

METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON
COUNTY

RECOVERY PLAN

SLFRF FUNDS
2023 Report



Table of Contents

| | | |
|------------------|-------------------------------------|----------|
| General Overview | <i>Executive Summary</i> | p 03-08 |
| | <i>Uses of Funds</i> | p 09 -11 |
| | <i>Promoting Equitable Outcomes</i> | p 12-17 |
| | <i>Community Engagement</i> | p 18-19 |
| | <i>Labor Practices</i> | p 20 |
| | <i>Use of Evidence</i> | p 21-24 |
| | <i>Performance Report</i> | p 25-46 |
| | <i>Project Inventory</i> | p 47-51 |

EXECUTIVE SUMMARY

The Metropolitan Government of Nashville & Davidson County has received a total allocation of \$259.8 million of State and Local Federal Relief Funds. We are grateful for these funds, and our highest priority is protecting our community from the coronavirus pandemic. We are prioritizing this investment in a direct emergency response to COVID-19 and investing in our public facilities to prevent and mitigate community spread of the virus for the visiting public and our public employees.

Additionally, we are mitigating the impacts of the pandemic by addressing the local relief needs of adversely affected individuals, non-profits, and small businesses. Each group has differing and unique needs but all contribute to our community's equitable economic recovery, which is a key focus for these funds.

To handle the expenditures of these funds, a Financial Oversight Committee was created. The Committee is comprised of nine members - six members of the Committee were appointed by the Mayor, and three members are Members of the Metropolitan Council and appointed by the Vice Mayor. The Committee issues reports upon and reviews the use of funds as it deems appropriate. Further, it collects, considers, and recommends appropriate uses of the ARP Funds to be approved by the Metropolitan Council. As of June 30, 2023, the Committee and Council have approved approximately \$255.8M of ARP-funded programs. We are investing in expenditures that focus on the following areas:

- o **Community safety and behavioral health**
- o **Homelessness**
- o **Affordable housing and household assistance**
- o **Equity-based economic support for the public (small businesses)**
- o **Supplemental operations to existing budget**

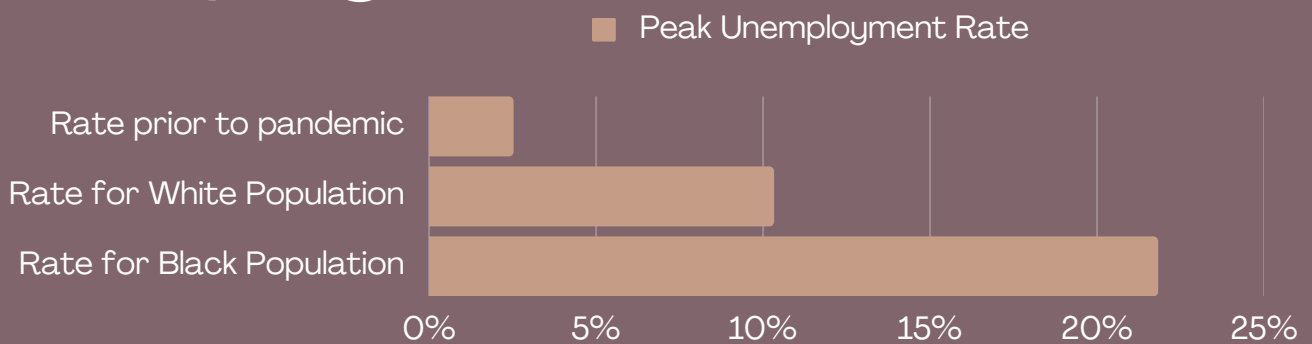
We are investing in many evidence-based programs with proven success to address fundamental equity disparities made more visible by our state of emergency from the pandemic. These programs optimize and align where possible with existing federal and state funding.



Climate of Nashville Pre-American Rescue Plan Funding

Each year, the Nashville Area Chamber of Commerce publishes a Vital Signs report to encompass the socioeconomic climate of Nashville and its surrounding area. To provide insight into the pandemic's effects on Metro's community, below are statistics taken from the 2020 Vital Signs report*:

Unemployment



Childcare

- 50.7% of Vital Signs survey responders remarked that childcare affects their work.
- 48% of Tennesseans live in a childcare desert, meaning their census tract has either no child care providers or so few options that there are more than three times as many children as licensed child care slots.

Affordable Housing

- 36.7% of the Vital Signs survey responders remarked that they spend over 30% of their take-home pay on rent or mortgage.
- 41% of the Vital Signs survey responders who rented their place of living reported having fear of their ability to pay rent in the next six months.

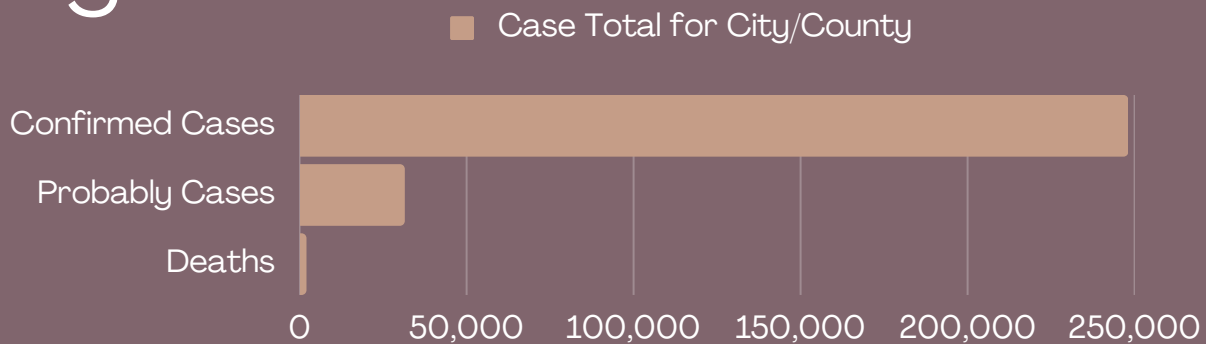
*Source: https://s3.amazonaws.com/nashvillechamber.com/PDFs/VitalSigns_2020.pdf

Climate of Nashville, Pre-American Rescue Plan Funding

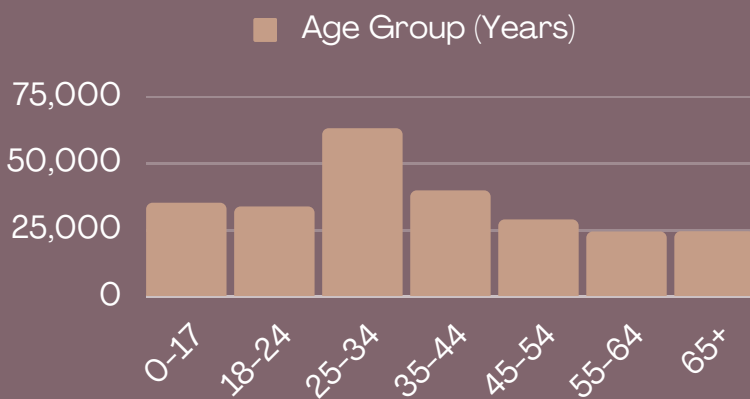
Nashville's Health Department published weekly reports tracking COVID-19 cases and vaccination rates*. The county reported 247,844 cases from the inception of the pandemic to December 27, 2022. Below are statistics for Nashville and Davidson County during that timeframe:

Summary of COVID-19 Cases in Nashville and Davidson County:

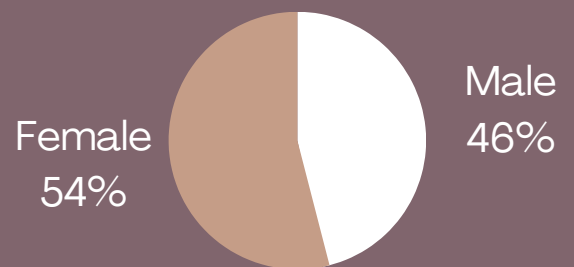
by Race



by Age Group

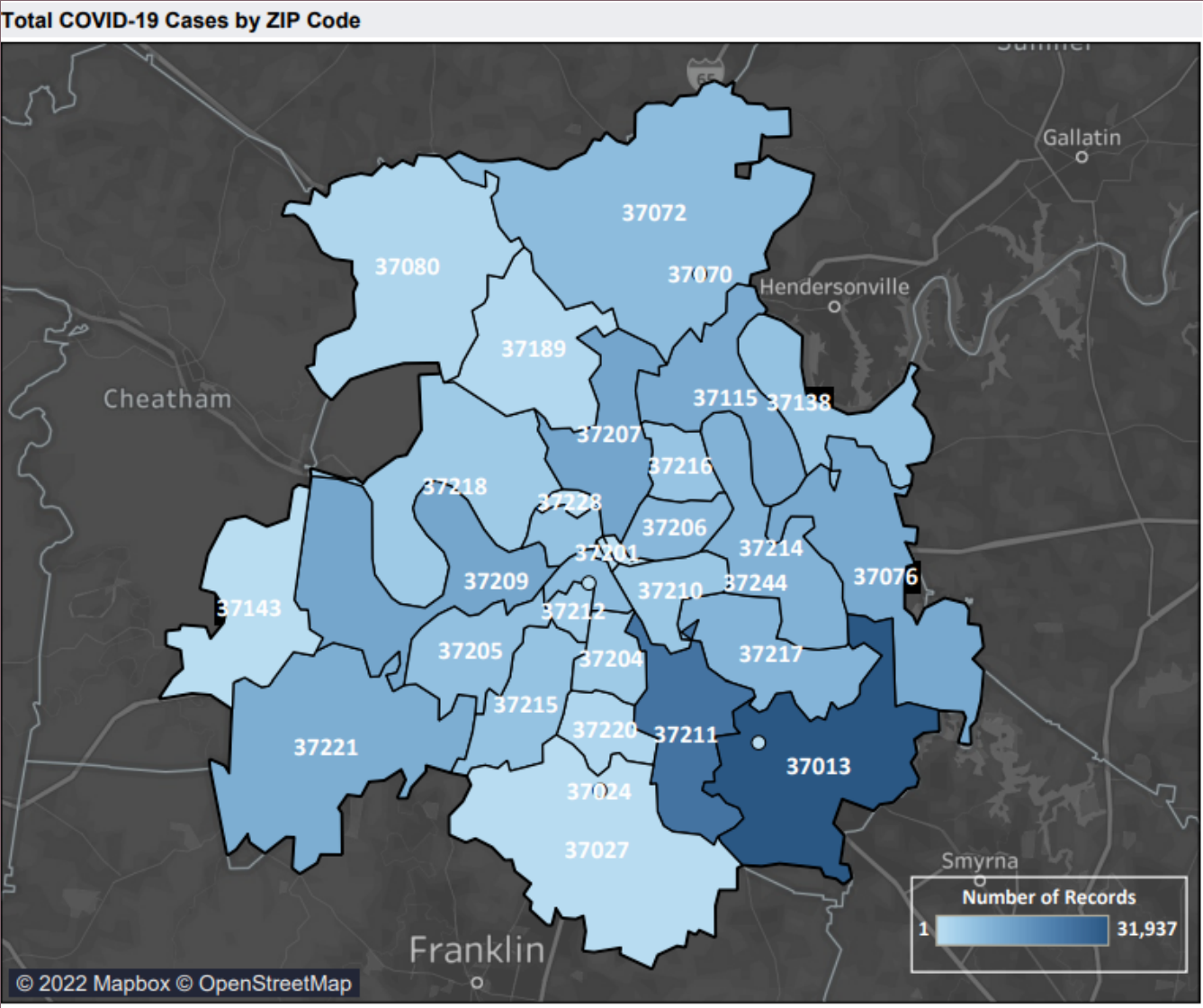


by Sex



*Source: <https://nashville.maps.arcgis.com/apps/MapSeries/index.html?appid=30dd8aa876164e05ad6c0a1726fc77a4>

