

Public Hearing Questions for
Tennessee Housing Development Agency, Board of Directors
 Created by Section 13-23-105, *Tennessee Code Annotated*
 (Sunset termination June 2014)

1. Provide a brief introduction to the agency including information about its purpose, statutory duties, and staff.

The Tennessee Housing Development Agency (“THDA”) was created in 1973 by the Tennessee General Assembly under Tennessee Code Annotated Section 13-23-101 et seq. THDA is a political subdivision and instrumentality of the state but is self-sustaining and does not receive annual appropriations from the federal or state government. As the state’s housing finance agency, THDA has the authority to issue tax-exempt Mortgage Revenue Bonds. THDA uses the proceeds from bond sales to support affordable mortgage financing opportunities for first-time homebuyers, Veterans and members of the Tennessee National Guard. Since 1973, THDA has helped over 109,000 first-time homebuyers in Tennessee achieve the American dream of homeownership.

THDA is not a direct mortgage lender. Instead, THDA purchases qualified mortgages originated through THDA’s private-sector lending partners. All THDA mortgages have 30-year, fixed-rate terms and offer a maximum of four percent in down-payment assistance. THDA currently holds over 26,000 mortgage loans in its portfolio, with less than one percent headed into foreclosure.

THDA is also designated by the State of Tennessee to serve as the administrator for a number of federal and state housing programs providing assistance to support both rental and homeownership opportunities. These programs include the Low Income Housing Tax Credit, Multifamily Bond Authority, HOME, Section 8 Rental Assistance, Housing Trust Fund, among others. A complete list of THDA programs is included in the *Supplemental Materials* document (pages 3-7).

At the close of fiscal year 2013, THDA employed a staff of 216 persons in various fields related to the housing and mortgage lending industries. The chart below includes a list of staff members that serve on THDA’s Executive Committee.

Ralph Perrey	Executive Director
Lynn Miller	Chief Legal Counsel
Trent Ridley	Chief Financial Officer
Patricia Chatman	Chief Leadership Officer
Lorraine Shearon	Chief Strategy Officer
Patricia Smith	Director of Public Affairs
Lindsay Hall	Senior Director of Single Family Programs
Cheryl Jett	Senior Director of Multifamily Programs
Mike Blade	Director/Assistant General Counsel for Multifamily Development

2. **Provide a list of current members of the agency board of directors. For each member please indicate who appointed the member, how the member's presence on the board complies with Sections 13-23-106, 107 and 108, *Tennessee Code Annotated*, and the member's county of principal residence. Please indicate each member's race and gender and which members, if any, are 60 years of age or older.**

A list of THDA Board members, as of July 1, 2013, is included in the *Supplemental Materials* document (page 1). Legislation ([Public Chapter 414](#)) approved by the Tennessee General Assembly in 2013 will reduce the size of THDA's Board of Directors from 19 members to a maximum of 15 members beginning July 1, 2013 and a maximum of 14 members as of July 1, 2016.

3. **How many times did the board of directors meet in fiscal year 2012 and to date for 2013, and how many members were present at each meeting? Did the board attempt to meet at any time during fiscal year 2012 and to date for 2013 that the quorum requirements set forth in Section 13-23-110, *Tennessee Code Annotated*, could not be met?**

Since 1993, the THDA Board of Directors has met every other month beginning in January of each calendar year. The THDA Board of Directors met six times in both fiscal year 2012 and 2013. There were NO instances when the THDA Board of Directors could not conduct regular business because of failure to meet the quorum requirements set forth in Section 13-23-110, Tennessee Code Annotated.

The dates of each board meeting and the number of board members present are as follows:

<u>Fiscal Year 2012</u>	<u>Number of members present</u>
July 26, 2011	19
September 27, 2011	18
November 29, 2011	12
January 24, 2012	16
March 27, 2012	14
May 21, 2012	15

<u>Fiscal Year 2013</u>	<u>Number of members present</u>
July 24, 2012	16
September 25, 2012	18
November 27, 2012	15
January 29, 2013	17
March 26, 2013	14
May 14, 2013	14

4. What per diem or travel reimbursement do members of the board receive? How much was paid to board members during fiscal year 2012 and to date for 2013?

THDA Board members receive travel reimbursements in accordance with the State of Tennessee's Comprehensive Travel Regulations for board meetings and for a limited number of out-of-state national conferences related to programs administered by THDA. The table below details the per diem and travel reimbursements paid to THDA board members during FY2012 and FY2013 YTD.

	FY 2012	FY 2013 YTD
Board Meeting Expenses	\$20,367	\$22,545
Conference Expenses	\$5,634	\$3,634
Total	\$26,001	\$26,179

5. Is the agency subject to Sunshine law requirements (Section 8-44-101 et seq., *Tennessee Code Annotated*) for public notice of meetings, prompt and full recording of minutes, and public access to minutes? If so, what procedures does the agency have for informing the public of its meetings and making its minutes available to the public?

THDA is subject to and adheres to the Sunshine law requirements included in T.C.A. Section 8-44-101 et seq. THDA uses the following methods to inform the public of its meetings:

1. Each year at its annual meeting in November, the THDA Board of Directors considers a meeting schedule for the Board of Directors and all committees for the next year. Following the November meeting, the anticipated schedule for the next year is posted on THDA's website (www.thda.org), where it remains until it is replaced the next year.
2. Approximately one week prior to each THDA Board meeting, a notice regarding the upcoming THDA Board of Directors and Committee meetings is posted on the State of Tennessee's website for public meetings and on THDA's website. Members of the public who access THDA Board meeting information through the State's website also have a link to the THDA website. The THDA website includes materials made available to THDA Board members for an upcoming meeting.

THDA makes its Board and Committee minutes available to the public in the following ways:

1. The materials made available to each THDA Board member for a particular meeting typically include draft minutes from the previous THDA Board of Directors and Committee meetings. These materials are also posted on the THDA website. Members of the public can access the draft minutes via the THDA website or the state's website, as described above.

2. Once minutes for THDA Board of Directors and Committee meetings are approved, they are posted on THDA's website. THDA maintains two full years of minutes on its website for the Board of Directors and for each Committee, as well as the approved minutes to date for the current year.
 3. The THDA website directs members of the public to a THDA staff person if they have questions or wish to review minutes that are not posted on the THDA website.
6. **What were the agency's revenues (by source) and expenditures (by object) for fiscal year 2012 and to date for 2013? Does the agency carry a fund balance and, if so, what is the total of that fund balance? If expenditures exceeded revenues, and the agency does not carry a fund balance, what was the source of the revenue for the excess expenditures? Please describe each of the funds described in Section 13-23-122, *Tennessee Code Annotated*.**

A report including THDA's revenues and expenditures for fiscal year 2012 and fiscal year 2013 YTD is included in the Supplemental Materials document (page 2).

THDA's Net Assets (Fund Balance) were \$555 million as of THDA's March 31, 2013 Unaudited Financial Statements. Approximately \$502 million serves as restricted, contractually pledged assets to the owners of the THDA bonds issued under multiple bond resolutions. As pledged assets, the contractual provisions of the bond resolutions restrict the use of such assets.

However, the assets may be removed from the lien of the bond resolutions if certain parity tests, as established by the bond resolutions, are satisfied. THDA's Fund Balance is given consideration in the rating agencies' and investors' assessment of THDA's financial strength, which translates into lower interest rates for THDA borrowers. Another \$50 million of the Fund Balance is restricted for unexpended grant awards made from various grant programs, such as the Attorneys General Mortgage Settlement, Hardest Hit Fund, Section 8 Rental Assistance, and Housing Trust Fund. Finally, there is \$3 million, restricted by legislation enacted in 1986, for the Homebuyer's Revolving Loan Program, which was a pilot program that funded zero percent loans for down payment assistance and closing costs.

The description of funds as described in T.C.A. 13-23-122 is as follows:

Debt Service Reserve Fund:

The Act authorizes THDA to establish one or more reserve funds to be known as Debt Service Reserve Funds. In compliance with the Act, THDA has established a Debt Service Reserve Fund for THDA's bonds. THDA may not issue any bonds unless the amount in the Debt Service Reserve Fund is at least equal to the maximum amount of principal, sinking fund installments and interest required to be made and becoming due on all bonds then outstanding for the then current or any succeeding State fiscal year or any succeeding calendar year, whichever is greater.

Debt Service Reserve Funds are reported in THDA's financial statements as "Restricted [Net Assets] for Single Family Bond Programs" along with other assets

that are contractually pledged under the bond resolutions of THDA, to the owners of the THDA bonds issued under such bond resolutions.

Sinking Funds:

THDA is required to effect "Sinking Fund Payments," which are defined as of any particular date of calculation, the amount required to be paid at all events by THDA on a certain future date for the retirement of outstanding bonds which mature after said future date, but does not include any amount payable by THDA by reason of the maturity of a bond or by call for redemption at the election of THDA. In lieu of Sinking Fund Payments, THDA has elected to redeem bonds in advance of maturity of such bonds.

THDA has no other active reserve funds as permitted T.C.A. 13-23-122 (c).

- 7. Describe the nature and extent of the agency's activities, describing all agency programs (construction loans, insured mortgage loans, purchase of mortgages, issuance of bonds, handicapped housing loans, etc.) and any major accomplishments for the past two years. How do these activities address each of the 34 purposes set out in Section 13-23-115, *Tennessee Code Annotated*?**

THDA utilizes the general and specific powers granted under T.C.A. 13-23-115 to operate the agency and its programs. A complete list of programs currently administered by THDA, along with their funding levels and the total number of households served during the previous two years, is included in the *Supplemental Materials* document (pages 3-7).

Besides serving as the administrator for multiple federal and state housing programs, THDA acts as the state's housing finance agency. In this role, THDA has the authority to issue tax-exempt Mortgage Revenue Bonds. THDA uses the proceeds from bond sales to support affordable mortgage financing opportunities for first-time homebuyers, Veterans and members of the Tennessee National Guard. Since 1973, THDA has helped over 109,000 first-time homebuyers in Tennessee achieve the American dream of homeownership.

THDA does not act as a direct mortgage lender. Instead, THDA purchases qualified mortgages originated through THDA's private-sector lending partners. All THDA mortgages have 30-year, fixed-rate terms and offer a maximum of four percent in down-payment assistance. THDA currently holds over 26,000 mortgage loans in its portfolio, with less than one percent headed into foreclosure. This percentage is far lower than that of FHA and sub-prime loans. THDA credits its low foreclosure rate to the requirement that all THDA borrowers receiving down-payment assistance must complete an eight-hour, pre-purchase education course from a THDA-certified counseling agency. THDA's homebuyer education program is discussed in greater detail in Question #11.

THDA celebrated several accomplishments during the previous two years, several of which are highlighted below.

Financial and Regulatory Oversight

The State Comptroller's office serves as THDA's external auditor. In 2012, THDA earned a clean opinion letter regarding the Comptroller's audit of THDA's Financial Statements for the tenth consecutive year. THDA also achieved its seventh consecutive year with no reported findings in THDA's Financial and Compliance Audit report. In addition, a number of federal agencies conduct annual reviews of THDA to monitor program compliance, including HUD and the US Treasury Department.

Homeownership for the Brave

In May 2013, THDA permanently extended the Homeownership for the Brave program, which offers a ½-percent reduction off THDA's current mortgage interest rate and waives the first-time homebuyer requirement for active-duty military, Veterans, and members of the Tennessee National Guard. THDA held several media announcements to promote the program with members of Tennessee's Congressional delegation.

Assisting other State Agencies / Saving the State Money

THDA has helped improve government efficiency and saved the state and taxpayers' money by assuming the responsibility for administering several smaller, housing programs scattered across other, larger state agencies with less focus on housing issues. Through Executive Order, THDA has/will assume responsibility for the following programs:

- Offender Re-Entry Housing Program (RHP) – the RHP program provides indigent offenders with access to transitional housing upon release from incarceration. The partnership between THDA and the Tennessee Department of Correction to administer this program is expected to save the state approximately \$1.7 million annually by shortening the length of incarceration and reducing recidivism.
- Weatherization Assistance Program (WAP) – previously administered by the Tennessee Department of Human Services
- Low-Income Home Energy Assistance Program (LIHEAP) – previously administered by the Tennessee Department of Human Services
- Money Follows the Person –partnership with TennCare to provide housing assistance to persons moving from an institutional setting to home-based care model

Recent THDA Bond Sale Removes the State's Moral Obligation Pledge

THDA is currently one of a handful of state housing finance agencies that still have the ability to issue tax-exempt mortgage revenue bonds to fund its mortgage loan programs. In May 2013, THDA closed the sale of \$216 million in bonds, the second largest bond issue in THDA history. More importantly, this is THDA's first bond sale that does not include the moral obligation pledge of the state. In addition, nearly \$76 million of existing THDA debt, previously supported by the state's moral obligation pledge, was refunded from a portion of the proceeds from this bond sale.

Rebuild and Recover Program

THDA's Rebuild and Recover program offers a variety of tools to assist Tennessee communities impacted by a disaster event, such as a tornado or flash flooding, but where the total amount of damage does not rise to the level of a federal or state emergency. Assistance options include loans for home repairs and rental assistance. The Rebuild and Recover program was based on THDA's experience assisting homeowners impacted by flash flooding in the Washington County community of Dry Creek. Since the THDA Board approved the program in March 2013, THDA has provided assistance to both McNairy and Stewart Counties.

Foreclosure Prevention

THDA began administering the \$217 million Keep My Tennessee Home program in March 2011. This program provides up to \$40,000 in direct mortgage assistance over the course of 36 months through a 0%, deferred, forgivable loan. ALL ASSISTANCE PAYMENTS ARE SENT DIRECTLY TO THE MORTGAGE SERVICER. To be eligible, applicants must have experienced a more than 30% reduction in income caused by unemployment or underemployment (through no fault of their own), death of a spouse, or divorce. THDA has committed over half of the total funding and helped almost 4,000 households avoid foreclosure and remain in their homes.

Following the National Mortgage Servicer Settlement in February 2012, the Tennessee Attorney General earmarked over \$34 million in funding to provide additional support for THDA's foreclosure prevention counseling program and to expand eligibility the Keep My Tennessee Home program to include medical disabilities.

Tennessee Housing Needs Assessment (2012)

Dr. Mick Nelson, THDA's Policy Analyst, prepared the 2012 Housing Needs Assessment to help better understand the different housing challenges facing Tennessee residents across the state. THDA and other affordable housing providers will use this comprehensive document to guide future policy decisions regarding the type of resources and programs targeted toward a specific area or region.

- 8. Please describe what steps the agency has taken to implement and enforce the provisions of Section 13-23-128, *Tennessee Code Annotated*, pertaining to conflicts of interest. If the agency operates under a formal conflict of interest policy, please attach a copy of that policy.**

THDA operates under a formal conflict of interest policy and interpretive guidelines, both as modified on May 14, 2013 to conform with [Public Chapter 405](#). Copies of both items are included in the *Supplemental Materials* document (pages 8-12).

THDA takes the following steps to implement and enforce the provisions of Tennessee Code Annotated Section 13-23-128:

1. Disclosure – Annual and On-Going

- a. Each THDA Board member, as they are appointed, and each THDA employee, as they are hired, must complete a disclosure form that covers all THDA programs and activities.
- b. Annually thereafter, each THDA Board member and each THDA employee completes a disclosure form.
- c. The Director of Internal Audit and the Chief Legal Counsel follow up as needed to ensure that completed forms are received from each THDA Board member and each THDA employee.
- d. THDA Board members and THDA employees are reminded that they have an obligation to report situations that may occur after a disclosure form is completed that may rise to the level of a conflict of interest. They are also encouraged to discuss possible situations before they occur to determine, in advance, whether an impermissible conflict of interest is involved or whether there are conditions they should be mindful of in pursuing a particular course of action.
- e. The completed forms are maintained in THDA files.

2. Analysis

- a. The Director of Internal Audit and the Chief Legal Counsel analyze completed disclosure forms annually and prepare reports for the Audit and Budget Committee of the THDA Board and to the full Board.
- b. The reports prepared by the Director of Internal Audit and the Chief Legal Counsel become part of the minutes of the Audit and Budget Committee of the THDA Board and the full Board.
- c. The Director of Internal Audit and the Chief Legal Counsel attempt to address all issues raised in annual disclosure reports with the THDA Board member or employee involved to seek appropriate resolution.
- d. On an on-going basis, the Director of Internal Audit and the Chief Legal Counsel answer questions, analyze and provide advice regarding issues that are raised by a THDA Board member or THDA employee.
- e. Issues that cannot be resolved by the Director of Internal Audit and the Chief Legal Counsel are handled by the Audit and Budget Committee of the THDA Board.

9. **Section 13-23-114, *Tennessee Code Annotated*, requires the agency to “establish a housing cost index ... to be computed monthly or at such time or times as the agency in its discretion may require.” Please describe this process and explain its relationship to the other activities of the agency.**

The Housing Cost Index is used to determine what percentage of the average Tennessee household's gross monthly income is required to pay for primary fixed housing costs. According to T.C.A. Section 13-23-114, if the Housing Cost Index calculation exceeds 25 percent of an average Tennessee household's gross monthly income, it is determined that “a majority of Tennessee citizens are excluded from the normal housing market” and THDA's programs should be continued.

THDA calculates the Housing Cost Index annually, typically in January of each calendar year, and presents this calculation to the THDA board. The Housing Cost Index calculation exceeded 25 percent for each of the previous two years.

10. Describe any items related to the agency that require legislative attention and your proposed legislative changes.

At this point, THDA does not anticipate requesting legislative changes that would require the immediate attention of the Tennessee General Assembly.

11. What, if any, activities has the agency undertaken to educate homebuyers concerning the obligations and responsibilities of homeownership, including the financial obligations associated with purchasing a home?

Since 2002 THDA has dedicated over \$2.5 million of its earnings to fund the Homebuyer Education Initiative (HBEI) program. In addition, THDA provided almost \$1 million to pay for other expenses related to certification and the cost of training materials for instructors and clients. Although THDA requires all borrowers who receive down-payment assistance to attend an eight-hour, pre-purchase education course, this opportunity is available to all Tennessee residents. Since 2002, over 13,500 THDA borrowers and over 40,000 non-THDA borrowers have taken advantage of this opportunity.

THDA has approved a statewide network of 65 Homebuyer Education Initiative (HBEI) provider organizations that deliver homeownership education and counseling services in Tennessee (HBEI Providers). HBEI Providers include community-based, 501(c)(3) agencies, UT County Extension agents, Development District housing specialists, regional human resource agency staff and public housing authority staff. HBEI-approved educators and counselors are expected to attend annual THDA peer sessions to learn new industry information and to discuss issues affecting their programs. HUD, USDA Rural Development and other housing providers also participate in these annual continuing education events.

National research and housing experts agree that homebuyers who participate in a pre-purchase education course will greatly reduce their chances of foreclosure, sometimes by more than 50%. This percentage is even more significant for first-time homebuyers. The value and benefit of pre-purchase education can be seen when you examine the performance of THDA's mortgage portfolio. Of the 26,000 mortgages currently held by THDA, less than one percent are headed to foreclosure. This percentage is far lower than both FHA and sub-prime loan.

The homeownership education and counseling model used by THDA places an added emphasis on preparing trainers and counselors to work with clients on a long-term basis. This includes not only preparing clients for homeownership, but also being available post-purchase to assist with issues related to delinquency and/or default.

12. Should the agency be continued? To what extent and in what ways would the absence of the agency affect the public health, safety, and welfare?

The Tennessee Housing Development Agency (THDA) should certainly be continued, preferably for the longest period allowed under the state's Sunset provisions.

For 40 years, THDA has provided responsible mortgage financing options for first-time homebuyers, and now, for military families as well. Since inception, over 109,000 Tennesseans have become homeowners with THDA's assistance. THDA has managed this business exceptionally well. THDA's finances are strong, its book of business is sound, and THDA's earnings fully support its operations, in addition to a number of other affordable housing program initiatives through the THDA-created Housing Trust Fund. THDA has also developed considerable expertise as the administrator of a number of federal housing-related programs and manages these on behalf of the State. In the past year, THDA has made a particular effort to offer its assistance to other departments of state government whose work touches on housing. Through these efforts, THDA has been able to help those agencies solve problems and save taxpayers' money.

In the absence of a state housing finance agency, many thousands of Tennesseans would find it difficult to obtain affordable mortgage financing, and other entities of state government would have to assume responsibility for THDA's mortgage portfolio of over 26,000 loans and outstanding bonded indebtedness of roughly \$2.2 billion. Other agencies of state government would have to assume the responsibility of administering federal programs such as the Hardest Hit Fund, National Mortgage Settlement, Low Income Housing Tax Credits, Section 8 Rental Assistance, HOME, Weatherization, Emergency Solutions Grants, and Low Income Heating and Energy Assistance - unless, of course, the state chooses not to accept the federal dollars associated with these programs.

THDA has a 40 year track record of excellence in its handling of bond and mortgage finance programs and in operating a number of other housing assistance programs. THDA's housing-related activities contribute an estimated \$745 million annually to the state's economy and generate roughly \$32 million in sales and property tax revenue for state and local governments. Whether this record could be matched, either in performance or economic impact, if THDA's duties were divided among other departments is very much in doubt.

THDA provides valuable services to the State of Tennessee and its residents at no direct expense to the state's taxpayers. THDA is uniquely positioned to lead state government in meeting the housing challenges facing our citizens and communities. THDA's 40-year record of accomplishment and financial responsibility argues for a continuation of its operating authority.

13. Please list all agency programs or activities that receive federal financial assistance and, therefore are required to comply with Title VI of the Civil Rights Act of 1964. Include the amount of federal funding received by program/activity.

[Federal financial assistance includes:

- (1) Grants and loans of Federal funds,**
- (2) The grant or donation of Federal Property and interests in property,**
- (3) The detail of Federal personnel,**
- (4) The sale and lease of, and the permission to use (on other than a casual or transient basis), Federal property or any interest in such property without consideration or at a nominal consideration, or at a consideration which is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale or lease to the recipient, and**
- (5) Any federal agreement, arrangement, or other contract which has as one of its purposes the provision of assistance.**

28 C.F.R. Sec. 42.102(c)

[The term recipient means any State, political subdivision of any State, or instrumentality of any State or political subdivision, any public or private agency, institution, or organization, or other entity, or any individual, in any State, to whom Federal financial assistance is extended, directly or through another recipient, for any program, including any successor, assign, or transferee thereof, but such term does not include any ultimate beneficiary under any such program.

