

**METROPOLITAN NASHVILLE-
DAVIDSON COUNTY**

***ACTION PLAN FOR DISASTER
RECOVERY
Amendment Three***

Utilizing Supplemental CDBG Disaster Recovery Funding
Authorized by the
Supplemental Appropriations Act, 2010
(Public Law 111-212)

Through the U.S. Department of Housing and Urban Development
Docket No. FR-5452-N-01
[Federal Register: November 10, 2010 (Volume 75, Number 217)]
Docket No. FR-5452-N-02
[Federal Register: April 14, 2011 (Volume 76, Number 72)]

**METROPOLITAN DEVELOPMENT AND HOUSING AGENCY
June 2013**

INTRODUCTION

In July 2010, Congress passed the Supplemental Appropriations Act, 2010 (Public Law 111-212), which provides Community Development Block Grant (CDBG) funding for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by severe storms and flooding that occurred from March 2010 through May 2010, for which the President declared a Disaster Area. The U.S. Department of Housing and Urban Development (HUD) published a Notice of allocations, waivers, and alternative requirements for the CDBG disaster recovery funds in the *Federal Register*, Volume 75, Number 217, Docket Number FR-5452-N-01, effective November 15, 2010.

The Metropolitan Government of Nashville-Davidson County received an initial allocation of \$10,731,831 of CDBG disaster recovery (CDBG-DR) funds. As required by HUD, the City submitted an Action Plan describing the proposed use of funds for the initial allocation. HUD approved the Action Plan for Disaster Recovery in February 2011.

HUD issued Notice of a second allocation for CDBG-DR grant funds of \$22,357,982 for Nashville-Davidson County, as published in the *Federal Register*, Volume 76, Number 72, Docket Number FR-5452-N-02, on April 14, 2011. This Notice required the City to submit an Amendment to Nashville-Davidson County's initial Action Plan for Disaster Recovery to provide details for the distribution of funds and the eligible program activities for the second allocation. Amendment One described the proposed use of funds for addressing unmet housing, infrastructure, recovery, and economic revitalization needs in Metro Nashville as a result of the May flood. HUD approved Amendment One in August 2011.

In November 2011, MDHA submitted Amendment Two to provide further clarification of the proposed activities described Amendment One, include minor budget revisions for activities, and rename "Code Enforcement" to "Neighborhood Cleanup." Amendment Two, which was not a substantial amendment, was approved by HUD in December 2011.

This Amendment Three proposes to reallocate funds in the amount of \$8,377,321.73 from certain housing, planning, and recovery activities to new construction (replacement housing) – multi-family homes, riverfront development, and administrative activities. The Amendment also proposes the cancellation of the following activities: downpayment assistance, rebuild/new construction assistance, lead hazard evaluation and reduction, and emergency rehab. The purpose of the Amendment is to fully utilize CDBG-DR funds to address long-term disaster recovery efforts. Due to the dollar amounts associated with the reallocation and the cancellation of certain activities, this Amendment is considered a substantial amendment and the citizen participation requirements in the Notice, as described herein, apply.

The Metropolitan Development and Housing Agency (MDHA) has been designated to act as the lead agency responsible for the development and administration of Metro Nashville's Consolidated Plan and its related block grant programs (CDBG, HOME, HOPWA, and ESG) and will serve as the lead agency with respect to the Disaster Recovery Action Plan and related Amendments.

PROJECTED USE OF FUNDS

Methodology for Allocating Grant Resources and Relative Importance of the Project

Nashville-Davidson County received an initial allocation of \$10,731,831 and a second allocation of \$22,357,982, for a total allocation of \$33,089,813.00. Current allocations, which are designated per the initial Action Plan and Amendment Two, and revised allocations proposed in this Amendment Three are listed in Table 1. To date, thirty-three percent (33%) of grant funds have been expended.