Climate of Nashville, Pre-American Rescue Plan Funding



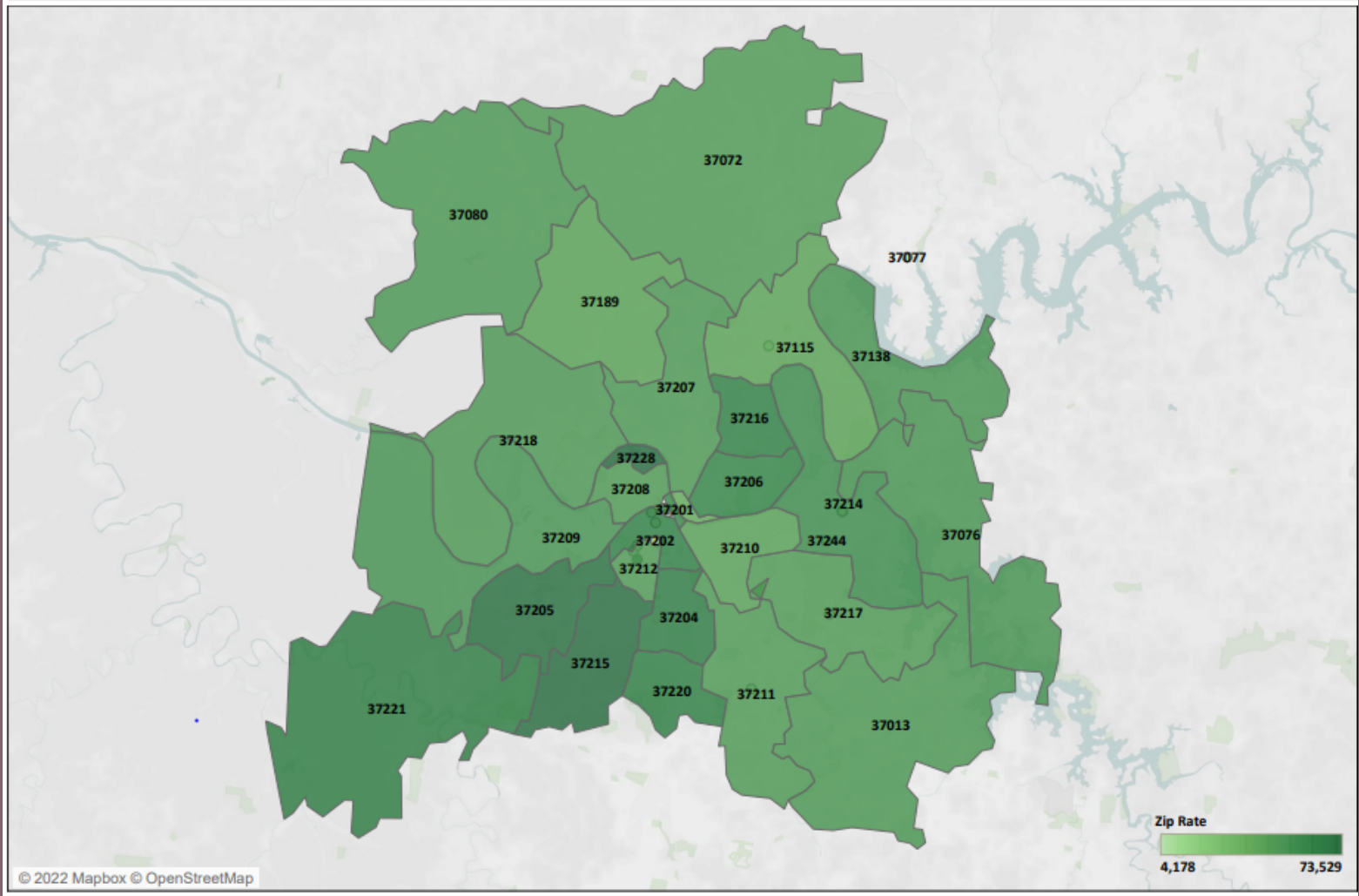
Source: <https://nashville.maps.arcgis.com/apps/MapSeries/index.html?appid=30dd8aa876164e05ad6c0a1726fc77a4>

Climate of Nashville, During American Rescue Plan Funding

As of December 27, 2022:

- 501,844 Initiated Vaccination Davidson County Residents
- 466,433 Fully Vaccinated Davidson County Residents
 - 230,774 Fully Vaccinated, but not Boosted Davidson County Residents
 - 235,659 Fully Vaccinated and Boosted Davidson County Residents

Davidson County - Rate per 100,000 Residents Fully Vaccinated by Zip Code



Source: <https://nashville.maps.arcgis.com/apps/MapSeries/index.html?appid=30dd8aa876164e05ad6c0a1726fc77a4>

Total Federal Aid to Metro during the Pandemic

ARP Funds

The federal government provided funding at both the city and county level, awarding a total of \$259,810,600 to Nashville and Davidson County.

LATCF Funds

The federal government allocated \$100,000 from the Local Assistance and Tribal Consistency Funds to Davidson County, of which at the time of this report we have received the first tranche, \$50,000.

Emergency Rental Assistance

The federal government awarded Metro Nashville and Davidson County \$20.9M in the first ERA funding wave, \$23M in the second, and \$30.6M in ERA reallocation, totaling approximately \$75M in awards.

CARES Act Funds

The federal government allocated \$121,122,775 to Metro Nashville and Davidson County.

FEMA Reimbursement

Metro Nashville and Davidson County is in an ongoing process with FEMA for reimbursement of pandemic-related expenses. As of this report, FEMA has obligated 25 of Metro's projects, totaling over \$27M. Upcoming projects are pending review and obligation.

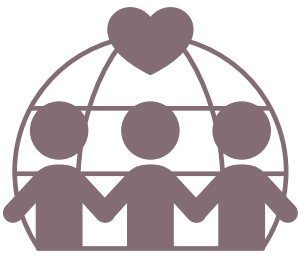
Total ~ \$482.5M

USES OF FUNDS

for Metro's five main targets



community safety and
behavioral health



homelessness



affordable housing
& housing assistance



equity-based economic support for
the public (small businesses)



supplemental operations to
existing budget

REVENUE REPLACEMENT

Per guidance from the U.S. Treasury, a government may calculate the growth rate of the area and deduce from that percentage the expected revenue loss during the pandemic. The entity then may use up to that amount in ARP funds to pay for government services while also providing fiscal relief. Metro Nashville's revenue loss calculation accounts for nearly the total allocation of ARP funds.

Since this category is the most flexible, and all projects funded by ARP money in Metro follow the eligibility requirements, Metro is listing almost all government services as Revenue Replacement but has also broken them down in this annual report in categories to provide the public insight into the ongoing and future uses of these federal funds. Only one project was reported under an expenditure category other than revenue replacement, and that is the Nashville Small Business Relief Fund running through Pathway Lending. That project can be found under Expenditure Category 2.29, Assistance to Small Businesses: Loans or Grants to Mitigate Financial Hardship.

All funding requests have gone through the COVID-19 Finance Committee as well as approved by the Metro Council.



Metro Nashville and Davidson County operates as a combined city-county government, and as such the city and county were both awarded American Rescue Plan funds. The federal government allocated a total of \$259,810,600 to Nashville and Davidson County. We received our first tranche in June 2021 and our second tranche in July 2022. As of this report, 6/30/23, Council has obligated all of Metro's ARP awards less approximately \$4M. For a program to receive Metro obligation of ARP funds, it must first be presented to the COVID-19 Finance Oversight Committee and then passed by Council.

\$255,784,599 obligations by Metro Council

\$4,026,001 funds still left to be obligated



EQUITABLE OUTCOMES

Summary

Metropolitan Nashville & Davidson County seeks meaningful results in the use of the State and Local Fiscal Recovery Funds, SLFRF, with a particular emphasis on using these funds to mitigate impacts of COVID-19 for our communities that have experienced disparities in both the pandemic itself and historically. Along with proposing guiding principles and priorities outlined above, which emphasize consideration of equity both in immediate relief and economic recovery support and in addressing structural inequality in systems such as health, safety, housing, and infrastructure, we are approaching our use of funds in the following ways:

- Incorporating research studies such as the annual Community Needs Evaluation on community disparities, poverty, vulnerable populations, and economic mobility sourced by the Metropolitan Government Department of Social Services Division of Strategic Planning & Research and utilizing source data such as the US Census, US Bureau of Labor Statistics, The Opportunity Atlas, Opportunity Insights, Pew Research Center, Tennessee Department of Labor and Workforce Development, the Tennessee Commission on Children and Youth and the American Community Survey.
- Our Fair Share study conducted by The Equity Alliance, commissioned by the Metropolitan Government of Nashville & Davidson County to provide an overview of the pandemic's impact on Nashvillians, with a particular focus on the city's most vulnerable communities of color in the city's 12 hardest hit zip codes. This report released in fall 2020 used data from a representative survey of more than 8,505 Nashvillians. To best give examples of how Metro is utilizing ARP funds to promote equitable outcomes, we have detailed responses from our two largest projects, \$40.2M to Affordable Housing and \$20M to the Nashville Small Business Relief Fund.
- Our Chief Diversity, Equity, and Inclusion Officer is engaged in the review of proposed relief and recovery programs and those addressing disparities to ensure they will be designed to promote equitable outcomes and meet the requirements following: community engagement, fair labor practices, and evidence-based interventions.

EQUITABLE OUTCOMES

Nashville Small Business Relief Fund

The Mayor's Office of Economic and Community Development created a fund to help small businesses throughout the Metropolitan Nashville and Davidson County with a focus on businesses in North Nashville/Bordeaux and other areas of distress. This fund supports local economic development by maintaining small business operations, retaining employment, and creating new areas of growth in Metropolitan Nashville.

This program, the Nashville Small Business Relief Fund (NSBRF), was awarded \$20M in ARP dollars. \$9M is allocated to a grant program under the NSBRF, in which \$2.65M goes towards small businesses in North/Nashville/Bordeaux, \$3M for businesses in distressed areas of Davidson County, and \$3.5M for businesses throughout the county that meet the guidelines of the program. Another \$9M was allocated to a Nashville Opportunity Fund that is managed by Pathway Lending in which \$2.5M of the allocation focuses on providing loans to businesses in North Nashville/Bordeaux that meet the requirements of the program.