28 C.F.R. Sec. 42.102(f)

A chart listing all programs administered by THDA that receive federal financial assistance is included in the *Supplemental Materials* document (page 13). However, THDA interprets Title VI to mean that all THDA programs are required to comply with Title VI requirements.

14. Does your agency prepare a Title VI plan? If yes, please provide a copy of the most recent plan.

Yes. A copy of THDA's 2012 Title VI Plan is included as a separate attachment.

15. Does your agency have a Title VI coordinator? If yes, please provide the Title VI coordinator's name and phone number and a brief description of his/her duties. If not, provide the name and phone number of the person responsible for dealing with Title VI issues.

Yes. THDA has two staff members responsible for the coordination and oversight of Title VI compliance. Both staff members and their duties are described below.

Lorrie Shearon, the Chief Strategy Officer at THDA (615-815-2013), serves as THDA's Title VI Coordinator. In this role, Ms. Shearon oversees the adoption of THDA's Title VI plan and designs and implements procedures and policies to ensure compliance. Ms. Shearon also prepares THDA's annual consolidated plan for housing.

Bruce Balcom, Assistant General Counsel for THDA (615-815-2026), is responsible for legal services as they relate to Title VI. Under the supervision of THDA's General Counsel, Mr. Balcom also serves as THDA's primary legal counsel for the Section 8 Rental Assistance and Section 8 Contract Administration programs, in addition to THDA's Human Resources division.

16. To which state or federal agency (if any) does your agency report concerning Title VI? Please describe the information your agency submits to the state or federal government and/or provide a copy of the most recent report submitted.

With the exception of the Tennessee Human Rights Commission, THDA does not submit Title VI reports to any federal or state agency.

17. Describe your agency's actions to ensure that agency staff and clients/program participants understand the requirements of Title VI.

THDA staff members involved in Title VI compliance receive the necessary training and instruction to ensure effective identification of Title VI violations. In addition, other THDA staff members attend fair housing or other forms of non-discrimination training throughout the year. During the previous two years, THDA staff members attended approximately 215 trainings regarding these subjects.

THDA strongly encourages Title VI awareness and compliance training among its sub-recipients. During the last two years, 35 percent of THDA's sub-recipients have completed Title VI training.

18. Describe your agency's actions to ensure it is meeting Title VI requirements. Specifically, describe any agency monitoring or tracking activities related to Title VI, and how frequently these activities occur.

All HUD-funded applications must include a document, signed by the applicant, assuring the applicant's intent to comply with all Title VI requirements. Prior to awarding or allocating resources for the HOME and Section 8 Rental Assistance programs, THDA conducts an extensive review of each sub-recipient to ensure there are no outstanding Title VI compliance issues. Almost 300 field and on-site reviews were conducted by THDA's Compliance Division during fiscal year 2012. If an issue is discovered, THDA will incorporate appropriate conditions in its approval to ensure funds are not received until corrective action is taken.

THDA began preparations in July 2012 to develop a system for THDA staff to record and report encounters with Limited English Proficiency (LEP) persons. All THDA

staff are required to create a record, through an online fillable form, after encountering an LEP person via telephonic, on-site or written communications. This collection of data will enable THDA to monitor its LEP policy and procedures and set goals to assist LEP persons in future interactions with THDA.

19. Please describe the agency's procedures for handling Title VI complaints. Has your agency received any Title VI-related complaints during the past two years? If yes, please describe each complaint, how each complaint was investigated, and how each complaint was resolved (or, if not yet resolved, the complaint's current status).

During fiscal year 2013, there were NO Title VI complaints filed against THDA. During fiscal year 2012, THDA handled one Title VI complaint alleging discrimination under Title VI. This complaint is addressed in more detail below.

When a complaint is received, THDA uses the following process to handle Title VI complaints:

1. Complaints should be handled within 90 days of their receipt.
2. A letter should be sent acknowledging receipt of the complaint and requesting a time and date an investigator can reach the complainant by phone to discuss the complaint.
3. A preliminary inquiry should be conducted on all complaints to substantiate or refute the allegation.
4. If the preliminary inquiry indicates there may be an issue, then a complaint investigation should be initiated. A letter should be sent to the complainant explaining that an investigation will be started and that their cooperation will be needed in the future.
5. If the allegations are not substantiated, a letter should be sent to the complainant that contains a description of the allegations investigated, the scope of the investigation, the facts learned and a closing statement summarizing the basis on which the determination was made.
6. A complaint log should be kept for records and submission to the proper state and federal authorities. Additionally, information should be sent to the Tennessee Human Rights Commission (THRC).

The Title VI complaint THDA filed during fiscal year 2012 was received on June 6, 2011. The complainant alleged their application for the Hardest Hit Fund (HHF) was denied based on race and color. The Internal Audit of THDA investigated the claim and it was determined the complainant was denied mortgage assistance through the HHF program because they did not meet the eligibility requirements for the program. The investigation determined that other applicants were also denied for similar reasons and that the percent of ineligible applicants denied loans was roughly the same, regardless of race and color (17.61 percent for White applicants and 17.9 percent for Black/African American applicants). Based on the investigations findings, the application for loan funding was appropriately denied and the circumstances in the complaint did not indicate that provisions of Title VI had in fact been violated. The complainant and THRC were informed of the investigation and the results on July 7, 2011.

20. Please provide a breakdown of current agency staff by title, ethnicity, and gender.

At the close of fiscal year 2013, THDA employed a staff of 216 persons in various fields related to the housing and mortgage lending industries. A summary of ethnicity and gender is included below. A complete list of current THDA staff members and the corresponding information is included in the *Supplemental Materials* document (pages 14-18).

- Female – 159 employees (74%)
- Male – 57 employees (26%)
- White – 158 employees (73%)
- African American – 56 employees (26%)
- Hispanic – 2 employees (1%)

21. Please list all agency contracts, detailing each contractor, the services provided, the amount of the contract, and the ethnicity of the contractor/business owner.

A list of all agency contracts with vendors and the corresponding information is included in the *Supplemental Materials* document (page 19).

THDA Board of Directors

(as of July 1, 2013)

Name	Appointed By	Compliance with TCA Section 13-23-106, 107, 108*	County of Principal Residence	Race	Gender	Age
Phil M. Baggett	Speaker of the Senate	13-23-107(a)(2)	Montgomery	Caucasian	Male	Over 60
John L. Baker	Governor	Local public housing authority employee	Shelby	Caucasian	Male	Under 60
Brian Bills	Governor	At-Large	Knox	Caucasian	Male	Under 60
Philip C. Chamberlain II	Governor	Building materials business employee	Fayette	Caucasian	Male	Under 60
Mary Chatman	Governor	Section 8 Voucher Program resident— required by federal law	Robertson	African-American	Female	Unknown
Dorothy L. Cleaves	Governor	At-Large	Shelby	African-American	Female	Under 60
Terry Cunningham	Governor	Public housing authority employee	Sullivan	Caucasian	Male	Under 60
Ronald K. Jones	Governor	Not-for-profit corporation employee	Davidson	Caucasian	Male	Under 60
Benjie Shuler	Governor	Real estate broker	Knox	Caucasian	Male	Under 60
Mike Stevens	Governor	Homebuilder	Knox	Caucasian	Male	Over 60
Mark Cate	Ex-Officio	Governor's representative	Knox	Caucasian	Male	
Larry Martin	Ex-Officio	Commissioner of Finance & Administration	Knox	Caucasian	Male	
Tre Hargett	Ex-Officio	Secretary of State	Sumner	Caucasian	Male	
David Lillard	Ex-Officio	State Treasurer	Davidson	Caucasian	Male	
Justin Wilson	Ex-Officio	Comptroller	Davidson	Caucasian	Male	
Vacant	Speaker of the House	13-23-107(a)(2)				

*Public Chapter 414 reduced the number of THDA Board members to be appointed by the Governor under T.C.A. Section 13-23-107(a)(1) and added language specifically providing for Board membership by others as may be required by federal law, regulation or agreement.

TENNESSEE HOUSING DEVELOPMENT AGENCY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012 AND THE NINE MONTHS ENDED MARCH 31, 2013
(Expressed in Thousands)

	FYE 2013 (Through March 31, 2013)	FYE 2012
OPERATING REVENUES		
Mortgage interest income	\$ 83,494	\$ 116,015
Investment income:		
Interest	8,178	11,672
Net increase (decrease) in the fair value of investments	(5,638)	320
Federal grant administration fees	11,121	14,475
Fees and other income	1,342	3,218
Total operating revenues	<u>98,497</u>	<u>145,700</u>
OPERATING EXPENSES		
Salaries and benefits	11,918	15,671
Contractual services	1,727	3,208
Materials and supplies	145	184
Rentals and insurance	87	100
Other administrative expenses	310	482
Other program expenses	7,132	11,727
Interest expense	61,135	87,835
Mortgage service fees	5,535	7,539
Issuance costs	551	742
Depreciation	-	144
Total operating expenses	<u>88,540</u>	<u>127,632</u>
Operating income	<u>9,957</u>	<u>18,068</u>
NONOPERATING REVENUES (EXPENSES)		
Federal grants revenue	175,908	260,371
Other grants revenue	17	-
Payment from primary government	-	34,500
Federal grants expenses	(175,625)	(260,587)
Local grants expenses	(12,926)	(14,390)
Total nonoperating revenues (expenses)	<u>(12,626)</u>	<u>19,894</u>
Income before extraordinary loss	<u>(2,669)</u>	<u>37,962</u>
Extraordinary loss on early retirement of debt (Note 4)	-	-
Change in net assets	<u>(2,669)</u>	<u>37,962</u>
Total net assets, July 1	557,918	519,956
Total net assets, June 30	<u>\$ 555,249</u>	<u>\$ 557,918</u>

THDA Programs

Single-Family Homeownership

THDA offers several mortgage financing options to income-eligible, first-time homebuyers. All THDA mortgages have 30-year, fixed-rate terms and offer up to four percent in down-payment assistance. All THDA borrowers receiving down-payment assistance are required to complete an eight-hour, pre-purchase education course from a THDA-approved provider.

- **Great Rate** – 3.6% interest rate (no down-payment assistance)
- **Great Advantage** – 3.9% interest rate (includes 2% in down-payment assistance)
- **Great Start** – 4.2% interest rate (includes 4% in down-payment assistance)
- **Homeownership for the Brave** - The Homeownership for the Brave program offers a 1/2-percent interest rate reduction to active-duty military personnel, Veterans, and members of the Tennessee National Guard. This program was permanently extended by the THDA Board in May 2013.

Pre-Purchase Homebuyer Education

THDA has approved a statewide network of 65 Homebuyer Education Initiative (HBEI) provider organizations that deliver homeownership education and counseling services across Tennessee. HBEI Providers include community-based, 501(c)(3) agencies, UT County Extension agents, Development District housing specialists, regional human resource agency staff and public housing authority staff. All homebuyers utilizing a THDA mortgage and receiving down-payment assistance must complete an eight-hour, pre-purchase education course from a THDA-approved counseling agency.

Foreclosure Prevention Counseling

THDA has approved a statewide network of 15 organizations that provide free and confidential foreclosure prevention counseling to homeowners facing foreclosure. Counseling services are available at no cost to all Tennessee residents, regardless of income.

Keep My Tennessee Home (Hardest Hit Fund)

THDA administers the federally funded Keep My Tennessee Home program, which provides direct mortgage assistance to homeowners facing foreclosure through no fault of their own. Assistance is sent directly to the mortgage servicer.

BUILD Loan Program

The BUILD Loan program provides low-interest, short-term loans to nonprofit organizations. Loan terms range from 6-18 months with interest rates varying from 2%-4%.

Flexible Home Concepts

Flexible Home Concepts is a voluntary certification program designed to encourage builders of new homes to voluntarily implement design features which make a home more accessible. The design of homes certified through the Flexible Home Concepts program place an increased emphasis on easy access, passage, and use.

HOME Investment Partnerships (HOME)

The HOME program is the largest federally-funded block grant program designed exclusively to create affordable housing opportunities for households of low-income. THDA administers the HOME program on behalf of the State of Tennessee and awards funding to cities, counties and non-profit organizations through an annual competitive application process. Local Participating Jurisdictions (PJs) receive their own separate allocation of HOME funding directly from HUD and are not eligible to apply for a portion of THDA's allocation.

Housing Trust Fund (HTF)

The Housing Trust Fund (HTF) is designed to serve households of very-low income, the elderly, and Tennessee's special-needs population. Funds are awarded to and administered by cities, counties and nonprofit organizations. Funding sources for this program include THDA's earnings generated through the Single Family Mortgage program, private sector investment, and matching funds from local grantees. There are several programs that receive funding through the Housing Trust Fund, including:

- The **Competitive Grants Program** offers grants to nonprofits and local governments to support the housing needs of the chronically homeless, persons with mental retardation or mental illness, citizens with developmental disabilities, single mothers recovering from substance addiction or physical abuse, veterans with multiple needs and ex-offenders re-entering society.
- The **Emergency Repair for the Elderly Program** (ERP) provides funding to assist elderly homeowners with making essential repairs to their homes. The ERP program is administered through a partnership with the nine Development Districts throughout Tennessee.
- The **Rural Housing Repair Program** provides funding to assist households of very-low income, the elderly, and the disabled with repairs to their homes. The Rural Housing Repair program is administered through a partnership with USDA Rural Development.
- The **Housing Modification and Ramp Program** provides funding for the construction of ramps and to make other modifications necessary to improve access for persons with disabilities. The program is administered statewide through a partnership with United Cerebral Palsy of Middle Tennessee.

THDA Programs

- The [Manufactured Housing Replacement Program](#) is a pilot program to replace substandard, dilapidated mobile homes (pre-1976) and manufactured homes (post-1976) with new HUD-certified Energy Star Qualified manufactured homes. The program is administered through a partnership with the Tennessee Manufactured Housing Foundation.

[Rebuild and Recover](#)

The Rebuild and Recover program was approved by the THDA Board in March 2013. This program provides direct assistance to communities impacted by an isolated disaster event, such as a tornado or flash flood, where the total amount of damage does not rise to the level of a federal or state emergency. Assistance is targeted to meet the specific needs of each affected community, including options such as loans for home repairs or rental assistance.

[Emergency Solutions Grant \(ESG\)](#)

THDA administers the federally-funded ESG program to 1) improve the quality of emergency shelters for the homeless; 2) subsidize the costs of operating and maintaining emergency shelters; 3) provide essential services to improve the situation of homeless individuals; 4) provide street outreach services to the homeless; and 5) provide emergency intervention assistance and rapid re-housing services to prevent homelessness and to obtain permanent housing. THDA administers the ESG program on behalf of the State of Tennessee.

[Community Investment Tax Credit](#)

The Community Investment Tax Credit (CITC) program is a state program that offers financial institutions a credit against their state Franchise and Excise tax liability for making qualified loans, qualified investments, grants or contributions to housing entities engaged in eligible low-income housing activities. THDA administers the CITC program in cooperation with the Tennessee Department of Revenue.

[Weatherization Assistance Program](#)

The Weatherization Assistance Program (WAP) is designed to help households of low-income reduce their residential energy consumption through increased energy efficiency and consumer education. Examples of common weatherization measures that may be provided are weather stripping, caulking, and adding of insulation to attics, walls and floors. Households with young children, elderly or disabled members are given priority for this program. THDA recently assumed the responsibility of administering the WAP program from the Department of Human Services.

Low Income Home Energy Assistance Program

On October 1, 2013, THDA will assume responsibility for administering the Low-Income Energy Assistance Program (LIHEAP) from the Tennessee Department of Human Services. LIHEAP is a federally-funded grant program assisting low-income households, primarily those who pay a high proportion of household income on home energy, with meeting their immediate energy needs. In Tennessee, LIHEAP is administered through a network of 19 local agencies covering all 95 Tennessee counties.

Low Income Housing Tax Credit

The Low-Income Housing Tax Credit (LIHTC) program provides a 10-year credit against federal income tax liability to the owners and/or investors in low-income rental housing. THDA allocates tax credits to developers through a competitive application process. The amount of tax credits awarded to each applicant is based on the reasonable costs of development, as determined by THDA, and the number of qualified affordable units.

Multifamily Tax-Exempt Bond Authority

The Multifamily Tax-Exempt Bond Authority program, like the LIHTC program, supports rehabilitation, acquisition and rehabilitation, and new construction of affordable rental units. A local government or municipality requests an allocation of the state's bond authority and then sells the bonds to support affordable housing development.

Housing Choice Voucher (Section 8)

The Housing Choice Voucher Program (Section 8) is a rental assistance program funded by the U.S. Department of Housing and Urban Development (HUD). The Section 8 program is tenant-based and allows eligible households to obtain an affordable rental unit in their county of residence by having the administrator (THDA) pay a portion of the rental cost. Payments are sent from THDA directly to the landlord. Participating families are responsible for locating their own rental unit.

THDA is one of 28 public housing agencies (PHAs) across the state that administers the Section 8 program. There are currently more than 30,000 active Section 8 Vouchers in Tennessee. Of this total, THDA administers approximately 6,200 Section 8 Vouchers in 72 of Tennessee's 95 counties.

Family Self-Sufficiency

The Family Self-Sufficiency (FSS) program offers services and training to Section 8 Voucher holders designed for them to become free from public assistance within a five-year period.

THDA Programs

The chart below includes a list of programs currently administered by THDA, along with the total funding level for each program and the number of households served during the previous two calendar years.

Program	CY11 – CY12 Total Units	CY11 – CY12 Total Dollars
Community Investment Tax Credits	2,315	\$59,900,000
Emergency Solutions Grants (formerly Emergency Shelter Grants)		\$2,330,698
Foreclosure Prevention Program	3,906	\$1,614,120
HOME	331	\$15,700,000
Homebuyer Education Program	3,923	\$950,098
Homelessness Prevention and Rapid Re-Housing Program (ARRA program)	1,621	\$0
Homeownership Loan Program	4,291	\$463,000,000
Keep My Tennessee Home	2,653	\$30,400,000
Low Income Housing Tax Credit	3,943	\$344,200,000
Medical Hardship Program	53	\$269,964
Multi-Family Bond Authority	902	\$47,500,000
Neighborhood Stabilization Program (ARRA Program)		\$13,400,000
Section 8 Rental Assistance	40,000 (each year)	\$371,700,000
Tennessee Housing Trust Fund	1,693	\$13,900,000
Total	65,943	\$1,364,864,880

**TENNESSEE HOUSING DEVELOPMENT AGENCY
CONFLICTS OF INTEREST POLICY**

Approved September 16, 2004, as amended May 14, 2013

I. POLICY STATEMENT

A. It is the policy of the Tennessee Housing Development Agency (“THDA”) Board of Directors (1) to comply with T.C.A. Section 13-23-128; (2) to comply with any applicable federal statute or regulation regarding conflict of interest; (3) to insure the integrity of THDA and its programs; (4) to not seek or receive personal financial enrichment by virtue of membership on the THDA Board; (5) to prevent disclosure or use of THDA information for personal profit or advantage of individuals or organizations; and (6) to instill confidence in the public in the operation and administration of THDA programs.

B. Each Board member shall avoid any action, whether or not specifically prohibited by statute or regulation which might result in or create the appearance of (1) using public office for private gain; (2) giving preferential treatment to any person; (3) impeding government efficiency or economy; (4) losing complete independence or impartiality; (5) making a THDA decision outside of official channels; or (6) affecting adversely the confidence of the public in the integrity of THDA.

II. REQUIREMENTS

A. Board Members shall not have any activities, relationships or financial interests involving (1) a housing sponsor or (2) a housing development that (a) has a THDA mortgage loan or (b) has, is or may be seeking low income housing tax credits, an allocation of tax exempt bond authority or HOME Program funds or (3) the sale of real property to a housing sponsor for a housing development to be financed by THDA.

B. Board members may have direct or indirect interests in (1) any THDA business or any contracts with THDA or (2) any ownership interest in any entity that has any interest in any business or contracts with THDA, including without limitation, interests Board members have at the time of their appointment, so long as such interests are disclosed and the Board member does not vote and refrains from participation in discussions, as described below.

C. Board members may own THDA Bonds so long as disclosure is made and purchases and sales do not occur when Board members have information about THDA bonds that is not available to the public.

D. Board members shall not participate in any discussion at Board or committee meetings with respect to their specific business or contracts with THDA, except for incidental interests. This includes items that arose prior to Board appointment.

E. Board members shall not vote at Board or committee meetings with respect to their specific business or contracts with THDA, except for incidental interests. This includes items that arose prior to Board appointment.

F. Board Members may fully participate in discussion and voting with respect to incidental matters.

G. No Board member shall solicit or accept, directly or indirectly, on behalf of himself or herself or any member of the Board member’s household, any gift, including but not limited to any

gratuity, service, favor, food, entertainment, lodging, transportation, loan, loan guarantee or any other thing of monetary value, from any person or entity that (1) has, or is seeking to obtain, contractual or other business or financial relations with THDA; or (2) conducts operations or activities that are regulated by THDA; or (3) has interests that may be substantially affected by the performance or non-performance of the Board member's official duties.

III. PROCEDURES

A. Each Board member shall, annually, identify all direct and indirect involvements and activities that do or could involve THDA or THDA programs, including THDA programs with funding or authority from federal sources. This includes actual past and present involvements and activities as well as expected future involvements and activities. Each Board member shall also disclose, to the best of the Board member's knowledge, involvements and activities of family members which would be prohibited if the family member was a Board member or staff of THDA. In addition to annual disclosure, each Board member shall provide additional disclosure as facts and circumstances come to light that do or could involve THDA or THDA programs.

B. Board members shall initiate all contact with THDA staff regarding THDA programs, applications or other matters in which a Board member has an interest or relationship through the Executive Director, the Deputy Executive Director, the Chief Financial Officer or the General Counsel.

