



November 2010

HOME Beneficiary Analysis

Fiscal Years 2006 - 2010

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Executive Summary

Beneficiary trends in the HOME program during FY 2006 – FY 2010 followed consistent patterns with prior time periods. The typical HOME beneficiary is:

- Below 50 percent of the area median income (AMI);
- Lives in a one-person household;
- White
- In many cases, elderly.

There were a few exceptions to the trends to note. These are listed below.

- The total annual percentage of minority beneficiaries increased from 19 percent in FY 2009 to 26 percent in FY 2010.
- There have been no Hispanic beneficiaries reported in the previous two fiscal years.
- The trend of serving more very low income families than low income families appears to have returned after 2009 saw similar sized beneficiary populations across the two income levels.

All mapping assistance in this report was provided by Bettie Teasley Sulmers, Assistant Director, Research & Planning. Additionally, Coralee Holloway, Director of Community Programs, and her staff provided the HOME program descriptions.

This report provides descriptive information on households receiving HOME assistance during Fiscal Years 2006 through 2010. For the purposes of this report, a household is considered a HOME beneficiary when the project is complete. This analysis reports on beneficiaries whose projects were completed between July 1, 2005 and June 30, 2010, corresponding with the State fiscal year. The date of project completion determines which beneficiaries are included in this report, rather than the grant year the project was funded. The grant years represented in this report are 1995 to 2009, meaning that funding for the projects came from grants awarded in these years. The beneficiary information presented comes from Tennessee Housing Development Agency (THDA) data entered into the Integrated Disbursement and Information System (IDIS) and provided in a report by the U.S. Department of Housing and Urban Development (HUD).

This analysis reports on the 2,088 households who received HOME assistance during fiscal years 2006 - 2010. All 95 counties in Tennessee¹ have had beneficiaries during this time period. When examined by Grand Division, East Tennessee has the largest proportion of beneficiaries (47%), followed by Middle Tennessee (32%), and finally West Tennessee (21%).

In the following sections, some patterns evident from the data will be discussed briefly.

Program Description

THDA administers the federally funded HOME program to promote the production, preservation and rehabilitation of housing for low-income households². HOME funds are awarded for homeowner and rental projects through a competitive application process to cities, counties and non-profit organizations outside local Participating Jurisdictions (PJs). Local PJs are those local governments in Tennessee designated by HUD to receive direct HOME funding. The current local PJs are 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, Jonesborough and Sullivan and Washington counties).³ An applicant must apply for at least \$100,000 and may apply for a maximum HOME grant of \$500,000. There is a \$750,000 limit on the amount of HOME funds that can be awarded in any one county.

Community Housing Development Organizations (CHDOs)⁴ and non-profit organizations located in a local PJ may apply for projects located outside the PJ. There is

¹ In 2001 CHDOs throughout the state were eligible to apply for State HOME funds even if their service area was a HOME local PJ. This resulted HOME funds being awarded in counties that typically would not be served.

² Those households at or below 80% of the area median income (AMI) for their county.

³ The Northeast Tennessee/Virginia HOME Consortium (the only HOME Consortium in the State of Tennessee) was initially funded July 1, 2003. In 2003-04, the original members of the Consortium were Bristol, Tennessee & Virginia, Bluff City, Johnson City and Kingsport. In 2005-06, Sullivan and Washington County, Tennessee, joined the Consortium, and in 2007-08, the City of Jonesborough, became a member of the Consortium.

⁴ A CHDO is a private, non-profit organization that meets all the requirements for a non-profit, plus the following additional requirements: it is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization; it does not include a public body; it maintains accountability to low income community residents; it has a demonstrated capacity for carrying out activities assisted with HOME funds; and, it has a history of serving the community within which the housing to be assisted with HOME funds is to be located.

one exception to the restriction on State HOME funds within a PJ. THDA accepts applications for the CHDO set-aside for projects in Clarksville, Jackson, Knox County and Shelby County. The THDA HOME funding to successful CHDO applicants for projects in these four jurisdictions will be reduced by the amount of funding the CHDO receives from the local PJ to keep within the \$500,000 maximum grant.

