

The Housing Trust Fund’s Flexibility Works to Combat Homelessness

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 (HTF). 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 recent 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 HTF is to serve the needs of very low income, elderly and special needs Tennesseans. Grants are made to not-for-profits, local governments, other state departments, public housing authorities, human resource agencies 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 to Combat Homelessness

From 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 combating homelessness.

Below are three examples of fighting homelessness with new construction, historic rehabilitation and youth-centric programming:

Campus for Human Development – Nashville, TN

Requested	\$1,600,000 in HTF dollars
Match	\$5,800,000 (foundations, local HOME, FHLB)
Project	Permanent supportive housing for 40 individuals who struggle with homelessness and disability.

The Campus for Human Development requested HTF dollars to construct a four-story building to provide housing, expand crowded services and provide greater control of an existing site. The crux of the permanent housing program is the support services that can be wrapped around the participant through all Campus programs. Residents are required to meet with a case manager to review eligibility for entitlement benefits, establish a realistic budget and be introduced to the Campus community. The participant creates an action plan for the six-month initial lease term.

The building assists in reclaiming a neighborhood mired in tension and destined for disrepair. The implemented proposal provides permanent housing in an area designated by Nashville’s Strategic Plan to End Chronic Homelessness.

The gloriously celebratory ribbon-cutting for The Campus was held Sept. 9, 2010. A commentary on the event captured some of the poignant moments:

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Hundreds of people gathered behind a downtown railroad trestle to see the new \$13 million Room in the Inn building. The designer-dud clan was there, from Nashville's oldest money. They stood toe-to-toe with the poorest among us — like the man with a backpack containing all of his possessions. There was no discussion of ... the legalities of panhandling. Gov. Phil Bredesen and Mayor Karl Dean stayed nearly two hours, shaking the hands of the humble. Bredesen took photos of the crowd to e-mail his wife.

Charles Hodge, dressed in a jacket and tie, said he had prepared a written speech, but he decided to throw it away. "I have to do this from the heart," Hodge said. "I don't consider myself homeless, because home is where the heart is. And my heart is here."

With that, he let fly a beautiful baritone rendition of "Nobody Knows the Trouble I've Seen" to the folks gathered on an asphalt parking lot bookended by the old and the new. The ragged old building was reflected in the windows of the shiny new glass and chrome one. Phase one of Room in the Inn's glorious transformation is done.

Volunteer Ministry Center (Minvilla Manor) – Knoxville, TN

Requested	\$300,000 in HTF dollars
Match	\$4,155,320 (FHLB – Atlanta, HUD Supportive Housing Program; AmSouth Bank tax credits, City of Knoxville)
Project	Permanent supportive housing for chronically homeless adults, 57 units: 33 are one-bedroom units and the other 24 are studios.

Many people subjected to homelessness are grateful for shelter. Transformation comes when shelter becomes home. Minvilla Manor recognizes the human spark guttering inside the rags and torment.

Minvilla is an historic rehab of the former 5th Avenue Motel. The individuals living in Minvilla will meet HUD's definition of chronic homelessness, meaning they have been homeless for a period of one continuous year or three times over four years and they must have a physical, mental, emotional or co-occurring disability. Each resident will fall within the very low-income range as defined by HUD's Section 8 Rental Assistance Program, and certified as eligible in accordance with Continuum of Care funding guidelines. Volunteer Ministry Center and its partners provide supportive services, including outreach interventions; mental health and substance abuse treatment will be provided by local community mental health organizations, and life skills and employment training will be provided by VMC program staff, the American Red Cross and the Tennessee Career Center. Assistance in completing educational goals is provided, and reinvestment into the community through a range of volunteer opportunities.

An estimated 7,000 people in Knox County experience homelessness in a given year. The majority of those are not chronically homeless. The community is probably home to somewhere between 700 and 800 people who are chronically homeless. VMC serves over 63,000 persons per year through its four main programs: The Day Room, The Refuge, The People's Clinic and the Jackson Avenue Apartments.

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KNOXVILLE (WATE) - A historical building in Knoxville, built in 1913 and condemned in 2002 was reopened Saturday by the Volunteer Ministry Center. *“The transformation of this building really represents the transformation of lives that will happen in this building,”* said Ginny Weatherstone, director of VMC, which will operate Minvilla Manor. *“It’s not easy to get in here,”* said Weatherstone. *“Their persistence in jumping through hoops (we put in front of them) is one of the ways we know they are serious. The folks moving into Minvilla Manor are making a serious commitment to leave homelessness.”*

The care invested in the painstaking preservation of the building is indicative of the care for its new residents. Minvilla has been awarded a Tennessee Historical Commission Certificate of Merit for 2011. The award is in the category of Historic Preservation and recognizes the achievement of the restoration. The Awards recognize individuals, publications, projects, and programs that contribute to history and historic preservation efforts in Tennessee. Additionally Minvilla Manor has been placed on the National Register of Historic Places.

Oasis Center – Nashville, TN

Requested	\$ 300,000 in HTF dollars
Match	\$ 300,000 in foundation and individual gifts
Project	Permanent supportive housing homeless youth

Emergency Youth Shelter- Harwell Lofts is the only residential shelter in Nashville for teens (ages 13 – 17) who have run away or are homeless. 70% of the clients come to the Lofts through street outreach. The Oasis Center offers a therapeutic program that provides young people in crisis mode a place of respite, support, and healing. For 40 years, this program has demonstrated incredible success helping a young person stabilize emotionally and socially so that they can successfully reunite with their families. 97% of the teens served last year returned to their families. Oasis Center has 12 of the 40 beds in Tennessee for youth in crisis. It’s youth-friendly architecture and atmosphere are augmented by the 21 different youth programs that share the building with the dorm-style rooms.

Having been hurt and rejected before by his own mother, Josh was understandably reluctant to open himself up to strangers. To protect himself from more rejection and neglect he became super responsible for himself, even refusing to ask for help when he was exhausted or unsafe.

But at the Harwell Lofts, Josh found a place where he felt a sense of belonging. He finally found caring adults who believed in him and wanted him to succeed.

Josh quickly got not one, but two jobs and he started saving money to get his own place. We worked with him on life skills, job training, and provided counseling. After six months of living at the Loft, he felt ready to move into an apartment with a friend he made from work.

We’re excited to say that Josh remains employed and living in his apartment to this day.

Supplemental Information

Economic Impact

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 HTF 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.

The model also calculates personal income associated with HTF spending. 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 HTF programs and grants was \$29,082,506.

The 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 HTF programs and grants was \$3,061,334.



THDA Executive Director Ted R. Fellman celebrates the opening of the Campus for Human Development which includes permanent supportive housing units for persons who have been chronically homeless.



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The phenomenal restoration of Minvilla Manor in Knoxville showcases the community's commitment to helping people off the streets into a supportive living environment.