C. General Counsel and Director of Internal Audit shall analyze all disclosures and follow up, as needed.

D. Board members shall announce, at Committee meetings or at Board meetings, the existence of an actual or potential conflict if discussion begins regarding matters in which the Board member has an interest, unless the actual or potential conflict has been previously disclosed.

E. Any Board member, the Executive Director, General Counsel, or Director of Internal Audit may refer any matter to the Audit & Budget Committee for clarification or determination.

F. The Audit & Budget Committee shall interpret this policy, in light of statutory language and any facts and circumstances presented to it, and fashion any remedy or requirement the Committee deems necessary to protect the integrity of THDA and its programs.

**TENNESSEE HOUSING DEVELOPMENT AGENCY
CONFLICTS OF INTEREST
INTERPRETIVE GUIDELINES**

Approved September 16, 2004, as amended May 14, 2013

PURPOSE

These Interpretive Guidelines are designed to provide direction to Tennessee Housing Development Agency (“THDA”) staff and the Audit and Budget Committee of the THDA Board of Directors if and when they are called upon to clarify, interpret or make determinations with respect to the conflicts of interest policy adopted September 16, 2004, as amended (the “Policy”).

INTRODUCTION

Proper governance of THDA depends on board members who give of their time and talent for the benefit of the State. THDA’s enabling legislation, at T.C.A. Section 13-23-128, contains specific conflicts of interest provisions applicable to THDA Board members. On the other hand, T.C.A. Section 13-23-107, also part of THDA’s enabling legislation, specifies the type of persons to be appointed to the THDA Board. The statute requires knowledge and experience in the housing industry as criteria for appointment to the Board which may cause both real and perceived conflicts of interest. The statute requires that members represent various segments of the housing industry, such as homebuilder, mortgage banker, savings and loan association, building supplier, realtors, manufactured housing industry, local government, public housing agency and non-profits. As a consequence, situations of dual interest may result that could be interpreted as a conflict of interest.

To have members with the required knowledge and experience necessary to make well reasoned decisions, a balance must be struck. Knowledgeable and experienced Board members must be allowed to contribute effectively to the purpose and mission of THDA. There must be, however, an awareness of those instances where the actions or activities of a THDA Board member, on behalf of THDA, would result in personal gain or advantage by that member or another member or would result in an adverse effect on THDA.

TYPES OF INTEREST

Implementation of the Policy requires classification or characterization of the types of interest that may be disclosed. The type of interest, pre-existing, prohibited, direct, indirect, incidental, is determined primarily from the specific facts relating to the transaction in question and its impact on the Policy. For example, fees paid in connection with single family loans may be resolved differently for a Board member who is an officer in a publicly held bank which originates many loans other than THDA loans and a bank officer who is the sole shareholder of a privately held bank which only originates THDA loans. Consequently, the examples given are not determinate, but should serve as guidance in interpretation of the Policy.

1. Pre-existing interests include whatever interests a Board member may have at the time of their appointment. Since any such interests arose prior to Board membership, such pre-existing interest may be considered a permitted interests to which disclosure and non-participation apply. Such interest may require additional follow-up and may require waiver requests or other steps based on applicable federal regulations.
2. Prohibited Interests include those transactions in which Board members are statutorily prohibited from engaging and include financial interests in housing developments financed directly by

THDA through THDA loans or HOME Program funds or indirectly assisted by THDA through programs such as the low income housing tax credit program, or the volume cap program. Prohibited interests also include any interest in housing sponsors and the sale of real property to a housing sponsor for a housing development to be financed by THDA. Examples of this type of prohibited interests are: a Board member or a company in which they have a major financial interest cannot get a builder set aside for single family loans; a Board member cannot participate directly in a rental housing loan program either as an owner, contractor, Realtor, or any other position where money is paid directly from the project; a Board member cannot receive a fee for managing a property financed by THDA; a Board member may not receive a fee for selling a property for which THDA has acquired title; a Board member may not participate in a transaction where the member's participation is conditioned on their position on the THDA Board.

3. Permitted Interests include those transactions which involve a Board member and, in some way, involve THDA. Permitted interests may be allowed as long as disclosed and the Board member does not vote or participate in discussions. Directness and degree of control may be evaluated to determine permitted interests. Examples include: a Board member was involved in the transaction prior to appointment to the Board and current THDA involvement is one of administration; a Board member is employed by a non-profit, 501(c)(3) entity and has no personal financial interest derived from a multi-family housing development finance or assisted by THDA; a Board member may hold a paid position, either as employee or by contract, with a non-profit corporation which participates in THDA grant programs as long as the paid position is not contingent on their position on the THDA Board; a Board member may sell property to a builder who has a set aside in a THDA program as long as the sale is at market and is not conditioned on the THDA program; a Board member may sell property to someone who receives THDA financing as long as the individual qualifies through an originating agent; a Board member who operates a business which may furnish building materials, home furnishings or appliances can do so even if the materials are used by another individual who participates in a THDA program; a Board member who is a builder or Realtor can sell a house to an individual who qualifies for a THDA loan as long as the individual goes through a normal THDA program and an originating agent; a Board member who qualifies for a THDA single family loan is not barred as long as such loan is a part of a normal operating program and an originating agent handles the application; a Board member may be an employee of an entity doing business with THDA as long as the employment is not directly contingent on the entity's participation in THDA programs.
4. Incidental interests are interest in transactions that are remote enough to be considered incidental. Disclosure alone is, generally, sufficient. Examples include: it is sufficient for a Board member to disclose that he/she is a builder or Realtor on the annual disclosure and the member subsequently vote on a bond issue or a general program of the THDA. The same situation would be true of a building supply dealer or an employee of a lender who may be an originating agent. Interests involving family members are, generally, incidental, unless the interest is a substitute for a prohibited, direct or indirect interest of a Board member.

VOTING AND NON-PARTICIPATION

The existence of pre-existing and permitted interests requires that a Board member refrain from voting and participating in discussion regarding those interests. This includes voting on specific matters, participating in discussions at committee and Board meetings, and certain communications with THDA staff. In determining the extent of refraining from voting and participating, the fiduciary responsibilities of Board members to THDA must be taken into account regardless of the interests of their employers or the interests of the statutory "slot" they are appointed to fill. Board members must put the interests of THDA first in any discussions. Board members are free to discuss program policies, goals, objectives, but must refrain from advocating a specific point or requirement that benefits a particular group or applicant

in which a Board member has an interest or relationship without consideration of the benefit of the point or requirement to the program or to THDA as a whole. It is expected that Board members will bring their personal experiences to bear, but without advocating a particular view that could be viewed as detrimental to a program, policy or THDA as a whole. Board members must not participate in any discussion or vote in connection with their specific business or contracts with THDA.

PUBLIC DISCLOSURE

All disclosure provided by each THDA Board member, their voting representative and any staff members of the Board who deal directly with THDA, will be made public to the extent necessary to meet the conflicts of interest requirements in Tennessee Code Annotated Section 13-23-128 and are records open to public inspection pursuant to Tennessee Code Annotated Section 10-7-503.

DEFINITIONS

In determining the type of interest involved, the following definitions may apply:

“Paid official relationship” and “financial interest in” - consider the type of financial interest and the level of control. If the financial interest and level of control is less direct, then the situation seems to be less problematic. The concern is when a person receiving THDA benefits or directing the activities of an entity seeking THDA benefits is also a THDA Board member who is directing THDA’s award of those benefits. This is a particular concern when highly competitive THDA programs are involved.

“Housing development” – consider a typical multi-family housing development; does not include individual single family housing units. So, a single family mortgage loan made to a borrower, or Section 8 rental assistance provided to an eligible tenant or HOME grant funds used for homeowner rehabilitation do not involve a “housing development”. On the other hand, tax exempt bond authority awarded to a developer and local issuer for multi-family housing, or developments that receive tax credits, or HOME grant funds used to develop multi-family housing do involve a “housing development”.

“Financed by the agency” – direct loans or grants by THDA to finance multi-family housing developments.

“Assisted by the agency” – use of THDA programs without which the proposed affordable multi-family housing could not or would not occur. In the multi-family tax-exempt bond authority program, THDA awards tax exempt bond authority to developers and local issuers, so it is the local issuer who issues the tax-exempt bonds and makes the loan to the developer; however, this could not occur without the award of tax exempt bond authority from THDA. In the low income housing tax credit program, THDA awards tax credits, then developers or owners obtain bank financing and sell tax credits to investors to generate the equity required to construct or rehabilitate the multi-family housing development. In the HOME program, THDA awards grants to local governments and non-profits who may develop multi-family housing using both HOME funds and other resources. Based on the relationship between the program benefit THDA awards and the likelihood that the multi-family housing development would not occur without the program benefit, these programs involve housing developments “assisted by the THDA”.

“No personal financial interest” means that the THDA Board member may receive a regular salary from their employer, but may not receive any additional compensation, bonus or other interest that is dependent on the success of an application to THDA or on the ultimate financial success of the housing development. The Board member involvement must be as a consequence of the ordinary and normal course of their duties and responsibilities in the regular business of their employer.

THDA Programs Receiving Federal Financial Assistance

2013 (Budgeted)

Federal Grant Programs

Section 8 Rental Assistance – Choice Voucher	\$34,000,000
Section 8 Contract Admin – Project-Based	156,628,700
HOME Grants	20,000,000
Emergency Shelter Grants	1,568,100
Neighborhood Stabilization	11,225,700
National Foreclosure Mitigation	1,000,000
Weatherization	4,432,900

Troubled Asset Relief Program (TARP)

Hardest Hit Fund Program	43,242,000
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Current THDA Staff Roster (end of FY2013)

Position Title	Ethnicity Gender	
Accounting Specialist	W	F
Accounting Specialist	W	F
Administrative Assistant	B	F
Administrative Assistant	B	F
Administrative Assistant	W	F
Administrative Assistant	W	F
Administrative Assistant	W	F
Administrative Specialist	B	F
Assistant Chief Legal Counsel	W	M
Assistant Controller	W	F
Assistant Director of Community Programs	W	M
Assistant Director of S8CA	W	F
Assistant Director of S8RA	B	F
Assistant Director of Single Family Programs	B	F
Assistant Director of Single Family Programs	W	M
Assistant Legal Counsel	W	F
Assistant to the Chief Financial Officer	W	F
Assistant to the Executive Director	W	F
Assistant to the Sr. Director of Multifamily Programs	B	F
Assistant to the Sr. Director of Single Family Programs	W	F
Audit Manager	W	F
Business Analyst	W	F
Chief Financial Officer	B	M
Chief Leadership Officer	B	F
Chief Legal Counsel	W	F
Chief Strategy Officer	W	F
Communications Coordinator	W	M
Community Projects Manager	B	F
Community Projects Manager	W	M
Contract Administrative Coordinator	B	F
Contract Operations Coordinator	W	F
Contract Operations Specialist	B	F
Contract Operations Specialist	B	F
Contract Operations Specialist	B	F
Contract Operations Specialist	W	F
Contract Operations Specialist	W	F
Contract Operations Specialist	B	M
Contract Operations Specialist	B	M
Contract Operations Specialist - Special Claims	W	M
Contract Ops Manager	B	M
Contract Specialist	W	F
Controller	W	M
Database Administrator	W	M

Current THDA Staff Roster (end of FY2013)

Director of Business Development	W	F
Director of Civil Rights Compliance and Multi-Family Advisor	W	F
Director of Community Programs	W	F
Director of Finance	W	M
Director of Human Resources	W	F
Director of Information Technology	W	F
Director of Multifamily Development	W	M
Director of Operations	W	F
Director of Program Compliance	B	F
Director of Public Affairs	W	F
Director of Research and Planning	W	F
Director of Section 8 Rental Assistance	W	F
ECM Specialist	B	F
ECM Specialist	W	F
ECM Specialist	W	F
Executive Director	W	M
Executive Legal Assistant	W	F
Financial Accountant	W	F
Financial Accountant	W	F
Financial Accountant	W	F
Financial Analyst	B	M
FSS Specialist	B	F
FSS Specialist	W	F
HAP Coordinator	W	F
Hearings Officer	W	F
HHF Administrative Assistant	W	F
HHF Business Analyst/Loan Processor	W	F
HHF Closing Specialist	B	F
HHF Closing Specialist	B	M
HHF Counseling Coordinator	B	M
HHF Counselor	B	F
HHF Mortgage Payments Coordinator	H	F
HHF Mortgage Specialist	B	F
HHF Mortgage Specialist	W	F
HHF Mortgage Specialist	W	M
HHF Payments/Closings Manager	B	F
HHF Underwriter	B	F
HHF Underwriting Coordinator	W	F
Homebuyer Education Initiative Coordinator	W	F
Homebuyer Education Initiative Specialist	B	F
Housing Program Coordinator	B	F
Housing Program Coordinator	W	F
Housing Program Coordinator	W	F
Housing Program Coordinator	W	M

Current THDA Staff Roster (end of FY2013)

HR Coordinator - Payroll and Leave Administration	W	F
HR Coordinator - Recruitment and Onboarding	B	F
HR Liaison - Talent Management	W	F
Human Resources Coordinator - Benefits and Retirement	B	F
Internal Auditor	B	M
KMTH Mortgage Processor	W	F
KMTH Originating Counselor	W	M
KMTH Recertification Manager	W	F
KMTH Recertification Specialist	B	F
KMTH Recertification Specialist	B	M
KMTH Recertification Specialist	B	M
KMTH Recertification Specialist	W	M
Learning & Development Coordinator	W	F
Legislative Liaison	W	M
Mortgage Loan Closer	W	F
Mortgage Loan Closing Coordinator	W	F
Mortgage Loan Closing Coordinator	W	M
Mortgage Loan Specialist	W	F
Mortgage Loan Specialist	W	F
Mortgage Loan Specialist	W	F
Mortgage Loan Underwriter	W	F
Mortgage Loan Underwriter	W	F
Mortgage Loan Underwriter	W	F
Mortgage Loan Underwriter	W	F
Mortgage Loan Underwriting Manager	W	F
Mortgage Servicing Manager	W	F
Mortgage Servicing Specialist	W	F
Multifamily Coordinator	B	F
Multifamily Coordinator	W	F
Multifamily Coordinator	W	M
Multifamily Coordinator	W	M
Multifamily Development Administrator	W	F
Multifamily Development Program Liaison	W	M
Multifamily Systems Developer	W	M
Network Administrator	W	M
NSP Compliance Monitor	B	F
Operations Support Specialist	W	M
Operations Support Technician	W	F
Paralegal	W	M
PBCA Business Analyst	W	F
PBCA Manager	W	F
Procurement Specialist	W	F
Production Specialist	W	M
Program Administrator	W	M

Current THDA Staff Roster (end of FY2013)

Program Compliance Coordinator	B	F
Program Compliance Coordinator	W	F
Program Compliance Coordinator	W	F
Program Compliance Coordinator	W	M
Program Compliance Coordinator	W	M
Program Compliance Coordinator	W	M
Program Compliance Liaison	W	F
Publications Coordinator	W	F
Quality Control/Payments Coordinator	W	F
Quality Management Coordinator	W	F
Quality Management Coordinator	W	M
Quality Management Manager	W	M
Receptionist	W	F
Rental Assistance Coordinator	B	F
Rental Assistance Coordinator	W	F
Rental Assistance Coordinator	W	F
Rental Assistance Manager	W	F
Rental Assistance Manager	W	F
Rental Assistance Manager	W	F
Rental Assistance Manager	W	F
Rental Assistance Manager	W	F
Rental Assistance Manager	W	F
Rental Assistance Specialist	B	F
Rental Assistance Specialist	B	F
Rental Assistance Specialist	B	F
Rental Assistance Specialist	B	F
Rental Assistance Specialist	W	F
Rental Assistance Specialist	W	F
Rental Assistance Specialist	W	F
Rental Assistance Specialist	W	F
Rental Assistance Specialist	B	M
Rental Assistance Specialist - Eligibility & Recertification	W	F
Rental Assistance Specialist - Eligibility & Recertification	W	F
Rental Assistance Specialist - Eligibility & Recertification	W	F
Rental Assistance Specialist - Eligibility & Recertification	W	F
Rental Assistance Specialist - Eligibility & Recertification	W	F
Rental Assistance Specialist - HQS	B	M
Rental Assistance Specialist - HQS	W	M
Research Analyst	B	F
Research Coordinator	W	F
Research Specialist	W	M
Resident Issues Specialist	B	F
Resident Issues Specialist	W	F
S8 Homeownership Specialist	B	F

Current THDA Staff Roster (end of FY2013)

S8RA Business Analyst	W	M
Senior Accountant	W	F
Senior Director of Multifamily Programs	B	F
Senior Director of Single Family Programs	W	F
Senior Housing Program Coordinator	W	F
Senior Housing Program Coordinator	W	F
Senior Housing Program Coordinator	W	F
Senior HR Advisor	W	F
Senior Internal Auditor	W	F
Senior Quality Management Coordinator	W	F
Senior Rental Assistance Specialist	B	F
Senior Rental Assistance Specialist	B	F
Senior Rental Assistance Specialist	B	F
Senior Rental Assistance Specialist	H	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist	W	F
Senior Rental Assistance Specialist - Eligibility & Recertification	B	F
Senior Rental Assistance Specialist - Eligibility & Recertification	W	F
Senior Rental Assistance Specialist - Eligibility & Recertification	W	F
Senior Rental Assistance Specialist - Floater	B	F
Senior Rental Assistance Specialist - HQS	B	M
Senior Systems Engineer	W	M
SF/HHF Business Analyst	W	M
SharePoint Administrator	W	M
Sr. Advisor, Strategic and Policy Initiatives	W	M
Systems Coordinator	W	M
Systems Developer	W	M
Systems Support Manager	W	M
Technology Operations Manager	W	M
Technology Projects Administrator	W	F
Technology Projects Coordinator	W	M
THDA Portfolio Asset Manager	W	M
Voucher Program and Policy Manager	B	F

Tennessee Housing Development Agency

List of Service Contracts as of 6/26/2013

<u>Contractor</u>	<u>Services Provided(1 year term if not otherwise noted)</u>	<u>Contract Amount</u>	<u>Ethnicity of Contractor / Owner</u>
Astoria, LLC	Asset Management Consultant	10,000	Small Business
CGI-AMS	Section 8 Contract Administration Software Maintenance & Support (5 years)	245,000	Not Minority/Disadvantaged
CivicPlus	Web Hosting and Website Design (3 years)	45,000	Not Minority/Disadvantaged
CoreLogic	Housing Market Data	10,000	Not Minority/Disadvantaged
Emphasys Software, Inc	Section 8 Rental Assistance Software Maintenance & Support (5 years)	500,000	Not Minority/Disadvantaged
Executive Selection, Inc.	Talent Resources Web-based Assessments (2 years)	60,000	Small Business
Fearnly Martin & McDonald, PLLC	HHF Title Closing Services and Consultations (5 years)	2,700,000	Small Business
First Sterling Financial, Inc. d/b/a NCP Partner Services	ARRA Asset Management Services (3.5 years)	1,860,000	Female
MITAS	Mortgage System Software Maintenance & Support (5 years)	650,000	Not Minority/Disadvantaged
MitiGate, Inc.	Sub-Grantee monitoring for NFMCC Program (4 months)	17,500	Small Business
MitiGate, Inc.	Auditor for HHF (4 months)	20,000	Small Business
MTSU	Housing Data Research and Reporting	6,500	Government
MTSU- COHRE	Leadership and Emotional Intelligence Workshop (2 years)	2,500	Government
Music City Center	Venue for 2013 Governors Housing Summit	52,000	Government
Neighborhood Reinvestment Corporation d/b/a NeighborWorks America	Homebuyer Education Training (5 day certification)	25,000	Other
Neighborhood Reinvestment Corporation d/b/a NeighborWorks America	Foreclosure Prevention Training (2 day certification)	11,600	Other
Non-Profit Industries d/b/a SocialServe.com	Section 8 Rental Database System Maintenance & Support (5 years)	804,000	Other
Non-Profit Industries d/b/a SocialServe.com	Housing Resource Directory System Maintenance & Support (5 years)	109,040	Not-for-Profit 501 (c)(3)
Novogradac & Co LLP	Property Appraisals (5 years)	105,000	Small Business
Online Rental Exchange	S8RA Criminal Background Checks Online Services	50,000	Not Minority/Disadvantaged
PAETEC	Dynamic IP Services VoIP (3 years)	595,000	Not Minority/Disadvantaged
RecoveryPlanner.com, Inc.	Business Continuity Software Maintenance and Support (3 years)	30,000	Not Minority/Disadvantaged
Roeing Corporation	Authority DMS Software Development and Support Services (2 years)	180,000	Female
TalentQuest	Performance Management Software Maintenance and Support (40 mos)	70,000	Not Minority/Disadvantaged
TALX Corporation	Section 8 Rental Assistance Employment Verification Service	50,000	Not Minority/Disadvantaged
Tennessee Fair Housing Council	Fair Housing Training (2 years)	9,500	Other
Walker & Associates	Marketing Services for HHF (9 months)	1,000,000	Female



2012

TITLE VI IMPLEMENTATION PLAN

FOR

TENNESSEE HOUSING DEVELOPMENT AGENCY

TENNESSEE HOUSING DEVELOPMENT AGENCY
404 JAMES ROBERTSON PARKWAY, SUITE 1200
NASHVILLE, TN 37243-0900
(615)815-2200
TDDY (615)532-2894
WWW.THDA.ORG

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**TENNESSEE HOUSING DEVELOPMENT AGENCY
2012 CIVIL RIGHTS IMPLEMENTATION PLAN**

I. OVERVIEW

MISSION, STRUCTURE AND OPERATIONS

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color or national origin in the delivery of or participation in programs that receive federal funds. The intent of the law is to ensure all persons, regardless of race, color or national origin are afforded the opportunity to participate in federally funded programs. To ensure its compliance responsibilities are met, Tennessee Housing Development Agency (THDA) submits a Civil Rights Implementation Plan, which includes agency-wide Title VI compliance efforts and implementation plan updates, to the Tennessee Human Rights Commission (THRC) on an annual basis. Also included in the implementation plan are the procedures for monitoring Title VI compliance and the processing of any Title VI complaints received by THDA. The implementation plan applies to all programs operated by THDA. THDA follows the requirements as set forth in "Tennessee State Agencies and Title VI of the Civil Rights Acts of 1964" manual issued by the Comptroller of the Treasury in January 1994.