THDA provides the required federal match. Although no local match is required from applicants, THDA will count toward its matching requirement any non-federal project funds that qualify as match under the HOME rule. The allocation amounts for the last five fiscal years are presented in Appendix A.

Location

THDA allocates funds based on three application types, Regional, CHDO, and Special Needs. THDA allocates 65 percent of the funds across groups of counties that are determined regionally by corresponding to the existing nine development districts across the State. The allocations are based upon the regional distribution of low-income households outside the local PJs making HOME a primarily rural program, with the exception of CHDO and Special Needs projects. Ten percent of the total allocation is reserved for eligible applicants proposing special needs projects. Special needs projects include, but are not limited to, housing designed for persons with an unusual need due to a condition that can be either a permanent or temporary disability. Fifteen percent of the total allocation is reserved for eligible applicants proposing CHDO projects as is federally mandated. The Special Needs and CHDO beneficiaries have been included in the regional totals. There were 196 reported Special Needs beneficiaries during the time period specified.

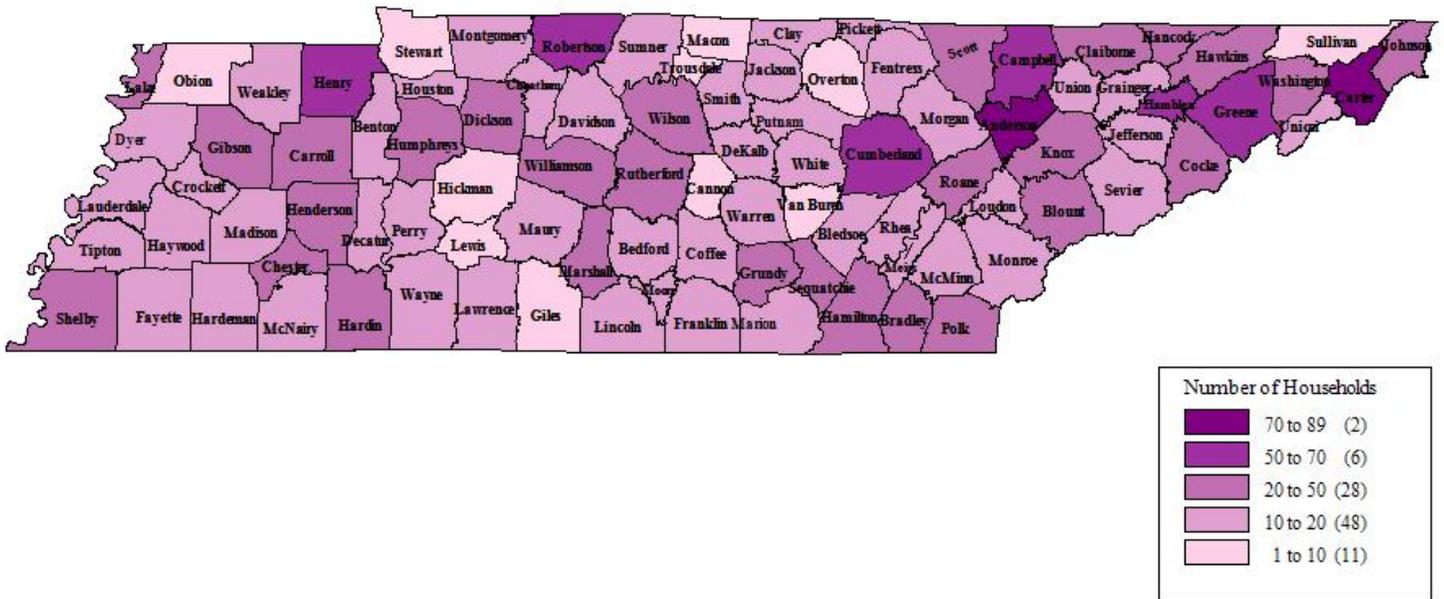
Table 1 illustrates the region (corresponding to the development districts) with the largest cumulative number of beneficiaries during fiscal years 2006 - 2010 is East Tennessee (23%). The second largest is the Greater Nashville region (14%). These variations in population served are, in large part, a function of the number of eligible households in the region.

