households assisted in 2012-13 met the Section 215 qualification as affordable housing as follows:
 - a. Has an initial purchase price that does not exceed 95% of the median purchase price for the area.
 - b. Is the principal residence of the owner whose family qualifies as a low to moderate-income family.
 - c. Is subject to recapture provisions under the HOME program.
 - d. New construction meets the energy efficiency standards promulgated by the HUD Secretary. (Section 12709).
3. Worst-case housing needs are being addressed by the reconstruction of a home that cannot be rehabbed.

The Northeast Tennessee/Virginia HOME Consortium has partnered with Frontier Health, a regional agency that assists special needs clients, to assist families into homeownership.

Public Housing Strategy

1. Describe actions taken during the last year to improve public housing and resident initiatives.

CAPER Public Housing Strategy response:

There are four Public Housing agencies within the Consortium boundaries. See the individual CDBG chapters for 2012-13 actions to improve public housing and resident initiatives.

Barriers to Affordable Housing

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

CAPER Barriers to Affordable Housing response:

The Consortium members administer a number of ordinances and regulations that may in some way be considered obstacles to affordable housing; however, each represents an integral part of administration for the greater good of the community.

The following regulations, codes, policies and obstacles are examined annually. Some may be necessary elements for city-wide planning for public safety and welfare; however, each incorporates some degree of impediments to affordable housing:

1. Zoning Regulations
2. Subdivision Regulations
3. New Home Construction Codes
4. Unsafe Building Abatement Code
5. Property Taxes/City and County
6. Utility Board Restrictions
7. International Building Codes
8. Code Enforcement

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9. Unfunded Mandates
 10. Poor Credit History
 11. Inadequately Paying Jobs
 12. Increased restrictions on mortgage lending

The Consortium members have supported economic and community development in their respective municipalities. Cities and counties have allocated funds for capital budgeting and implementation of Capital Improvement Programs. We continue to exercise regional planning authority within the projected urban growth area, and the cities of Bristol, Virginia and Tennessee, as well as Johnson City and Kingsport, have Planning Departments that oversee these activities.

The Consortium area has experienced development and population growth that illustrates a historical trend of municipal expansion. A continuation of this trend is projected for the next 20 years with growth expected within the corporate boundaries and in the surrounding counties.

Bristol (VA), because of its status as an independent city, is limited to its existing land area.

HOME

Assessment of Relationship of HOME Funds to Goals and Objectives

Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

1. HOME Match Report
 - a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.
2. HOME MBE and WBE Report
 - a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).
3. Assessments
 - a. Detail results of on-site inspections of rental housing.
 - b. Describe the HOME jurisdiction's affirmative marketing actions.
 - c. Describe outreach to minority and women owned businesses.

CAPER HOME response:

The expenditure of all 2012-13 HOME funds was directly related to the goals of providing affordable housing. The Homeownership Program (down payment and closing costs) assisted 43 low and moderate-income families into homeownership. Please see Page 10-11, Specific Housing Objectives for a breakdown by income category.

1. Recipients of HOME funds are required to match each HOME dollar spent during the reporting period. The match requirement for the Northeast Tennessee/Virginia HOME Consortium is 25%. The HOME Match Report HUD-40107-A is enclosed with this document in addition to the Project-By-Project Match Log.

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2. The Consortium is required to report HOME resources awarded to Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) via contracts and subcontracts. The HOME MBE & WBE Report HUD-40107 is enclosed with this document.
 3.
 - a. The Administrative Agent provides on-site inspections periodically to make sure that rental housing standards are being met.
 - b. The Northeast Tennessee/Virginia HOME Consortium markets its programs to lenders, realtors and nonprofits, i.e., Holston Habitat for Humanity through the First Tennessee Development District, the Consortium's Administrative Agent. Each jurisdiction also markets to lenders, realtors and nonprofits. One of our best marketing sources is the families who have been assisted previously.
 - c. A list of HUD-qualified contractors is maintained by the First Tennessee Development District. Contractor solicitation includes requests for Minority Business Enterprises and Women Business Enterprises.

HOMELESS

Homeless Needs

The following information on Homeless covers all of the areas listed in the previous paragraph, not just for Bristol, Tennessee.

1. Identify actions taken to address needs of homeless persons.

A Continuum of Care checkup was completed with input from the CoC participants and local agencies. The need is for more services and housing opportunities for families, including emergency shelters that can keep the families together.