Table 1: Current and Proposed Allocations

Activities	Current Allocation	Percent	Proposed Allocation	Percent
Housing	\$ 22,400,000.00	68%	\$ 16,615,750.00	50%
Infrastructure	\$ 5,025,000.00	15%	\$ 12,154,081.73	37%
Recovery	\$ 1,875,000.00	6%	\$ 1,125,000.00	3%
Planning	\$ 2,189,813.00	7%	\$ 1,540,491.27	5%
Administration	\$ 1,600,000.00	5%	\$ 1,654,490.00	5%
Total All Activities	\$ 33,089,813.00	100%	\$ 33,089,813.00	100%

The initial Action Plan and Amendment Two provide details on the program areas for both allocations, respectively. These program areas were selected for the immediacy of need. Because many housing needs and other recovery needs have been addressed through CDBG-DR funds or other resources, this Amendment Three reallocates funds to activities that further long-term recovery efforts. Narratives describing these activities are included in this amendment. This Amendment does not introduce new activities but further clarifies existing activities in which funding is allocated in this Amendment. Activities for which funding was allocated previously but are not funded under this Amendment (and funds have not been drawn) will be cancelled and narratives are not included. These cancelled activities are: Downpayment Assistance; Rebuild/New Construction Assistance; Lead Hazard Evaluation & Reduction; and Emergency Rehab. See Appendix A for a comparison of current (as presented in the Initial Action Plan and Amendment Two) and revised budgets for each activity.

The geographic area for these activities is Nashville-Davidson County, which the President has declared a Federal Disaster Area (FEMA Declaration Number: FEMA-1909-DR). If a specific area within Nashville-Davidson County is targeted, it will be indicated in the description of the activity.

Program income that is generated from any activity may be used for additional disaster-related activities until grant-closeout. At grant close-out, any program income on hand or received subsequently will become program income to the annual CDBG program.

Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5155), as amended, prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster as to which that person has received financial assistance under any other program or from insurance or from any other source. CDBG disaster recovery funds will not be used for activities for which funds have been received (or will be received) from FEMA; the SBA; other local, state, or federal programs; insurance; or recovery support from private charity organizations. However, CDBG funds may be used to provide assistance to the extent that a disaster recovery need has not been met by other sources. Applicants for assistance will be required to disclose all sources of assistance received or to be received.

Nashville-Davidson County received a waiver to allow homeownership assistance for households with incomes up to 120% of area median income, downpayment assistance for up to 100% of the down payment, and new construction. Nashville-Davidson County also received a waiver to allow up to 50% of the allocation to assist activities under the slum and blight or urgent need national objectives, rather than the 30% allowed under the regular CDBG rules. Low and moderate benefit for the remaining 50% of the allocation is defined as homeownership assistance for households with incomes up to 80% of AMI and rental properties that serve tenants with an income up to 80% of AMI. Low and moderate income area benefit is defined as an area that has at least 51% of the population with a household income of less than 80% AMI.

I. Housing Activities

Over 9,000 residential properties were damaged by the May flood. Approximately 5,800 affected properties are located outside of the 100-year flood plain. A total of 305 damaged homes located in vulnerable areas are currently included in the Hazard Mitigation (“buyout”) program, which has an estimated cost of \$60 million.

Damage to residential properties was wide-spread throughout the county, impacting all income groups and housing types – single-family, multi-family, rental, and owner-occupied. To assist homeowners in returning to their homes as soon as possible to preserve Metro Nashville’s housing stock, the initial allocation provided \$9.4 million for the repair/rehabilitation of owner-occupied homes. In addition, Metro Nashville reprogrammed \$2.5 million in CDBG funds and \$2.5 million in HOME Investment Partnership funds to “jump-start” the recovery effect. To date, over 300 households have received assistance.

Although the City was able to begin addressing housing issues resulting from the May flood with reprogrammed entitlement (CDBG and HOME) funds, needs remained for additional homeowner assistance, rental property assistance, new construction to replace housing lost during the flood, downpayment assistance, and buyout assistance. Needs also existed for those homeowners who were not served through MDHA’s emergency rehabilitation program during the 2010 program due to the reallocation of annual CDBG funds to disaster recovery. Addressing these needs is vital to the long-term recovery of Nashville’s affected neighborhoods and their economic vitality. The housing activity established in the Disaster Recovery Action Plan (updated February 2011) and funded through the initial allocation focused on repair/rehabilitation of owner-occupied homes; remaining housing needs funded under the second allocation were described in Amendment Two.

Despite anticipated housing needs and broad outreach efforts to publicize “We Are Home” programs, demand for housing assistance has declined. Much of the need has been addressed through reprogrammed CDBG and HOME entitlement funds, CDBG Disaster Recovery funds, and other resources. As a result, funding for some housing activities has been reallocated to other activities which remain disaster recovery priorities. The following are “ongoing” housing activities and revised budgets. See Appendix A for a comparison of current and revised budgets for each activity.

