

**The Housing Trust Fund – Flexibility for Special Needs**

***Background***

During the 2006 legislative session, the Tennessee General Assembly appropriated \$1 million of state funds for affordable housing, the first such appropriation in six years. In September, 2006 the THDA Board of Directors voted to allocate \$12 million of THDA funds (over a two-year period) to leverage the state appropriation and establish the Tennessee Housing Trust Fund. Beginning in 2007, the THDA Board of Directors voted to allocate an additional \$6 million of agency profits each year since to the fund. Through the most recently completed fiscal year (2011), THDA has contributed \$30 million, and the State of Tennessee has contributed \$4.3 million to the Housing Trust Fund.

The purpose of the Housing Trust Fund is to serve the needs of very low income, elderly and special needs Tennesseans. Grants are made to not for profits, local governments and development districts that serve these populations, and these organizations are required to leverage a minimum of 50% matching funds. Successful grantees must also demonstrate a capacity for marketing the program, so as to raise the profile of affordable housing in their community.

***The Competitive Grant Program & Projects Funded for Special Needs Housing***

From the HTF referenced above, THDA has “set-aside” a little less than half for ongoing projects such as the Emergency Repair Program, Rural Repair Program, and Accessibility Programs. The remainder of the funds has been made available to organizations on a competitive basis. One of the emphases for these competitive grants has been housing for persons with special needs. Porter East provides safe, attractive housing and services for the deaf and provides an impact in revitalizing the East Nashville community.

Urban Housing Solutions – Nashville, TN

Requested        \$348,417 in HTF program dollars (no administrative funds)

Match             \$1,035,000 from The Housing Fund; \$150,000 local HOME grant

Project            14 units for people with hearing loss

An entrepreneur purchased a one-story East Nashville building that had served as a full service nursing home, closed after a series of violations. The entrepreneur asked the community for applications to redevelop the dilapidated eyesore with a project to fill a social need and create a community asset. Urban Housing Solutions, working with guidance from the league for the Deaf & Hard of Hearing, submitted a proposal to provide the first residential community for deaf and hard of hearing adults in the State of Tennessee – and to renovate the building based on LEED for New Construction and Major Renovation standards. The donor liked the concept, and he also challenged US to transform part of the building into a cultural “hub”, a venue for activities and events that would attract deaf adults from all over TN and foster cultural exchange. The ribbon-cutting and open house were held April 25, 2011. The hub includes restaurants, a venue for deep tissue, pre-natal, and pain relief massage, a decorative arts store, and a butcher shop.

The Phase 1 units are affordable to individuals earning 50% of the Area Median Income, or below. Each unit (450 to 650 square feet) has an individual kitchen, private bathroom, walk-in closet, separate bedrooms and attractive residential finishes. Careful attention was made to equip the apartments and the associated common areas with assistive technologies (stobes, videophones, etc.) and design features to enhance the residents’ lives.

Partial or total deafness seriously affects an individual's ability to find and retain a well-paying job. As a result, Tennesseans who are deaf or hard of hearing generally earn well below 80% of median income. As news of the development spread, inquiries came from prospective renters in East Tennessee, Georgia and Florida. Residents will have on-site access to translation services, language and job training, credit counseling and social service referrals from the League for the Deaf & Hard of Hearing.

The following are testimonials by residents:

...This is my favorite place to live. My new apartment is really nice, and I really like living with other deaf people. -- A.M.

...I like being close to the coffee shops and retail shops. This is a really cool neighborhood, and I like living in a deaf community -- it's a great way to meet new friends. -- S.W.

...This is a really quiet, peaceful neighborhood. I really like all the trees and seeing people out riding bikes and walking around. I also like living close to restaurants and shops, and it's cool being able to meet other people who are deaf and hard of hearing. It's so much better than my last apartment. -- M.T.