Grant awards will be calculated based on a business's annual gross receipts. Grant amounts and calculations are subject to change by Metro Nashville:

- Annual gross receipts: \$10,000 - \$50,000: Award is up to \$5,000/business
- Annual gross receipts: \$50,001 - \$100,000: Award is up to \$10,000/business
- Annual gross receipts: \$100,001 - \$1,000,000: Award will be capped at 10% of gross receipts (maximum grant is \$35,000)

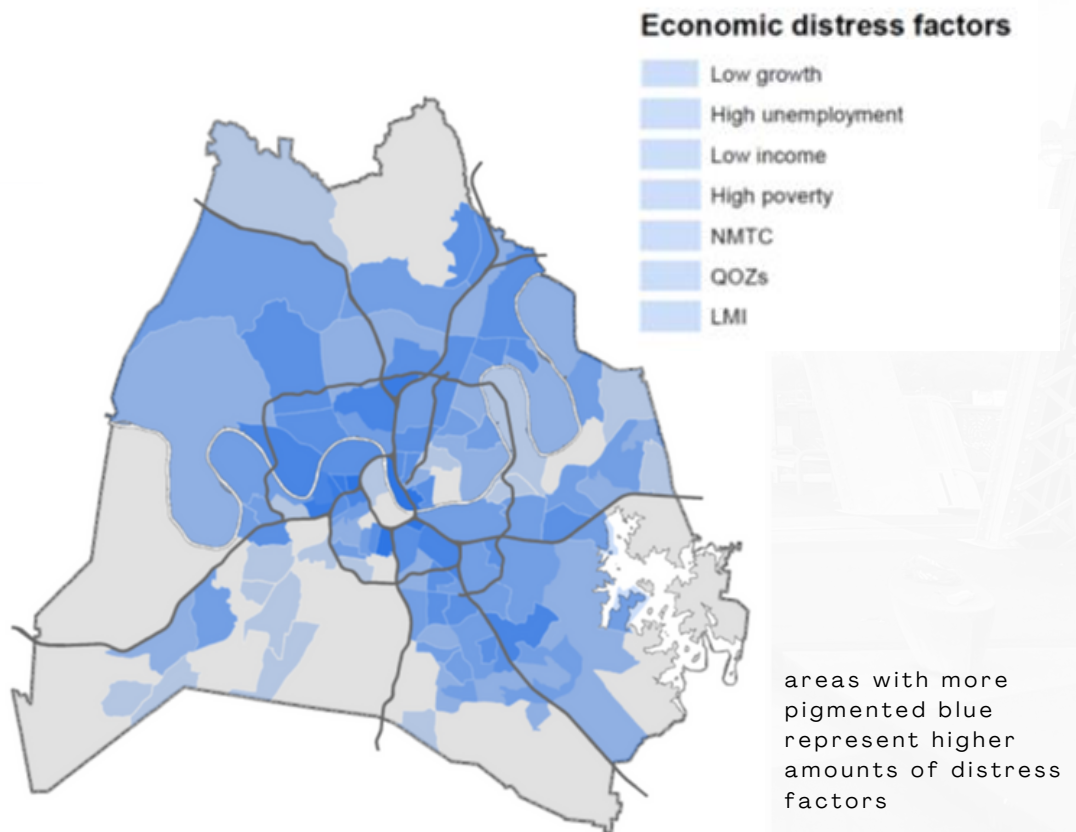
Marketing/Outreach and Technical Assistance: Multiple virtual information sessions were held for any community small business to attend and receive marketing and technical assistance advice. Information sessions were held in English and Spanish. An informational PowerPoint will be uploaded to the City's website along with a recorded informational session in English and Spanish. This outreach, part of the NSBRF, is done by non-profit organizations to provide technical assistance, marketing, and outreach to the small businesses in Nashville and Davidson County.

EQUITABLE OUTCOMES

Nashville Small Business Relief Fund

The Nashville Small Business Recovery Fund is largely designed around supporting disadvantaged businesses in underinvested communities. The areas are defined as follows:

- Low to Moderate Income (LMI) Census Tracts in Davidson County
- Opportunity Zones in Davidson County
- NMTC eligible Qualified Census tracts in Davidson County
- Census tracts with a poverty rate greater than 30%
- Census tracts where the median family income is at or less than 60% of the Metro area median family income
- Census tracts where the unemployment rate is greater than 1.5x the national average
- Census tracts where the population change from 2010 to 2020 was less than 6%
- North Nashville Zip Codes were also a focus area for the program



EQUITABLE OUTCOMES

Business Ownership by Demographic Group

Hispanic Population



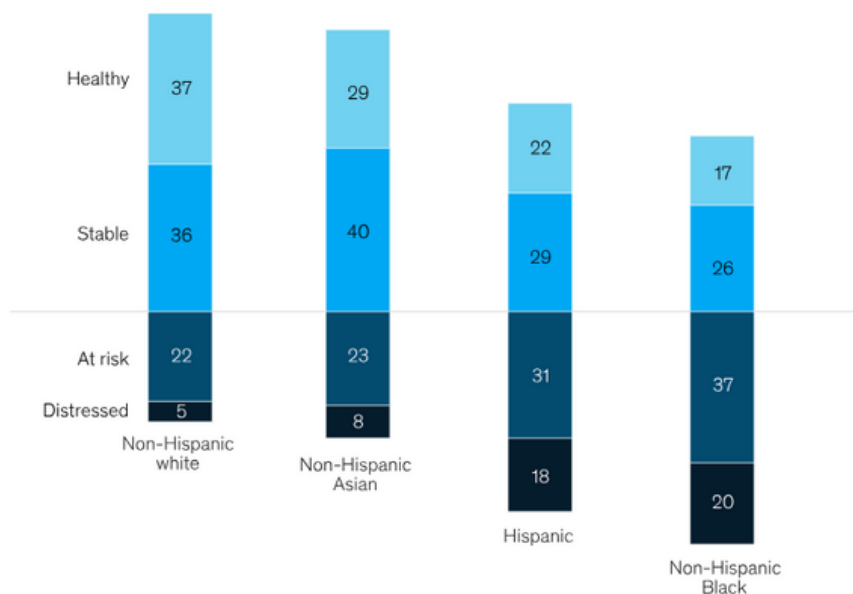
Racial Minority Population



Sources of original data: American Community Survey, 2018 5-Year Data (Census); Annual Business Survey, 2018 (Census); Nonemployer Statistics by Demographics, 2018 (Census)

Companies helmed by Black or Hispanic owners were more likely to be classified as 'at risk' or 'distressed' prior to the COVID-19 crisis.

Financial-health spectrum by type of ownership, % of companies¹ *



*Source: <https://www.mckinsey.com/industries/public-sector/our-insights/covid-19s-effect-on-minority-owned-small-businesses-in-the-united-states>

EQUITABLE OUTCOMES

Affordable Housing

Barnes Fund

The Barnes Housing Trust Fund is overseen by a Commission comprised of five community members, one appointee from the Metropolitan Council, and one Metropolitan Housing and Development Agency appointee. All grants are obligated to grantees on a reimbursement basis with a two-year contract. This contract ensures properties receiving the funding remain affordable for 30-years for rental and homeownership construction and 5-years for single-family home rehabilitation. The Barnes Housing Trust Fund defines affordable as 60% of the HUD area median income (AMI) and below for rental developments and 80% AMI and below for homeownership. This particular program is dedicated specifically to individuals and households earning 80% AMI or below. Specific populations that are served by grantees include substance recovery graduates who needed rental homes away from the dangerous triggers of their past lives, single parents with kids, older adults, and veterans. Applicants may also apply for Metro-owned delinquent tax properties as part of their funding proposal through the Barnes Housing Trust Fund. All contracts are reviewed by the Metropolitan Council prior to approval.

Low-income tenants and homeowners are diverse in their experiences, backgrounds, and cultures. They are all, however, experiencing high levels of displacement and cost burden that prevent them from staying in Davidson County for myriad reasons all connected to availability of rental and homeownership opportunities for income-restricted residents. Without access to safe and affordable housing opportunities, all areas of community wellness are at risk; health, workforce, community revitalization, access to green space and sustainability measures, etc.

Metro Council approved 20% of the total funding pool (\$4M) to go towards non-profits with less than a \$2M operating budget. An additional subsection was also created for proposals within the Urban Zoning Overlay to address access to the highest need, transit-oriented development for income-restricted residents.

EQUITABLE OUTCOMES

Affordable Housing

Catalyst Fund

The housing market nationally and locally was extremely competitive pre-pandemic and the pressures of COVID-19 accelerated existing trends. These pressures impact residents currently living in naturally occurring affordable housing or those seeking affordable housing to decrease their rent burden. State law prevents Metro from providing expanded tenant protections to increase housing security. Therefore, timely, strategic acquisition of naturally occurring affordable housing is a critical piece to addressing Nashvillians housing needs and Metro Nashville does not currently have a tool that addresses this need. This is the reason for the creation of the Catalyst Fund.

The Catalyst Fund allows developers to compete against market rate developers in speed and offer structure to preserve affordable housing. Additionally, when proposed investments are announced, proactive acquisitions can be made to develop affordable housing near assets. With \$20M in seed funding, and by being housing outside Metro, the Fund can move quickly to acquire land. The selected partner was chosen in January 2023. The research they have led is focused on how to increase affordable housing options for Nashvillians. The Fund is proposing a financial product that is specifically focused on supporting the growth of minority developers who have historically been excluded from traditional financing. This pre-development product would seek to provide critical funding for developers seeking to apply for larger development financing. The fund is specifically being created with a focus on being more inclusive regarding credit worthiness. Additionally, the pre-development funding is intended to support developers with the many administrative and substantive tasks needed to access additional debt or equity.

The procurement process for the Catalyst Fund incorporates diversity scoring into the final decision in the selection of an asset manager. This incorporation of equity into the asset management has been proven to impact investment decisions. The outcome for residents is an increase in housing security which disproportionately impacts residents of color.

COMMUNITY ENGAGEMENT

All approvals for obligation of ARP funds were first reviewed by the COVID-19 Financial Oversight Committee and then voted on by the Metro Council. By including the legislative branch of our city-county government, we ensure that all districts are represented in the handling of these funds. All meetings of the Financial Oversight Committee are publicly noticed, open to the public, and broadcast live on one of the Metro Nashville Network channels when feasible. If a meeting cannot be broadcast live, it is recorded and aired on one of the Metro Nashville Network channels within 48 hours of the meeting.

The COVID-19 Financial Oversight Committee launched an online community survey through hubNashville in January 2022 to gauge Nashvillians' priorities. The survey was made available to all Nashville residents and asked participants to rank the importance of 22 possible investment items. In total, 2,116 residents responded. Survey participants also had the option to submit their own spending categories.

Community Survey Results:

| | Proposed Spending Options | Weighted Avg Level of Importance | Obligated Funding as of 6.30.23 |
|----|--|----------------------------------|---------------------------------|
| 1 | Affordable Housing | 1.82 | \$87,300,000 |
| 2 | Sheltering and Wrap Around Services for Helping Homelessness | 1.83 | \$51,508,400 |
| 3 | Access to Childcare | 1.86 | \$9,609,000 |
| 4 | Community Safety | 1.97 | \$1,435,000 |
| 5 | Funding for nonprofits focused on Behavioral Health Crisis Services | 1.99 | \$4,060,796 |
| 6 | Public Health, Medical Examiner, Fire Dept Facility & Equip Needs | 2.07 | \$7,410,000 |
| 7 | Serving vulnerable populations through funding for: Serving Seniors through Nutrition Programs | 2.12 | \$33,000 |
| 8 | Response Fleet & Equip (1st Responders & Public Safety) | 2.22 | \$17,192,254 |
| 9 | Rent, Mortgage, and Utility Assistance Available | 2.25 | \$3,000,000 |
| 10 | Vaccination/Testing Assessment Centers | 2.26 | \$1,000,000 |
| 11 | Stormwater Mitigation and Sustainability | 2.27 | |
| 12 | Serving vulnerable populations through funding for legal: Public Defender and Legal Aid Fund | 2.40 | \$5,267,827 |
| 13 | Small Business and Economic Recovery | 2.44 | \$22,806,125 |
| 14 | Funding for nonprofits focused on workforce assistance/job training | 2.48 | \$17,890,153 |
| 15 | Improved and Increased Green Space | 2.51 | \$1,260,000 |
| | Other | | \$25,012,044 |
| | | Total as of 6.30.23 | \$255,784,599 |

LABOR PRACTICES

Metro Nashville is reporting almost all ARP expenditures under government services as per the guidance of Treasury by using the provided revenue replacement calculation. The other project we are reporting under, Loans or Grants to Mitigate Financial Hardship, also does not require labor practices to be included in this report. Therefore, the labor practices section is not applicable for Metro's Performance Report; however, all expenditures using ARP funds strictly adhere to Metro's procurement regulations, found below:

