

HOME Success Stories

Tennessee



The HOME Coalition
2015

CONTACT

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PROJECT HIGHLIGHTS

Location: Chattanooga

Project: Homebuyer Assistance

HOME: \$42,600

Total Cost: \$90,000

Other Federal: \$42,600
Section 8-to-Homeownership

Units: 1

District: TN-03

HOME SUCCESS STORY

Tennessee

Chattanooga Neighborhood Enterprise

Chattanooga Neighborhood Enterprise (CNE) is a nonprofit organization with a mission to create economically diverse neighborhoods filled with financially empowered citizens and housing for all. CNE invests in Chattanooga, Tennessee by offering affordable residential loans, new home construction, financial counseling, and community engagement.

As a mortgage broker, CNE offers a variety of loan products to meet the needs of Chattanooga residents. This includes loan products that accept a credit score as low as 580 and a foreclosure as recently as two years ago. Combining these products with down payment assistance financed by HOME Investment Partnerships (HOME) funds, CNE is able to overcome the two biggest barriers to homeownership—poor credit and the lack of a down payment.

The Strickland Family

In 2014, NerdWallet named Chattanooga, Tennessee one of the seven cities with the fastest growing rents in the country. This rapid trend of rising rents adds to the already high demand for affordable housing in the community.

In 2010, Ms. Cassandra Strickland, a single mother of four, needed a new place to call home. The family was living in an affordable housing development financed under the U.S. Department of Housing and Urban Development (HUD) Section 8 program, but the neighborhood was unsafe.

At the time, Ms. Strickland didn't see homeownership in her future. Her credit score was too low to obtain a conventional mortgage, and she had no extra money to put toward a down payment. She started the process of working with CNE to repair her credit, but stopped a year later because it seemed like an uphill battle.

Ms. Strickland returned to CNE in 2013, when she felt that she was ready to make full use of the tools and resources available to her at CNE. She worked closely with a CNE counselor to improve her credit score, and soon the idea that she could become a homeowner began to feel like more than just a dream.

In 2014, CNE provided Ms. Strickland with \$42,600 under the organization's HOME-financed down payment assistance program and \$42,600 under the HUD Section 8-to-Homeownership program. After years of hard work, the Strickland family moved into their very own home later that year.

The Stricklands now live in a quaint, family-friendly neighborhood with well-kept houses and a low crime rate. Without HOME, Ms. Strickland's dream to become a homeowner would not have become a reality.



CONTACT

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PROJECT HIGHLIGHTS

Location: Knoxville

Project: Supportive Veteran Housing

HOME: \$260,000

Total Cost: \$1.3M

Other Federal: \$500,000
Federal Home Loan Bank, HUD-Veterans Affairs Supportive Housing (VASH) Vouchers

Units: 15

District: TN-02

HOME SUCCESS STORY

Tennessee

City of Knoxville

The City of Knoxville, Tennessee's Community Development Department has a mission to revitalize low- and moderate-income communities and strengthen all neighborhoods. The city's housing programs are targeted at the improvement and construction of affordable housing, homebuyer assistance, and repair and rehabilitation to reduce the number of substandard rental and owner-occupied residential properties. To do this, the city partners with community organizations to leverage various federal, state and local funding sources. The City of Knoxville uses HOME Investment Partnerships (HOME) funds to support its Owner-Occupied Rehabilitation program and Rental Rehabilitation program, to construct new affordable homes in partnership with local Community Development Housing Organizations (CHDOs), and to provide down-payment assistance to homebuyers.

Washington Oaks Veteran Housing

In May 2015, a crowd came out to celebrate the grand opening of Washington Oaks Veterans Housing development, a 15-unit rental housing development in Knoxville, Tennessee that offers permanent, supportive housing for homeless veterans. The once derelict, blighted property has now become a place of hope.

Each year, more than 700 veterans in Knoxville seek assistance from homelessness partner agencies, and the 2010 Census estimates that close to 2,000 veterans and their families in Knox County live below the poverty level. To help address the critical need for safe, decent, and affordable supportive housing for local veterans, the City of Knoxville's Community Development Department partnered with the Helen Ross McNabb Center (HRM), a local mental health provider, to rehabilitate the development. HRM applied for and secured \$260,000 in HOME funds through the city's Rental Rehabilitation program. Today, live-in, on-site management helps to provide assistance to residents and connect them to supportive services.

Ms. Many-Bears Grinder, Commissioner of the State of Tennessee's Department of Veterans Affairs, called the opening of Washington Oaks "a life-changing event" for new residents. Other speakers at the event included State Commissioner of Economic and Community Development Randy Boyd, Knoxville City Mayor Madeline Rogero, Knox County Mayor Tim Burchett, and Susan Conway, Helen Ross McNabb Board Chair. City Council Members George Wallace and Daniel Brown were among the dozens of well-wishers who attended.

Several organizations supported the Washington Oaks project. The Democratic Women of Knoxville bought kitchen furnishings and housewares, members of the Washington Pike United Methodist Church helped to landscape the property, and Read Window Products donated the window blinds.

In less than three months, the apartments are fully occupied.



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PROJECT HIGHLIGHTS

Location: Nashville

Project: Rental Housing Development For Formerly Homeless Individuals

HOME: \$600,000

Total Cost: \$631,000

Other Federal: N/A

Units: 8

District: TN-05

HOME SUCCESS STORY

Tennessee

Metropolitan Development and Housing Agency

The Metropolitan Development and Housing Agency's (MDHA) mission is to create quality, affordable housing opportunities, support neighborhoods, strengthen communities, and help build a greater downtown Nashville, Tennessee.

Established in 1938, MDHA houses more than 13,000 families, primarily through the U.S. Department of Housing and Urban Development's (HUD) public housing and rental assistance programs. MDHA also manages federally-funded community development and homeless assistance programs on behalf of the Metropolitan Government of Nashville, including the HOME Investment Partnerships (HOME) program.

HOME is one of the few federal resources that can be used to construct new affordable housing. Since 1992, Nashville has been awarded more than \$65 million in HOME funds, which have been used to produce or preserve more than 4,400 affordable homes.

Second Avenue South

Ms. Sharon Parsons' story is one of survival. After being abandoned by her parents, struggling with addiction for 20 years, and serving time in jail, Ms. Parsons decided it was time to take her life back. She reached out to The Next Door, a faith-based nonprofit organization that provides services for women and their families impacted by addiction, mental illness, trauma, and incarceration. When Ms. Parsons graduated from The Next Door's recovery program in 2014, the organization referred her to New Level Community Development Corporation (New Level CDC).

Thanks to New Level CDC, Ms. Parsons was able to move into one of the organization's brand-new affordable homes along Second Avenue South in Nashville, Tennessee. The homes were built to provide permanent, affordable housing for chronically homeless individuals and were financed with nearly \$600,000 in HOME funds.

Since moving into her new home, Ms. Parsons has received a raise at her job and been offered a manager trainee position. "Without this opportunity, I would have probably wound up back on drugs and back in jail. Having a home has given me my life back."

According to New Level CDC Executive Director Kay Bowers, HOME funding not only helps people like Ms. Parsons, it's also a smart financial decision. "In Tennessee, it costs about \$30,000 a year to keep someone incarcerated or to let a homeless individual cycle in and out of government and health care systems. HOME funding actually saves our city and state money, and allows us to provide the stability of a home to individuals in our community working to get back on their feet. It's a win for all."