**Table 1. HOME Program Households by Location
FY 2006 – FY 2010**

Grand Division	Region	2006	2007	2008	2009	2010	Total	% of Cumulative Total
East	East Tennessee	103	105	132	63	76	479	23%
	First Tennessee	55	45	67	61	34	262	13%
	Southeast Tennessee	47	40	62	45	44	238	11%
Middle	Greater Nashville	31	122	55	27	59	294	14%
	South Central	25	38	39	47	8	157	8%
	Upper Cumberland	48	58	45	46	29	226	11%
West	Memphis Area	23	19	9	10	9	70	3%
	Northwest Tennessee	53	50	28	41	2	174	8%
	Southwest Tennessee	31	62	34	19	42	188	9%
Total		416	539	471	359	303	2,088	100%

On a county level, Anderson County, with 89, has the highest cumulative number of beneficiaries followed by Carter County, with 71 beneficiaries in fiscal years 2006 - 2010, as demonstrated in Figure 1.

**Figure 1: Distribution of HOME Program Beneficiaries by County
FY 2006 – FY 2010**



Income Level

As demonstrated in tables 2 and 3, 62 percent of the households in this analysis are categorized as having a “very low” income level. This means that the annual household income is 50 percent or less than the area median income (AMI) in their designated county. Thirty-six percent of the households in this analysis are categorized as having a “low” income level, meaning that the annual household income is between 50 percent and 80 percent of the area median income in their designated county. The units for the remaining two percent were reported as being vacant, meaning that at the time of project completion, the beneficiary had not yet been identified. With the exception of FY 2009, this distribution of low and very low income households is consistent with what we have found in previous years.

**Table 2. Income Level for HOME Beneficiaries
FY 2006 - 2010**

% of Area Median Income	Total						Percent of Total
	2006	2007	2008	2009	2010	Grand Total	
50% or less of AMI	255	367	302	179	188	1,291	62%
50% - 80% of AMI	159	148	166	180	102	755	36%
Vacant*	2	24	3	0	13	42	2%
Total	416	539	471	359	303	2,088	100%

**Vacant units are those units that had no identified beneficiaries at the time of project completion. This is not meant to imply that the units are still vacant.*

**Table 3. Income Level of HOME Households Served by Grand Division
FY 2006 – FY 2010**

Grand Division	Total												Grand Total	% of Very Low	% of Low
	2006		2007		2008		2009		2010		Sub-Total				
	VL	L	VL	L											
EAST	116	72	147	60	204	61	90	68	93	54	650	315	965	50%	42%
MIDDLE	75	46	144	46	66	66	61	70	57	35	403	263	666	31%	35%
WEST	64	41	76	42	32	39	28	42	38	13	238	177	415	19%	23%
SUB-TOTAL	255	159	367	148	302	166	179	180	188	102	1,291	755	2,046	100%	100%
Vacant*	2		24		3		0		13		42		42		
GRAND TOTAL	416		539		471		359		303		2,088		2,088		

**Vacant units are those units that had no identified beneficiaries at the time of project completion. This is not meant to imply that the units are still vacant.*

VL	50% or less of AMI
L	Between 50% and 80% AMI

Racial/Ethnic Characteristics

Table 5 illustrates that approximately 79 percent of the households represented in this analysis have a head of household who is white. Additionally, approximately 19 percent of the households represented have a head of household who is African-American. The remaining two percent are made up of other minority groups, including American Indians and those identified as “Other Multi Racial”. Less than half of a percent of beneficiaries during fiscal years 2006 – 2010 are classified as Hispanic.

**Table 5. Racial/Ethnic Characteristics of HOME Households Served
FY 2006 – FY 2010**

Race/ Ethnicity	Total						% of Cumulative Total
	2006	2007	2008	2009	2010	Cumulative Total	
White	339	411	386	289	224	1,649	78.98%
Black	74	102	81	68	66	391	18.73%
Asian	0	0	0	1	0	1	0.05%
Am. Indian/ Alaska Native	0	1	1	1	0	3	0.14%
Other Multi Racial	1	1	0	0	0	2	0.09%
Vacant*	2	24	3	0	13	42	2.01%
TOTAL	416	539	471	359	303	2,088	100.00%
Hispanic	1	5	3	0	0	9	0.43%

*Vacant units are those units that had no identified beneficiaries at the time of project completion. This is not meant to imply that the units are still vacant.