Repair/rehabilitation of owner-occupied homes

Financial assistance in the form of a loan or grant will be available to owner/occupants to repair flood-damaged homes. Initial demand for this program was high, and approximately 400 households have been assisted. However, no applications for assistance have been submitted in recent months. Upon completion of cases in progress, this activity will be closed.

- *National Objective:* LMI Benefit; Urgent Need
- *Previous Allocation:* \$9,400,000
- *Revised Allocation:* \$8,400,000
- *Eligible Applicants:* Residents of Davidson County, Tennessee; must own and occupy the home at the time of the disaster
- *Threshold Criteria:* All proposed activities will take place within Davidson County; applicants must have an identified need that has not been met through FEMA, SBA, insurance, or private donation; properties located within the 100-year floodplain must meet all HUD environmental requirements, all applicable flood mitigation standards, and are insured by Federal Flood Insurance; properties located in a floodway, included in the “buyout” or qualify for the FEMA Hazard Mitigation Grant Program are not eligible
- *Grant Size Limit:* Assistance to qualified households may be in the form of (1) grants up to \$10,000, (2) 0% due on sale loans up to \$20,000, and/or (3) a 4% monthly payment loan with optional terms of 5-, 10-, 15-, or 20-years
- *Responsible Entities:* MDHA, subrecipient

Rental Property Assistance

Financial assistance in the form of a loan or grant will be available to landlords for repair of flood-damaged homes used as rental properties. One case is in process; upon its completion, the activity will be closed.

- *National Objective:* LMI Benefit; Urgent Need
- *Previous Allocation:* \$1,000,000
- *Revised Allocation:* \$22,000
- *Eligible Applicants:* Landlords of flood-damaged properties with four units or fewer, including owners of a single rental property in which the unit is occupied by immediate family members
- *Threshold Criteria:* Properties located within the 100-year floodplain must meet all HUD environmental requirements, all applicable flood mitigation standards, and are insured by Federal Flood Insurance; properties located in a floodway, included in the “buyout” or qualify for the FEMA Hazard Mitigation Grant Program are not eligible
- *Grant Size Limit:*
 - 4% loans up to \$100,000 for a term of 10 years for landlords of rental properties of 2-4 units;
 - for owners of a single rental unit: (1) 4% loans up to \$100,000 for optional terms of 10, 15 or 20 years; and owners of record at the time of the flood may potentially qualify for (2) \$10,000 grant, (3) 0% due on sale loan up to \$20,000
- *Responsible Entity:* MDHA, subrecipient

New Construction (Replacement Housing) – Multi-family Homes

A significant portion of Nashville’s housing stock was impacted by the flood, and many homes may not be replaced or residents may choose to relocate outside of areas prone to flooding. To replenish the housing stock, offer more housing choices, and encourage revitalization of a targeted corridor as contemplated in the Long Term Recovery Plan, CDBG Disaster Recovery Funds will provide assistance for the development of rental or for sale multi-family homes.

Since Amendment Two, MDHA has identified property along Jefferson Street for the development of 35 units and is in the process of finalizing the sales contract. Additional Disaster Recovery funds allocated to this activity allow MDHA to increase equity required to leverage other funds.

- *National Objective:* LMI Benefit; Slum & Blight; Urgent Need
- *Previous Allocation:* \$2,000,000
- *Revised Allocation:* \$3,193,750
- *Eligible Activities:* Acquisition, site development, design and new construction of rental or for sale multi-family homes
- *Responsible Entity:* MDHA

Purchase or Purchase/Repair Assistance for Flood Damaged Properties

To preserve the housing stock, arrest decline, and encourage investment in flood-impacted neighborhoods, assistance will be available to buyers of flood-damaged homes in which repairs are substantially incomplete. The intent of this program is to address flood damaged homes that the original owner is selling or has sold, and the property remains unrepaired or only partially repaired. Funds may be used to purchase the property and complete repairs. However, in some instances, the new buyer only needs assistance with purchasing the property because other sources of funds are available for repair or only needs assistance with repairs, and funds may be used to assist with either the purchase or the repair. The Housing Fund, a subrecipient, is working with Habitat for Humanity on this activity.