2. Identify actions to help homeless persons make the transition to permanent housing and independent living.

More agencies and services have joined the forces of the CoC network. Family Promise of Bristol has been created to address the need of emergency shelters for families. Six new permanent supportive housing units for families were created. A \$1,000,000 per year grant for supportive services for veteran families was awarded to the CoC to help approximately 466 households with prevention and rapid re-housing.

3. Identify new Federal resources obtained from Homeless Super NOFA.

Six new permanent supportive housing units for families were created through the CoC NOFA.

Program Year 3 CAPER Homeless Needs response:

The Appalachian Regional Coalition on Homelessness (ARCH) is the lead entity that manages the Continuum of Care planning process and consists of representatives from the eight counties of the northeast Tennessee region – Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Unicoi and Washington—as well as the municipalities of Kingsport, Bristol

and Johnson City. The Northeast TN/VA HOME Consortium members are participants in the CoC process and have contributed to its success. ARCH has created a strong Continuum of Care as defined by the U. S. Department of Housing & Urban Development.

CoC specific accomplishments include:

- Secured funding to:
 1. Continue funding for 192 units in the eight-county region dedicated to the use of chronically homeless individuals with disabilities and homeless individuals and families.
 2. Continue support of transitional housing for 12 units of transitional housing for men and 12 units of transitional housing for women.
 3. Provide an additional 15 units of transitional housing targeted specifically to individual homeless veterans, both men and women, in partnership with the Salvation Army in Kingsport. In 2010, another 18 units were added under the VA Per Diem program in the Johnson City area. It is anticipated that once this program is demonstrated to be successful, it will be replicated over the next 3 to 5 years at the Salvation Army facilities in Bristol.
 4. Ongoing funding through a competitive HOPWA (Housing Opportunities for Persons with AIDS) to provide rental assistance to persons living with HIV/AIDS – including homeless/chronically homeless – total number of households served will depend on amount of subsidy required per household, this past year 55 households were served and there were a total of 76 individuals in those households.
 5. Improve implementation of a regional HMIS (Homeless Management Information System).
 6. Through the Federal Home Loan Bank of Cincinnati to create new home ownership opportunities for low-income special-needs families.
 7. ARCH has been awarded a SSVF grant (Supportive Services for Veteran Families) to provide homeless prevention and rapid re-housing services with individual case management to approximately 466 households annually.

- Conducted a regional Point-in-Time count to update housing/shelter availability and information regarding homeless persons in the region
- Provided documentation of an unduplicated count of homeless individuals and families from the HMIS.
- Continued involvement with the Discharge Planning Task Force to formalize Discharge Planning communication and develop a consistent regional discharge policy designed to eliminate discharge of persons into homelessness.
- Establishment of an employment committee to study the problems and gaps of services for individuals within the eight-county region.
- Researching the concept of a time share day care facility to help provide affordable daycare for needy families that want to get back into the workforce or further their education.
- Provided ongoing training for outreach and intake staff through regular monthly presentations at CoC network meetings.
- Continued public awareness campaign in print, radio, and television media using Public Service Announcements to raise community awareness of the challenges faced by and humanity of homeless individuals and families.
- Received on-going funding for 17 permanent housing beds at two independent living facilities for men who are homeless with a mental illness or co-occurring disorder.
- ARCH was chosen by the National Alliance for the Education of Homeless Children and Youth (NAEHCY) to develop a national best practice for rural areas to provide for the needs of this population.

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- Developed a regional disaster response committee lead by the Northeast Tennessee Voluntary Organization Active in Disaster

ARCH's mission is to work cooperatively in facilitating systematic solutions, particularly the continuum of care, addressing homelessness and housing issues. ARCH's vision is to eliminate homelessness, as currently experienced in Northeast Tennessee, by working cooperatively. ARCH's roster of participants includes representative community-based organizations, faith-based organizations, banks, business leaders, housing developers, health care providers, college and university faculty, members of the clergy, and a variety of government officials. The organization has a Board of Directors and an Executive Director to manage the day-to-day activities of the organization. ARCH is incorporated in the State of Tennessee and has received a designation from the IRS as a non-profit organization.