<https://www.nashville.gov/sites/default/files/2022-07/Procurement-Regulations-May-2022.pdf?ct=1658835478>



USE OF EVIDENCE

research-base for largest government services to date*

*as of 6.30.23



Affordable housing

100% of \$87.3M of Metro's obligations to affordable housing is founded by published research studies

New Housing in High-Productivity Metropolitan Areas: Encouraging Production by the U.S. Department of Urban Housing and Development

<https://www.huduser.gov/portal/publications/New-Housing-Production-Report.html>

Voucher Homeownership Assessment: Volume 1 - Cross-Site Analysis | Volume 2 - Case Studies by Abt Associates

https://www.huduser.gov/portal/publications/hsgfin/msd_vol1_vol2.html



Small Business Relief

100% of \$20M of Metro's obligations to assist small businesses is founded by published research studies

The Effects of the COVID-19 Pandemic on Small Businesses

<https://advocacy.sba.gov/wp-content/uploads/2021/03/COVID-19-Impact-On-Small-Business.pdf>

COVID-19s Effect on Minority-Owned Small Businesses in the United States

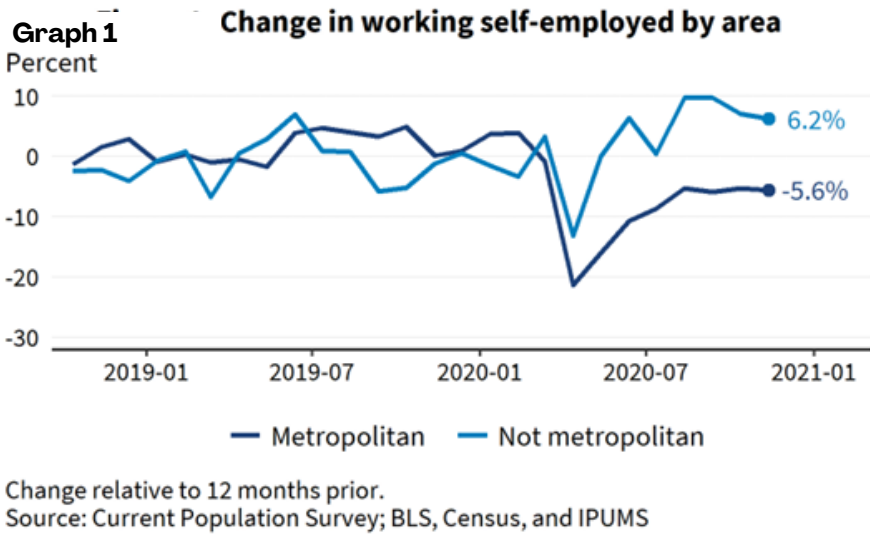
<https://www.mckinsey.com/industries/public-and-social-sector/our-insights/covid-19s-effect-on-minority-owned-small-businesses-in-the-united-states>

USE OF EVIDENCE

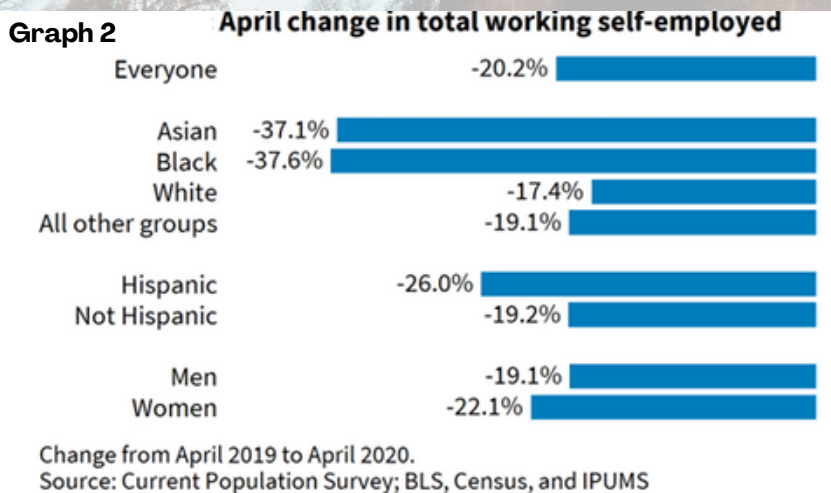
Nashville Small Business Relief Fund (\$20M)

The Mayor’s Office of Economic and Community Development recognizes the importance of ensuring that Nashville’s small businesses have the adequate support to recover from the impacts of the COVID-19 global pandemic. According to a study done by the U.S. Small Business Association Office of Advocacy, during the pandemic the rates of businesses closing neared statistics similar to the Great Depression, especially in metropolitan areas. In April 2020, metropolitan areas in the US neared, on average, a 21% drop in self-employment was seen in metropolitan areas, shown in Graph 1 below.

Demographically, certain groups also experienced higher rates of decreased self-employment during the pandemic, shown in Graph 2 below.



Considering these metrics among others, the Nashville Small Business Relief Fund seeks to stimulate growth in areas of self-employment, specifically seeking financial assistance towards communities in Nashville, such as North Nashville and Bordeaux, that experienced economic disparities and impacts from COVID-19. The fund also delegated some award to the greater Nashville area to assist with the entire Metro community's bounce back from the pandemic.



USE OF EVIDENCE

Metropolitan Nashville & Davidson County understands the emphasis of using these funds for evidence-based interventions, specifically targeting pandemic-related negative impacts on public health and economics. Below are Metro's three largest current projects, the Barnes Fund, the Catalyst Fund, and the Nashville Small Business Relief Fund, and their uses of evidence:

Barnes Fund (\$20M)

Barnes Housing Trust Fund is a proven tool for funding successful unit developments for homeowners and rental tenants. To date, Barnes has funded more than 3,500 units in Davidson County with a \$70M investment, 24 community partners, and a total portfolio leverage of 6:1 since its inception in 2013. Barnes continues to monitor each development through the entire process and only grants monies on a reimbursement basis with external inspection reports. Nonprofit developers have multiple projects in the pipeline, and the only bottleneck to increasing affordable housing supply is funding. The Barnes Fund is an efficient, effective funding tool for affordable housing development. An additional funding round will be invested in developments that are ready to proceed but only need equity to help unlock bank loans. On average, each Metro dollar into the Barnes Fund leverages an additional \$7 in private, philanthropic or state/federal funding. This housing is affordable for 30 years which provides essential stability for Nashvillians.

\$20M will provide an additional round of funding that is being launched at the time of this report. The current round is open, and awards will be finalized before the end of the year. These equity grants provide an invaluable source of funding to support nonprofit housing developers as they create and preserve units throughout the county.

All Barnes awards are made after an open and competitive application and review process. The final contracts are structured on a reimbursement basis. Work is completed, inspected by a third party, and reviewed by staff before funds are disbursed. This monitoring is invaluable to not only ensure strong stewardship of public funds but also to allow us to work closely with our grantees to navigate any challenges that may arise in the development process.

USE OF EVIDENCE

The Catalyst Fund (\$20M)

This tool was crafted based on feedback from trusted local partners regarding a specific challenge to creating and preserving affordable housing. Proven models, including the New Generation Fund in Los Angeles and the Denver Regional TOD Fund, were used to deepen the understanding of what impact this tool could have in Nashville and at what scale. By using data driven successes from peer cities and recruiting a partner that can adjust the tool to serve Nashville's specific needs, the evidence is strong for immediate and long-lasting impact. The housing market nationally and locally remains extremely competitive and state law prevents us from providing expanded tenant protections. Timely, strategic housing preservation is a crucial aspect of housing stability, especially for residents who are especially exposed to economic pressures. The Catalyst Fund allows developers to compete against market rate developers in speed and offer structure to preserve affordable housing. Additionally, when proposed investments are announced, proactive acquisitions can be made to develop affordable housing near assets.

With \$20,000,000 in seed funding, Metro Nashville launched an RFP to recruit an experienced partner that will manage the fund and pursue additional investors to the Fund. By being housed outside Metro, the Fund can move quickly to acquire land. Metro will preset deal terms and guidelines for qualifying deals. For example, housing along transit access could be prioritized. The Centralized Housing Platform tool was crafted based on feedback from trusted local partners regarding a specific challenge to creating and preserving affordable housing. Proven models, including the New Generation Fund in Los Angeles and the Denver Regional TOD Fund, were used to deepen the understanding of what impact this tool could have in Nashville and at what scale.

Housing security is essential for the thriving of both households and communities. Research shows that students that are securely housed have improved school attendance, improved cognitive development, and improved educational outcomes. Affordable housing creation and preservation is an investment in the long-term health of Nashville. By using data driven successes from peer cities and recruiting a partner that can adjust the tool to serve Nashville's specific needs, the evidence is strong for immediate and long-lasting impact.

PERFORMANCE REPORT

Metro recognizes the immense opportunity presented with the city and county's ARP award. Its two first priorities are to use these funds to impact its community in the greatest way possible while also ensuring that these funds are spent responsibly and within Treasury's guidance. To do the latter, Metro has instituted two types of guardrails to monitor the progress of government services funded by the American Rescue Plan. All programs approved by Metro Council have resolutions reviewed through the Finance, Office of Grants and Accountability, and Legal departments, as well as departments delegated to the use of funds, if applicable.

For expenditures handled internally, the Finance Department's Chart of Accounts and Office of Management and Budget divisions created an accounting structure in a way that allows Metro to view the spending amounts for each program on a timely basis. For awards to non-profits, at the time of the contract execution the non-profit provides a Grant Spending Plan, approved by Metro Finance, that shows expenditure projections by the non-profit. For each contract, the non-profit has reporting requirements included that stipulate the timing and content for reports provided to Metro. The contracts also stipulate certain quarterly interim reports to provide demographic information for communities served by the program and recipients of the funds. If the non-profit does not spend all awarded funds by the time of the contract's end-date, they must send back unspent funds to Metro so that they may be used for other services. All non-profits must also keep records of expenditures for up to three years following the end of the contract.

Grant Spending Plan Template:

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

GRANT SPENDING PLAN

RECIPIENT NAME:

THE FOLLOWING IS APPLICABLE TO EXPENSES PLANNED TO
BE INCURRED DURING THE
CONTRACT GRANT PERIOD: (Start Date through End Date)

| | EXPENSE OBJECT LINE-ITEM CATEGORY | METRO GRANT FUNDS | RECIPIENT MATCH (participation) | TOTAL PROJECT |
|--|------------------------------------|-------------------|---------------------------------|---------------|
| | Salaries and Wages | | | \$0.00 |
| | Benefits and Taxes [(PERCENT)] | | | \$0.00 |
| | Professional Fees | | | \$0.00 |
| | Supplies | | | \$0.00 |
| | Communications | | | \$0.00 |
| | Postage and Shipping | | | \$0.00 |
| | Occupancy | | | \$0.00 |
| | Equipment Rental and Maintenance | | | \$0.00 |
| | Printing and Publications | | | \$0.00 |
| | Travel/ Conferences and Meetings | | | \$0.00 |
| | Insurance | | | \$0.00 |
| | Specific Assistance to Individuals | | | \$0.00 |
| | Other Non-Personnel | | | \$0.00 |
| | GRAND TOTAL | \$0.00 | \$0.00 | \$0.00 |

KEY METRICS

performance goals for the largest government services*

*as of 6.30.23



Barnes Fund

The Barnes Housing Trust Fund is a municipal housing trust fund that allows nonprofit developers to apply for grant funding to construct and preserve affordable housing options for Davidson County residents. Housing Trust Funds are a proven model for promoting affordable housing by providing additional subsidy and critical gap funding for affordable housing developments. Without this funding, many affordable housing developers would not be able to finance the high construction and labor costs associated with housing. Since its inception in 2013, the Barnes Housing Trust Fund has awarded \$85 million dollars to 29 community developers to create more than 4400 units of affordable housing. These numbers include the ARPA funding allocated to the Housing Trust Fund but does not include the funding allocated through the FY23 Metropolitan budget.