National Objective: LMI Benefit; Urgent Need

- *Allocation:* \$3,500,000 (no budget revision)
- *Eligible Applicants:* Investors and potential owner-occupants
- *Threshold Criteria:* Purchase must be from the owner of record through a voluntary sale; repairs must meet Code standards; properties located in a floodway, included in the “buyout” or qualify for the FEMA Hazard Mitigation Grant Program are not eligible
- *Grant Size Limit:*
 - For investors: 4% loan up to \$130,000 for a term of 10 or 15 years;
 - For owner-occupants: 2% loan up to \$130,000 for a term of 10 or 15 years
- *Responsible Entity:* MDHA, subrecipient

“Buyout” Local Match

The Hazard Mitigation Grant Program identifies properties that have been severely damaged by the flood or impede the floodway. By acquiring these properties, the threat of future flooding and damaged is minimized and new amenities, such as parks and open space, can be created. To date, assistance from FEMA in the amount of \$30 million and TEMA in the amount of \$5 million has allowed Metro to purchase 73 homes. However, approximately three hundred (300) properties have been identified as eligible for the buyout for a total cost of \$60 million. CBDG Disaster Recovery Funds have been allocated to match FEMA assistance to further the “buyout” program, as allowed in the Notice. Funds under this allocation will provide assistance in purchasing these homes, and a portion of these funds may be used to reimburse Metro Government for eligible costs incurred related to this activity since the date of the flood. To date, 104 properties have been purchased through this program.

- *National Objective:* LMI Benefit; Slum & Blight; Urgent Need
- *Allocation:* \$1,500,000 (no budget revision)
- *Eligible Applicants:* Eligible applicants to the FEMA Hazard Mitigation Grant Program

- *Threshold Criteria:* Receipt of a commitment letter or award for the FEMA Hazard Mitigation Grant Program for housing buyout
- *Grant Size Limit:* Limited to 12.5% or less of the total cost for the housing buyout program
- *Responsible Entity:* Metro Government, MDHA

II. Infrastructure

Flood waters spilled over the banks of the rivers and streams, inundating downtown Nashville and neighborhoods throughout the county and leaving behind debris and damaged infrastructure. In many areas, damaged and deteriorated infrastructure must be replaced. Properties purchased by the City through the FEMA Hazard Mitigation or Voluntary Acquisition programs must be converted as open space and will become part of Nashville's greenway system. In the downtown riverfront area, new infrastructure that is suitable to the area will spur development and restore economic vitality to Nashville's tourism and recreation industries heavily affected by the flood.

Neighborhood Infrastructure

Flood-impacted neighborhoods in low-moderate income census tracts face substantial barriers to recovery and revitalization. To assist with recovery, CDBG Disaster Recovery funds will be utilized to undertake stormwater and drainage improvements in two heavily affected, low income areas: Haynes Park and Maynor Place.

- *National Objective:* LMI Benefit; Urgent Need
- *Allocation:* \$137,500 (no budget revision)
- *Eligible Activities/Threshold Criteria:* Water services infrastructure such as stormwater and drainage improvements in low income areas.
- *Grant Size Limit:* \$70,000 is allocated to Haynes Park and \$67,500 is allocated to Maynor Place
- *Responsible Entity:* MDHA, Metro Government
- *Geographic Area:* Haynes Park and Maynor Place neighborhoods

Riverfront Development

As explained in Amendment Two, Nashville's downtown riverfront corridor serves as an epicenter of the region's internationally renowned tourism, entertainment and hospitality industry, and host to a broad array of historic, cultural and recreational amenities that contribute immensely to the general livability and quality of life of the downtown area. The community-generated Plan of Nashville (2005), the Downtown Community Plan (2007), the Nashville Riverfront Concept Plan (2007) and the Nashville Long Term Recovery Plan (2011) all recognize the downtown riverfront as a unique and precious resource that offers unique opportunities to preserve and reclaim natural eco-systems; provides for a diversity of recreational and open space amenities for downtown visitors, workers and residents; and serves as a catalyst for continued economic development and job creation within the general downtown area.