ARCH meets at least monthly to engage in the process of becoming an even more effective regional continuum of care that fosters continuous, consistent, and collaborative planning between the organizations to ensure that all key stakeholders are vested in the resulting CoC plan. ARCH works in direct consultation with the region's three municipal Directors of Community Development, two of whom regularly attend network meetings. These directors for the cities of Bristol, Kingsport and Johnson City administer Community Development Block Grant (CDBG) funds in their respective municipalities through the Consolidated Plan. Participation in the continuum also reflects the predominantly rural nature of the region with representation by county executives, church leaders, and law enforcement officials. ARCH is guiding the region's service providers, nonprofits, and other stakeholders to more effectively and cooperatively address the issues of homeless individuals and families.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 3 CAPER Specific Housing Prevention Elements response:

- ARCH secured funding to preserve existing Transitional Housing units.
- ARCH secured funding for additional units of Permanent Supportive Housing.
- ARCH has facilitated development and implementation of a regional Ten-Year Plan, including a prevention component, targeted to ending chronic homelessness.
- ARCH has met the goals set forth in the Ten-Year plan and has set new goals to guide the region to year 2020.
- ARCH has facilitated and supported the efforts by community partners to obtain funding for creation of new affordable housing opportunities linked to community-based supportive services targeted to homeless persons through the Federal Home Loan Bank of Cincinnati.
- ARCH has facilitated and supported application by community partners to obtain funding for HOPWA funds to provide housing for persons with AIDS, including homeless and chronically homeless persons.
- ARCH provides homeless prevention and rapid re-housing for veterans and their families through SSVF to 34 counties including 7 in Virginia and five more counties in Kentucky.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 3 CAPER Specific Housing Prevention Elements response:

- ARCH secured funding to preserve existing Transitional Housing units.
- ARCH secured funding for additional units of Permanent Supportive Housing.
- ARCH has facilitated development and implementation of a regional Ten-Year Plan, including a prevention component, targeted to ending chronic homelessness.
- ARCH has met the goals set forth in the Ten-Year plan and has set new goals to guide the region to year 2020.
- ARCH has facilitated and supported the efforts by community partners to obtain funding for creation of new affordable housing opportunities linked to community-based supportive services targeted to homeless persons through the Federal Home Loan Bank of Cincinnati.
- ARCH has facilitated and supported application by community partners to obtain funding for HOPWA funds to provide housing for persons with AIDS, including homeless and chronically homeless persons.
- ARCH provides homeless prevention and rapid re-housing for veterans and their families through SSVF to 34 counties including 7 in Virginia and five more counties in Kentucky.

VIRGINIA

In addition to being served by the shelters, Bristol, Virginia has 12 permanent supportive housing units for men in the former Kings Mountain Hospital Nurses' Quarters. This facility was funded by donations, in-kind contributions from the City and People Incorporated, but majorly through funds received through balance of state funds applied for by the Southwest Virginia Continuum of Care under the leadership of People Incorporated. All 12 units are filled and there is a waiting list. Each resident who lives here was homeless just prior to moving in. Due to the high number of females that were counted during the past Homeless Point-in-Time count, People Incorporated planned to expand its permanent housing program by constructing an 8-unit facility for women on Mary Street. Plans for that facility have been delayed due to lack of funding, but is still on People Inc.'s priority list as the demand continues to grow for units for women as well as additional units for men.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 3 CAPER Specific Housing Prevention Elements response:

TENNESSEE

- ARCH secured funding to preserve existing Transitional Housing units, for both men and women.
- ARCH secured funding to preserve existing units of Permanent Supportive Housing.

-
- ARCH has facilitated development and implementation of a regional Ten-Year Plan, including a prevention component, targeted to ending chronic homelessness.
 - ARCH has met the goals set forth in the Ten-Year plan and has set new ones to guide us to year 2020.
 - ARCH has facilitated and supported the efforts by community partners to obtain funding for creation of new affordable housing opportunities linked to community-based supportive services targeted to homeless persons through the Federal Home Loan Bank of Cincinnati.
 - ARCH has facilitated and supported application by community partners to obtain funding for HOPWA funds to provide housing for persons with AIDS, including homeless and chronically homeless persons.
 - ARCH provides homeless prevention and rapid rehousing for veterans and their families through SSVF to 34 counties including 7 in Virginia and five more counties in Kentucky.