**Table 6. Racial/Ethnic Characteristics of HOME Households Served
by Income Level: FY 2006 – FY 2010**

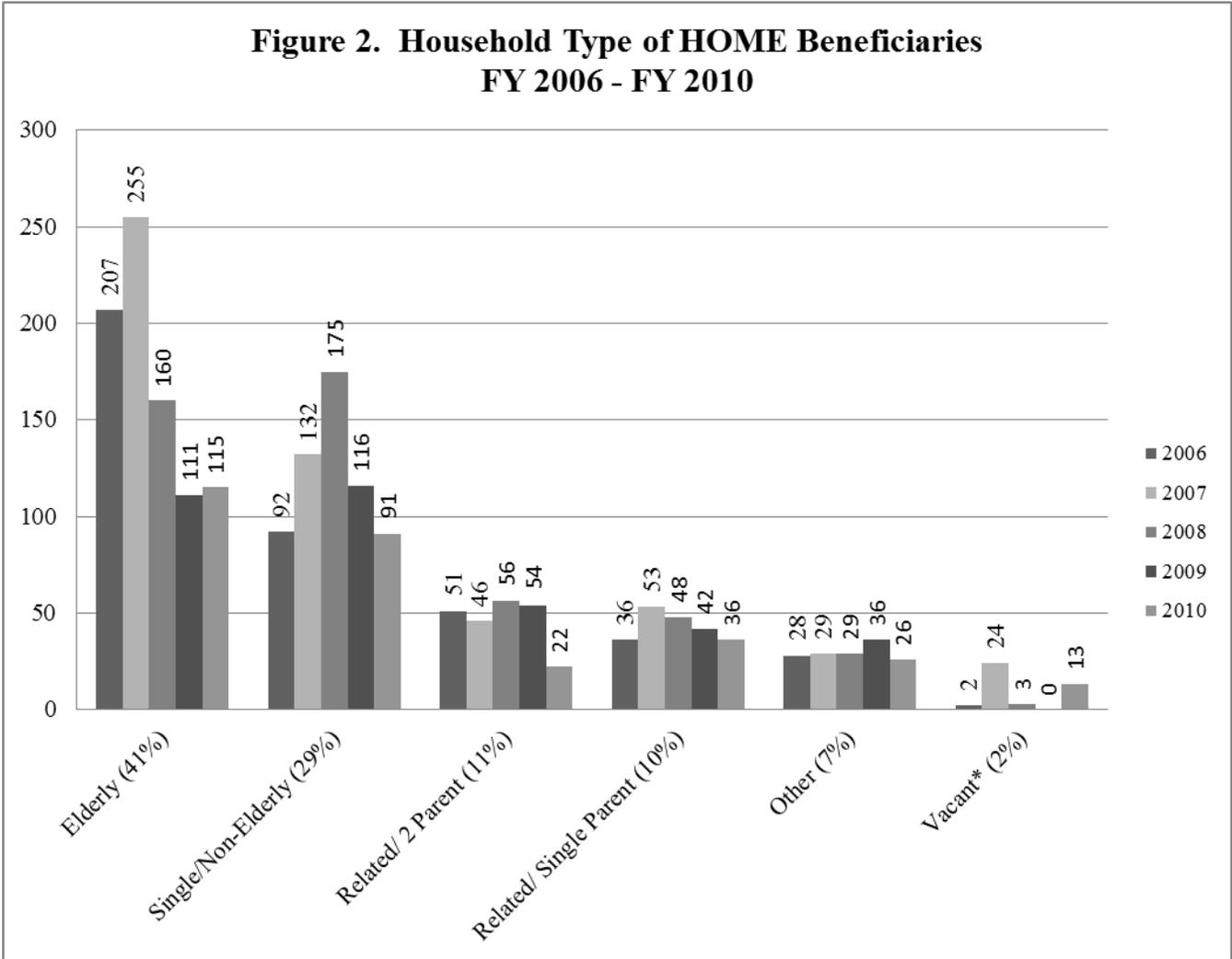
Race/ Ethnicity	Total												% of Very Low	% of Low	
	2006		2007		2008		2009		2010		Sub-Total				Grand Total
	VL	L	VL	L	VL	L	VL	L	VL	L	VL	L			
White	211	128	290	121	255	131	155	134	142	82	1,053	596	1,649	81.5%	79.0%
Black	44	30	76	26	46	35	23	45	46	20	235	156	391	18.2%	20.7%
Asian	0	0	0	0	0	0	1	0	0	0	1	0	1	0.1%	0.0%
Am. Indian/ Alaska Native	0	0	0	0	1	0	0	1	0	0	1	1	2	0.1%	0.1%
Other Multi Racial	0	1	1	1	0	0	0	0	0	0	1	2	3	0.1%	0.2%
SUB-TOTAL	255	159	367	148	302	166	179	180	224	66	1,291	755	2,046	100%	100%
Vacant*	2		24		3		0		13		42		42		
GRAND TOTAL	416		539		471		359		303		2,088		2,088		
Hispanic	0	1	4	1	2	1	0	0	0	0	6	3	9	.005%	.004%