The May 2010 flood severely impacted both the economic and cultural viability of Nashville's downtown riverfront area on both sides of the river – a key attraction for the region's tourism, entertainment and hospitality industries, and the local community as a whole. Numerous cultural, entertainment, retail, business services, as well as residential and business property owners and tenants, incurred significant property damages and/or loss of revenues. The Schermerhorn Symphony Center alone incurred flood related property damage in excess of \$40 million. Government facilities (e.g. Riverfront Park) and major

utility providers (e.g. the Nashville Electric Service) were not spared. Timing of the flood could not have been worse for Nashville's tourist-based economy, occurring in the critical weeks leading up to the community's premier international entertainment event, the annual Country Music Awards festival on the downtown riverfront. Throughout the flood recovery period, potential visitors from around the world either postponed or canceled trips to the Music City. As a result of the May 2010 flood, business receipts were down, hospitality and other service-related jobs were lost, local and state tax revenues dropped. Further, the overall downtown community, especially area residents, lost access to and utilization of its most significant recreational and open space asset, the downtown riverfront.

A direct outcome of planning efforts, such as the Downtown Riverfront Coordinated Revitalization Plan (see below), the South of Broadway Strategic Master Plan (funded by a grant from the U.S. Department of Commerce and Economic Development), and the West Riverfront Master Plan, is the staged construction of an integrated framework of neighborhood enhancement, economic development and associated infrastructure projects along the downtown riverfront that include stabilization of the East Bank; additional recreational, open space and entertainment amenities; walking, bicycling and parking enhancements; and major utility system upgrades that incorporate sustainable storm water management techniques and flood mitigation features. Assistance will be made available for these activities, and a portion of these funds may be used to reimburse for eligible costs incurred related to this activity since the date of the flood.

- *National Objective:* LMI benefit; Slum & Blight; Urgent Need
- *Previous Allocation:* \$3,000,000
- *Revised Allocation:* \$10,129,081.73
- *Eligible Activities/Threshold Criteria:* Design and construction of infrastructure improvements in the downtown riverfront area that are suitable to the area; implementation of the Downtown Riverfront Coordinated Revitalization Plan and other plans; specific activities are described below
- *Grant Size Limit:* See activities described below
- *Responsible Entity:* Metro Government, MDHA
- *Geographic Area:* Downtown riverfront area

Bank Stabilization – East Bank

In the past decade, new development on the eastside of the Cumberland River near downtown has slowly contributed to the erosion of this portion of the river bank; after the May 2010, this process escalated to the point that stabilization is required to halt the erosion. The new Cumberland Park is adjacent to this portion of the river bank and stabilization is required to ensure the long-term viability of the park. This activity is underway and expected to be completed in late summer 2013.

- *National Objective:* LMI benefit
- *Allocation:* \$3,000,000
- *Eligible Activities/Threshold Criteria:* Installation of rip rap, bulkheads, and other measures necessary to stabilize the river bank.
- *Responsible Entity:* MDHA
- *Geographic Area:* Downtown riverfront – East Bank, adjacent to Cumberland Park

West Riverfront

One of the high-priority recommendations from prior Riverfront plans and the more recent South of Broadway Strategic Master Plan is the development of the downtown West Riverfront and, particularly, the repurposing of the 12 acre former Nashville Thermal Transfer site. City officials reevaluated potential uses following the May 2010 flood's impact on the west river bank, which was inundated. The West Riverfront Master Plan creates a vision for the development of the West Riverfront in light of these circumstances. The Plan transforms the West Riverfront into a civic open space that includes a promenade that serves as a flood wall, event space, lawns and plazas, piers, a greenway, and related improvements. The design phase is nearing completion and construction is anticipated to begin the fall of 2013.

- *National Objective:* LMI benefit; Urgent Need
- *Allocation:* \$7,129,081.73
- *Eligible Activities/Threshold Criteria:* Implementation of the projects identified in the West Riverfront Master Plan, related utility improvements and site preparation
- *Responsible Entity:* Metro Government, MDHA
- *Geographic Area:* Downtown riverfront – West Bank

Greenways, Parks, and Open Spaces

Nashville's greenway system connects neighborhoods to various points of activity while providing alternative transportation; its parks and open spaces provide every citizen in Nashville-Davidson County with active and passive recreational opportunities. Virtually all of the parks, greenways, and open spaces along the Cumberland River and its tributaries were inundated by the flood waters. CDBG Disaster Recovery funds will be used to address these public amenities impacted by the flood, and a portion of these funds may be used to reimburse Metro Government for eligible costs incurred related to this activity since the date of the flood.