VIRGINIA

Other services provided to address the needs of homeless persons include:

- Medical services provided free of charge by Crossroads Medical Mission;
- Substance abuse and other mental disorder treatment through Highlands Community Services, Frontier Health, and the Crisis Center;
- Meals from Salvation Army, Haven of Rest, the Soup Kitchen, and vouchers through Bristol DSS or Bristol Faith in Action;
- Application for additional CoC funding to provide a permanent supportive housing facility for females based on needs substantiated by point in time homeless counts;
- Establishment of Family Promise of Bristol, a nonprofit organization committed to helping homeless families with their immediate needs for shelter, meals, and comprehensive support services. Area church congregations provide a place where families can stay at night and a day center during the day for finding and developing resources for families to live independently again;
- Continue to support People Incorporated and the Southwest Virginia Continuum of Care in its efforts to address homeless needs;
- Continue to work in cooperation and collaboration with the Appalachian Regional Coalition on Homelessness to ensure services for Bristol's homeless do not stop at the State line;
- Continue to promote community awareness of the presence and challenges of homeless individuals and families;
- Continue to solicit members from various venues of the community to participate in committees that look to find solutions for the homeless and address housing and other homeless issues.

People Incorporated and the Southwest Virginia Continuum of Care have signed interagency agreements with the Crisis Center, Appalachian Independence Center, Crossroads Mobile Medical Mission, Highlands Community Services, Bristol Faith in Action, Bristol Redevelopment and Housing Authority, Abuse Alternatives, Frontier Health, Haven of Rest, Salvation Army, Healing Hands Health Care Center, Virginia Employment Commission, Bristol Virginia Health Department, Legal Aid Society, Bristol Virginia Police Department, Bristol Department of Social Services, and other public service agencies in Bristol that currently supply needs for the homeless population.

The Southwest Virginia Continuum of Care will continue to meet quarterly and apply for funding when the opportunity is present.

Emergency Shelter Grants (ESG)

CAPER ESG response:

Please see the sections Homeless Needs and Specific Homeless Prevention Elements for the Continuum of Care under the auspices of the Appalachian Regional Coalition on Homelessness (ARCH).

No Federal ESG funds are received by the Consortium; however, the cities of Bristol, Kingsport and Johnson City, Tennessee, received ESG funds from the Tennessee Housing Development Agency. See the CDBG chapters from the cities for the expenditure of state ESG setaside funds.

COMMUNITY DEVELOPMENT

Community Development

CAPER Community Development response:

This section references CDBG activities. This CAPER chapter is for the HOME Consortium. Please see the individual CDBG chapters of Bristol, Kingsport and Johnson City, Tennessee.

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

CAPER Antipoverty Strategy response:

Employment opportunities are the key to reducing the number of households living in poverty. Many times a lack of education and/or skills training for many adults limit their employment potential. Improving the economy within the Consortium area is an essential element in the anti-poverty strategy. Kingsport's Economic Development Task Force, Bristol, Tennessee's Industrial Development Board, Bristol, Virginia's Economic Development Committee and Johnson City's Economic Development Board all are working to increase opportunities for families living in poverty.

NETWORKS Sullivan Partnership was established in July 2004. The Partnership comprised of Bluff City, Bristol, Kingsport and Sullivan County is an organization that consolidates the economic development programs for all of Sullivan County, Tennessee. NETWORKS seeks to stimulate development through new manufacturers and services, existing businesses, retail destinations, small business startups and support of the hospitality and tourism industry. The Partnership reports the following results for 2012:

- 578 jobs were created for new businesses and 263 were created for existing businesses
- Capital Investment Results: \$37.8 M
- For the 21st year, Sullivan County and its cities received certification as a Three-Star Community under the Tennessee ECD Program. This Three-Star Benchmark III level designation will result in continued opportunities and dollar savings for our communities.

-
- Expansion Solutions Magazine selected NETWORKS as one of the Top Five for automotive, an award which recognizes a community's efforts in the recruitment and expansions of automotive industries.
 - Location of six new businesses in Sullivan County and the expansion of five existing businesses/industries.