*Vacant units are those units that had no identified beneficiaries at the time of project completion. This is not meant to imply that the units are still vacant.

VL	50% or less of AMI
L	Between 50% and 80% AMI

Household Type

Figure 2 illustrates information on household type. The household type with the largest number of beneficiaries during the period is elderly households (41%). The household type with the second highest number of beneficiaries represented is single/non-elderly households (29%).

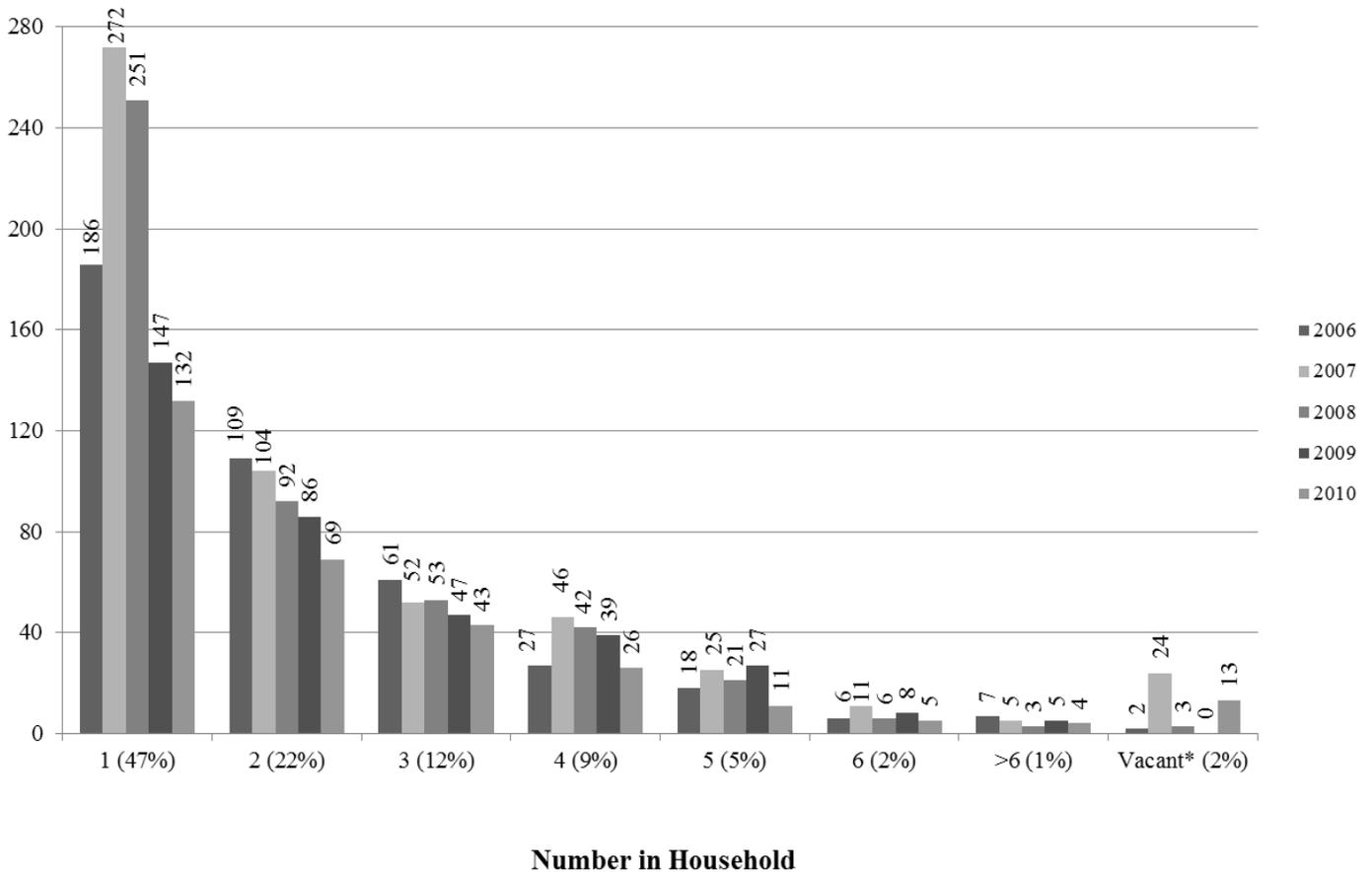


**Vacant units are those units that had no identified beneficiaries at the time of project completion. This is not meant to imply that the units are still vacant.*

Household Size

Figure 3 illustrates household size. Forty-seven percent of households in this analysis are 1-person households. The second most frequent household size is 2-person households (22%).

**Figure 3. Household Size of HOME Program Beneficiaries
FY 2006 - FY 2010**



**Vacant units are those units that had no identified beneficiaries at the time of project completion. This is not meant to imply that the units are still vacant.*

With the addition of 2010 data, HOME beneficiary demographics remain quite similar across the years. Fiscal Year 2010 saw an increase in the percent of minority beneficiaries. Additionally, the grand division totals seem to favor East Tennessee. This is due primarily to a greater percentage of households in East Tennessee being eligible in areas not included in PJs, as compared to the other two grand divisions.