- *National Objective:* LMI Benefit; Slum & Blight; Urgent Need
- *Allocation:* \$1,887,500 (no budget revision)
- *Eligible Activities:* Design, construction, reconstruction, rehabilitation or installation of improvements
- *Threshold Criteria:* Greenways, parks, and open space in flood impacted areas
- *Grant Size Limit:* Varies by project
- *Responsible Entity:* Metro Government; MDHA
- *Geographic Area:* Richland Creek/Del Ray; Whites Creek/West Hamilton; Mill Creek/Thompson Lane-Old Glenrose-Wimpole; other flood impacted areas

III. Recovery

Recovery efforts to stabilize Nashville's neighborhoods and reduce threats to health and safety include CDBG-assisted voluntary acquisition and stream cleanup.

Voluntary Acquisition

Many owners of properties damaged by the May flood are not eligible for funding through FEMA's Hazard Mitigation Grant Program, yet they may find it infeasible to use or rebuild due to the damage level, age of the structure, and/or elevation required to lawfully reconstruct the property. CDBG Disaster

Recovery funds will be used to implement a voluntary acquisition and related clearance program to assist owners who wish to sell/vacate their property. Metro is in the process of negotiating the purchase of twenty properties.

- *National Objective:* LMI Benefit; Slum & Blight; Urgent Need
- *Allocation:* \$1,000,000 (no budget revision)
- *Eligible Applicants:* Owners properties impacted by the flood, which are not included in the “Buyout” program and determined ineligible for funding through FEMA’s Hazard Mitigation Grant Program
- *Threshold Criteria:* Compliance with 24 CFR part 570.505 and the Uniform Relocation Act
- *Grant Size Limit:* Post-flood values as provided in the Notice and costs associated with clearance
- *Responsible Entity:* MDHA, Metro Government

Neighborhood Cleanup

Damage to property and streams as a result of the severe flooding requires a significant increase in local government services to protect public health and safety. Debris from the 2010 flood impedes waterways’ natural flow and creates further problems. In late spring 2012, several nonprofit waterways groups undertook a coordinate effort to identify waterways in which debris from the 2010 flood remains. Funds will be made available for cleanup efforts of these designated waterways.

- *National Objective:* LMI Benefit; Slum & Blight; Urgent Need
- *Previous Allocation:* \$875,000
- *Revised Allocation:* \$125,000
- *Eligible Activities/Threshold Criteria:* Cleanup of designated streams in which debris from the 2010 remains; debris to be removed includes, but is not limited to, limbs, vegetative debris, tires, and litter; clean-up activities do not include mitigation measures, improvements or new development along designated waterways
- *Responsible Entity:* MDHA, nonprofit partner

IV. Planning

Although the Notice provides for planning activities up to 15% of the total allocation, approximately 5% is designated for planning activities.

Long-term Recovery Planning

With funding from the initial allocation, Metro Nashville began a long-term community recovery planning process, gathering input from the community to prepare recommendations related to a Long-Term Recovery Plan (LTRP). A copy of the LTRP is available at <http://www.nashvillerecovery.com/docs/longterm/NashvilleLTRP.pdf>. The LTRP is a starting point that provides a framework for evaluating, coordinating, and prioritizing recovery efforts. Continued long-term recovery planning will aid the City in identifying projects and programs that can be implemented by the public, private, and non-profit sectors to address the restoration of infrastructure, housing, and transportation, and the economic vitality of Nashville.

- *National Objective:* N/A
- *Previous Allocation:* \$1,239,813
- *Revised Allocation:* \$809,660.00

- *Eligible Activities/ Threshold Criteria:* Long-term recovery planning for Nashville-Davidson County
- *Responsible Entities:* Metro Government

Housing Research

The flood affected all housing types at all income levels and drastically changed the nature of Nashville's housing market conditions. One of the initiatives identified in the Long-Term Recovery Plan to analyze housing needs is the creation of an Applied Housing Research, Policy and Plan Partnership. Through this partnership, a Housing Report and Action Plan will provide a collaborative approach to studying current and future housing issues. The plan will identify housing opportunities within the context of overall housing market conditions from different market perspectives, identify policy implications, and present policy options that align housing initiatives and programs with existing and anticipated housing market conditions after the flood.