THDA's Mission is: Leading Tennessee home by creating safe, sound affordable housing opportunities.
THDA's Vision is: Every Tennessean lives in a safe, sound and affordable home in a sustainable community.

THDA was created by the Tennessee General Assembly in 1973 through the enactment of TCA 13-23-101, et seq. As set forth in the enabling legislation, THDA operates under the direction of a Board of Directors, consisting of 19 board members. Five of the 19 members are ex officio members and 14 are appointed members. The ex officio members of the board include: the Comptroller of the Treasury, the Secretary of State, the State Treasurer, the Commissioner of the Department of Finance and Administration and a staff assistant to the Governor. The Speaker of the State House of Representatives and the Speaker of the State Senate each have one appointment and the Governor of Tennessee has 12 appointments.

The Act provides that board members must be knowledgeable about the problem of inadequate housing conditions in Tennessee. By statute, the board must also have representatives that cover the following industries and geographic areas: housing; real estate or home building industries; the mortgage profession; local government; and the First, Second or Third U.S. Congressional District; the Fourth, Fifth or Sixth U.S. Congressional District; and the Seventh, Eighth or Ninth U.S. Congressional District.

Five committees exist to assist in carrying out the work of the THDA Board of Directors. The five committees include: the Audit and Budget Committee, the Bond Finance Committee, the Grants Committee, the Lending Committee and the Tax Credit Committee. The THDA Board of Directors and its committees meet on the fourth Tuesday of alternating months, except the Bond Finance Committee, which meets on the fourth Monday of alternating months.

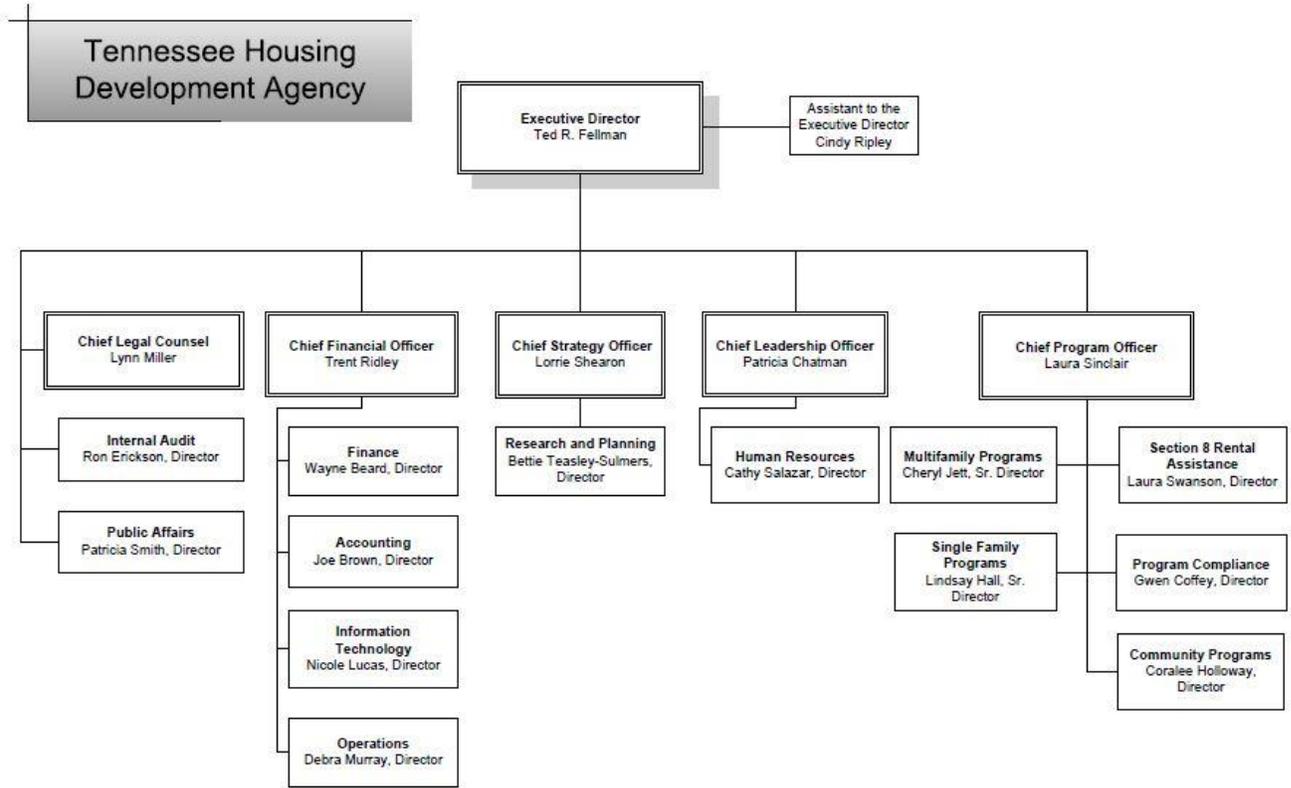
The members of THDA's Board of Directors, their representation, their committee assignments and their race and gender are reported in the table below.

Table 1
Tennessee Housing Development Agency Board of Directors

Name/Title	Address	Representation	Committees	Race/Gender
Robin Jarvis Askew, Esquire	Lewis, King, Kreig & Waldrop, P.C. 620 Market Street Knoxville, TN 37901	At Large, East Tennessee	Grants (Chair)	White/Female
Phil M. Baggett, Owner	Tennessee Grass Fed 335 Williams Road Clarksville, TN 37043	At Large, Speaker of the Senate	Tax Credits	White/Male
John L. Baker, Executive Director	Health, Education & Housing Facility Board, City of Memphis 65 Union Avenue, Suite 1120 Memphis, TN 37103	Local Government Official	Tax Credits	White/Male
Brian Bills, Senior Vice President of Residential Mortgage Lending	SunTrust Mortgage Inc. 700 East Hill Avenue, 4 th Floor Knoxville, TN 37915	Savings and Loans	THDA Board Chair	White/Male
Philip C. Chamberlain II, Vice President	Chamberlain & McCreery 4180 East Raines Road Memphis, TN 38118	Building Materials	Grants	White/Male
Dorothy L. Cleaves, First Vice President	Paragon National Bank 5400 Poplar Avenue, Suite 350 Memphis, TN 38119	At Large, West Tennessee	Lending	Black/Female
Terry Cunningham, Executive Director	Kingsport Housing & Redevelopment Authority 906 East Sevier Avenue Kingsport, TN 37662	Public Housing Authority	Grants	White/Male
William Graves	197 Woodlake Drive Gallatin, TN 37066	Manufactured Housing	Tax Credits	White/Male
Ronald K. Jones, Executive Director	Trevecca Towers 60 Lester Avenue Nashville, TN 37210	Non-Profit Corporation	Grants	White/Male
Janis V. McNeely	1301 Beddington Park Nashville, TN 37215	At Large, Middle Tennessee	Grants	White/Male
Ralph M. Perry, Senior Business Developer	Fannie Mae 8105 Poplarwood Lane Nashville, TN 37221	At Large, Speaker of the House	Tax Credits (Chair)	White/Male
Lisa Reid, Executive Vice President	Magna Bank 6525 Quail Hollow Road, Suite 300 Memphis, TN 38120	Mortgage Bankers	Lending	White/Female

Name/Title	Address	Representation	Committees	Race/Gender
Benjie Shuler, Real Estate Broker	Keller Williams Realty 10919 Sallings Road Knoxville, TN 37922	Real Estate Broker	Lending	White/Male
Mike Stevens, President	Mike Stevens Homes, Inc. Home Builders Association 1663 Mystic Street Knoxville, TN 37922	Homebuilders	Lending	White/Male
Mark Cate, Special Assistant to the Governor	State of Tennessee 600 Charlotte Avenue State Capitol, Room G-10 Nashville, TN 37243	Governor's Representative	Lending	White/Male
Mark Emkes, Commissioner	Finance and Administration 600 Charlotte Avenue State Capitol, First Floor Nashville, TN 37243	Representative	Bond Finance Tax Credits	White/Male
Tre Hargett, Secretary of State	State of Tennessee 600 Charlotte Avenue State Capitol, First Floor Nashville, TN 37243	Constitutional Officer	Bond Finance Grants Ad Hoc	White/Male
David Lillard, State Treasurer	State of Tennessee 600 Charlotte Avenue State Capitol, First Floor Nashville, TN 37243	Constitutional Officer	Bond Finance Tax Credits Audit & Budget	White/Male
Justin Wilson, Comptroller of the Treasury	State of Tennessee 600 Charlotte Avenue State Capitol, First Floor Nashville, TN 37243	Constitutional Officer	Grants Bond Finance	White/Male

An organizational chart of THDA is provided below. The Executive Team is comprised of the Executive Director, Ted Fellman, and five Executive Officers. More information regarding THDA, its Board of Directors and organizational structure, may be found on THDA’s website at www.thda.org.



NONDISCRIMINATION POLICY/STATEMENT OR GUIDELINES

THDA recently developed the “Tennessee Housing Development Agency (THDA) Non-Discrimination in Provision of Services Policy,” which is included as Appendix A of this document. While THDA’s various programs contain non-discrimination statements and guidelines in their documents and contracts, the agency recently developed an agency-wide policy that includes all program divisions and partners of the agency in providing services to the public. The policy states “no staff person or partner of THDA shall engage in discriminatory practices” and the intent of the policy is to provide guidance to THDA staff in preventing discrimination on the basis of race, color, religion, national origin, sex, familial status, disability and “any other class protected under state or federal law in providing services to the public.”

The policy also provides guidance in regards to contracts between THDA and its partners receiving funds to provide services for THDA. It states that “every contract to provide funding for services through THDA partners shall include language in the contract that establishes an affirmative obligation to not discriminate against any individual on the basis of that individual’s membership in a class” that is protected by the policy. An employee who fails to comply with the policy or encourages conduct by others is subject to corrective action in accordance with THDA’s Progressive Discipline Policy. Any partner who fails to comply with contractual obligations to not discriminate may face loss of funding or

other consequences as outlined in its contract with THDA. The agency-wide nondiscrimination policy was approved in September 2012.

ASSURANCES

THDA's program divisions are required to submit various certifications and assurances for the programs they administer. Copies of the assurances and certifications may be found in Appendix B of this document.

II. FEDERAL PROGRAMS OR ACTIVITIES

FEDERAL PROGRAMS, OVERSIGHT AND FUNDING

THDA administers a number of ongoing federal programs in addition to temporary federal stimulus programs. This section begins by discussing oversight of THDA's federal programs and is followed by a brief description of THDA's ongoing federal programs and federal stimulus programs, which are temporary but were active during FY 2011-12.

The U. S. Department of Housing and Urban Development (HUD) has oversight for the following programs: HOME Investment Partnership, Emergency Shelter Grant, Tax Credit Assistance Program, Neighborhood Stabilization Program, Homeless Prevention and Rapid Re-Housing Program, Section 8 Housing Choice Voucher Program and Section 8 Project Based Rental Assistance.

Of the federal programs administered by THDA, the U.S. Department of Treasury, Internal Revenue Service (IRS) has oversight for the Low-Income Housing Tax Credit Program under Section 42 of the Internal Revenue Code of 1986, as amended, and related Treasury Regulations, found primarily at 26 C.F.R. Section 1.42 et seq. The IRS also has oversight over the Homeownership Programs under Section 143 of the Code pursuant to which tax exempt bond issues are made for the mortgage program, and volume cap under Section 146 of the Code allocated to THDA and made available to local issuers to permit issuance of tax-exempt bonds for multifamily housing. The IRS also has oversight for the Hardest Hit Fund, authorized by Section 109 of the Emergency Economic Stabilization Act (ESSA), Division A of Pub.L. 110-343, 112 Stat. 3774 (2008).

Ongoing Federal Programs

A. Low Income Housing Tax Credit Program

The Low Income Housing Tax Credit (LIHTC) program is authorized under Section 42 of the Internal Revenue Code and is administered by the Multifamily Division of THDA. The program offers owners and investors of low income rental housing a reduction in their federal income tax liability over a period of ten years. The Internal Revenue Service allocates tax credit authority to states on a calendar year basis. The State of Tennessee does not receive actual dollars, but instead receives tax credit authority. In Calendar Year (CY) 2011, the State issued \$17,458,107 in tax credits to non-profit and for-profit developers of low-income housing and allocated \$1,068,910 in non-competitive credits available for non-profit and for-profit developers. In addition, the State forward committed a portion of the 2012 tax credit authority in 2011. The portion of 2012 tax credit authority that was committed in 2011 was \$11,500,000. The cumulative total amount of tax credits during the reporting period, including the 2012 forward committed funds, was \$30,027,017.

B. Multifamily Bond Authority

THDA authorizes allocations of tax-exempt bond authority to local issuers for permanent financing of multifamily housing units in the state. The Multifamily Division of THDA administers the program. The authority can be used to provide permanent financing for new construction of affordable rental housing units, conversion of existing properties through adaptive reuse or acquisition and rehabilitation of rental units. In CY 2011, THDA made \$14,600,000 available to local issuers.

C. THDA Homeownership Programs

THDA's Homeownership Programs are administered by the Single Family Division of THDA. THDA's Great Rate, Great Start, Great Advantage and New Start homeownership programs provide opportunities for low and moderate income persons to purchase their first home. Great Rate is the most basic homeownership program and offers a low interest rate loan secured by a first mortgage. Great Start provides four percent of the purchase price in down payment or closing cost assistance in exchange for a slightly higher interest rate. Great Advantage offers a low interest rate set at one-half (1/2) of a percentage point above Great Rate and borrowers receive two percent of the purchase price to be used for down payment and/or closing costs. The New Start zero percent Mortgage Loan Program is delivered through non-profit organizations that have established programs for the construction of single family housing for low and very low income households. It is designed to promote single family construction for very low income families. All four programs include limitations on eligibility based on household income and acquisition costs. Another THDA Homeownership Program is the Preserve Loan Program, which is a loan program developed by THDA to help low and moderate income homeowners make necessary home repairs. This program offers a four percent interest rate on home repair loans.

THDA is not a direct lender, but works with approximately 90 approved mortgage lenders across the state to originate the loans. THDA either provides funds to approved mortgage lenders to close pre-approved THDA loans, or purchases pre-approved loans from the lenders after the loans are closed. During the reporting period, THDA funded a total of \$236,014,517 worth of mortgage loans.

D. HOME Investment Partnership

The Community Programs Division of THDA administers the HOME Program for the State of Tennessee. THDA administers the HOME Program for those jurisdictions not designated by HUD as a local Participating Jurisdiction (PJ). The local PJs that receive HOME funds directly from HUD include: Clarksville, Chattanooga, Jackson, Knoxville, Memphis, Nashville-Davidson County, Knox County, Shelby County and the Northeast Tennessee/Virginia Consortium (the Cities of Bristol, Kingsport, Johnson City, Bluff City, Sullivan County and Washington County, excluding the Town of Jonesborough). The HOME Program is an affordable housing program that provides federal funds to states and the local PJs to carry out multi-year housing strategies. The purpose of the program is to expand the supply of decent, safe, sanitary and affordable housing for low and very low income households. In FY 2011-12 the State received an allocation of \$15,406,004 to use in its competitive annual grant program and for administration. Local governments, public agencies and non-profit organizations are all eligible applicants for HOME funds.

E. Emergency Shelter/Solutions Grant Program

The Emergency Solutions Grant (ESG) provides funding to local governments and non-profit service providers to assist homeless and at-risk of homelessness families and individuals in Tennessee. The Community Programs Division of THDA administers the program on behalf of the State of Tennessee. On January 4, 2012 the interim regulation for the Emergency Solutions Grant Program was made final. The Emergency Solutions Grant Program replaced what was formerly the Emergency Shelter Grant. In July, 2011, THDA received the first allocation of Emergency Shelter Grant funding for \$1,534,841. In order to receive the second allocation of ESG funding for \$863,348, grantees were required to complete a substantial amendment to the Consolidated Plan. The substantial amendment, which provides a description of the ESG program and its impact on performance measures, was approved by HUD on July 10, 2012. During the reporting period, \$2,398,189 was made available by HUD for the ESG Program.

F. Section 8 Tenant Based Housing Choice Voucher Program

THDA administers HUD's Section 8 Tenant Based Housing Choice Voucher (HCV) program. The Rental Assistance Division of THDA, which administers the Section 8 Housing Choice Voucher program, operates in 75 of Tennessee's 95 counties. During the reporting period, approximately \$34,772,593 was made available for the Section 8 Tenant Based HCV program.

G. Section 8 Project Based Rental Assistance Program

The Contract Administration Division of THDA administers the Section 8 Project Based contracts and is responsible for the monthly Housing Assistance Payments (HAP) to Section 8 properties throughout the state. At the end of the reporting period, 29,771 units of affordable housing were provided. Housing Assistance Payments for the year were \$148,127,328

H. Homebuyer Education Program

The Homebuyer Education Program is administered by the Single Family Programs Division of THDA. Because the home purchase process can be costly and complex, THDA requires homebuyer education for all Great Start and Great Advantage program applicants and encourages it for all consumers considering homeownership. THDA's purpose is not only to assist people with purchasing their homes, but also to help them become long-term, successful homeowners.

Consumers, regardless of their income, age or ethnicity, may be intimidated by the home buying process. In-depth education and training prepare consumers - emotionally and financially - for the commitment and investment of buying a home, generally the largest purchase they will make.

THDA maintains a list of certified homebuyer education trainers who can help consumers as they consider purchasing a home. The "Realizing the American Dream" homebuyer education curriculum, from the Neighborhood Reinvestment Training Institute, is used by these certified trainers and addresses the following four basic areas:

1. Budgeting and Credit
2. Shopping for a Home
3. Getting a Mortgage Loan
4. Keeping Your Home and Managing Your Finances

Participation in a "Realizing the American Dream" homebuyer education class will help consumers understand the following:

- The advantages and disadvantages of owning a home
- Setting goals
- How to budget and save
- How much they can afford to pay for a home
- The importance of good credit when they try to borrow money
- How to find the right house in the right neighborhood
- How to make an offer
- The steps to getting a loan
- How to maintain and protect their home after they move in

In FY 2011-12, \$752,825 was made available for the Homebuyer Education Program.

I. National Foreclosure Mitigation Counseling Program

The National Foreclosure Mitigation Counseling Program (NFMC) is administered by the Single Family Division of THDA. In November 2007, THDA's Board of Directors approved \$650,000 for foreclosure prevention in Tennessee. In December 2007, THDA learned about congressional funding for the NFMC grant program. When authorizing staff to pursue the NFMC funding, the board also approved using the \$350,000 as match for the NFMC grant.

Since then, THDA has completed five rounds under this grant and is currently participating in the sixth round. THDA works closely with a network of foreclosure prevention counseling agencies to provide free foreclosure prevention counseling to Tennessee homeowners whose mortgages are in default or are in danger of default. Over 10,600 Tennessee homeowners have received free foreclosure prevention counseling under this effort.

THDA's certified foreclosure intervention counselors possess a strong knowledge in the area of mortgage default and/or foreclosure intervention counseling, specifically relating to current industry practices of loss mitigation and include loan repayment, forbearance, modification, including the Making Home Affordable Program, refinance, loan assumption, short sale, deed-in-lieu, community referrals, and other remedies available to the homeowner to avoid foreclosure.

Stimulus/Temporary Federal Programs

THDA is responsible for administering multiple programs that are temporary and were created through the Housing and Economic Recovery Act of 2008 (HERA), the American Recovery and Reinvestment Act of 2009 (ARRA) and the Temporary Asset Relief Program (TARP). HUD has oversight for the following programs: Neighborhood Stabilization Program (NSP), Homelessness Prevention and Rapid Rehousing Program (HPRP) and the Tax Credit Assistance Program (TCAP). The U.S. Department of Treasury has oversight for the Hardest Hit Fund.

J. Neighborhood Stabilization Program

The purpose of the Neighborhood Stabilization Program (NSP) is to provide emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. THDA received allocations of NSP I and III funds. NSP I was authorized as Title III of Division B of the Housing and Economic Recovery Act of 2008 and was amended by the American Recovery and Reinvestment Act of 2009. NSP III is authorized by Section 1497 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank). THDA made funds available to local governments and non-profit organizations according to a set of need-based criteria. Twenty-five percent of NSP funds must be spent on behalf of persons earning 50% or less of area median income. THDA works with Tennessee agencies that participate in Continuums of Care, which are organizations that help people who are homeless or at imminent risk of homelessness, by providing housing and services appropriate to the whole range of homeless needs. NSP I funds must be expended by March 2013. NSP III funds must be expended by March 2014. The Community Programs Division of THDA administers NSP.

K. Homelessness Prevention and Rapid Re-Housing Program

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) provides rent, utility assistance and case management activities to prevent low income individuals from becoming homeless and to quickly move currently homeless people back into suitable housing. The program provides temporary financial assistance and/or services to help persons gain housing stability. The program serves persons who are homeless or who would be homeless without HPRP assistance and can remain stably housed after the temporary assistance ends. HPRP is a one-time federal grant award and requires that all funds be spent within three years. The Community Programs Division of THDA administers HPRP.

L. Tax Credit Assistance Program

The Tax Credit Assistance Program (TCAP) provides grant funding for capital investment in Low Income Housing Tax Credit projects in order to meet developer needs for gap funding to complete a particular project. THDA's Multifamily Division administers this program. The funds were distributed competitively according to THDA's Qualified Allocation Plan. Seventy-five percent of TCAP funds had to be committed by February 2010, 75 percent expended by February 2011 and 100% of the funds had to be expended by February 2012.

M. Keep My Tennessee Home – Tennessee's Hardest Hit Fund

The Federal Fund for the Hardest Hit Housing Markets gave 18 states and the District of Columbia the opportunity to develop and implement programs to help families stay in their homes and to prevent avoidable foreclosures. The Keep My Tennessee Home, Tennessee's Hardest Hit Fund (HHF) program, administered by THDA, provides loans to unemployed or substantially underemployed homeowners, who, are financially unable to make their mortgage payments and are in danger of losing their homes to foreclosure. Through the Hardest Hit Fund, the program will make homeowners' payments on their mortgage and mortgage related expenses such as property taxes, homeowner insurance, homeowner association dues, and/or past due mortgage payments that accumulated during a period of unemployment. Homeowners must meet eligibility requirements to participate in the program. A total of \$217,315,593 was made available for the HHF program.