Appendix A

Forty-five percent of funds allocated in the last five fiscal years were awarded to East Tennessee, 40 percent to Middle Tennessee, and 15 percent to West Tennessee (Table 1).

**Table 1. HOME Allocation* Amount by Grand Division
FY 2006 – FY 2010**

Grand Division	Program	2006	2007	2008	2009	2010	Cumulative Total
East	CHDO	\$1,986,000	\$383,171	\$1,961,800	\$762,112	\$1,875,749	\$6,968,832
	SN	\$1,120,600	\$1,112,343	\$798,168	\$500,000	\$848,387	\$4,379,498
	Regional	\$5,475,543	\$4,993,701	\$4,862,121	\$5,811,370	\$5,718,654	\$26,861,389
	<i>East Total</i>	\$8,582,143	\$6,489,215	\$7,622,089	\$7,073,481	\$8,442,790	\$38,209,718
Middle	CHDO	\$1,172,090	\$1,276,458	\$973,350	\$678,443	\$500,000	\$4,600,341
	SN	\$0	\$746,169	\$439,176	\$0	\$0	\$1,185,345
	Regional	\$5,205,312	\$4,824,834	\$4,777,276	\$5,601,507	\$5,527,050	\$25,935,979
	<i>Middle Total</i>	\$6,377,402	\$6,847,461	\$6,189,802	\$6,279,950	\$6,027,050	\$31,721,665
West	CHDO	\$0	\$974,830	\$0	\$1,621,520	\$446,108	\$3,042,458
	SN	\$224,685	\$565,176	\$398,054	\$533,290	\$196,263	\$1,917,468
	Regional	\$2,153,813	\$2,049,441	\$2,000,000	\$2,384,743	\$2,348,361	\$10,936,358
	<i>West Total</i>	\$2,378,498	\$3,589,447	\$2,398,054	\$4,539,554	\$2,990,732	\$15,896,285
<i>Grand Total</i>		\$17,338,043	\$16,926,123	\$16,209,945	\$17,892,985	\$17,460,572	\$85,827,668

**This table illustrates HOME program allocations rather than actual beneficiary expenditures.*