- *National Objective:* N/A
- *Allocation/ Grant Size Limit:* \$250,000 (no budget revision)
- *Eligible Activities/ Threshold Criteria:* Development of a Housing Report and Action Plan
- *Responsible Entities:* MDHA, subrecipient

OEM Strategic Planning

Among its many functions, Metro's Office of Emergency Management develops plans and procedures to ensure the highest level of mitigation, preparedness, response and recovery. As part of its strategic planning efforts, Metro will implement a review of the actions taken during the May 2010 flood and the response of the various departments to the emergency crisis.

- *National Objective:* N/A
- *Previous Allocation:* \$250,000
- *Revised Allocation:* \$30,831.27
- *Eligible Activities/ Threshold Criteria:* Development of OEM Strategic Plan; review of 2010 flood response
- *Responsible Entity:* Metro Government

Downtown Riverfront Coordinated Revitalization Plan

As a result of the torrential rains in May 2010, the Cumberland River crested at 51.86 feet – 12 feet above flood stage. Nashville's downtown riverfront area on both sides of the river, including the East Bank, Riverfront Park, and much of the famous tourist district of lower Broadway, were under water.

In light of the May flood, the City must re-examine proposed development for the East Bank. As envisioned in the Long-Term Recovery Plan, a Downtown Riverfront Coordinated Revitalization Plan will establish the clear and concise framework required to properly guide land uses, staging, budgeting, design and construction of projects in a manner that is efficient, cost-effective, and suitable to the revitalization of the East Bank.

- *National Objective:* N/A
- *Allocation:* \$450,000 (no budget revision)
- *Eligible Activities/Threshold Criteria:* Development of a Downtown Riverfront Coordinated Revitalization Plan
- *Responsible Entity:* MDHA
- *Geographic Area:* Downtown riverfront – East Bank

V. Administration

- *National Objective:* N/A
- *Previous Allocation:* \$1,600,000
- *Revised Allocation:* \$1,654,490.00
- *Eligible Activities:* Activities described in the Notice and allowable under 24 CFR part 570.206, which include grant management, oversight, monitoring, and reporting
- *Threshold Criteria:* Actual administrative expenses related to the administration of disaster recovery programs
- *Grant Size Limit:* Total administrative costs, including costs incurred by subrecipients, may not exceed the HUD limit of 5% of funds
- *Responsible Entities:* MDHA, subrecipients

REQUIREMENTS NOT WAIVED

The Supplemental Appropriations Act authorizes the Secretary of HUD to waive, or specify alternate requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of the funds and guarantees, except for the requirements discussed below. A complete list of the waivers approved to date can be found in the *Federal Register*, Volume 75, Number 217, Docket Number FR-5452-N-01, November 10, 2010, beginning on page 69103, and are summarized in Appendix B of the Action Plan for Disaster Recovery, updated February 2011.

Activities funds under the Supplemental Appropriations Act must comply with the requirements related to fair housing, nondiscrimination, labor standards, and environment (including requirements concerning lead-based paint) are not waived. Further, HUD's regulations at 24 CFR 135, which implement section 3 apply.

CITIZEN PARTICIPATION PROCESS

The Metropolitan Government and MDHA support and encourage citizen participation in the development of the Disaster Recovery Action Plan and related amendments. Many of the concerns expressed by citizens participating in the long-term recovery planning process have been incorporated into this Plan, as amended. The Citizen Participation Process complies with the requirements published in the Notice of allocations, waivers, and alternative requirements [*Federal Register*, Volume 75, Number 217, Docket Number FR-5452-N-01, effective November 15, 2010].

The Public Notice provided below was published in *The Tennessean* and posted on MDHA's website. Comments received and MDHA's responses will be included in Appendix B. Following the conclusion of the public comment period, Amendment Three will be submitted to the MDHA Board of

Commissioners and the Metropolitan Council for approval. Upon the authorization of the Metro Council, the Amendment will be submitted to HUD.