PROGRAM FUNDING

The below table shows the funding made available during FY 2011-12 for THDA’s federal programs. For THDA’s stimulus and temporary federal programs, the total dollar amount allocated for each program is shown. Funding for these programs was awarded prior to FY 2011-12 but the programs were active during the reporting period.

**Table 2
Federal Resources Available
FY 2011-12**

Federal Program	FY 2011-12 Available Resources
<i>Ongoing Federal Programs</i>	
Low Income Housing Tax Credit	\$30,027,017
Multifamily Bond Authority	\$14,600,000
THDA Homeownership Programs	\$236,014,517
HOME Investment Partnership	\$15,406,004
Emergency Shelter/Solutions Grant	\$2,398,189
Section 8 Tenant Based Rental Assistance	\$34,772,593
Section 8 Project Based Rental Assistance	\$148,127,628
Homebuyer Education Program	\$752,825
National Foreclosure Mitigation Counseling Program	\$930,974
<i>Subtotal of Ongoing Federal Programs</i>	<i>\$483,029,747</i>
<i>Stimulus/Temporary Federal Programs*</i>	
Neighborhood Stabilization Program I	\$49,360,421
Neighborhood Stabilization Program III	\$5,000,000
Homelessness Prevention and Rapid Re-Housing	\$13,467,433
Tax Credit Assistance Program	\$39,032,515
Keep My TN Home - Tennessee’s Hardest Hit Fund	\$217,315,593
<i>Subtotal of Stimulus/Temporary Federal Programs</i>	<i>\$324,175,962</i>
Total of All Resources Available	\$807,205,709

*Dollar amounts represent the total allocation to be expended over a multi-year period.

The programs for which dollar amounts may be projected for FY 2012-13 are presented in the table below. Stimulus or temporary programs administered by THDA that will still be active in FY 2012-13 are included, but the dollar amounts represent the total allocation for the programs, which extend over a multi-year period.

Table 3
All Federal Resources Expected
FY 2012-13

Federal Program	FY 2012-13 Expected Resources
<i>Ongoing Federal Programs</i>	
Low Income Housing Tax Credit	\$2,799,277
HOME Investment Partnership	\$9,924,071
Emergency Shelter/Solutions Grant	\$2,756,409
Homebuyer Education Program	\$1,072,775
National Foreclosure Mitigation Counseling Program	\$659,511
<i>Subtotal of Ongoing Federal Programs</i>	<i>\$17,212,043</i>
<i>Stimulus/Temporary Federal Programs*</i>	
Neighborhood Stabilization Program I	\$49,360,421
Neighborhood Stabilization Program III	\$5,000,000
Homelessness Prevention and Rapid Re-Housing	\$13,467,433
Tennessee's Hardest Hit Fund	\$217,315,593
<i>Subtotal of Stimulus/Temporary Federal Programs</i>	<i>\$285,143,447</i>
Total of All Resources Available	\$302,355,490

*Dollar amounts represent the total allocation to be expended over a multi-year period.

At this time, there are no pending federal financial assistance applications filed by THDA.

III. ORGANIZATION OF THE CIVIL RIGHTS OFFICE/CIVIL RIGHTS COORDINATOR

Three staff members are responsible for the oversight of Title VI compliance with THDA. Each of these three staff members and their duties as they relate to THDA and Title VI compliance are described below.

Lorrie Shearon, the Chief Strategy Officer at THDA, is the Title VI Coordinator for THDA. Ms. Shearon is responsible for developing and leading the execution of strategy and ensuring that decisions continue to be made in alignment with the organization's strategy. In addition to her Title VI duties, which include oversight of THDA's Title VI compliance procedures and plan, her primary duties include the following:

- Overseeing the Research and Planning (RP) Division, supervising the Director of the Division; planning, supervising, and evaluating performance; interviewing, hiring, and training staff; rewarding and coaching staff; developing staff skills and encouraging growth.
- Serving as a member of the Executive Team.
- Articulating a clear definition of the organization's strategy and communicating how each person's work relates to it.
- Promoting decision making that sustains change initiatives.

- Managing data on organizational activities.
- Managing information on the housing industry.
- Managing public policy research on housing issues.
- Developing organizational planning.
- Providing outreach.
- Providing technical assistance relative to the housing industry in Tennessee.
- Providing technical assistance relative to the development of new housing programs
- Ensuring that housing information and technical assistance is provided to the organization, outside agencies, forums, and individuals having an interest as appropriate.
- Initiating and managing organization funded research projects with outside organizations.
- Preparing annual consolidated plan for housing.
- Conducting, supervising, and/or overseeing research on housing issues.
- Working with other agencies in coordinating community development activities.
- Developing programs and techniques for providing housing for low and moderate income citizens.
- Serving as the chairperson on various organizational committees and task forces, including the Customer Service Team and Policy Review Committee.
- Staying current in industry trends and regulatory compliance through workshops, newsletters, conferences, and affiliation with industry organizations.

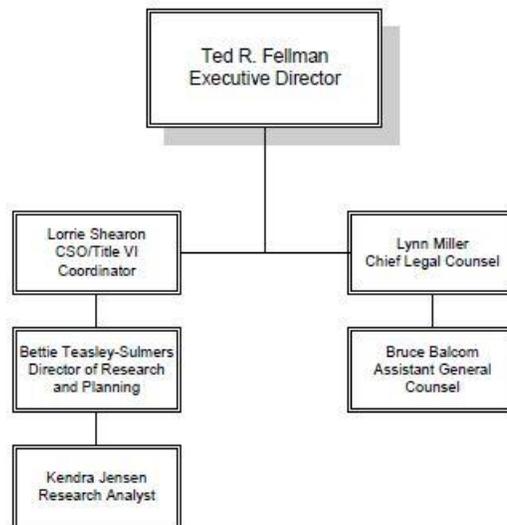
Bruce Balcom, Assistant General Counsel for THDA, is responsible for legal services as they relate to Title VI. In addition to his Title VI duties, Mr. Balcom is responsible for providing a full range of legal services for the organization. Under the supervision of THDA's General Counsel, he serves as the primary legal counsel for the Section 8 Rental Assistance, Section 8 Contract Administration and Human Resources divisions of THDA. Additionally, he handles all litigation on behalf of the organization, not handled by the Attorney General's office. His primary duties include:

- Interpreting federal and state legislation and regulations relating to the work of the organization.
- Aiding in the preparation of handbooks and instructional memoranda pertaining to program operations in order to meet federal and state requirements.
- Counseling the organization regarding legal rights and responsibilities.
- Drafting and reviewing documents used in connection with the organization's programs.
- Advising on questions of law involved in the operation of the organization.
- Working with the Attorney General's office and private attorneys on litigation.
- Representing the organization in administrative hearings and certain trial courts.
- Staying current in industry trends and regulatory compliance through workshops, newsletters, conferences, and affiliation with industry organizations.

Kendra Jensen, Research Analyst with the Research and Planning Division, is responsible for the development and submission of the Title VI Implementation Plan. In addition to her Title VI responsibilities, Ms. Jensen is responsible for developing state housing plans, tracking statewide housing program activity and providing technical assistance to outside groups providing housing programs. Her duties include the following:

- Preparing annual statewide comprehensive housing plans. Coordinating planning activities with other agencies, groups, and internal divisions in the accomplishment of comprehensive plan preparation.
- Monitoring Federal regulations for changes and impacts on program planning.
- Managing regional housing technical assistance contracts.
- Designing, planning and executing housing research studies on various topics.
- Writing research reports on various housing topics.
- Completing reports to meet federal and state requirements.
- Completing other technical and administrative projects as needed.

The following organizational chart shows the position of each staff person associated with Title VI Compliance, as it relates to this report, at THDA.



IV. DATA COLLECTION AND ANALYSIS

DATA AND ANALYSIS OF THDA BENEFICIARIES

During the fiscal year, THDA’s federally funded programs assisted 154,973 persons and 10,946 households. The chart below shows the number of persons and households served by THDA programs. Data for the Multifamily Bond Authority and Tax Credit Assistance Program is reflected in Low Income Housing Tax Credit Data. Data for the temporary Neighborhood Stabilization Program is required by HUD and will be available upon grant closeout in March 2013.

**Table 4
THDA Beneficiaries by Program**

THDA Program	Persons	Units/Households
Low Income Housing Tax Credit/Multifamily Bond Authority/Tax Credit Assistance Program	79,909	-
THDA Homeownership Programs	-	2,201
HOME Investment Partnership	-	332
Emergency Solutions Grant	33,178	-
Section 8 Housing Choice Voucher Program	-	5,685
Section 8 Project Based Rental Assistance	29,771	-
National Foreclosure Mitigation	2,345	-
Hardest Hit Fund	-	2,728
Homelessness Prevention and Rapid Rehousing	9,770	-
Total	154,973	10,946

Each of the programs that THDA administers has eligibility requirements for participation. While specific eligibility requirements vary by program, the majority of beneficiaries must be low income, meaning that they earn 80% or less of the area median income (AMI). The table below uses Comprehensive Housing Affordability Strategy (CHAS) data provided by the U.S. Department of Housing and Urban Development (HUD) to show the number of Tennesseans who are at or below 80% of the AMI. CHAS data are custom tabulations based on the U.S. Census Bureau’s 2005-2009 American Community Survey (ACS) and demonstrate housing problems and housing needs for low income households. The table below shows the percent of households belonging to each racial and ethnic category that are also low income (earn 80% or less of the AMI). The table also shows the beneficiaries of each THDA program by race and ethnicity.

**Table 5
Demographics of THDA Beneficiaries**

	Race			Ethnicity
	White	African American	Other/Not Available	Hispanic
2005-2009 CHAS Data				
Tennessee households earning up to 80% AMI	75.0%	22.6%	2.4%	3.5%
THDA Program				
Low Income Housing Tax Credit	29.4%	46.4%	24.2%	2.8%
THDA Homeownership Programs	71.0%	23.0%	6.0%	3.0%
HOME Investment Partnership	83.4%	12.3%	1.2%	2.1%
Emergency Solutions Grant	64.7%	29.8%	5.5%	n/a
Section 8 Housing Choice Voucher Program	38.7%	61.0%	0.3%	1.7%
Section 8 Project Based Rental Assistance	58.6%	40.2%	2.9%	2.0%
National Foreclosure Mitigation Program	47.5%	44.3%	8.2%	n/a
Hardest Hit Fund (HHF)	55.9%	40.1%	1.9%	2.2%
Homelessness Prevention and Rapid Rehousing	38.3%	57.4%	2.9%	1.3%
Average of THDA Programs	54.4%	39.2%	5.9%	2.2%

*Beneficiary demographics for the Multifamily Bond Authority are represented in the LIHTC data

While the table above provides an overview of the proportion of households served by race and ethnicity, THDA has determined that it would be beneficial to look further into this topic. Therefore, THDA will conduct a gap analysis study during FY 2012-13. The analysis will look at each program individually and compare the actual beneficiaries to the eligible population of beneficiaries for each program. The eligible population will be based on data that aligns with the eligibility requirements of each program, as well as the geographic focus of that program. For example, the HOME program serves what appears to be a disproportionate amount of white households in Tennessee. However, as noted earlier in this report, THDA's HOME program focuses on the most rural parts of the state where the low income population may be greater than 75 percent as shown above. The purpose of the analysis will be to identify populations that are potentially underserved by THDA programs, to identify any reasons for underserving certain populations and make recommendations to improve participation by underserved populations. The results of the gap analysis will be ready by July 2013. These results will be used in conjunction with the results of the Department of Economic and Community Development's Analysis of Impediments to Fair Housing Choice (discussed in detail in Section XIII. Evaluation Procedures) to ensure that all Tennesseans are given equitable opportunities to benefit from the State's housing programs.

MINORITY REPRESENTATION OF THDA STAFF

At the time of this report, 217 individuals were employed by THDA. Of this total 26.3 percent are minority staff members. In addition, 75.1 percent of the total staff is female and 24.9 percent are male. The breakdown of THDA staff by race, ethnicity and sex are provided below.

**Table 4
Demographics of THDA Staff**

Demographics	Number of Staff	Percent of Total Staff
Race		
White	160	73.7%
Black/African American	54	24.9%
Ethnicity		
Hispanic	3	1.4%
Sex		
Female	163	75.1%
Male	54	24.9%

FISCAL YEAR 2011-12 TITLE VI COMPLAINTS

During FY 2011-12, THDA handled one Title VI complaint alleging discrimination. The complaint was received on June 6, 2011. The complainant alleged their application for the Hardest Hit Fund (HFF) was denied based on race and color. The Internal Audit of THDA investigated the claim and it was determined the complainant was denied mortgage assistance through the HFF program because they did not meet eligibility requirements for the program. The investigation determined that others applicants were also denied for similar reasons and that the percent of ineligible applicants denied loans was roughly the same, regardless of race and color (17.61 percent for White applicants and 17.9 percent for Black/African American applicants). Based on the investigations findings, the application for loan funding was appropriately denied and the circumstances in the complaint did not indicate that provisions of Title VI had in fact been violated. The complainant and THRC were informed of the investigation and the results on July 7, 2011.

FISCAL YEAR 2011-12 LAWSUITS

There were no lawsuits filed alleging discrimination on the basis of race, color or national origin under any federally funded program or activity during Fiscal Year 2011-12.

V. DEFINITIONS

The below tables defines common abbreviations and terms used in this report and in programs administered by THDA. The purpose of presenting these definitions is to ensure agency staff, recipients and beneficiaries have access to consistent and applicable definitions.

**Table 6
Common Abbreviations**

ADDI	American Dream Downpayment Initiative
8609	IRS Form for Final Allocation Document (LIHTC)
8823	IRS Form for Noncompliance (LIHTC)
ACC	Annual Contributions Contract
AHR	Affordable Housing Resources
AMI	Area Median Income
AOD	Application Oriented Design (LIHTC)
APR	Annual Percentage Rate
ARCH	Appalachian Regional Coalition on homelessness
ARM	Adjustable Rate Mortgage
BD	Business Development
CA	Contract Administration
CAAR	Chattanooga Area Association of REALTORS®
CAOM	Contract Administration Oversight Manager
CAPER	Consolidated Annual Performance Evaluation Report
CARCOG	Chattanooga Regional Council of Governments
CATS	Contract Administration Tracking System
CAVS	Contract Administration Vouchering System
CDBG	Community Development Block Grant
CDC	Community Development Corporation
CEE	THDA Council for Employee Excellence
CHA	Chattanooga Housing Authority
CHDAT	Community Housing Developers Association of TN
CHDO	Community Housing Development Organization
CITC	Community Investment Tax Credits
CoC	Continuum of Care
COFI	Cost of Funds Index
COL	Compliance On Line (LIHC)
COMPS	Comparative Market Analysis
CP	Community Programs
CSA	Core-Based Statistical Area
DDA	Difficult to Develop Area

DIDS	Division of Intellectual Disabilities Services
ECD	Tennessee Department of Economic and Community Development
EOCA	Equal Credit Opportunity Act
EMTAR	Eastern Middle Tennessee Association of REALTORS®
ERP	Emergency Repair Program for the Elderly
ESG	Emergency Shelter Grant Program
ETDD	East Tennessee Development District
EX	Executive
FA	Fiscal Administration
FAHE	Federation of Appalachian Housing Enterprises
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FHFA	Federal Housing Finance Agency
FHLB	Federal Home Loan Bank
FHLMC	Federal Home Loan Mortgage Corporation (Freddie Mac)
FMR	Fair Market Rent
FNMA	Federal National Mortgage Association (Fannie Mae)
FRM	Fixed-Rate Mortgage
FSBO	For Sale by Owner
FSS	Family Self Sufficiency Program
FTDD	First Tennessee Development District
GNAR	Greater Nashville Association of Realtors
GNMA	Government National Mortgage Association (Ginnie Mae)
GNRC	Greater Nashville Regional Council
GPM	Graduated-Payment Mortgage
GSE	Government Sponsored Enterprise or Entity
GSMAR	Great Smoky Mountains Association of REALTORS®
HAP	Housing Assistance Payment
HBEI	Homebuyer Education Initiative
HCV	Housing Choice Voucher Program
HECM	Home Equity Conversion Mortgage
HELP	Homebuyer Education Learning Program
HFA	Housing Finance Agency
HMDA	Home Mortgage Disclosure Act
HMIS	Homeless Management Information System
HNM	Homeless No More
HOME	HOME Investment Partnership Program
HOPWA	Housing Opportunities for Persons with AIDS
HPRP	Homelessness Prevention and Rapid Re-Housing Program

HQS	Housing Quality Standards
HR	Human Resources
HTC	Historic Tax Credit
HTF	Housing Trust Fund
HUD	US Department of Housing and Urban Development
HVP	Homeownership Voucher Program
IA	Internal Audit
IRC	Internal Revenue Code
IREMS	Integrated Real Estate Management System
IRS	Internal Revenue Service
IT	Information Technology
KAAR	Knoxville Area Association of REALTORS®
KCDC	Knox County Development Corp.
LDS	Leadership Development Series
LEAD	Lead Abatement
LEED ND	Leadership in Energy & Environmental Design for Neighborhood Development
LEED	Leadership in Energy & Environmental Design
LIHEAP	Low Income Home Energy Assistance Program
LIHTC	Low Income Housing Tax Credits
LTV	Loan to Value
MAAG	Memphis Area Association of Government
MAAR	Memphis Area Association of Realtors
MBA	Mortgage Bankers' Association
MBS	Mortgage-Backed Security
MD	Multifamily Development
MDHA	Metropolitan Development and Housing Agency
MFI	Median Family Income
MHA	Memphis Housing Authority
MHDD	Tennessee Department of Mental Health and Developmental Disabilities
MI	Mortgage Insurance
MIP	Mortgage Insurance Premium
MLS	Multiple Listing Service
MOR	Management and Occupancy Review
MSA	Metropolitan Statistical Area
MTAR	Middle Tennessee Association of REALTORS®
MTCS	Multifamily Tenant Characteristics Summary
MUD	Mixed-used development
N.W.O.	Neighborhood Works Organizations
NAR	National Association of Realtors®

NAHRO	National Association of Housing and Redevelopment Officials
NCSHA	National Council of State Housing Agencies
NETAR	Northeast Tennessee Association of REALTORS®
NFMP	National Foreclosure Mitigation Project
NMTC	New Markets Tax Credit
NSP	Neighborhood Stabilization Program
NWTDD	Northwest Tennessee Development District
OA	Originating Agent, originates our mortgage loans
PA	Public Affairs
PBCA	Performance-Based Contract Administration
PC	Program Compliance
PHA	Public Housing Authority
PIC	PIH (Public and Indian Housing) Information Center
PIH	Public and Indian Housing
PITI	Principal, Interest, Taxes and Insurance
PMI	Private Mortgage Insurance
PPM	Prepayment Penalty Mortgage
PUD	Planned Unit Development
QCT	Qualified Census Tract
QM	Quality Management
RCS	Rent Comparability Study
RD	Rural Development (USDA)
REMIC	Real Estate Mortgage Investment Conduit
REO	Real Estate Owned
RESPA	Real Estate Settlement Procedures Act
REV PROC	Revenue Procedure
REV RUL	Revenue Ruling
RHED	Rural Housing and Economic Development (HUD)
RHS	Rural Housing Service
RP	Research and Planning
S8CA	Section 8 Contract Administration
S8RA	Section 8 Rental Assistance
SAHMA	Southeastern Affordable Housing Management Association
SCTDD	South Central Tennessee Development District
SETDD	Southeast Tennessee Development District
SF	Single Family
SFP	Single Family Programs
SMTAR	Southern Middle Tennessee Association of REALTORS®
SRO	Single Room Occupancy

SWTDD	Southwest Tennessee Development District
TAAH	Tennessee Association of Affordable Housing
TAHRA	Tennessee Association of Housing and Redevelopment Authorities
TARP	Troubled Assets Relief Program
TCA	Traditional Contract Administrator or Administration
TCAP	Tax Credit Assistance Program
TDDA	Tennessee Development District Association
TDEC	Tennessee Dept of Environment and Conservation
THRC	Tennessee Human Rights Commission
TILA	Truth-In-Lending Act
TSAHC	Tennessee Statewide Affordable Housing Coalition
TVAR	Tennessee Valley Association of REALTORS®
UCAR	Upper Cumberland Association of REALTORS®
UCDD	Upper Cumberland Development District
USDA	US Department of Agriculture
VA	Department of Veterans Affairs
WAP	Weatherization Assistance Program
WCAR	Williamson County Association of REALTORS®
WTHRN	West Tennessee Housing Resource Network

Table 7
Definitions of Common Terms

Adjustable Rate Mortgage	a flexible rate mortgage with an interest rate and monthly payment that adjusts at regular intervals based on the index rate. Also referred to as adjustable mortgage loans (AMLs) or variable-rate mortgages (VRMs). Initial interest rates on ARM loans usually are lower than fixed-rate mortgages.
Abstract of Title	documents recording the ownership of property throughout time.
Acceleration	the right of the lender to demand payment on the outstanding balance of a loan.
Acceptance	the written approval of the buyer's offer by the seller.
Additional Principal Payment	money paid to the lender in addition to the established payment amount used directly against the loan principal to shorten the length of the loan.
Adjustment Date	the actual date that the interest rate is changed for an ARM.
Adjustment Index	the published market index used to calculate the interest rate of an ARM at the time of origination or adjustment.
Adjustment Interval	the time between the interest rate change and the monthly payment for an ARM. The interval is usually every one, three or five years depending on the index.
Affidavit	a signed, sworn statement made by the buyer or seller regarding the truth of information provided.