### ***Supplemental Information***

#### ***Economic Impact of the Housing Trust Fund***

Not only does the program positively impact the individual recipients, but it also boosts the economy. HTF programs and grants injected into the economy a total of \$42,855,840. This spending generated an additional economic impact of \$42,224,832 (indirect and induced) through business revenue multipliers. Total contribution of the Housing Trust Fund programs and grants to the Tennessee's economy is estimated at \$85,080,672. Every \$100 of spending in the HTF programs and grants generated an additional \$99 in business revenues.

From 2007 to 2010, individuals received \$14,234,743 in wages and salaries through the Housing Trust Fund programs and grants. Additional personal income generated through the ripple effect was \$14,847,763. The total personal income generated by the HTF programs and grants was \$29,082,506.

HTF programs and grants provided employment opportunities for many individuals. The direct total employment impact was 344 jobs, primarily in the construction sector. In addition, 138 jobs were created through the ripple effect. Total employment impact was estimated at 692 jobs. Every 100 jobs created by Housing Trust Fund programs and grants, primarily in the construction sector, generated 101 additional jobs throughout the local economy.

Estimated tax revenue for the state and the local governments through the Housing Trust Fund programs and grants was \$3,061,334.

### ***Media Coverage***

## **Housing complex being built for deaf in East Nashville**

By Stephanie Toone • THE TENNESSEAN • October 5, 2010

A redeveloped former nursing home on the corner of Porter Road and Eastland Avenue will soon be the site of the state's first apartment complex for low-income, deaf and hearing-impaired residents.

Construction crews are currently completing the façade of 701 Porter, a retail and residential development.

Seven retailers including a bakery, salon and a new local restaurant, Cooper's on Porter, will open this month, said Brent Elrod, project manager with Urban Housing Solutions, which operates eight other low-income complexes in Nashville. Elrod said he expects to lease the apartments by December.

The development also includes Montessori East, a primary and elementary school that opened in August 2009.

Elrod and a Colorado-based architect John Dickson, who is deaf, developed the 26,000-square-foot, special-needs housing and retail project, Elrod said.

Grants and loans from the Tennessee Housing Development Agency, Metro Development and Housing Agency, The Housing Fund and the Federal Home Loan Bank of Cincinnati made the \$1.6 million first phase of the project possible.

The second phase, which is years in the making, will add 10 additional apartments and office space.

"We have people from Kentucky, Florida and Georgia interested in living here, because there are not any options like this in the Southeast," Elrod said. "We want to create a design that can coexist with retail and a unique place for our deaf community."

The project began in July 2008 when owners Aubrey and Forrest Preston donated the building, formerly the Cornelia House nursing home. Baron + Dowdle began construction in November, transforming the nursing home rooms into 20 apartments and retail suites, Elrod said.

The apartments range in size from 400 to 700 square feet, and will feature a multi-strobe light fire alarm system and flat-screen videophones. Community members advocated having a four-way stop and pedestrian crosswalk in front of the development.

"The East Nashville community has embraced this project, because they see that this will benefit the whole community," Elrod said.

The project opens doors for both the hearing-impaired and local business owners, said Cooper Brunk, owner of Cooper's on Porter and an East Nashville resident. His restaurant will offer moderately priced American food and a selection of microbrews.

"I think this is great," Brunk said. "I drove down here thousands of times and saw this whole place boarded up. We're all excited to see it become something."

Even with all the benefits to East Nashville, the deaf community has the most to gain in the completion of 701 Porter, said Eric Workman, Hearing Bridges director of programs. Hearing Bridges serves many of the more than 77,000 deaf and hearing-impaired residents in Davidson County, he said.

The Nashville organization assisted Urban Housing Solutions with researching the needs of deaf individuals. Hearing Bridges currently provides resources such as after-school and outreach programs for the hearing impaired.

Workman said he hopes that the apartments can provide housing and even employment for some of those in the deaf community.

“This is a big need,” Workman said. “They’re living in a hearing world, so the possibility of being around people who are like them is a great one.”