PUBLIC NOTICE

**Request for Public Comment
Amendment Three to the Nashville-Davidson County
Community Development Block Grant Disaster Recovery Action Plan**

The Metropolitan Development and Housing Agency (MDHA) has prepared for submittal to the U.S. Department of Housing and Urban Development (HUD) Amendment Three to the Nashville-Davidson County Community Development Block Grant Disaster Recovery (CDBG-DR) Action Plan. The Amendment proposes the reallocation of CDBG-DR funds in the amount of \$8,377,321.73 from certain housing, planning, and recovery activities to new construction (replacement housing) – multi-family homes, riverfront development, and administrative activities. The Amendment also proposes the cancellation of the following activities: downpayment assistance, rebuild/new construction assistance, lead hazard evaluation and reduction, and emergency rehab. The purpose of the Amendment is to fully utilize CDBG-DR funds to address long-term disaster recovery efforts.

Public comments on this Amendment will be accepted until 4:00 p.m., central time, on July 2, 2013. Copies of Amendment Three are available during normal business hours of 7:30 a.m. to 4:00 p.m., central time, Monday through Friday, at the Metropolitan Development and Housing Agency's Community Development Department, located at 712 South Sixth Street, Nashville, Tennessee 37206. The Amendment will also be available for review on MDHA's website at <http://www.nashville-mdha.org/> and on the Mayor's Flood Recovery website at <http://www.nashvillerecovery.com/>. Copies of the Amendment are available in languages other than English upon request. Persons who have needs that require special accommodation may contact 615-252-8505.

Written comments may be submitted electronically at comments@nashville-mdha.org or mailed to the following address:

Metropolitan Development and Housing Agency
Community Development Department
Attn: Disaster Recovery
712 South Sixth Street
Nashville, Tennessee 37206.



AMENDING THE ACTION PLAN

The following events will be considered substantial amendments to the Action Plan for Disaster Recovery:

- The addition or deletion of any activity described in the Plan;
- A change in the planned beneficiaries of an activity;
- The implementation of an additional HUD-authorized “waiver” of any major programmatic rules or regulations; and
- Any action that HUD deems to be a significant amendment that needs public input prior to enacting.

Substantial amendments must be authorized by the Metropolitan Mayor and approved by resolution by the Metropolitan Council. For substantial amendments, MDHA will follow the same procedures for public notice as described herein. Following the public notice period, proposed amendments will then be submitted to the HUD Knoxville Field Office for review. For minor amendments, MDHA will notify the HUD Knoxville Field Office.

APPENDICES:

Appendix A: Current and Revised Allocations by Activity

Appendix B: Public Comments and Responses

APPENDIX A
Current & Revised Allocations by Activity

Program Area	Activity	Current Allocation	Proposed Allocation
Administration	Program Administration	\$ 1,600,000.00	\$ 1,654,490.00
Housing	Buyout Local Match	\$ 1,500,000.00	\$ 1,500,000.00
Housing	Homeowner Rehab Loan/Grant Program	\$ 9,400,000.00	\$ 8,400,000.00
Housing	Rental Rehab Loan/Grant Program	\$ 1,000,000.00	\$ 22,000.00
Housing	Downpayment Assistance	\$ 2,250,000.00	\$ -
Housing	Rebuild/New Construction Assistance	\$ 1,250,000.00	\$ -
Housing	Purchase/Repair Program	\$ 3,500,000.00	\$ 3,500,000.00
Housing	New Construction-Multi-family	\$ 2,000,000.00	\$ 3,193,750.00
Housing	Lead Hazard Evaluation & Reduction	\$ 500,000.00	\$ -
Housing	Emergency Rehab	\$ 1,000,000.00	\$ -
Infrastructure	Parks, Greenways	\$ 1,887,500.00	\$ 1,887,500.00
Infrastructure	Riverfront Development	\$ 3,000,000.00	\$ 10,129,081.73
Infrastructure	Neighborhood Infrastructure	\$ 137,500.00	\$ 137,500.00
Planning	Long Term Recovery Plan	\$ 1,239,813.00	\$ 809,660.00
Planning	OEM Strategic Plan	\$ 250,000.00	\$ 30,831.27
Planning	Housing Research	\$ 250,000.00	\$ 250,000.00
Planning	Downtown Riverfront Plan	\$ 450,000.00	\$ 450,000.00
Recovery	Voluntary Acquisition	\$ 1,000,000.00	\$ 1,000,000.00
Recovery	Neighborhood Cleanup	\$ 875,000.00	\$ 125,000.00
	TOTAL	\$ 33,089,813.00	\$ 33,089,813.00