Amenity	a feature of the home or property that serves as a benefit to the buyer but that is not necessary to its use; may be natural (like location, woods, water) or man-made (like a swimming pool or garden).
Amortization	a payment plan that enables you to reduce your debt gradually through monthly payments. The payments may be principal and interest, or interest-only. The monthly amount is based on the schedule for the entire term or length of the loan.
Annual Mortgagor Statement	yearly statement to borrowers detailing the remaining principal and amounts paid for taxes and interest.
Annual Percentage Rate	percentage that the total finance charge calculated on an annual basis bears to the amount of the loan. This rate is likely to be higher than the interest rate on the mortgage because it includes points and other credit costs.
Application	the first step in the official loan approval process; this form is used to record important information about the potential borrower necessary to the underwriting process.
Application Fee	a fee charged by lenders to process a loan application.
Appraisal	a document from a professional that gives an estimate of a property's fair market value based on the sales of comparable homes in the area and the features of a property; an appraisal is generally required by a lender before loan approval to ensure that the mortgage loan amount is not more than the value of the property.
Appraisal Fee	fee charged by an appraiser to estimate the market value of a property.
Appraised Value	an estimation of the current market value of a property.
Appraiser	a qualified individual who uses his or her experience and knowledge to prepare the appraisal estimate.
Appreciation	an increase in property value.
Arbitration	a legal method of resolving a dispute without going to court.
As-is Condition	the purchase or sale of a property in its existing condition without repairs.
Asking Price	a seller's stated price for a property.
Assessed Value	the value that a public official has placed on any asset (used to determine taxes).
Assessments	the method of placing value on an asset for taxation purposes.
Assessor	a government official who is responsible for determining the value of a property for the purpose of taxation.
Assets	any item with measurable value.
Assignment of a Deed of Trust	a written document that transfers the beneficial interest in a note and deed of trust.
Assumable Mortgage	a mortgage that can be taken over ("assumed") by the buyer when a home is sold.
Assumption Clause	a provision in the terms of a loan that allows the buyer to take legal responsibility for the mortgage from the seller.
Authorization to Sign as an Agent	written document given by a beneficiary authorizing an agent to sign a document on their behalf (such as a notice of default).

Agreement	
Automated Underwriting	loan processing completed through a computer-based system that evaluates past credit history to determine if a loan should be approved. This system removes the possibility of personal bias against the buyer.
Average Price	determining the cost of a home by totaling the cost of all houses sold in one area and dividing by the number of homes sold.
Back End Ratio (debt ratio)	a ratio that compares the total of all monthly debt payments (mortgage, real estate taxes and insurance, car loans, and other consumer loans) to gross monthly income.
Back to Back Escrow	arrangements that an owner makes to oversee the sale of one property and the purchase of another at the same time.
Balance Sheet	a financial statement that shows the assets, liabilities and net worth of an individual or company.
Balloon Loan or Mortgage	a mortgage that typically offers low rates for an initial period of time (usually 5, 7, or 10) years; after that time period elapses, the balance is due or is refinanced by the borrower.
Balloon Payment	the final lump sum payment due at the end of a balloon mortgage.
Bankruptcy	a legal proceeding which allows a debtor to discharge certain debts or obligations without paying the full amount or allows the debtor time to reorganize his financial affairs so he can fully repay his debts.
Beneficiary	the lender or their successor in interest for whose benefit a trust is created and to whom the debt is owed.
Bid Authorization Letter	written authorization instructing the trustee to make the initial opening bid at the trustee's sale on the lender's behalf.
Borrower	a person who has been approved to receive a loan and is then obligated to repay it and any additional fees according to the loan terms.
Breach of Contract	failure without legal excuse to perform any promise made in a contract.
Bridge Loan	a short-term loan paid back relatively fast. Normally used until a long-term loan can be processed.
Broker	a licensed individual or firm that charges a fee to serve as the mediator between the buyer and seller. Mortgage brokers are individuals in the business of arranging funding or negotiating contracts for a client, but who does not loan the money. A real estate broker is someone who helps find a house.
Building Code	based on agreed upon safety standards within a specific area, a building code is a regulation that determines the design, construction, and materials used in building.
Buy Down	the seller pays an amount to the lender so the lender provides a lower rate and lower payments many times for an ARM. The seller may increase the sales price to cover the cost of the buy down.
Cap	a limit, such as one placed on an adjustable rate mortgage, on how much a monthly payment or interest rate can increase or decrease, either at each adjustment period or during the life of the mortgage. Payment caps do not limit the amount of interest the lender is earning, so they may cause negative amortization.

Capital Improvements	property improvements that either will enhance the property value or will increase the useful life of the property.
Certificate of Title	a document provided by a qualified source (such as a title company or attorney) that describes the status of the title to a parcel; before the title is transferred at closing, it should be clear and free of all liens or other claims.
Chapter 13 Bankruptcy	this type of bankruptcy sets a payment plan between the borrower and the creditor monitored by the court. The homeowner can keep the property, but must make payments according to the court's terms within a 3 to 5 year period.
Chapter 7 Bankruptcy	a bankruptcy that requires assets be liquidated in exchange for the cancellation of debt.
Claim Data	an itemization of the trustee's fee and expenses, provided to the lender when the notice of default is recorded and again at publication. A claim date is furnished for the lenders information and is not an invoice.
Clear Title	a property title that has no defects. Properties with clear titles are marketable for sale.
Closing	the final step in property purchase where the title is transferred from the seller to the buyer. Closing occurs at a meeting between the buyer, seller, settlement agent, and other agents. At the closing the seller receives payment for the property. Also known as settlement.
Closing Costs	fees for final property transfer not included in the price of the property. Typical closing costs include charges for the mortgage loan such as origination fees, discount points, appraisal fee, survey, title insurance, legal fees, real estate professional fees, prepayment of taxes and insurance, and real estate transfer taxes. A common estimate of a Buyer's closing costs is 2 to 4 percent of the purchase price of the home. A common estimate for Seller's closing costs is 3 to 9 percent.
Cloud On The Title	any condition which affects the clear title to real property.
Co-Borrower	an additional person that is responsible for loan repayment and is listed on the title.
Collateral	security in the form of money or property pledged for the payment of a loan. For example, on a home loan, the home is the collateral and can be taken away from the borrower if mortgage payments are not made.
Commission	an amount, usually a percentage of the property sales price that is collected by a real estate professional as a fee for negotiating the transaction. Traditionally the home seller pays the commission. The amount of commission is determined by the real estate professional and the seller and can be as much as 6% of the sales price.
Comparative Market Analysis	a property evaluation that determines property value by comparing similar properties sold within the last year.
Condominium	a form of ownership in which individuals purchase and own a unit of housing in a multi-unit complex. The owner also shares financial responsibility for common areas.
Conforming loan	is a loan that does not exceed Fannie Mae's and Freddie Mac's loan limits. Freddie Mac and Fannie Mae loans are referred to as conforming loans.

Consideration	an item of value given in exchange for a promise or act.
Construction Loan	a short-term, to finance the cost of building a new home. The lender pays the builder based on milestones accomplished during the building process. For example, once a sub-contractor pours the foundation and it is approved by inspectors the lender will pay for their service.
Contingency	a clause in a purchase contract outlining conditions that must be fulfilled before the contract is executed. Both, buyer or seller may include contingencies in a contract, but both parties must accept the contingency.
Conventional Loan	a private sector loan, one that is not guaranteed or insured by the U.S. government.
Conversion Clause	a provision in some ARMs allowing it to change to a fixed-rate loan at some point during the term. Usually conversions are allowed at the end of the first adjustment period. At the time of the conversion, the new fixed rate is generally set at one of the rates then prevailing for fixed rate mortgages. There may be additional cost for this clause.
Convertible ARM	an adjustable-rate mortgage that provides the borrower the ability to convert to a fixed-rate within a specified time.
Co-Signed Account	an account signed by someone in addition to the primary borrower, making both people responsible for the amount borrowed.
Co-Signer	a person that signs a credit application with another person, agreeing to be equally responsible for the repayment of the loan.
Cost of Funds Index	an index used to determine interest rate changes for some adjustable-rate mortgages.
Credit Counseling	education on how to improve bad credit and how to avoid having more debt than can be repaid.
Credit Enhancement	a method used by a lender to reduce default of a loan by requiring collateral, mortgage insurance, or other agreements.
Credit History	a record of an individual that lists all debts and the payment history for each. The report that is generated from the history is called a credit report. Lenders use this information to gauge a potential borrower's ability to repay a loan.
Credit Report	a report generated by the credit bureau that contains the borrower's credit history for the past seven years. Lenders use this information to determine if a loan will be granted.
Credit Risk	a term used to describe the possibility of default on a loan by a borrower.
Credit Score	a score calculated by using a person's credit report to determine the likelihood of a loan being repaid on time. Scores range from about 360 - 840: a lower score meaning a person is a higher risk, while a higher score means that there is less risk.
Debt-to-Income Ratio:	a comparison or ratio of gross income to housing and non-housing expenses; With the FHA, the monthly mortgage payment should be no more than 29% of monthly gross income (before taxes) and the mortgage payment combined with non-housing debts should not exceed 41% of income.

Declaration of Default	a written document that instructs the trustee to prepare and record a notice of default and if necessary, to sell the secured property in order to satisfy the unpaid obligation.
Decree of Foreclosure	a court order to set out the outstanding amount on a delinquent mortgage in order to sell the property.
Deductible	the amount of cash payment that is made by the insured (the homeowner) to cover a portion of a damage or loss. Sometimes also called "out-of-pocket expenses." For example, out of a total damage claim of \$1,000, the homeowner might pay a \$250 deductible toward the loss, while the insurance company pays \$750 toward the loss. Typically, the higher the deductible, the lower the cost of the policy.
Deed	a legal instrument that conveys title to real property on delivery and acceptance by the grantee.
Deed of Trust	a written document describing the real property that is being given as security for the repayment of an obligation.
Deed-in-Lieu	to avoid foreclosure ("in lieu" of foreclosure), a deed is given to the lender to fulfill the obligation to repay the debt; this process does not allow the borrower to remain in the house but helps avoid the costs, time, and effort associated with foreclosure.
Default	the inability to make timely monthly mortgage payments or otherwise comply with mortgage terms. A loan is considered in default when payment has not been paid after 60 to 90 days. Once in default the lender can exercise legal rights defined in the contract to begin foreclosure proceedings
Deficiency Judgment	a money judgment awarded to the mortgagee when funds obtained as a result of a foreclosure sale are insufficient to pay the debt.
Delinquency	failure of a borrower to make timely mortgage payments under a loan agreement. Generally after fifteen days a late fee may be assessed.
Deposit (Earnest Money)	money put down by a potential buyer to show that they are serious about purchasing the home; it becomes part of the down payment if the offer is accepted, is returned if the offer is rejected, or is forfeited if the buyer pulls out of the deal. During the contingency period the money may be returned to the buyer if the contingencies are not met to the buyer's satisfaction.
Depreciation	a decrease in the value or price of a property due to changes in market conditions, wear and tear on the property, or other factors.
Down Payment	the portion of a home's purchase price that is paid in cash and is not part of the mortgage loan. This amount varies based on the loan type, but is determined by taking the difference of the sale price and the actual mortgage loan amount. Mortgage insurance is required when a down payment less than 20 percent is made.
Earnings Per Share	a corporation's profit that is divided among each share of common stock. It is determined by taking the net earnings divided by the number of outstanding common stocks held. This is a way that a company reports profitability.

Easements	the legal rights that give someone other than the owner access to use property for a specific purpose. Easements may affect property values and are sometimes a part of the deed.
Eminent Domain	when a government takes private property for public use. The owner receives payment for its fair market value. The property can then proceed to condemnation proceedings.
Equal Credit Opportunity Act	a federal law requiring lenders to make credit available equally without discrimination based on race, color, religion, national origin, age, sex, marital status, or receipt of income from public assistance programs.
Equity	an owner's financial interest in a property; calculated by subtracting the amount still owed on the mortgage loan(s) from the fair market value of the property.
Equity Right of Redemption	the right of a mortgagor or another person with an interest in real estate to reclaim it after default but before foreclosure in order to avoid foreclosure action by paying off the debts, interest and fees that have accumulated on the property.
Escape Clause	a provision in a purchase contract that allows either party to cancel part or the entire contract if the other does not respond to changes to the sale within a set period. The most common use of the escape clause is if the buyer makes the purchase offer contingent on the sale of another house.
Escrow	funds held in an account to be used by the lender to pay for home insurance and property taxes. The funds may also be held by a third party until contractual conditions are met and then paid out.
Escrow Account	a separate account into which the lender puts a portion of each monthly mortgage payment; an escrow account provides the funds needed for such expenses as property taxes, homeowners insurance, mortgage insurance, etc.
Fair Credit Reporting Act	a consumer protection law that regulates the disclosure of consumer credit reports by consumer credit reporting agencies and establishes procedures for correcting mistakes on one's credit record.
Fair Housing Act	a law that prohibits discrimination in all facets of the home buying process on the basis of race, color, national origin, religion, sex, familial status, or disability.
Fair Lending	the prohibition of lenders from practicing unlawful discrimination against anyone on the basis of race, color, religion, national origin, age, sex, marital status, family status, or handicap.
Fair Market Value	the hypothetical price that a willing buyer and seller will agree upon when they are acting freely, carefully, and with complete knowledge of the situation.
Fannie Mae	Federal National Mortgage Association (FNMA); a federally-chartered enterprise owned by private stockholders that purchases residential mortgages and converts them into securities for sale to investors; by purchasing mortgages, Fannie Mae supplies funds that lenders may loan to potential homebuyers. Also known as a Government Sponsored Enterprise (GSE).

Federal Housing Administration	an agency of the U.S. Department of Housing and Urban Development (HUD) whose main activity is insuring residential mortgage loans made by private lenders.
FICO Score	FICO is an abbreviation for Fair Isaac Corporation and refers to a person's credit score based on credit history. Lenders and credit card companies use the number to decide if the person is likely to pay his or her bills. A credit score is evaluated using information from the three major credit bureaus and is usually between 300 and 850.
Fixed-Rate Mortgage	a mortgage with payments that remain the same throughout the life of the loan because the interest rate and other terms are fixed and do not change.
Forbearance	loss mitigation option where the lender agrees to arrange a revised repayment plan for the borrower that may include a temporary reduction or suspension of monthly loan payments.
Foreclosure	a legal process in which mortgaged property is sold to pay the loan of the defaulting borrower. Foreclosure laws are based on the statutes of each state.
Foreclosure Mitigation	a process whereby a property owner agrees in writing to allow a third-party to communicate directly with their lender during the process of foreclosure.
Freddie Mac	Federal Home Loan Mortgage Corporation (FHLM); a federally chartered corporation that purchases residential mortgages, securitizes them, and sells them to investors; this provides lenders with funds for new homebuyers. Also known as a Government Sponsored Enterprise (GSE).
Good Faith Estimate	an estimate of all closing fees including pre-paid and escrow items as well as lender charges; must be given to the borrower within three days after submission of a loan application.
Grace Period	a period of days during which a debtor may cure a delinquency without penalty (before triggering a late charge, a foreclosure or an acceleration of the balance due).
Graduated Payment Mortgages	mortgages that begin with lower monthly payments that gets slowly larger over a period of years, eventually reaching a fixed level and remaining there for the life of the loan. Graduated payment loans may be good if you expect your annual income to increase.
Guaranty Fee	payment to Fannie Mae from a lender for the assurance of timely principal and interest payments to MBS (Mortgage Backed Security) security holders.
Home Equity Line of Credit	a mortgage loan, usually in second mortgage, allowing a borrower to obtain cash against the equity of a home, up to a predetermined amount.
Home Equity Loan	a loan secured by a primary residence or second home to the extent of the excess of fair market value over the debt incurred in the purchase.
Home Mortgage Disclosure Act	an act established by Congress in 1975 and implemented by the Federal Reserve Board's Regulation C that requires lending institutions to report public loan data.

Homeowner's Insurance	an insurance policy, also called hazard insurance, that combines protection against damage to a dwelling and its contents including fire, storms or other damages with protection against claims of negligence or inappropriate action that result in someone's injury or property damage. Most lenders require homeowners insurance and may escrow the cost. Flood insurance is generally not included in standard policies and must be purchased separately.
Indemnify	any losses and damages endured by another person for which you are fully responsible.
Index	the measure of interest rate changes that the lender uses to decide how much the interest rate of an ARM will change over time. No one can be sure when an index rate will go up or down. If a lender bases interest rate adjustments on the average value of an index over time, your interest rate would not be as volatile. You should ask your lender how the index for any ARM you are considering has changed in recent years, and where it is reported.
Inflation	the number of dollars in circulation exceeds the amount of goods and services available for purchase; inflation results in a decrease in the dollar's value.
Interest	a fee charged for the use of borrowing money.
Involuntary Lien	a lien issued against a property without the owner's approval.
Judgment	the final decision of the court resolving the dispute and determining the rights and obligations of the parties.
Judicial Foreclosure	a foreclosure process which is executed via a court action.
Jumbo Loan	or non-conforming loan, is a loan that exceeds Fannie Mae's and Freddie Mac's loan limits. Freddie Mac and Fannie Mae loans are referred to as conforming loans.
Late Payment Charges	the penalty the homeowner must pay when a mortgage payment is made after the due date grace period.
Lease	a written agreement between a property owner and a tenant (resident) that stipulates the payment and conditions under which the tenant may occupy a home or apartment and states a specified period of time.
Lease Purchase (Lease Option)	assists low to moderate income homebuyers in purchasing a home by allowing them to lease a home with an option to buy; the rent payment is made up of the monthly rental payment plus an additional amount that is credited to an account for use as a down payment.
Lender	A term referring to a person or company that makes loans for real estate purchases. Sometimes referred to as a loan officer or lender.
Lien	a legal claim against property that must be satisfied when the property is sold. A claim of money against a property, wherein the value of the property is used as security in repayment of a debt. Examples include a mechanic's lien, which might be for the unpaid cost of building supplies, or a tax lien for unpaid property taxes. A lien is a defect on the title and needs to be settled before transfer of ownership. A lien release is a written report of the settlement of a lien and is recorded in the public record as evidence of payment.

Line of Credit	an agreement by a financial institution such as a bank to extend credit up to a certain amount for a certain time to a specified borrower.
Loan Modification	procedure that alters terms of the loan; e.g., interest rate, monthly payment, or duration.
Loan Origination Fee	a charge by the lender to cover the administrative costs of making the mortgage. This charge is paid at the closing and varies with the lender and type of loan. A loan origination fee of 1 to 2 percent of the mortgage amount is common.
Loan Servicer	the company that collects monthly mortgage payments and disperses property taxes and insurance payments. Loan servicers also monitor nonperforming loans, contact delinquent borrowers, and notify insurers and investors of potential problems. Loan servicers may be the lender or a specialized company that just handles loan servicing under contract with the lender or the investor who owns the loan.
Loan to Value Ratio	a percentage calculated by dividing the amount borrowed by the price or appraised value of the home to be purchased; the higher the LTV, the less cash a borrower is required to pay as down payment.
Loss Mitigation	a process to avoid foreclosure; the lender tries to help a borrower who has been unable to make loan payments and is in danger of defaulting on his or her loan
Margin	the number of percentage points the lender adds to the index rate to calculate the ARM interest rate at each adjustment.
Market Value	the amount a willing buyer would pay a willing seller for a home. An appraised value is an estimate of the current fair market value.
Maturity	the date when the principal balance of a loan becomes due and payable.
Median Price	the price of the house that falls in the middle of the total number of homes for sale in that area.
Modification Agreement	a written document, signed by the beneficiary and the borrower that alters the terms of either the note of deed of trust.
Mortgage	an interest in land created by a written instrument providing security for the performance of a duty or the payment of a debt.
Mortgage Insurance	protects lenders against some or most of the losses when a borrower defaults on a mortgage loan.
Mortgage Insurance Premium	a monthly payment -usually part of the mortgage payment - paid by a borrower for mortgage insurance.
Mortgage Modification	allows a borrower to refinance and/or extend the term of the mortgage.
Mortgage Qualifying Ratio	Used to calculate the maximum amount of funds that an individual traditionally may be able to afford. A typical mortgage qualifying ratio is 28: 36.
Mortgage-Backed Security	a Fannie Mae security that represents an undivided interest in a group of mortgages. Principal and interest payments from the individual mortgage loans are grouped and paid out to the MBS holders.
Mortgagor	the person who borrows the money from the lender to purchase a property.

No Cash Out Refinance	a refinance of an existing loan only for the amount remaining on the mortgage. The borrower does not get any cash against the equity of the home. Also called a "rate and term refinance."
No Cost Loan	there are many variations of a no cost loan. Generally, it is a loan that does not charge for items such as title insurance, escrow fees, settlement fees, appraisal, recording fees or notary fees. It may also offer no points. This lessens the need for upfront cash during the buying process however no cost loans have a higher interest rate.
Nonmilitary Affidavits	a sworn statement, in writing from the beneficiary or his agent which declares that the property owner is not entitled to any rights under the Soldiers and Sailors Civil Relief Act of 1940.
Note	the borrower's written promise to repay a loan according to its terms; a written document that sets forth the amount of the obligation and the terms of repayment.
Notice of Default	a written document that gives constructive notice of a trustor's failure to perform his obligation under a deed of trust.
Origination	the process of preparing, submitting, and evaluating a loan application; generally includes a credit check, verification of employment, and a property appraisal.
Origination Fee	the charge for originating a loan; is usually calculated in the form of points and paid at closing. One point equals one percent of the loan amount. On a conventional loan, the loan origination fee is the number of points a borrower pays.
Partial Claim	a loss mitigation option offered by the FHA that allows a borrower, with help from a lender, to get an interest-free loan from HUD to bring their mortgage payments up to date.
Points	a point is equal to one percent of the principal amount of your mortgage. For example, if you get a mortgage for \$95,000, one point means you pay \$950 to the lender. Lenders frequently charge points in both fixed-rate and adjustable-rate mortgages in order to increase the yield on the mortgage and to cover loan closing costs. These points usually are collected at closing and may be paid by the borrower or the home seller, or may be split between them.
Power of Attorney	a legal document that authorizes another person to act on your behalf. A power of attorney can grant complete authority or can be limited to certain acts or certain periods of time or both.
Pre-Approval	a lender commits to lend to a potential borrower a fixed loan amount based on a completed loan application, credit reports, debt, savings and has been reviewed by an underwriter. The commitment remains as long as the borrower still meets the qualification requirements at the time of purchase. This does not guaranty a loan until the property has passed inspections underwriting guidelines.