Johnson City/Jonesborough/Washington County Economic Summit Initiative working under the umbrella support of the newly created Washington County Economic Development Council continues as a community-wide effort to focus on economic development that will produce job growth in the local and regional economy. The Initiative had six volunteer working groups that number over 75 volunteers. The working groups are: Livable Communities; Infrastructure Development; Business Development; Tourism/Hospitality; Health/Medical; and Education/Workforce. Major accomplishments during the past year include:

- Continued Support for Arts Corp program for after-school arts classes for disadvantaged and at-risk children
- Continuation of Small Business Network for Downtown Businesses
- Fourth Year Sponsorship for "Will It Float" Business Competition
- Continued Expansion of First Friday Arts and Entertainment Event for downtown
- Completion of Phase II of State of Franklin Linear Park
- Expanded HEAL APPALACHIA Initiative that deals with reducing childhood obesity, obesity in the workplace and creates training programs for rural physicians in obesity prevention and intervention
- Sponsored 3rd Itty Bitty Bites Half marathon for Kids
- Sponsored Sixth Annual Turkey Trot fitness run/walk with over 3,500 participants
- Expanded Business Mentoring Network to work with Small Businesses
- Expanded marketing of "Southern Dozen" Motor Trails in Johnson City/Washington County
- Marketing of State Designated Historic Sunshine Trail as part of state-wide and national historic trails promotion
- Continued Expansion of Fossil Site Museum in Gray, Tennessee
- Began construction of "The Tweetsie" Pedestrian and Bike Trail connecting Johnson City and Elizabethton along the old Tweetsie Railroad Line
- Fourth Best Cost of Living mid-sized community in America as rated by Forbes Magazine-2012

ECONOMIC DEVELOPMENT IN BRISTOL, VIRGINIA

Due to continued business closings and layoffs, the entire Bristol area is suffering as is most of the country. The most current Labor Market information shows that Bristol, Virginia's unemployment rate stands at 8.8% while the State's is 6.3%.

Bristol, Virginia has employed a full-time Economic Development Director for several years until recently. That person had an office at and was paid through Bristol Virginia Utilities (BVU). Much of the expansion and rapid growth at the Exit 7 area and in the Dale Gordon Industrial Park can be attributed to the hard work of the former Economic Development Director. Upon his retirement, BVU relinquished that position to the City, and it is now considered a City position. The City Manager and the Director of Community Development and Planning now share that responsibility. Since the changes in the Economic Development staff, business recruitment has continued at a slow but steady pace. The majority of new businesses that have opened are either restaurant or retail. A new

development has been announced, "The Falls". This development has started and should be opening its first retail store in 2014.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

CAPER Non-homeless Special Needs response:

ELDERLY AND FRAIL ELDERLY

As stated in the Action Plan, indications are that there is an unmet need for more independent living shelters that include limited services and medical response systems for the elderly and frail elderly in the Consortium area.

In Bristol, Tennessee, the Housing Authority subsidized apartment units give first priority to elderly persons with disabilities. There is no waiting list for elderly and handicapped units. Bristol, Virginia's Housing Authority does have a need for elderly units. They continue to maintain a 31-unit facility, the Thomas Jefferson Senior Apartments.

Nursing homes/assisted living homes in Bristol include the Bristol Nursing Home, The Cambridge House; Outlook Pointe at Bristol, Fort Shelby Manor, Freda and Friends, NHC Healthcare of Bristol, Broadmore and Steele's Creek Manor. These agencies serve both Virginia and Tennessee.

Johnson City is served by Appalachian Christian Village, Colonial Hills and Asbury Center. They are all full-service permanent housing with nursing care.

Kingsport has Holston Terrace and Kiwanis Towers which together total 144 units. There are 20 units available for mentally challenged at Rainbow (Eldreth) Home and for the physically challenged at Roller-Russ Home. In addition, Link House, Holston Methodist Home and Sullivan County Youth Center provide assistance for approximately 250 young people per year.

Kingsport has assisted people with special needs through the Madison House project which provides day care for its frail, elderly citizens. The Center provides a planned therapeutic day program of restorative care, socialization and rehabilitative therapy for its participants.

The First Tennessee Area Agency on Aging operated a Minor Home Repair program to replace doors and window screens. They also build wheelchair ramps and make bathrooms handicap accessible for the elderly. This is just one of many services this agency provides for the elderly in the Consortium area.

The First Tennessee Development District administered an Emergency Repair Program for the Elderly (60 years or older) with Tennessee Housing Development Agency funds. The program corrects, repairs or replaces an essential system and/or a critical structural program, i.e. roof, electrical system, plumbing system, heating and air systems and structural repairs to floors or walls. It is a grant program with a one-third match requirement.

PERSONS WITH DISABILITIES (MENTAL, PHYSICAL AND DEVELOPMENTAL)

Frontier Health houses special needs persons as follows: Moore House is a group home/assisted living facility with ten beds. Roller Russ is a ten-bed facility for mentally, physically and developmentally challenged individuals coming out of mental health hospitals. Frontier Industries also provides fifty beds. An inventory of housing units for the nonspecial needs population indicates the possibility of an unmet need for more semi-independent living quarters for those with severe mental and physical disabilities.