Subsequent to the reporting date and at the time of issuing this report, the Housing Trust Fund Commission voted to award fifteen community partners to create 774 units of affordable housing through the ARPA allocation. Applications included five homeownership proposals and ten rental proposals that spanned across 10 council districts and included fourteen parcels of Metro-owned delinquent tax properties. Both subsections of funding were depleted. Four organizations received funding from the small organization subsection, and eight organizations qualified for Urban Zoning Overlay funding. The Housing Trust Fund Commission has reviewed contracts for the ARPA grantees and legislation is currently being composed to bring for review to the Metropolitan Council in fall 2022.

KEY METRICS

performance goals for the largest government services*

*as of 6.30.23



Catalyst Fund

In the current state of Metro's housing market, residents seeking affordable housing must call 15–20 providers to see if a unit is available. Then, they complete separate affordability certification documents for every provider. Different properties have different requirements based on their funding source or impact focus. The burden on our residents is too great, and a Centralized Housing Platform, a tool that is part of the new Catalyst Fund, is Metro's solution. The \$200,000 investment in this tool from ARP funds centralizes units to increase transparency, efficiency, and choice for residents, building toward the City's goal of housing security for all. With access to safe and affordable housing opportunities, all facets of community and household wellness can improve including: health, workforce, community vitality, educational outcomes, proximity to green space and transit access.

Davidson County needs to increase annual production from the current average pace of 1,500 affordable units per year to 5,250 affordable units per year. Additionally, the city cannot afford to lose Naturally Occurring Affordable Housing as that only increases the pressure on current production. The Catalyst Fund will work to end the loss of affordable housing units. Partnering with a proven Fund Manager will allow the City to leverage these funds as a catalytic investment.

Metro's \$20M investment is an invitation and challenge to other partners to invest in the work of addressing affordable housing. This model has been proven time and again in other markets. The creation of the Catalyst Fund removes significant structural and expertise barriers for partners that want to invest but do not have the time or talent necessary to screen deals and establish term sheets. Metro, in collaboration with the selected Fund Manager, has set a goal of recruiting an additional \$30M in investment by March 31, 2023. This is an ambitious timeline but reflects the urgency of our City's housing needs. In the case that Metro is not able to meet the fundraising goal, the \$20M will still have substantial impact. With \$20M invested, the Catalyst Fund is projected to create or preserve 1,000 housing units.

KEY METRICS

performance goals for the largest government services*

*as of 6.30.23



Cayce Place and Cumberland View

The housing market nationally and locally remains extremely competitive. The Metropolitan Development and Housing Agency, MDHA, is working on addressing the housing needs as well as safety concerns at its affordable housing sites. As MDHA is gearing up its housing production and unlocking housing investment, a challenge is addressing the aged infrastructure at their legacy developments. Although MDHA continues to develop new housing units at Cayce Place, a group of affordable housing units, the aging infrastructure at the site continues to be a concern and is hampering the project. Along with this challenge, there have been safety concerns at Cumberland View, an affordable housing apartment complex. MDHA has worked with the Mayor's Office, Metropolitan Nashville Police Department, Resident Associations, several non-profits and members of the Metropolitan Nashville Council to address these issues. To alleviate said issues, the COVID-19 Oversight Committee and Metro Council awarded MDHA \$15M in ARP funds to address the infrastructure and safety concerns at the Cayce Place and Cumberland View. This funding assists in the freeing up of cash flow to address housing production on the site at Cayce Place and address the safety concerns at Cumberland View, Napier Place, and Sudekum Apartments. The expected results for this ARP funding are as follows:

Cayce Place

- This funding should accelerate the Cayce Place projects by improving and implementing critical infrastructure for 1,100 planned units

Cumberland View

- Site security measures to include street traffic calming, additional lighting, ballads, and sidewalk work
- Overall increased safety and security for Cumberland View

KEY METRICS

performance goals for the largest government services*

*as of 6.30.23



NSBRF

In August 2022, Mayor John Cooper announced that 468 small businesses will receive grants from the NSBRF, Nashville Small Business Recovery Fund, with an average of \$17,500 per award. All awards were fully funded on or before the filing of this report. Program support and grant awards prioritized \$2.5 million for North Nashville zip codes (37208, 37218, 37228, 37207, 37209), \$3.5 million for distressed areas, and the remaining \$3 million Metro wide in accordance with guidance set for the by Metro Council. Awards were first-come-first-served, and grants were made following the order of submission time and date stamps on eligible, completed applications. Eligible small businesses can still apply for loans at 2% interest from the \$9 million loan program that opened for applications alongside the grant program earlier this summer. Unlike the grant program, there is no deadline to apply for the loan program, and applications will remain open while funds are available.

The program manager and partners collect demographic data on the ownership of each business that receives services under the NSBRF. Additionally, monthly reporting is required and includes accounting of all grant funds, including identification of any business benefited from the services provided via the NSBRF. They also include demographics of business ownership or any organization that receives benefits of Nashville Business Incubation Center services with the subject funds, including but not limited to Age, Race, Sex, and Zip Code. An example of the the monthly report can be found on the following page, and a full report of demographics for grant and loan recipients is included in this year's performance report.

Jason Luntz, an award recipient, commented, "My business was very fortunate to receive the Nashville Small Business Recovery Fund Grant. With these funds, we will be able to purchase some much-needed equipment, hire a part-time employee and focus on marketing to grow our customer base."



NSBRF Reporting Template

NSBRF Interim Reporting Template

Please submit report to the following:
 LeTanya Channel: latanya.channel@nashville.gov
 Macy Amos: macy.amos@nashville.gov
 Kevin Brown: kevin.brown@nashville.gov
 Thomas Sheffield: thomas.sheffield@pathwaylending.org

| TA Partner Details | |
|--------------------|--|
| TA Partner Name: | |
| Business Address: | |
| Contact Person: | |
| Phone: | |
| Email: | |
| Contract Number: | |

| Update On Loan Funds (Month of Report Ending) | |
|---|--|
| Total loan funds received: | |
| Total loan funds allocated: | |
| Total loan funds still to be allocated: | |

| Accounting Of All Loan Applications | | | | Business Ownership Demographic Details | | | |
|-------------------------------------|-----------------|--------------------|----------------------|--|------|-----|-----|
| Business Name | Amount Received | Application Status | Business Description | Business Zip Code | Race | Age | Sex |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

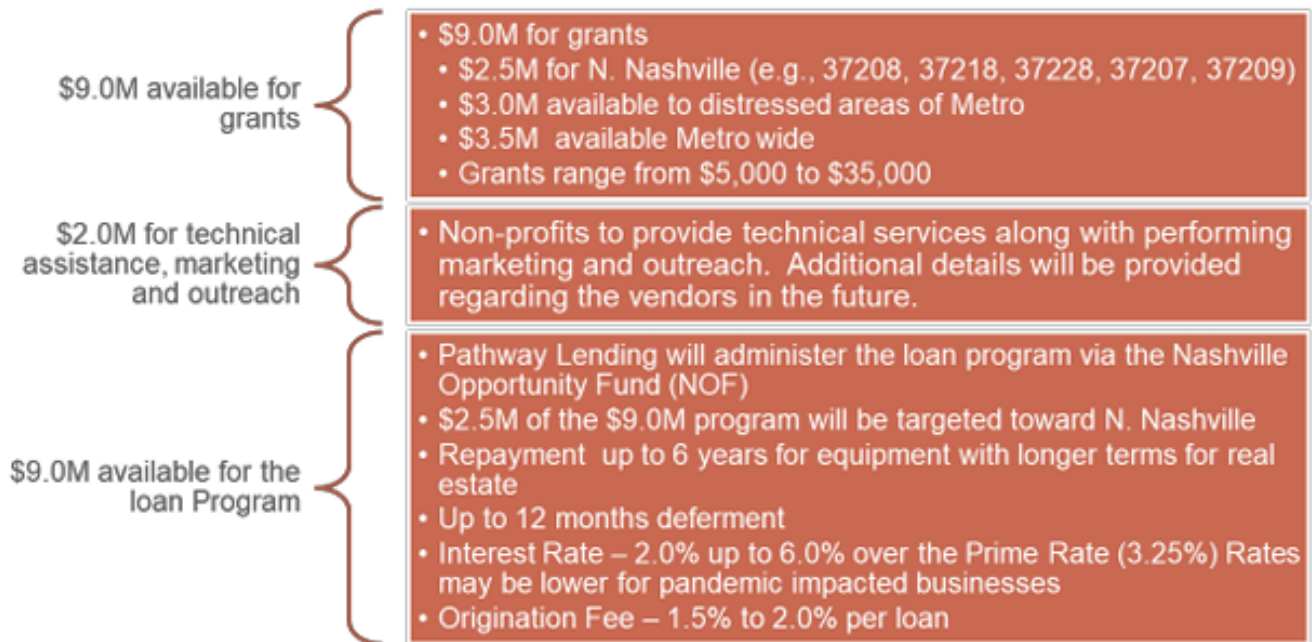
| Feedback | |
|---|--|
| 1. Please provide any recommendations to Pathway Lending regarding the NSBRF program: | |
| 2. Please provide any recommendations to Metro regarding the NSBRF program: | |
| 3. Please provide any other feedback/recommendations you'd like to give on the program: | |

| Date of Call | Purpose of first contact | How did you hear about us | Business Name | Person spoken to (if not business owner) | Business Owner Name |
|--------------|--------------------------|---------------------------|---------------|--|---------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| Date | Type of Digital Outreach | Organization | Languages | Details | Total # of People Reached |
|------|--------------------------|--------------|-----------|---------|---------------------------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Examples of Small Business Recovery Monthly Reports for Grant and Loan Programs

Program Details



Small Business Grant Program

Interim Report. Activities as of 6.30.23

Background: Metropolitan Nashville contracted with Pathway Lending to establish and administer a Small Business Grant Program through the Nashville Small Business Recovery Program (NSBRP) to support local economic development by maintaining small business operations and creating/retaining employment in Metropolitan Nashville. The purpose of the Grant Program is to ensure that Nashville’s small businesses have the adequate support to recover from the impacts of the 2020 COVID-19 global pandemic.

The contract term is March 15, 2022, through March 15, 2024. Pathway Lending received strong demand for the NSBRF grant program, including a total of 1414 applications submitted by closing deadline of July 31, 2022, 11:59 PM. As of August 31, 468 applications have been funded totaling \$8,190,000.

Small Business Grant Program Operations Overview:

In preparation for the NSBRF grant and loan application period (June 29 – July 31, 2022), Pathway Lending undertook significant activities to create a digital footprint for the program,

including launching a program landing page, online application, FAQ section, and application guidance to ensure equitable access to the funds offered through this initiative.

As the application period opened, Pathway undertook the following steps to ensure it was refining its processes as needed to provide the best user experience for Davidson County small businesses, this included:

Program Management Activities:

- Coordinated Review, Compliance, and Accounting Team as needed to effectively process applications and distribute payments to qualified applicants.
- Trained staff to field incoming telephone inquiries during business hours and via a dedicated email address, nashville@pathwaylending.org, monitored daily with extended business hours.
- Performed extensive due diligence including applicant visits, applicant phone calls, third party validations and conversations with law enforcement related to suspicious applications.
- Hosted convening of non-profit partners to answer interim questions, update communications & messaging, and provide additional data on progress for grant and loan deployment.