Predatory Lending	an unsuitable loan designed to exploit vulnerable and unsophisticated borrowers. Predatory loans are a subset of prime loans. A predatory loan has one or more of the following features: 1) charges more in interest and fees than is required to cover the added risk of lending to borrowers and lead to increased indebtedness, 2) does not take into account the borrower's ability to repay the loan, and 3) often violates fair lending laws by targeting women, minorities, and communities of color.
Pre-foreclosure Sale	a procedure in which the borrower is allowed to sell a property for an amount less than what is owed on it to avoid a foreclosure. This sale fully satisfies the borrower's debt.
Pre-Qualify	a lender informally determines the maximum amount an individual is eligible to borrow. This is not a guaranty of a loan.
Prime Rate	the interest rate that banks charge to preferred customers. Changes in the prime rate are publicized in the business media. Prime rate can be used as the basis for adjustable rate mortgages (ARMs) or home equity lines of credit. The prime rate also affects the current interest rates being offered at a particular point in time on fixed mortgages. Changes in the prime rate do not affect the interest on a fixed mortgage.
Principal	the amount of money borrowed to buy a house or the amount of the loan that has not been paid back to the lender. This does not include the interest paid to borrow that money. The principal balance is the amount owed on a loan at any given time. It is the original loan amount minus the total repayments of principal made.
Private Mortgage Insurance	insurance purchased by a buyer to protect the lender in the event of default. The cost of mortgage insurance is usually added to the monthly payment. Mortgage insurance is generally maintained until over 20 Percent of the outstanding amount of the loan is paid or for a set period of time, seven years is normal. Mortgage insurance may be available through a government agency, such as the Federal Housing Administration (FHA) or the Veterans Administration (VA), or through private mortgage insurance companies (PMI).
Promissory Note	a written promise to repay a specified amount over a specified period of time.
Property Tax	a tax charged by local government and used to fund municipal services such as schools, police, or street maintenance. The amount of property tax is determined locally by a formula, usually based on a percent per \$1,000 of assessed value of the property.
Property Tax Deduction	the U.S. tax code allows homeowners to deduct the amount they have paid in property taxes from their total income.
Qualifying Ratios	guidelines utilized by lenders to determine how much money a homebuyer is qualified to borrow. Lending guidelines typically include a maximum housing expense to income ratio and a maximum monthly expense to income ratio.
Quit Claim Deed	a deed of conveyance that releases any title, interest, or claim, which the grantor may have in the premises.
Rate Lock	a commitment by a lender to a borrower guaranteeing a specific interest rate over a period of time at a set cost.

Real Estate Mortgage Investment Conduit	a security representing an interest in a trust having multiple classes of securities. The securities of each class entitle investors to cash payments structured differently from the payments on the underlying mortgages.
Real Estate Property Tax Deduction	a tax deductible expense reducing a taxpayer's taxable income.
Real Estate Settlement Procedures Act	a law protecting consumers from abuses during the residential real estate purchase and loan process by requiring lenders to disclose all settlement costs, practices, and relationships
Real Estate Settlement Procedures Act	a federal law that requires that lending institutions disclose certain information to purchasers of residential real estate after an application has been made.
Redlining	when a lender denies a loan in certain parts of a city due to discrimination.
Refinancing	paying off one loan by obtaining another; refinancing is generally done to secure better loan terms (like a lower interest rate).
Reinstatement Period	a phase of the foreclosure process where the homeowner has an opportunity to stop the foreclosure by paying money that is owed to the lender.
Repayment plan	an agreement between a lender and a delinquent borrower where the borrower agrees to make additional payments to pay down past due amounts while making regularly scheduled payments.
Reverse Mortgage	the reverse mortgage is used by senior homeowners age 62 and older to convert the equity in their home into monthly streams of income and/or a line of credit to be repaid when they no longer occupy the home. A lending institution such as a mortgage lender, bank, credit union or savings and loan association funds the FHA insured loan, commonly known as HECM.
Second Mortgage	an additional mortgage on property. In case of a default the first mortgage must be paid before the second mortgage. Second loans are more risky for the lender and usually carry a higher interest rate.
Secondary Mortgage Market	the buying and selling of mortgage loans. Investors purchase residential mortgages originated by lenders, which in turn provides the lenders with capital for additional lending.
Secured Loan	a loan backed by collateral such as property.
Security	the property that will be pledged as collateral for a loan.
Servicer	a business that collects mortgage payments from borrowers and manages the borrower's escrow accounts.
Servicing	the collection of mortgage payments from borrowers and related responsibilities of a loan servicer.
Soldier's and Sailor's Relief Act	an act passed by Congress in 1940, protecting those serving in the military.
Special Forbearance	a loss mitigation option where the lender arranges a revised repayment plan for the borrower that may include a temporary reduction or suspension of monthly loan payments.

Sub-Prime Loan	"B" Loan or "B" paper with FICO scores from 620 - 659. "C" Loan or "C" Paper with FICO scores typically from 580 to 619. An industry term used to describe loans with less stringent lending and underwriting terms and conditions. Due to the higher risk, sub-prime loans charge higher interest rates and fees.
Survey	a property diagram that indicates legal boundaries, easements, encroachments, rights of way, improvement locations, etc. Surveys are conducted by licensed surveyors and are normally required by the lender in order to confirm that the property boundaries and features such as buildings, and easements are correctly described in the legal description of the property.
Title	a legal document establishing the right of ownership and is recorded to make it part of the public record. Also known as a Deed.
Transfer of Ownership	any means by which ownership of a property changes hands. These include purchase of a property, assumption of mortgage debt, and exchange of possession of a property via a land sales contract or any other land trust device.
Trust	a legal relationship in which a person transfers legal title to property to a trustee who manages it for the beneficiaries of the trust.
Trust Deed	a three party security instrument conveying the legal title to real property as security for the repayment of a loan.
Trustee	a legally empowered person who holds or controls a piece of property for another person.
Trustee's Sale	the public auction of the real property, described in the deed of trust, to satisfy the unpaid obligation.
Trustor	the borrower (or property owner) at the time the deed of trust was created. Often refers to the current owner.
Truth-in-Lending	a federal law obligating a lender to give full written disclosure of all fees, terms, and conditions associated with the loan initial period and then adjusts to another rate that lasts for the term of the loan.
Underwriting	the process of analyzing a loan application to determine the amount of risk involved in making the loan; it includes a review of the potential borrower's credit history and a judgment of the property value.
Uniform Settlement Statement	a closing statement required for all federally related residential first mortgages.
Unlawful Detainer Action	a legal action to remove someone who has unjustly retained possession of real property after one's right to possess has terminated.
Up Front Charges	the fees charged to homeowners by the lender at the time of closing a mortgage loan. This includes points, broker's fees, insurance, and other charges.
VA Loan	a loan guaranteed by the U.S. Department of Veterans Affairs
Vested	a point in time when you may withdraw funds from an investment account, such as a retirement account, without penalty.
Warranty Deed	a legal document that includes the guarantee the seller is the true owner of the property, has the right to sell the property and there are no claims against the property.

VI. DISCRIMINATORY PRACTICES

THDA has jurisdiction to investigate both Title VI and fair housing claims. The Fair Housing Act makes it illegal to discriminate in the buying, selling or renting of a home because of a person's race, color, national origin, religion, sex, familial status and disability. Because THDA is an affordable housing finance agency, both Title VI and fair housing discrimination are integral to the programs and activities carried out by the organization.

The following possible discriminatory practices are examples specific to the programs and activities conducted by THDA. Possible discriminatory practices, based on a Title VI protected class include:

- Refusing to sell, rent or lease housing to an interested tenant or buyer
- Applying different sale, rental or occupancy terms for different people
- Lying about or misrepresenting the availability of housing
- Providing inferior conditions, terms, facilities or privileges in connection with housing
- "Blockbusting" or encouraging people to leave an area based on their protected class
- Steering clients to a certain neighborhood, refusal to serve certain clients
- Redlining or limiting lending in a particular area because of the demographics of that area or imposing different conditions on a loan
- Harassing tenants and homeowners in connection with housing accommodations
- Zoning laws that have an unfair effect on protected classes

A specific example of a possible discriminatory practice could be found in the HOME's homeowner rehabilitation program. If 10 families receive homeownership rehabilitation, and nine of those families are White and one is Black/African American, all should receive the same degree of rehabilitation. If the beneficiary belonging to a protected class receives sub-standard repairs below specifications and the White homeowners all receive standard repairs at specification, discrimination on the basis of Title VI could be alleged.

VII. LIMITED ENGLISH PROFICIENCY (LEP)

In 2011, THDA developed a formal LEP Policy, which can be found in Appendix C of this document. The policy requires THDA staff to ensure reasonable steps are taken so that LEP persons may have meaningful access and opportunity to participate in the services, activities and programs offered by THDA. The policy outlines procedures for THDA staff when LEP encounters occur, which include identifying LEP persons and their language, obtaining a qualified interpreter and tracking encounters. The policy also indicates that written translations and notices should be provided to LEP persons and that THDA will continue to monitor the language needs of its clients.

In 2011, THDA also implemented a language line provided by Avaza Language Services. THDA trained relevant staff and fully implemented the language line in October, 2011. Avaza Language Services can be contacted at:

Avaza Language Services
5209 Linbar Drive, Suite 603
Nashville, TN 37211
(615) 534-3404

THDA utilizes resources and materials made available through HUD, which can be accessed at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/promotingfh/whatislep. The website provides a range of brochures, booklets, fact sheets, forms, "I Speak Card" language identification cards, posters and public service announcements in a number of languages. THDA translates public notices and documents for public comment to Spanish and is working to increase the availability of program documents in Spanish. One example of a THDA program that has recently translated numerous publications into Spanish is the Keep My TN Home/HFF Program, described in earlier sections of this document. Keep My TN Home/HFF brochures explaining the program and its eligibility requirements are available to Spanish speaking persons. THDA translates its public notices in Spanish and publishes them in three Spanish newspapers (one in each Grand Division of Tennessee) to promote public participation among Spanish speaking persons.

In February 2012, THDA released a new website, which is also available in a Spanish version. This website is made available in Spanish using Google Translator technology. Persons seeking information about THDA may click on the "Español" button to translate the majority of the website's content to Spanish.

During FY 2011-12, Spanish was the only language encountered by the agency as a result of on-site and telephonic encounters from the public. THDA reported approximately 530 encounters throughout the year. All of the encounters were in Spanish. Hispanic, Kurdish and Somali populations are served by the Section 8 Rental Assistance Housing Choice Voucher Program. THDA staff members follow the procedures outlined in the LEP Policy (Appendix C) when Section 8 clients are in need of translation. THDA staff members also have the option of utilizing resources through Avaza Language Services, although these services were not used during FY 2011-12.

Recognizing a need for a formal tracking system, THDA began preparations in July 2012 to develop a system for THDA staff to record and report encounters with LEP persons. All THDA staff will be required to create a record through an online fillable form when encountering an LEP person via telephonic, on-site or written communications. The fillable form will request the date of the encounter, the type of communication, the language spoken, information regarding the referral (AVAZA, staff member, etc.) and any additional information or notes regarding the encounter. The online fillable form will become available in October 2012, and will assist THDA with its efforts to track and analyze encounters with LEP persons. LEP encounter data should help THDA monitor its LEP policy and procedures and set goals to assist LEP persons in future interactions with THDA.

In regards to steps and goals that intend to break down the barriers to LEP challenges, THDA has partnered with the Tennessee Department of Economic and Community Development (ECD) and the Tennessee Department of Health (DOH) to conduct an Analysis of Impediments to Fair Housing Choice (AI) study. THDA, ECD and DOH work together on consolidated planning and reporting for four federal programs: Community Development Block Grant (administered by ECD), HOME Investment Partnership (administered by THDA), Emergency Solutions Grant (administered by THDA) and Housing Opportunities for Persons with Aids (administered by DOH). As part of the consolidated planning process, the three partners will secure a third party consultant to conduct the AI, which seeks to identify the barriers in Tennessee related to affirmatively furthering fair housing and recommendations to overcome these barriers. As part of the study, LEP procedures and practices by the three agencies will be analyzed, barriers to affirmatively furthering LEP participation identified and recommendations to improve LEP procedures will be made. Upon receiving the results of this study, THDA will be able to analyze the

recommendations pertaining to LEP and develop a plan, which includes goals, for the following year. The results of the AI study are expected in April 2013.

While waiting for the AI study, THDA will continue its efforts with regards to LEP and will monitor its programs and procedures to ensure modifications to current procedures and the creation of new procedures are made, if needed.

VIII. COMPLAINT PROCEDURES

Any person alleging discrimination based on race, color or national origin has the right to file a complaint no later than 180 days after the alleged discrimination, unless the time for filing is extended by the responsible department official or his/her designee. At the complainant's discretion, the complaint can be filed with the federal department, the state recipient or the agency providing the service. It is not necessary to know the identity of the complainant, so long as the information is sufficient to determine the identity of the recipient and to indicate the possibility of a violation.

All complaints, written or verbal, will be accepted. In the event a complainant sets forth the allegations verbally and refuses to reduce such allegations to writing, the person to whom the complaint is made should reduce the elements of the complaint to writing. An example of the complaint form used by THDA is provided in Appendix D. Complaints, whether written or later reduced to writing by a staff person, should contain the following information:

1. Name, address and telephone number of the complainant.
2. The location and name of the entity delivering the service.
3. The nature of the incident that led the complainant to feel discrimination was a factor.
4. The basis of the complaint, e.g., race, color or national origin.
5. Names, addresses and phone numbers of people who may have knowledge of the event.
6. The date or dates on which the alleged discriminatory event or events occurred. Forms may be developed to aid a complainant in filing the complaint, but the use of such forms is not required for acceptance of a complaint.

In handling Title VI complaints, THDA uses the following process:

1. Complaints should be handled within 90 days of their receipt. THDA shall to the fullest extent practicable seek the cooperation of recipients in obtaining compliance and shall provide assistance and guidance to recipients to help them comply voluntarily.
2. A letter should be sent acknowledging receipt of the complaint and requesting a time and date an investigator can reach the complainant by phone to discuss the complaint.
3. Complainants are not parties to a Title VI investigation and do not enjoy a status different from other persons interviewed.
4. A preliminary inquiry should be conducted on all complaints to substantiate or refute the allegation.
5. If the preliminary inquiry indicates there may be an issue, then a complaint investigation should be initiated. A letter should be sent to the complainant explaining that an investigation will be started and that their cooperation will be needed in the future.
6. If the allegations are not substantiated, a letter should be sent to the complainant that contains a description of the allegations investigated, the scope of the investigation, the facts learned and a closing statement summarizing the basis on which the determination was made.

7. A complaint log should be kept for records and submission to the proper state and federal authorities. Additionally, information should be sent to the Tennessee Human Rights Commission (THRC).

IX. COMPLIANCE REVIEWS

The authority for THDA to conduct compliance reviews is derived from Title VI of the Civil Rights Act of 1964 and its implementing regulations. Additionally, Public Chapter 502 of the Public Acts of 1993 requires state agencies to develop an implementation plan for the enforcement of Title VI. THDA, along with its subrecipients and contractors, shall make available any compliance report to be reviewed by THRC upon request.

A. Pre-Award Procedures

All funding applications are reviewed by THDA for HOME and Section 8 Rental Assistance programs prior to approval. These reviews are coordinated with the THDA Division Director to ensure that applicants or recipients with outstanding findings of non-compliance with Title VI are not funded or that THDA incorporated appropriate conditions in its approval to ensure the funds are not drawn down until appropriate corrective action is taken by the recipient.

All HUD funded applications include "Assurance of Compliance under Title VI of the Civil Rights Act of 1964" by the applicants or recipients to be considered for approval. In addition, THDA Compliance Monitors conduct Civil Rights Front End Limited Monitoring, which addresses the Affirmative Fair Housing Marketing Plans, Tenant Selection Plans, Recent Advertising, and the posting of the Fair Housing Logo and Fair Housing Poster for the properties being reviewed. A list of THDA subrecipients or contractors, by program, is included in the table below.

**Table 8
List of Subrecipients and Contractors**

Subrecipient or Contractor	THDA Program	Signed Statement of Assurance
AIM Center	ESG	Yes
Behavioral Health Initiatives	ESG	Yes
Carey Counseling, Inc.	ESG	Yes
City of Jackson	ESG	Yes
Damascus Road	ESG	Yes
Matthew 25:40	ESG	Yes
Northwest Safeline	ESG	Yes
Area Relief Ministries	ESG	Yes
Blount County Children’s Home	ESG	Yes
Centerstone	ESG	Yes
City of Bristol	ESG	Yes
City of Chattanooga	ESG	Yes
City of Clarksville	ESG	Yes
City of Cleveland	ESG	Yes
City of Franklin	ESG	Yes

City of Johnson City	ESG	Yes
City of Kingsport	ESG	Yes
City of Morristown	ESG	Yes
City of Murfreesboro	ESG	Yes
City of Oak Ridge	ESG	Yes
Community Health of East TN	ESG	Yes
Families in Crisis	ESG	Yes
Frontier Health	ESG	Yes
Good Neighbor Mission	ESG	Yes
HOPE Ministries	ESG	Yes
Interfaith Hospitality Network of Johnson City	ESG	Yes
Johnson County Safe Haven	ESG	Yes
Keystone Dental	ESG	Yes
Park Center	ESG	Yes
Ridgeview, Inc.	ESG	Yes
Smoky Mt. Area Rescue Mission	ESG	Yes
Aloca	HOME	Yes
Ashland City	HOME	Yes
Baxter	HOME	Yes
Benton	HOME	Yes
Blount County HFH	HOME	Yes
Bruceton	HOME	Yes
Buffalo Valley, Inc.	HOME	Yes
Celina	HOME	Yes
Chapel Hill	HOME	Yes
CHPWC	HOME	Yes
Cocke County	HOME	Yes
Copperhill	HOME	Yes
Crossville Housing Authority	HOME	Yes
Cumberland Regional Development Corporation	HOME	Yes
Dickson County	HOME	Yes
Ducktown	HOME	Yes
Eastern Eight CDC	HOME	Yes
Foothills CDC	HOME	Yes
Greene County	HOME	Yes
Greeneville	HOME	Yes
Harriman	HOME	Yes
Henning	HOME	Yes
Hilltoppers, Inc.	HOME	Yes
Huntington	HOME	Yes
Jonesborough	HOME	Yes
Kingston	HOME	Yes
Lawrence County	HOME	Yes
Macon county	HOME	Yes
McKenzie	HOME	Yes
Neighborhood Housing, Inc.	HOME	Yes

North Memphis CDC	HOME	Yes
Petersburg	HOME	Yes
Polk County	HOME	Yes
Rhea County	HOME	Yes
Rockwood	HOME	Yes
Saltillo	HOME	Yes
Savannah	HOME	Yes
Slayden	HOME	Yes
Smyrna	HOME	Yes
South Carthage	HOME	Yes
St. Joseph	HOME	Yes
Sumner County	HOME	Yes
Trenton	HOME	Yes
Vanleer	HOME	Yes
White Bluff	HOME	Yes
Appalachian Regional Coalition on Homelessness	HPRP	Yes
Buffalo Valley/HNM	HPRP	Yes
Chattanooga/SE Region	HPRP	Yes
Homelessness (ARCH)	HPRP	Yes
Knoxville/Knox County	HPRP	Yes
Memphis/Shelby County	HPRP	Yes
MH Housing Facilitators	HPRP	Yes
Murfreesboro/Rutherford County	HPRP	Yes
Nashville/Davidson County	HPRP	Yes
TN Valley Coalition to End Homelessness	HPRP	Yes
The Next Door	HPRP	Yes
Upper Cumberland	HPRP	Yes
West TN Homeless Resource Network	HPRP	Yes
City of Oak Ridge	NSP	Yes
City of Shelbyville	NSP	Yes
Community Action Network, Inc.	NSP	Yes
Blount County Habitat for Humanity	NSP	Yes
City of Cleveland	NSP	Yes
Southeast TN Development District	NSP	Yes
Community Health of East Tennessee	NSP	Yes
Town of Huntingdon	NSP	Yes
Claiborne County	NSP	Yes
City of Newport	NSP	Yes
Coffee	NSP	Yes
Town of Bells	NSP	Yes
Town of Alamo	NSP	Yes
Urban Housing Solutions	NSP	Yes
Southwest Human Resource Agency	NSP	Yes
Cumberland Regional Development Corp.	NSP	Yes
City of Dyersburg	NSP	Yes
Buffalo Valley	NSP	Yes

City of Milan	NSP	Yes
City of Trenton	NSP	Yes
City of Pulaski	NSP	Yes
First TN Development District - Horizon	NSP	Yes
Southeast TN Development District	NSP	Yes
City of Morristown	NSP	Yes
City of Chattanooga	NSP	Yes
28th Legislative District	NSP	Yes
Chattanooga CHDO	NSP	Yes
Southeast TN Development District	NSP	Yes
Southwest Human Resource Agency	NSP	Yes
City of Paris	NSP	Yes
Houston	NSP	Yes
Humphreys	NSP	Yes
City of Knoxville	NSP	Yes
Knoxville Community Development Corp.	NSP	Yes
Lauderdale County	NSP	Yes
CHP	NSP	Yes
Cumberland Regional Development Corp.	NSP	Yes
Jackson Housing Authority - CD office	NSP	Yes
Southeast TN Development District	NSP	Yes
CHP	NSP	Yes
City of Columbia	NSP	Yes
Southeast TN Development District	NSP	Yes
Southwest Human Resource Agency	NSP	Yes
City of Clarksville	NSP	Yes
Hope of Martin	NSP	Yes
We Care	NSP	Yes
Food on Foot	NSP	Yes
Buffalo Valley	NSP	Yes
City of Murfreesboro	NSP	Yes
City of Murfreesboro	NSP	Yes
Scott-Morgan CDC	NSP	Yes
Southeast TN Development District	NSP	Yes
Oasis of Hope	NSP	Yes
North Memphis CDC	NSP	Yes
Shelby Residential and Vocational Services	NSP	Yes
The Works	NSP	Yes
Neighborhood Hsg Opportunities Mgmt	NSP	Yes
Cooper-Young Development Corp.	NSP	Yes
Frayser CDC	NSP	Yes
Binghampton Development Corp.	NSP	Yes
Habitat of Humanity of Greater Memphis	NSP	Yes
United Housing, Inc.	NSP	Yes
Shelby CDGB	NSP	Yes
FTNDD - Greater Kingsport Alliance for Dvmt	NSP	Yes