Dawn of Hope also serves Johnson City with 28 residential units and can serve up to a total of 37 developmentally disabled clients. They also operate a day center and a vocational workshop for higher functioning developmentally disabled clients.

Appalachian Independence Center works strictly with persons with disabilities and their families. They operate five offices in Southwest Virginia with one located in Bristol, Virginia. This agency provides counseling, housing and transportation assistance, referral services to other resources, and independent living skill training. They also provide support groups for persons with disabilities and one for the families of these individuals.

Existing shelter+care services house about half of those in need. The remaining are under the care of their families who often are elderly or have incomes that are overtaxed by the special needs of caring for these individuals.

PERSONS RETURNING FROM INSTITUTIONS

A new organization Women's Road to Recovery opened in the City of Bristol, Tennessee. It is a faith based recovery program for women established to provide a safe and healthy facility for women referred to the program from the judicial system. At BRRW, Inc. women learn how to care for themselves, live independent from their addictions, learn job skills, and how to be productive, contributing members of our community. Those needs are met by Link House and Hay House in Kingsport that serves the entire region. Counseling services for these individuals, however, is available through the Bristol Crisis Center and Highlands Community Services.

Specific HOPWA Objectives

1. Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives
Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:

Program Year 3 CAPER Specific HOPWA Objectives response:

The City of Bristol, Tennessee does not receive HOPWA Entitlement funds; however, the following services are available in the Consortium area:

The Sullivan County and Washington County, Tennessee Health Departments as well as the Bristol Virginia Health Department, provide assistance and referrals to patients with HIV/AIDS. The following services are provided:

- An employee at the Sullivan County Health Department serves as the Ryan White Coordinator.

- The Indigent Medical Clinic in Johnson City provides services to individuals with HIV/AIDS.
- The Crisis Center in Bristol provides HIV/AIDS Prevention Classes.
- Frontier Health participates in the HOPE for Tennessee Program that serves HIV/AIDS patients in the upper eight counties of northeast Tennessee.
- The Veterans Affairs Medical Center (Mountain Home) in Johnson City serves the majority of Veterans in this region.
- The ETSU Center of Excellence currently serves over 400 clients who are afflicted with HIV/AIDS.
- HOPE in Kingsport provides services.
- The Johnson City Downtown Clinic also serves people with HIV/AIDS.
- The Appalachian Regional Coalition on Homelessness is actively involved through their housing task force to look at the provision and development of more transitional and permanent housing for this segment of the at-risk population in our region.

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

CAPER Other Narrative response:

Recaptured Funds were received by the Consortium and credited back to the following jurisdictions:

Bristol, Tennessee	\$ 7,500.00
Washington County, TN	\$ 5,000.00
Johnson City, Tennessee	<u>\$15,000.00</u>
Total	\$27,500.00

MINORITY/WOMEN OUTREACH

The Northeast Tennessee/Virginia HOME Consortium, through the completion of its projects, ensures that minorities and women are included and afforded the opportunity to participate in all of its projects. Outreach that is undertaken through contacts with realtors, lenders and at public meetings is made available to all applicants who meet program requirements, i.e., income eligible, etc. A large number of families assisted into homeownership have been female-headed households. Additionally, even though the Consortium area has a relatively low minority population (approximately 5.3%), numerous minority families have been assisted with the purchase of a home. The same is true of the rehab/reconstruction projects undertaken with Consortium funding. Minorities and women are afforded the same opportunities as any of the other applicants who do not fall into these categories.

The competitive process for rehab/reconstruction projects is open to all licensed contractors in the area who have the necessary certifications acquired through HUD training, i.e., lead-based paint training. The First Tennessee Development District advertises for new contractors periodically, and the Entitlement Cities follow their jurisdictions' procurement policies for advertising for bids on rehab/reconstruction projects. Guidance is provided to all prospective new contractors to assist them with obtaining the required certifications.

Included with the CAPER are the following additional documents:

- Status of CHDO Funds by Fiscal Year (PR25)
- Status of HOME Grants for Bristol Consortium (PR27)
- Project-by-Project Match Log
- HOME Match Report
- Annual Performance Report, HOME Program, Form HUD-40107
- Consortium Map