Technical Assistance & Application Support:

- Expanded online FAQ's as need to address common questions and scenarios.
- Provided translation services (email & interpreter) as needed for applications.
- Provided workspace at Pathway Lending offices to applicants without access to internet, IT equipment, or those who were unable to get assistance by non-profit partners.
- Trained staff to support walk-in requests for technical assistance.
- Assisted applicants requiring remediation when documentation was incomplete.

Information Sessions

Pathway Lending was required in Contract L-5115 to host four information sessions. This obligation has been met as of 7.12.22 with in-person, virtual and on demand (YouTube video) options. The following sessions had 583 pre-registrations. Actual attendance is not reflected.

- June 28, 7PM, Corner-to-Corner @ Yay Yay's: 68 (140 additional joining virtually)
- June 29, 6PM, Conexion Americas @ Conexion Americas: 5
- June 29, 7PM, Pathway Lending @ Pathway Lending Board Room: 65
- June 30, 5PM, Tennessee Latin American Chamber of Commerce (TLACC) (En Espanol) @ Plaza Mariachi: 20
- July 13, 6PM, Virtual, Tennessee Latin American Chamber of Commerce (TLACC) (En Espanol): 41
- July 14, 12PM, Virtual, Corner-to-Corner: 20
- July 18, 7PM, Equity Alliance @ Yay Yay's: 87
- July 21, 12PM, Corner-to-Corner @ North Nashville TBC: 8
- A recorded Info Session resides on Youtube which has 129 views as of 7.12.22

Key Messaging, Applicant Communication & Response

The Nashville Small Business Recovery Fund Grants program concluded August 15 with disbursement of final grant awards. In total, 468 small businesses located across Nashville and representing a range of industries received grant awards averaging \$17,500.

In accordance with Metro Council guidance, program support and grant awards prioritized \$2.5 million for North Nashville zip codes (37208, 37218, 37228, 37207, 37209), \$3.5 million for distressed areas, and the remaining \$3 million Metro wide. Awards were first-come-first-served, and grants made following the order of submission time and date stamps on eligible, completed applications.

Distribution by race and gender demographics reflect the share of award dollars that went to Black-owned businesses at 43%, equal to the share of awards that went to White-owned businesses followed by Asian (7.3%), Other (6.7%) and Native (0.1%) recipients and the share of award dollars going to Men at 54% and to women at 46%. Additional demographic breakdowns by priority geography accompany this report.

Targeted, focused outreach efforts created a high level of awareness evidenced by the receipt of over 1400 applications within the one-month application period. To foster an understanding of eligibility criteria, application requirements and the difference between grants and loans, the call to action in all outreach efforts sought to drive prospective applicants to an information session. Outreach messaging bridged the differences in COVID experiences by focusing on the concept of Refueling as way to highlight the benefit of participating in the Program without making assumptions or a statement on the condition of individual businesses.

Expert small business instructors and coaches facilitated the Information Sessions presented by Pathway Lending in English and in Spanish and simultaneously trained community outreach partners in messaging and content to deliver in Information Sessions their organizations presented independently. Sessions covered an overview of the Fund and the grant and loan application processes as well as an instructional session detailing key differences and decision criteria, aimed at helping attendees select the program that would best serve the interests of their businesses.

During the application period, Pathway Lending took steps to make sure applicants received a quick response by phone or by email by staffing phones with a dedicated position to handle and staff inbound telephone calls with a live person during business hours. A team actively monitored and responded to all inbound email inquiries and requests submitted through Nashville@PathwayLending.org.

Pathway Lending accommodated small business applicants that faced difficult conditions and challenges completing their respective applications due to difficulties they endured during the pandemic. At any given time, application reviewers and client support teams within Pathway Lending are assisted 150-250 small businesses work through issues on their applications or

referred to the non-profit partners for technical assistance. Pathway Lending allowed for a 24-hour remediation period (by 5 pm the following business day) to submit requested information to provide flexibility in these instances.

Overall, application volume exceeded our expectations, and so did extent of support applicants needed for preparing a complete submission. Business owners who attended information sessions we hosted in community venues (versus partner venues) received representatives eagerly and warmly and were hungry for information about assistance. All of this revealed the depth and breadth of demand and need relief and support in our Metro region’s small business community.

Notable Program Activities:

Pathway Lending collaborated with the Mayor’s Office to announce the conclusion of the grant program and highlight the stories of beneficiaries via press release and a press event hosted by Papa Turney’s owner Mike Turney that was covered by several area broadcast news stations, including NewsChannel5.

Metrics of All Grants Distributed

Nashville Small Business Recovery Fund | RS2022 - 1356

Progress as of 5:00PM CDT August 31, 2022

| Total Grants | # | \$ | % Of 8.190MM | Remaining Funds |
|----------------------------|-----|----------------|--------------|-----------------|
| Applications Funded | 468 | \$8,190,000.00 | 100% | - |

Eligible applications met criteria for location, revenue, operating history, documentation, and receipt of other funding through Federal grant programs like PPP and CARES.

% Of available funds is based on total amount of \$9MM less \$900,000 due to Pathway for program administration.

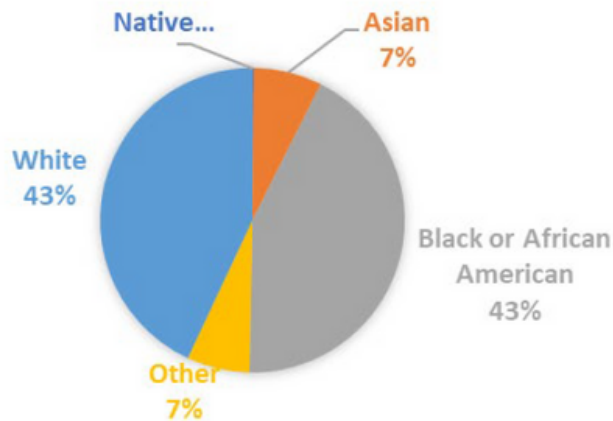
Program Set Asides (RS2022-1356)

| North Nashville (Zip codes 37207, 37208, 37209, 37218, 37228) | # | %(#) of Funded | \$ | %(\$) of Funded | Ave. Award Amt. | Remaining Funds (\$2.275M total available) |
|---|-----|----------------|----------------|-----------------|-----------------|--|
| Applications Funded | 126 | 27% | \$2,275,000.00 | 28% | \$18,055.56 | - |

| Distressed Census Tracts | # | %(#) of Funded | \$ | %(\$) of Funded | Ave. Award Amt. | Remaining Funds (\$2.73M total available) |
|----------------------------|-----|----------------|----------------|-----------------|-----------------|---|
| Applications Funded | 161 | 34% | \$2,730,000.00 | 33% | \$16,956.52 | - |

Demographic Profile (RS2022-1356): All Funded Grants

RS2022-1356 | TOTAL GRANTS AWARDED BY RACE



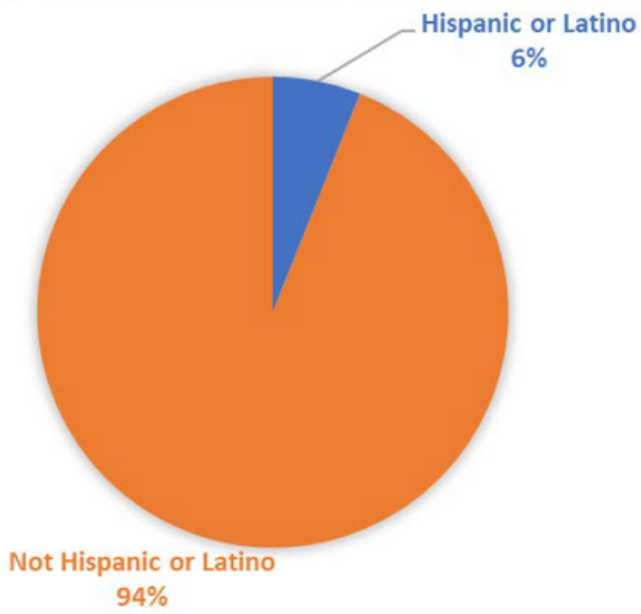
| Race | # | %(#) | \$ | %(\$) |
|---------------------------|------------|-------|---------------------|-------|
| Native American | 1 | 0.2% | 10,000.00 | 0.1% |
| Asian | 27 | 5.8% | 597,283.10 | 7.3% |
| Black or African American | 258 | 55.1% | 3,513,951.00 | 42.9% |
| Other | 24 | 5.1% | 545,404.30 | 6.7% |
| White | 158 | 33.8% | 3,523,361.60 | 43.0% |
| Total | 468 | | 8,190,000.00 | |

RS2022-1356 | TOTAL GRANTS AWARDED BY GENDER



| Gender | # | %(#) | \$ | %(\$) |
|--------------|------------|------|---------------------|-------|
| Female | 232 | 50% | 3,762,242.70 | 46% |
| Male | 236 | 50% | 4,427,757.30 | 54% |
| Total | 468 | | 8,190,000.00 | |

RS 2022-1356 | TOTAL GRANTS AWARDED BY ETHNICITY



| Ethnicity | # | %(#) | \$ | %(\$) |
|------------------------|------------|------|---------------------|-------|
| Hispanic or Latino | 30 | 7% | 495,433.00 | 6% |
| Not Hispanic or Latino | 438 | 100% | 7,694,567.00 | 100% |
| | 468 | | 8,190,000.00 | |

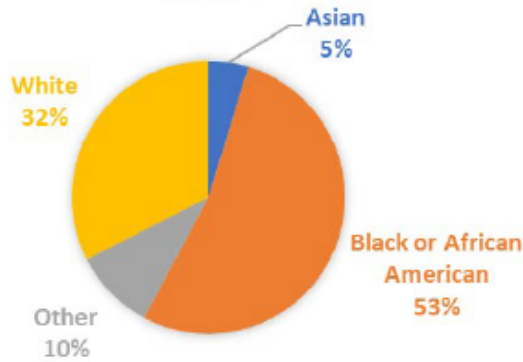
| Zipcode | # | % (#) | \$ | % (\$) |
|---------|------------|-------|---------------------|--------|
| 37011 | 1 | 0.2% | 5,000.00 | 0.1% |
| 37013 | 66 | 14% | 884,354.00 | 11% |
| 37027 | 2 | 0.4% | 40,000.00 | 0.5% |
| 37072 | 10 | 2% | 225,178.00 | 3% |
| 37076 | 14 | 3% | 242,042.80 | 3% |
| 37086 | 1 | 0.2% | 5,000.00 | 0.1% |
| 37115 | 21 | 4% | 282,533.60 | 3% |
| 37122 | 1 | 0.2% | 21,131.00 | 0.3% |
| 37138 | 6 | 1% | 79,840.70 | 1% |
| 37167 | 1 | 0.2% | 5,000.00 | 0.1% |
| 37189 | 2 | 0.4% | 20,000.00 | 0.2% |
| 37201 | 1 | 0.2% | 35,000.00 | 0.4% |
| 37203 | 26 | 6% | 572,076.80 | 7% |
| 37204 | 9 | 2% | 177,032.80 | 2% |
| 37205 | 5 | 1% | 156,762.00 | 2% |
| 37206 | 26 | 6% | 600,978.40 | 7% |
| 37207 | 34 | 7% | 534,929.90 | 7% |
| 37208 | 35 | 7% | 712,846.60 | 9% |
| 37209 | 31 | 7% | 616,647.70 | 8% |
| 37210 | 23 | 5% | 347,614.80 | 4% |
| 37211 | 55 | 12% | 1,021,749.10 | 12% |
| 37212 | 2 | 0.4% | 45,000.00 | 0.5% |
| 37214 | 11 | 2% | 158,245.00 | 2% |
| 37215 | 7 | 1% | 140,277.00 | 2% |
| 37216 | 8 | 2% | 195,000.00 | 2% |
| 37217 | 27 | 6% | 297,231.70 | 4% |
| 37218 | 20 | 4% | 280,673.90 | 3% |
| 37219 | 6 | 1% | 76,292.80 | 0.9% |
| 37220 | 5 | 1% | 102,404.00 | 1% |
| 37221 | 5 | 1% | 147,997.50 | 2% |
| 37228 | 6 | 1% | 126,159.90 | 2% |
| 37076 | 1 | 0.2% | 35,000.00 | 0.4% |
| | 468 | | 8,190,000.00 | |

