



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: BL2023-1890, **Version:** 1

An ordinance adopting the Five Year Consolidated Plan and 2023 Action Plan for Housing and Community Development and authorizing the Metropolitan Mayor to submit the Consolidated Plan and 2023 Action Plan to the U.S. Department of Housing and Urban Development.

WHEREAS, by Resolution R94-1326, the Metropolitan Council designated the Metropolitan Development and Housing Agency ("MDHA") as the lead agency responsible for the preparation of the Consolidated Plan for Housing and Community Development programs for The Metropolitan Government of Nashville and Davidson County; and

WHEREAS, the 2023-2024 Consolidated Plan was prepared by MDHA with assistance from TOA Consulting in accordance with federal regulations regarding citizen participation and in consultation with a variety of public and private agencies and concerned individuals; and

WHEREAS, MDHA conducted twenty six meetings during February and April 2023 that provided the public opportunities to participate in identifying needs and to comment on the potential uses of U.S. Department of Housing and Urban Development (HUD) Grant Funds. The public comment period for the draft of the proposed 2023-2028 Consolidated Plan began on April 3, 2023, and closed on May 3, 2023.

WHEREAS, the Consolidated Plan includes a Needs Assessment, a Housing Market Analysis, a Strategic Plan for meeting priority needs, and an Annual Action Plan for 2023-2024 for the expenditure of CDBG, HOME, ESG, and HOPWA funds; and

NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That the Metropolitan Council adopts the 2023-2028 Consolidated Plan for Housing and Community Development, attached hereto, and that the Metropolitan Mayor is authorized to submit the Plan to HUD; and

Section 2. That a description of the Annual Action Plan for Program Year 1 (June 1, 2023, through May 31, 2024) for the expenditure of CDBG, HOME, ESG, and HOPWA funds is included in the Consolidated Plan; and

Section 3. That MDHA is authorized to administer the Consolidated Plan on behalf of The Metropolitan Government of Nashville and Davidson County; and

Section 4. That the local match required for the Emergency Solutions Grant will be provided by local non profit organizations selected as sub-grantees. The twenty five percent local match for the HOME Investment Partnerships Program will be provided by non-federal funds utilized for HOME projects as well as the value of donated land or improvements associated with HOME-funded projects or by other eligible methods as provided in the HOME regulations; and

Section 5. That if any changes occur in the final amounts for CDBG, HOME, ESG, or HOPWA as provided in the attached Plan, each line item in the respective program not specifically regulated by contracts or agreements with HUD shall be raised or lowered on a pro-rata basis; and

Section 6. That CDBG, HOME, ESG, and HOPWA funds shall not be used for any property acquisition for

which the power of eminent domain is utilized by MDHA; and

Section 7. The Metropolitan Council appropriates funds for projects described in the 2023-2024 Annual Action Plan but expressly withholds any approval for the expenditure of CDBG funds for capital improvement projects. All requested expenditures for capital improvement projects shall be submitted to the Council for final approval by Resolution. And further, detailed project plans for capital improvements shall be on file in the Community Development Department of MDHA at the time of the filing of the Resolution; and

Section 8. That substantial amendments to the Consolidated Plan, as defined in the Citizen Participation Plan (Appendix A of the Consolidated Plan), and annual updates may be approved by Resolution adopted by the Metropolitan Council; and

Section 9. That this ordinance shall take effect from and after its passage, the welfare of The Metropolitan Government of Nashville and Davidson County requiring It.

Analysis

This ordinance adopts the 2023-2028 Consolidated Plan for Housing and Community Development ("Consolidated Plan") and authorizes the Mayor to submit the Plan to the U.S. Department of Housing and Urban Development ("HUD"). This five-year Consolidated Plan was prepared by the Metropolitan Development and Housing Agency ("MDHA") and is to be administered by MDHA. The Council most recently adopted a Consolidated Plan in 2018 for the years 2018-2023 pursuant to Ordinance No. BL2018-1246.

HUD requires local governments seeking federal funding under the Community Development Block Grant program ("CDBG"), the HOME investment partnerships program, the Emergency Shelter Grant program ("ESG"), and the Housing Opportunities for Persons With AIDS ("HOPWA") program to submit a consolidated plan for housing and community development.

This plan includes a Needs Assessment, a Housing Market Analysis, and a Strategic Plan that establishes priorities for addressing housing and community development needs. In addition, the Action Plan for 2023 provides for expenditure of CDBG, HOME, ESG, and HOPWA funds to address the Consolidated Plan's priorities.

Funding for the programs in the 2023 Action Plan would be used for the following purposes:

- CDBG - Acquisition, Administration and Planning, Economic Development, Housing, Public Improvements, and Public Services
- HOME - Acquisition, Homebuyer assistance, Homeowner rehab, Multifamily rental new construction, Multifamily rental rehab, New construction for ownership, and Tenant-Based Rental Assistance ("TBRA")
- HOPWA - Permanent housing in facilities, Permanent housing placement, Short term or transitional housing facilities, Short-Term Rent, Mortgage, and Utility Assistance (STRMU), Supportive services, and TBRA
- ESG - Conversion and rehab for transitional housing, Financial Assistance, Overnight shelter, Rapid re-housing (rental assistance), Rental Assistance Services, and Transitional housing

Funding for these programs could not be allocated for any property acquisition for which the power of eminent domain is utilized by MDHA, which is restricted under federal law.

Fiscal Note: The 2023 Action Plan includes the following funding levels:

CDBG

Allocation -- \$4,922,781

Program Income -- \$208,404

The actual expenditure of CDBG funds would be submitted to the Council for approval by resolution at the time the projects are identified. CDBG funds are not to be used for capital improvement projects, as stated in the ordinance.

HOME

Allocation -- \$2,767,733

Program Income -- \$378,840

The twenty-five percent (25%) local match for the HOME Investment Partnerships Program will be provided by non-federal funds utilized for HOME projects as well as the value of donated and or improvements associated with HOME-funded projects, or by other eligible methods as provided in the HOME regulations.

HOPWA

Allocation -- \$2,389,060

ESG

Allocation -- \$445,903

Local matching funds are required under the ESG program to be provided by the local nonprofits that participate in the program as sub-grantees.