First TN Development District - City of Bristol	NSP	Yes
Buffalo Valley	NSP	Yes
City of Covington	NSP	Yes
Buffalo Valley	NSP	Yes
Union County	NSP	Yes
Cumberland Regional Development Corp.	NSP	Yes
First TN Development Distict- Eastern 8	NSP	Yes
Weakley	NSP	Yes
Cumberland Regional Development Corp.	NSP	Yes
Hickory Pointe	MFB	No
Atchley Homes	LIHTC	No
Briarwood Apts	LIHTC	No
Cumberland Way	LIHTC	No
East Haven Apts	LIHTC	No
Eastland Place	LIHTC	No
Elkway Apts	LIHTC	No
Gallatin Park Apts	LIHTC	No
Hickory Pointe	LIHTC	No
Legends Park North	LIHTC	No
Monroe Ridge	LIHTC	No
Rossville Manor	LIHTC	No
Ryman Lofts at Rolling Mill	LIHTC	No
Sterling Greene	LIHTC	No
Model City II, LP	TCAP	No
Beersheba II, LP	TCAP	No
Pedcor Investments, LP	TCAP	No
Whispering Oaks, LP	TCAP	No
Legends Park West, LP	TCAP	No
Gallaway Manor Apartments, LP	TCAP	No
Lexington Civic Apartments	TCAP	No
Minvilla Manor, LP	TCAP	No
Highland Housing	TCAP	No
Mendenhall Housing	TCAP	No
North Terrace Housing	TCAP	No
North Gate Housing	TCAP	No
The Village	TCAP	No
CVI	TCAP	No
Walker Rosa Apartments, LP	TCAP	No
Rynard Properties, Hilldale, LP	TCAP	No
Hunter Ridge, LP	TCAP	No
Stoneridge Estates, LP	TCAP	No
Rosewood Place, LP	TCAP	No
Alco Saints Court Partners, LP	TCAP	No
Jeffrey Meadows, LP	TCAP	No
Summit Parkwood Villa Apartments, LP	TCAP	No
Mountain Hollow, LP	TCAP	No

Flenniken Housing LP	TCAP	No
Alco Dellway Partners, LP	TCAP	No
Airway Ridge Apartments, LP	TCAP	No
Rynard Properties, Ridgecrest, LP	TCAP	No
Summerwind Apartments, LP	TCAP	No
Affordable Housing Resources	NFMC/HFF	No
Binghampton Development Corporation	NFMC/HFF	No
Chattanooga Neighborhood Enterprise	NFMC/HFF	No
Citizens for Affordable Housing	NFMC/HFF	No
Clinch Powell RC&D	NFMC/HFF	No
Dominion Financial Management Inc.	NFMC/HFF	No
Eastern Eight CDC	NFMC/HFF	No
Financial Counselors of America	NFMC/HFF	No
GAP Community Development Resources	NFMC/HFF	No
Jackson Housing Authority	NFMC/HFF	No
Knox Housing Partnership	NFMC/HFF	No
Knoxville Area Urban League	NFMC/HFF	No
Life of Victory Intl Christian Ministries	NFMC/HFF	No
Memphis Area Legal Services	NFMC/HFF	No
Residential Resources	NFMC/HFF	No
Southeast Memphis CDC	NFMC/HFF	No
The Housing Fund	NFMC/HFF	No
United Housing Inc.	NFMC/HFF	No
Woodbine Community Organization	NFMC/HFF	No

There were 223 subrecipients in FY 2011-12.

Contract Language

Various THDA programs have different contractual provisions to meet federal requirements. Examples of contractual provisions prohibiting discrimination and that are agreed to by subrecipients of THDA programs include the following:

“The (Name of Organization) does not discriminate on the basis of race, color, religion, national origin, sex, age, or handicapped status in the admission or access to, or treatment or employment in, its federally assisted programs or activities.”

“Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.”

“The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Grantee shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.”

Pre-Assessments/Self-Surveys

At this time, THDA does not require pre-assessments or self-surveys from subrecipients or contractors.

Field or On-site Reviews

The Program Compliance Division of THDA conducts field and on-site reviews. The total number of field reviews for FY 2011-12 was 289. The number of field reviews and their corresponding programs include:

- Section 8 Project Based Rental Assistance – 45 reviews
- HOME Investment Partnership – 52 reviews
- Low Income Housing Tax Credit Program – 192 reviews

Title VI Training

THDA recently secured a contract with the Tennessee Fair Housing Council to provide fair housing training for THDA staff, which will be combined with a training segment specific to Title VI. Following training of THDA staff, Title VI training could be extended to subrecipients in the future. Training for subrecipients is often dependent on the program. For example, nondiscrimination modules are conducted during the annual HOME Grantee Workshop. Details regarding THDA's Title VI training procedures and plans are included in section "XI. Title VI Training."

B. Post-Award Procedures

Prior to the final allocation of funds, THDA has procedures detailing inspection, close-out and final payment associated with a completed project or grant. Before final payment is made, work must be completed in accordance with the contract, which includes requirements established by Title VI. After the allocation of funds, THDA will conduct a final compliance review as outlined below:

1. Compliance reviews of service delivery point operations should cover at a minimum:
 - a. Files and records examination.
 - b. Grantee interviews with beneficiaries, potential beneficiaries and denied applicants.
 - c. Determine if public notification efforts are adequate in increasing program participation.
 - d. Determine if complaints are handled in a proper manner.
 - e. Determine the level of minority concentration and compare it to the number of potentially eligible participants by racial and ethnic category.
 - f. Determine if equal access of physical facilities is maintained.
 - g. Determine if location of service delivery point unnecessarily denies access to any person.
 - h. Determine if there are any lawsuits alleging discrimination on the basis of race, color or national origin filed against the recipient.
 - i. Determine if the recipient is receiving assistance from other federal agencies.
 - j. Determine whether any civil rights compliance reviews had been conducted in the last two years.
2. The frequency and number of compliance reviews is determined by the program director. HOME has a pre-award and post-award compliance review. If the grant completion time is over a year in duration, a routine compliance review will be possible.

3. A log will be kept by each program division of each recipient review report by type of review. Included with the log are self-evaluation reports done by THDA.
4. Training of THDA personnel responsible for nondiscrimination compliance is provided by the following:
 - HUD, Region IV, Office of Fair Housing and Equal Opportunity
 - Southeastern Affordable Housing Management Association (SAHMA)
 - Tennessee Association of Housing and Redevelopment Authorities (TAHRA)
 - Tennessee Fair Housing Council
5. The Program Directors are responsible for program documents to include assurances of nondiscrimination per Title VI.
6. All records pertaining to Title VI Compliance are maintained by THDA. Annual reports are forwarded to appropriate state and federal agencies.

Pre-Assessments/Self-Surveys

At this time, THDA does not require pre-assessments or self-surveys from subrecipients or contractors.

Field or On-site Reviews

The Program Compliance Division of THDA conducts field and on-site reviews. The total number of field reviews for FY 2011-12 was 289. The number of field reviews and their corresponding programs include:

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Monitoring

THDA Compliance Monitors conduct routine compliance reviews of recipients of funds for the HOME, and Section 8 Programs. The selection of a particular recipient for a routine review is based on, but not limited to, such factors as:

- A periodic assessment of compliance including but not limited to ensuring assurance forms are completed;
- An increase in complaints;
- No complaints;
- Community patterns of discrimination;
- Failure to file compliance reports or reports which show pattern of discrimination;

- Recipient found to be in non-compliance by other state or federal agencies;
- Previously un-reviewed recipients.

As a normal part of the administration of the programs covered by Title VI, THDA reviews the activities and statistical data to determine compliance

C. Minority Representation

The HOME program is required to submit the number of Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) contracted each fiscal year as part of HUD's reporting requirements. In FY 2011-12, HOME contracted with 15 MBEs and nine WBEs. Out of the 15 MBEs, 14 were Black, Non-Hispanic and the total of all contracts was \$469,978. One MBE was Asian or Pacific Islander and the contract was for \$34,433. The total of all of the WBE contracts were for \$38,507. In addition, the HOME program provides all grantees with the state list of minority and female contractors.

D. Public Notice and Outreach

Participants in THDA programs must comply with state and federal laws with regards to fair housing and equal opportunity, which protects individuals and groups against discrimination based on race, color, national origin, sex, age, physical and mental disability and familial status. Most federal programs also require subrecipients to create affirmative fair housing marketing plans. THDA monitors subrecipients concerning the dissemination of information regarding nondiscrimination policies, nondiscrimination in the delivery of programs and services, complaint procedures and encouraging minority participation.

The Section 8 Housing Choice Voucher Program provides fair housing education and information for both landlords and tenants. The Section 8 Project Based Rental Assistance Program monitors for fair housing and antidiscrimination compliance. In addition, the *Fair Housing* booklet, provided by HUD, is distributed to all beneficiaries and potential beneficiaries.

In order to accommodate the growing LEP population in Tennessee, THDA has recently made efforts to reach the LEP populations and promote participation in the public comment process. Reporting requirements of some federal programs require THDA to hold a public comment period. Public notices and documents provided to the public for comment are provided in English and Spanish versions on THDA's website. Public notices informing the public of a public comment period or a public meeting are published in seven English newspapers and three Spanish newspapers (one newspaper in each of the three Grand Divisions).

E. Procedures for Noncompliance

If THDA determines there may be a Title VI violation, a full complaint investigation will be initiated. A letter will be sent to the complainant explaining that an investigation will be started and their cooperation will be needed in the future. A complaint log is kept for records and submission and all violations are reported to the appropriate state or federal Agency. It should be noted that THDA does not have enforcement authority. Once the possible violation has been reported, any enforcement and/or punitive decisions are made by the appropriate agency. For more information regarding THDA's procedures for handling Title VI compliance, please refer to "Section VIII. Complaint Procedures."

X. COMPLIANCE/NON COMPLIANCE REPORTING

The U. S. Department of Housing and Urban Development (HUD) has oversight for the following programs: HOME Investment Partnership, Emergency Shelter/Solutions Grant, Tax Credit Assistance Program Neighborhood Stabilization Program, Homelessness Prevention and Rapid Re-Housing Program, Section 8 Housing Choice Voucher Program and Section 8 Project Based Rental Assistance. The governing legislation for each program is as follows:

- HOME: The HOME program is governed by 24 CFR 92.
- ESG: The ESG program is governed by 24 CFR 576.
- TCAP: The TCAP program is governed by 24 CFR 1.
- NSP: The NSP program is governed by 24 CFR 1.
- HPRP: The HPRP program is governed by 24 CFR 5.105(a).
- Section 8 Rental Assistance: This program is governed by 24 CFR 982.54 (d)(6).
- Section 8 Contract Administration: This program is governed by 24 CFR 983.

Of the federal programs administered by THDA, the U.S. Department of Treasury, Internal Revenue Service (IRS) has oversight for the Low-Income Housing Tax Credit Program under Section 42 of the Internal Revenue Code of 1986, as amended, and related Treasury Regulations, found primarily at 26 C.F.R. Section 1.42 et seq. The IRS also has oversight over the Homeownership Programs under Section 143 of the Code pursuant to which tax exempt bond issues are made for the mortgage program, and volume cap under Section 146 of the Code allocated to THDA and made available to local issuers to permit issuance of tax-exempt bonds for multifamily housing. The IRS also has oversight for the Hardest Hit Fund, authorized by Section 109 of the Emergency Economic Stabilization Act (ESSA), Division A of Pub.L. 110-343, 112 Stat. 3774 (2008).

With the exception of the Tennessee Human Rights Commission, THDA does not submit Title VI reports to any federal or state agency.

XI. TITLE VI TRAINING

THDA staff members involved in Title VI compliance receives training necessary to ensure effective identification of Title VI violations. In addition, many THDA staff members attend fair housing or other forms of nondiscrimination training throughout the year. Resources for training come from THDA’s training budget. Nondiscrimination training is provided by a variety of organizations including: HUD, West Tennessee Legal Services, the Tennessee Fair Housing Council, Tennessee Southeastern Affordable Housing Management Association, the Tennessee Human Rights Commission and the Tennessee Association of Housing and Redevelopment Agencies. Examples of training and events attended by a minimum of 65 percent or 141 staff members of THDA during FY 2011-12 are described in the table below.

**Table 9
FY 2011-12 Nondiscrimination Training**

Event/Host, Location and Date	Number of THDA Participants
Tennessee Fair Housing Matters Conference, Nashville, TN, April 2011	35 employees across five divisions
HUD Affirmatively Furthering Fair Housing Technical Assistance Training, Nashville, TN, February 2012	Seven employees across three divisions
West Tennessee Fair Housing Celebration, Nashville, TN, April 2012	Two employees
THDA’s 2011 Governor’s Housing Summit, Nashville, TN, October 2012	62 employees
Homebuyer Education Initiative Peer Session, Nashville, TN, July 2012	32 employees
Tennessee Human Rights Commission Title VI Compliance Training, Nashville, TN,	Two employees
Tennessee Human Rights Commission Human Rights Employment Law, Nashville, TN	Two employees
National Council of State Housing Agencies, HFA Conference and Legislative Conference	22 employees
Tennessee Southeastern Affordable Housing Management Association Annual Conference	34 employees across three divisions
Tennessee Association of Housing & Redevelopment Agencies	16 employees

During FY 2011-12, a minimum of 34 percent or 76 subrecipients received Title VI training. Training for subrecipients varies based on the THDA program. For example, nondiscrimination modules are conducted during the annual HOME Grantee Workshop and the Homebuyer Education Initiative (HBEI) Peer Session and many subrecipients also attend the above trainings and conferences. In FY 2011-12, the nondiscrimination segment at the HOME Grantee Workshop was provided by the Tennessee Fair Housing Council and the segment at the 2012 HBEI Peer Session was provided by West Tennessee Legal Services. Verification of subrecipient training is based on attendance and sign-in sheets if held at THDA.

Agendas and handouts in reference to THDA staff and subrecipient training are included in Appendix E of this document.

In September 2012, THDA entered into an agreement with the Tennessee Fair Housing Council to provide fair housing training to THDA staff. The training will include a segment specifically dedicated to Title VI. The goal is to train 100 percent of THDA's staff during FY 2012-13. While program staff will receive training that is designed specifically for their programs, non-program staff will have the option to attend basic training designed to cover the basics of the Fair Housing Act and Title VI. Bruce Balcom, Assistant Legal Counsel for THDA, will deliver the Title VI portion of the training. Tentative dates for the training include:

- Rental Assistance Division, November 27 – 30, 2012.
- Multifamily Divisions (Multifamily Development, Program Compliance, Asset Management, Contract Administration and Community Programs), January 28 – 31, 2013
- Single Family Divisions (Single Family and Hardest Hit Fund) – TBD

XII. PUBLIC NOTICE AND OUTREACH

THDA currently informs the public about its programs and services through the following means:

- News releases
- Industry meetings
- Public meetings
- Workshops with housing industry and special interest groups
- Application workshops and grantee workshops
- Homebuyer counseling information and publications
- Direct mail
- Public notification through radio and newspapers
- Social media
- Special needs directories
- THDA newsletters and website
- Radio and television interviews about THDA programs
- Workshops for consumers about Title VI and Fair Housing
- Public service announcements
- Public speaking engagements

THDA presents civil rights, nondiscrimination and fair housing information through the following means:

- Workshops and training for staff, grantees and program participants
- THDA's Title VI and Fair Housing webpages of the THDA website
- Display of nondiscrimination posters (English and Spanish)
- HUD Title VI, fair housing and LEP resources and materials
- Fair Housing Booklet from HUD (English and Spanish versions)
- HOME grant policies regarding nondiscrimination and Title VI
- Contract Language

THDA allows opportunities for public comment throughout the year on various programs and reporting requirements. Public notices are placed in major publications throughout the state and comments are accepted in person, through the mail or electronically. All grant and contract notices are also placed in major newspapers across the state and on THDA's website.

In order to accommodate the growing LEP population in Tennessee, THDA has recently made efforts to reach the LEP populations and promote participation in the public comment process. Reporting requirements of some federal programs require THDA to hold a public comment period. Public notices and documents provided to the public for comment are provided in English and Spanish versions on THDA's website. Public notices informing the public of a public comment period or a public meeting are published in seven English newspapers and three Spanish newspapers (one newspaper in each of the three Grand Divisions).

During FY 2011-12, THDA created a Fair Housing and Title VI webpage on the THDA website. The webpages include information on the Fair Housing Act and Title VI, other nondiscrimination laws and regulations, examples of discrimination, nondiscrimination resources and the methods for filing either a fair housing or Title VI complaint. In addition, a copy of the Title VI Implementation Plan is posted on the website and accessible to the public. Hard copies of this Title VI Implementation Plan are also available to the public upon request. The fair housing and Title VI webpages may be accessed at: <http://www.thda.org/index.aspx?NID=433>.

THDA currently has three advisory boards; the Housing Education Advisory Board, the Lender Advisory Board and the Realtor Advisory Board. Industry specific advisory boards seek to strengthen THDA's partnerships and assist with the utilization and effectiveness of current program, as well as the creation and implementation of new initiatives.

Members of the Lender Advisory Board are selected based on their experience and history in the lending industry. All of the board members are employed by THDA approved lenders or banks and have held or currently hold upper management positions within their organizations.

In regards to the Realtor Advisory Board, five realtors are selected from each of Tennessee's three Grand Divisions. Member selection is based on the realtors' level of involvement in their respective Realtor Associations and/or National Association of Realtors, activity in community projects, leadership in other realtor-related organizations and their advocacy for affordable housing for first-time homebuyers and underserved populations in their respective geographical areas.

A total of seven certified and experienced educators and counselors were chosen to serve on the Housing Education Advisory Board, which was recently formed. These seven members are selected based on their active involvement with housing education, service to urban and rural areas of the state and representation of Tennessee's three Grand Divisions. The other seven members are industry, government and banking industry representatives that regularly support and initiate financial education efforts in Tennessee.

Information regarding advisory board members and a link to the published list of members are provided in the following table. Out of the 39 members comprising the three advisory boards, 30 members are female.

**Table 10
THDA Advisory Boards**

Advisory Board	Published List of Members (Yes/No)	Link to Published List of Board Members	Percent Minority Members	Total Members
Lender Advisory Board	Yes	http://tn-tennesseehda.civicplus.com/index.aspx?NID=85	0%	11
Realtor Advisory Board	Yes	http://tn-tennesseehda.civicplus.com/index.aspx?NID=86	43%	14
Housing Education Advisory Board	Yes	http://tn-tennesseehda.civicplus.com/index.aspx?NID=436	29%	14

XIII. EVALUATION PROCEDURES

In fall of 2010, THDA contracted with Sara Pratt of HUD to conduct a Civil Rights Assessment. The Civil Rights Assessment evaluated THDA’s compliance with all federal nondiscrimination laws, including Title VI. The evaluation included a number of recommendations to assure compliance for the agency, its programs and its partners, as well as guidance on the development of an agency-wide training curriculum.

As a result of the recommendations included in the assessment, THDA has contracted with the Tennessee Fair Housing Council to provide training to staff of THDA. Included in this training will be a segment dedicated to Title VI. Once THDA has reached its goal of training 100 percent of its staff, the agency will be better prepared to improve its procedures to ensure all subrecipients are in compliance. Currently, THDA ensures compliance with Title VI through its contracts with subrecipients, subrecipient training, pre- and post-award procedures and through monitoring of THDA programs. More information on the monitoring of subrecipients may be found in sections “IX. Compliance Reviews” and “X. Compliance/Noncompliance Reporting”.

In October of 2011, THDA began a series of meetings with the Tennessee Department of Economic and Community Development (ECD) and the Tennessee Department of Health (DOH) to begin planning for the completion of a statewide Analysis of Impediments to Fair Housing Choice (AI) study. The goals of conducting an AI study, as defined by HUD, include: to analyze and eliminate housing discrimination in the jurisdiction, to promote fair housing choice for all persons, to provide opportunities for inclusive patterns of housing occupancy regardless of race, color, religion, sex, familial status, disability and national origin and to foster compliance with the nondiscrimination provisions of the Fair Housing Act and Title VI. In addition, recipients of HUD funds are required to certify that they will affirmatively further fair housing.

The following timeline has been developed in order to conduct the AI and develop a state-wide fair housing plan:

Activity	Timeline	Responsible Entities
Develop consultant RFP	Item Completed, August 2012	ECD
Obtain RFP approval and release RFP for solicitations	October 1, 2012	ECD
Solicit RFP for 30 days	September – October 2012	ECD
Review RFPs, selection of consultant no later than November 15 th	October – November 2012	ECD (lead), THDA, DOH
Secure contract with consultant and report progress in CAPER	November 2012	ECD, THDA, DOH
Consultant to conduct AI study and complete by April 1st	December 2012 – May 2013	ECD
Consolidated partners to review AI findings, identify actions to be taken and develop a long-term fair housing plan	May 2013	ECD, THDA, DOH
Develop and identify one-year goals and activities to address impediments found in AI and that address Fair Housing Plan in FY 2013-14 Action Plan	May 2013	ECD, THDA, DOH
Address impediments through completing steps and actions as identified in the AI and fair housing plan	Ongoing	ECD, THDA, DOH
Monitor progress, adjust activities and fair housing plan as impediments continue to be identified and addressed	Ongoing	ECD, THDA, DOH

THDA will continue to identify priority areas in relation to Title VI and monitor its progress throughout the next year. Having made significant progress in implementing LEP translation services and procedures, THDA will continue to move forward with staff training specifically for Title VI and identifying areas for further improvement through the Analysis of Impediments to Fair Housing Choice. In addition, THDA will continue to monitor its policies and procedures with regards to Title VI and amend policies or make changes to procedures as needed.

XIV. RESPONSIBLE OFFICIALS

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