Metrics of North Nashville Grants

Demographic Profile (RS2022-1356): Program Set Asides

| North Nashville (Zip codes 37207, 37208, 37209, 37218, 37228) | # | %(#) of Funded | \$ | %(\$) of Funded | Ave. Award Amt. | Remaining Funds (\$2.275M total available) |
|---|-----|----------------|----------------|-----------------|-----------------|--|
| Applications Funded | 126 | 27% | \$2,275,000.00 | 28% | \$18,055.56 | - |

RS2022-1356 | NORTH NASHVILLE GRANTS AWARDED BY RACE



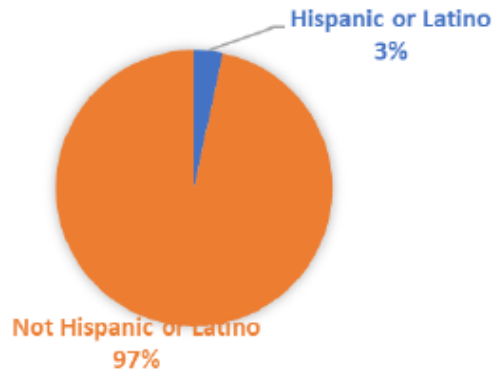
| Race | # | %(#) | \$ | %(\$) |
|---------------------------|------------|-------|---------------------|-------|
| Asian | 4 | 3.2% | 108,228.80 | 4.8% |
| Black or African American | 82 | 65.1% | 1,206,874.10 | 53.0% |
| Other | 8 | 6.3% | 220,552.10 | 9.7% |
| White | 32 | 25.4% | 739,345.00 | 32.5% |
| Total | 126 | | 2,275,000.00 | |

RS2022-1356 | NORTH NASHVILLE GRANTS AWARDED BY GENDER



| Gender | # | %(#) | \$ | %(\$) |
|--------|------------|------|---------------------|-------|
| Female | 73 | 58% | 1,194,765.40 | 53% |
| Male | 53 | 42% | 1,080,234.60 | 47% |
| | 126 | | 2,275,000.00 | |

RS2022-1356 | NORTH NASHVILLE GRANTS AWARDED BY ETHNICITY



| Ethnicity | # | %(#) | \$ | %(\$) |
|------------------------|------------|------|---------------------|-------|
| Hispanic or Latino | 4 | 3% | 76,405.40 | 3% |
| Not Hispanic or Latino | 122 | 97% | 2,198,594.60 | 97% |
| | 126 | | 2,275,000.00 | |

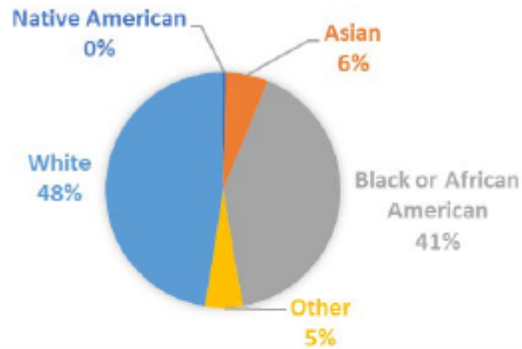
| Zipcode | # | % (#) | \$ | % (\$) |
|---------|------------|-------|---------------------|--------|
| 37203 | 1 | 1% | 33,742.00 | 1% |
| 37207 | 34 | 27% | 535,736.20 | 24% |
| 37208 | 35 | 28% | 712,846.60 | 31% |
| 37209 | 31 | 25% | 620,786.40 | 27% |
| 37218 | 19 | 15% | 245,673.90 | 11% |
| 37228 | 6 | 5% | 126,214.90 | 6% |
| | 126 | | 2,275,000.00 | |

Metrics of Distressed Census Tracts Grants

Demographic Profile (RS2022-1356): Program Set Asides

| Distressed Census Tracts | # | %(#) of Funded | \$ | %(\$) of Funded | Ave. Award Amt. | Remaining Funds (\$2.73M total available) |
|--------------------------|-----|----------------|----------------|-----------------|-----------------|---|
| Applications Funded | 161 | 34% | \$2,730,000.00 | 33% | \$16,956.52 | - |

RS2022-1356 | DISTRESSED CENSUS TRACTS GRANTS AWARDED BY RACE



| Race | # | %(#) | \$ | %(\$) |
|---------------------------|------------|-------|---------------------|-------|
| Native American | 1 | 0.6% | 10,000.00 | 0.4% |
| Asian | 8 | 5.0% | 160,148.50 | 5.9% |
| Black or African American | 85 | 52.8% | 1,122,225.10 | 41.1% |
| Other | 6 | 3.7% | 140,009.00 | 5.1% |
| White | 61 | 37.9% | 1,297,617.40 | 47.5% |
| Total | 161 | | 2,730,000.00 | |

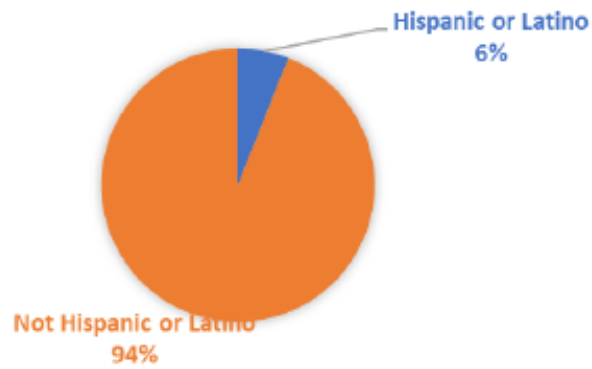
RS2022-1356 | DISTRESSED CENSUS TRACTS GRANTS AWARDED BY GENDER



financing businesses, strengthening communities.

| Gender | # | %(#) | \$ | %(\$) |
|--------|------------|------|---------------------|-------|
| Female | 82 | 51% | 1,330,682.60 | 49% |
| Male | 79 | 49% | 1,399,317.40 | 51% |
| | 161 | | 2,730,000.00 | |

RS2022-1356 | DISTRESSED CENSUS TRACTS GRANTS AWARDED BY ETHNICITY



| Ethnicity | # | %(#) | \$ | %(\$) |
|------------------------|------------|------|---------------------|-------|
| Hispanic or Latino | 10 | 6% | 165,000.60 | 6% |
| Not Hispanic or Latino | 151 | 94% | 2,564,999.40 | 94% |
| | 161 | | 2,730,000.00 | |

Small Business Loan Program

Interim Report. Activities as of 6.30.23

Background:

Metropolitan Nashville contracted with Pathway Lending to expand and operate the Pathway Lending Nashville Opportunity Fund (NOF) with a \$9MM grant through the Nashville Small Business Recovery Program (NSBRP) to support local economic development by maintaining small business operations and creating/retaining employment in Metropolitan Nashville. The purpose of the Grant Program is to ensure that Nashville's small businesses have the adequate support to recover from the impacts of the 2020 COVID-19 global pandemic. Contract term is March 15, 2022, to March 15, 2024.

As NSBRF grant funds have been fully deployed, Pathway Lending continues to see strong interest for the NSBRF loan program. Through June 30, 2023, 56 loans originated for a total of \$3,176,204. The average loan amount is currently \$56,718. One application totaling \$27,200 is in progress and one loan, totaling \$135,897 is in closing.

Small Business Loan Program Operations Overview:

- Expanded FAQs as needed to address common questions and scenarios.
- Incoming telephone inquiries answered by staff members during business hours and nashville@pathwaylending.org monitored daily with extended business hours.
- Applicants without access to the internet, IT equipment or unable to get assistance from non-profit TA partners utilized PL HQ for application support.
- In scenarios where non-profit TA partners were not able to assist, Pathway staff overseen walk-in technical assistance needs.
- Hosted convening of non-profit partners to answer interim questions, update communications & messaging, and provide additional data on progress for grant and loan deployment.
- Provided translation services (email & interpreter) as needed for applications.
- Enhanced user experience for loan inquiry.
- Positioned website to focus on 2% loan opportunity as grant demand outpaced available funds and deemphasized NSBRF Grant Application.
- The program opened June 29 and continues until loan funds are fully committed.

Key Messaging, Applicant Communication & Response:

Pathway continues to engage with the community by attending outreach events hosted by various community organizations throughout the city to bring awareness to the Loan Program. Emphasis for these efforts gives priority to the North Nashville zip codes. Pathway hosted a mixer at YayYay's restaurant on June 22nd in North Nashville to promote the recently approved program enhancements. Notably, Pathway will continue to elevate visibility and drive interest in the loan program via press coverage. NSBRF Program Director, Thomas Sheffield, recently appeared on the Black Business Boom podcast to promote the program enhancements as well. Black Business Boom is a social enterprise that supports entrepreneurship in Black

communities. They are also a NSBRF grant recipient. Pathway now offers clients the option to Sign Up for An Information session where they may speak to a Small Business Advisor who helps determine program eligibility, loan application qualifications, Q&A, and begin the loan application inquiry. These one on one / small group information sessions are offered every Tuesday and Thursday. Pathway has extended and refreshed content for paid promotions that have been in place since June 2022 with an emphasis on the 2% fixed interest rate, to small businesses throughout Davidson County. Also, in progress are interviews with selected early loan clients with the goal of adding client profiles in images, videos, and copy. Seeing real clients should reinforce key messages, validate stated program outcomes, and help prospective eligible applicants see themselves as intended beneficiaries.

Updated recorded information sessions in English and Spanish presented by expert business instructors and coaches cover an overview of the Fund, guidance for deciding to apply for a loan, the loan application process and a deep dive into the required documents that details what they are, why they matter to lenders and how they can help owners manage and run their businesses. Community outreach partners also continue to promote the NSBRF loan program. Partnerships with banks and financial institutions have been helping drive interest to the loan program as well. Pathway has also leveraged partnerships and relationships in the Nashville area to promote the NSBRF opportunity to women entrepreneurs in Davidson County. The outreach has included a combination of virtual info sessions, promotional spots in newsletters and emails as well as in person presentations with the following organizations:

- Nashville Area Women Business Owners (NAWBO)
- WBEC South Women's Business Center
- Braintrust
- 615 Collective
- Women Organizations in Nashville (WON)

A refreshed program landing page features the recorded information sessions along with a sign-up form for scheduled events. Added resources for the loan program include a comprehensive toolkit aimed at helping applicants understand and prepare required documents independently or contact community partners for assistance. The landing page carries through the emphasis on having those documents ready for a successful application by including a checklist before the loan inquiry form where applicants who do not have all the required documents can submit their email addresses in order to connect to partners offering assistance. Pathway Lending maintains dedicated staff time for quick (typically within 24 hours during business days) response to inbound telephone calls. Each telephone call is answered by a live person during business hours. A team also continues to actively monitor and respond to all inquiries and requests submitted through Nashville@PathwayLending.org.

Program Outlook:

Interest in the loan program continues to grow as a result of outreach efforts and media appearances. In an effort to increase participation especially from women-owned businesses, beginning in January Pathway added virtual information sessions every Tuesday and Thursday where potential clients have access to a business advisor to review program qualifying criteria

and application requirements. The response from the small business community to these sessions has been incredibly positive. To date, 123 Davidson County small business owners have participated in the sessions with approximately 50% deemed qualified to apply for a loan through NSBRF. The number of submitted applications has increased due to these outreach efforts. Pathway has also tapped community partners to do additional outreach that includes promotional spots in newsletters and email blasts as well as in-person and virtual information sessions.

The one-year anniversary of the NSBRF program kicked off with a mixer at YayYay’s restaurant in North Nashville. Bank referral partners, community organizations, and members of the North Nashville business community were invited to come network and learn about the changes to the program. After the mixer there has been an increase in interest in the program and one loan has already closed as a result of the program enhancements with many more anticipated.

| Total Loans Originated | # | \$ | Ave. Loan Amount | % Of Funding | Remaining Funds (Total Funding Available \$8.1M) |
|------------------------|----|-------------|------------------|--------------|--|
| | 56 | \$3,176,204 | \$56,717.93 | 39% | \$4,923,796.00 |

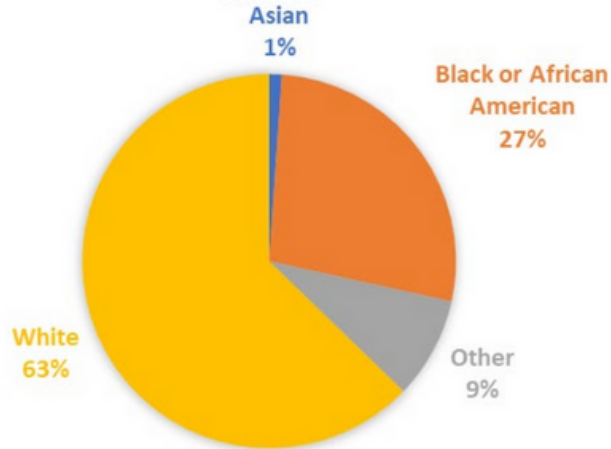
| PIPELINE | # | \$ |
|--|----|--------------|
| Applications in Pre-Application Status | 21 | \$1,142,895 |
| Applications in Progress | 1 | \$27,200.00 |
| Applications Ready for Underwriting/Committee Review | 0 | \$0.00 |
| Applications in Closing | 1 | \$135,897.00 |

Client Story:

Knowledge Bank Solutions, LLC dba Super Money Kids is a financial literacy company that offers children financial education that is engaging, continuous and relatable. The Super Money brand started by Courtney Hale and his late wife Tia, began as a way to teach financial literacy to their daughter and has expanded into digital financial education lessons which are now offered to schools, youth organizations and universities across the country. The mission of Super Money Kids is to create a generation of financially knowledgeable, responsible, and empowered youth. Mr. Hale received a loan in February to support growth initiatives including the launch of a youth internship program and an Educator Ambassador initiative to establish relationships with educators across the country. The company has also received three grants to help with the launch of these programs

RS2022-1356 | NASHVILLE OPPORTUNITY FUND LOANS BY

RACE



| Race | # | %(#) | \$ | %(\$) |
|---------------------------|-----------|-------|---------------------|-------|
| Asian | 1 | 1.8% | 34,633.00 | 1.1% |
| Black or African American | 24 | 42.9% | 869,280.00 | 27.4% |
| Other | 4 | 7.1% | 278,826.00 | 8.8% |
| White | 27 | 48.2% | 1,993,465.00 | 62.8% |
| Total | 56 | | 3,176,204.00 | |

| Zipcode | # | % (#) | \$ | % (\$) |
|--------------|-----------|-------|---------------------|--------|
| 37013 | 8 | 14% | 297,771.00 | 9% |
| 37067 | 1 | 2% | 20,000.00 | 1% |
| 37080 | 1 | 2% | 73,970.00 | 2% |
| 37115 | 1 | 2% | 54,000.00 | 2% |
| 37135 | 2 | 4% | 29,125.00 | 1% |
| 37138 | 2 | 4% | 151,350.00 | 5% |
| 37189 | 1 | 2% | 43,943.00 | 1% |
| 37203 | 3 | 5% | 146,521.00 | 5% |
| 37206 | 5 | 9% | 421,652.00 | 13% |
| 37207 | 2 | 4% | 71,394.00 | 2% |
| 37208 | 4 | 7% | 184,320.00 | 6% |
| 37209 | 1 | 2% | 26,000.00 | 1% |
| 37211 | 4 | 7% | 296,628.00 | 9% |
| 37214 | 4 | 7% | 302,786.00 | 10% |
| 37215 | 1 | 2% | 31,000.00 | 1% |
| 37216 | 2 | 4% | 245,684.00 | 8% |
| 37217 | 7 | 13% | 383,960.00 | 12% |
| 37218 | 4 | 7% | 85,075.00 | 3% |
| 37219 | 2 | 4% | 178,091.00 | 6% |
| 38107 | 1 | 2% | 132,934.00 | 4% |
| Total | 56 | | 3,176,204.00 | |

*North Nashville Zipcodes: 37207, 37208, 37209, 37218, 37228

PROJECT INVENTORY

While Metro is including all of its American Rescue Plan programs under the expenditure category of Government Services, with the exception of the small business loan program for \$9M, we also strive for transparency in reporting and further detail. On the following page is a catalogued list of all resolutions passed by Council for the use of ARP funds.

This list encompasses all government services as of June 30, 2023. Further detail of each project may be accessed via Metro's public registrar resolution lookup at <https://nashville.legistar.com/Legislation.aspx> . Per Treasury's guidance to "include key performance indicators for your jurisdiction's major SLFRF funded projects," a more in-depth inventory is provided for our two largest uses of funds, those related to affordable housing and small business recovery, and can be found in the Performance Report section.



Metro Resolutions for ARP

(listed earliest to latest Council approval date)

| Resolution Appropriating Funds | Brief Description | Amount |
|-----------------------------------|--|--------------|
| RS2021-966 | pilot program for mental health professionals to ride with MNPD | \$561,816 |
| RS2021-966 | to advance electronic health records | \$184,000 |
| RS2021-966 | operating subsidies to replace lost revenue at these venues | \$2,111,800 |
| RS2021-966 | resources to address trial backlog | \$55,000 |
| RS2021-1116 | rent, mortgage and utility assistance for individuals with 80%+ AMI | \$3,000,000 |
| RS2021-1150 | fleet, cardiac monitors, & shower/toilet trailer | \$4,745,500 |
| RS2021-1152 | temp staffing and grant funds to address backlog of needed services | \$3,148,980 |
| RS2021-1203 | 3 fellowship positions (affordable housing, resiliency, learning loss) | \$150,000 |
| RS2021-1204 | Brookmeade repairs & improvements | \$1,260,000 |
| RS2021-1205 | public emergency response fleet | \$996,500 |
| RS2021-1206 | public emergency response fund | \$1,000,000 |
| RS2021-1207 | temp staffing, sheltering, expand SOAR, landlord voucher bonuses | \$1,541,400 |
| RS2021-1260 | \$20M each to Barnes & Catalyst Fund, \$200k-housing support software | \$40,200,000 |
| RS2021-1261 | NCVC for culturally diversified event sponsorships | \$750,000 |
| RS2021-1262 | HVAC upgrades per CDC | \$7,226,000 |
| RS2021-1263 | fleet vehicles for MNPD, DCSO and NDOT | \$9,069,614 |
| RS2021-1264 | rental trucks for trash removal for MWS | \$2,380,640 |
| RS2022-1307 | Violence Reduction & Community Safety | \$1,060,000 |

Metro Resolutions for ARP, continued (listed earliest to latest Council approval date)

| Resolution Appropriating Funds | Brief Description | Amount |
|-----------------------------------|--|--------------|
| RS2022-1310 | Napier-Sudekum Community Safety Plan | \$300,000 |
| RS2022-1311 | Infrastructure to allow more affordable housing and safety at Cumberland View | \$15,000,000 |
| RS2022-1313 | Crisis Intervention Training and expansion of pilot program with MHC | \$350,000 |
| RS2022-1356A | Nashville Small Business Recovery Plan - Grant Program* | \$9,000,000 |
| RS2022-1356B | Nashville Small Business Recovery Plan - Loan Program | \$9,000,000 |
| RS2022-1356C | Nashville Small Business Recovery Plan - Outreach and Technical Support | \$2,000,000 |
| RS2022-1357 | Economic Development Plan and Market Value Analysis | \$1,100,000 |
| RS2022-1362 | Fairgrounds Flea Market Vendor Rent Relief | \$1,046,000 |
| RS2022-1450 | Funding existing childcare centers as well as home-based centers | \$7,519,000 |
| RS2022-1494 | Strategy for independent music venues assistance | \$ 260,000 |
| RS2022-1558 | Administrative expenses | \$398,000 |
| RS2022-1559 | Right to eviction counsel | \$2,600,851 |
| RS2022-1560 | Immigration support services | \$1,820,585 |
| RS2022-1696 | Low-lost loans to developers for deeply affordable housing | \$25,000,000 |
| RS2022-1697 | Housing-First case management services and Assertive Community Treatment Teams | \$9,000,000 |
| RS2022-1698 | Temporary interim gap housing | \$9,000,000 |

*Reported in Project and Expenditure Report under Expenditure Category 2.29: Loans or Grants to Mitigate Financial Hardship

Metro Resolutions for ARP, continued (listed earliest to latest Council approval date)

| Resolution Appropriating Funds | Brief Description | Amount |
|-----------------------------------|--|--------------|
| RS2022-1699 | Low barrier housing collective and funding competitive grants for support services | \$7,000,000 |
| RS2022-1792 | Second round of public emergency response fund | \$1,000,000 |
| RS2022-1830 | workforce development program | \$7,890,153 |
| RS2022-1831 | 13% final funding for initial program | \$272,042 |
| RS2022-1832 | 13% final funding for initial program | \$399,149 |
| RS2022-1855 | wrap-around services for affordable housing | \$1,600,000 |
| RS2022-1856 | Envision Cayce - construct 150 affordable housing units sooner | \$5,000,000 |
| RS2022-1860 | pathways to equitable homeownership | \$10,000,000 |
| RS2022-1861 | housing opportunities for older adults | \$8,000,000 |
| RS2022-1862 | innovative housing solutions for families | \$7,000,000 |
| RS2022-1863 | vulnerable population housing | \$500,000 |
| RS2022-1903 | McGruder Family Resource Center infrastructure improvements | \$5,110,000 |
| RS2022-1904 | deferred maintenance needs at the Weaver Center Domestic Violence Shelter | \$2,000,000 |
| RS2022-1905 | capital renovations to Burrus Hall for entrepreneur center | \$10,000,000 |

Metro Resolutions for ARP, continued (listed earliest to latest Council approval date)

| Resolution Appropriating Funds | Brief Description | Amount |
|---|---|---------------|
| RS2022-1906 | deferred maintenance needs for Metro-owned affordable childcare centers | \$2,090,000 |
| RS2023-1947 | County-wide participatory budgeting | \$10,000,000 |
| RS2023-1948 | capacity building grant | \$75,000 |
| RS2023-1949 | case managers to assist with eviction prevention | \$175,200 |
| RS2023-1950 | Administrative expenses | \$517,000 |
| RS2023-1952 | additional costs to Office of Family Safety | \$326,800 |
| RS2023-2143 | Big Futures mentoring services for first-year college students | \$471,694 |
| RS2023-2144 | Discount public transit program for local businesses and universities | \$400,125 |
| RS2023-2145 | FeedBack Nashville - Food systems transformation initiative and study | \$621,750 |
| RS2023-2146 | capital funding to Fifty Forward | \$2,500,000 |