

Existing Hamilton County Forensic Center

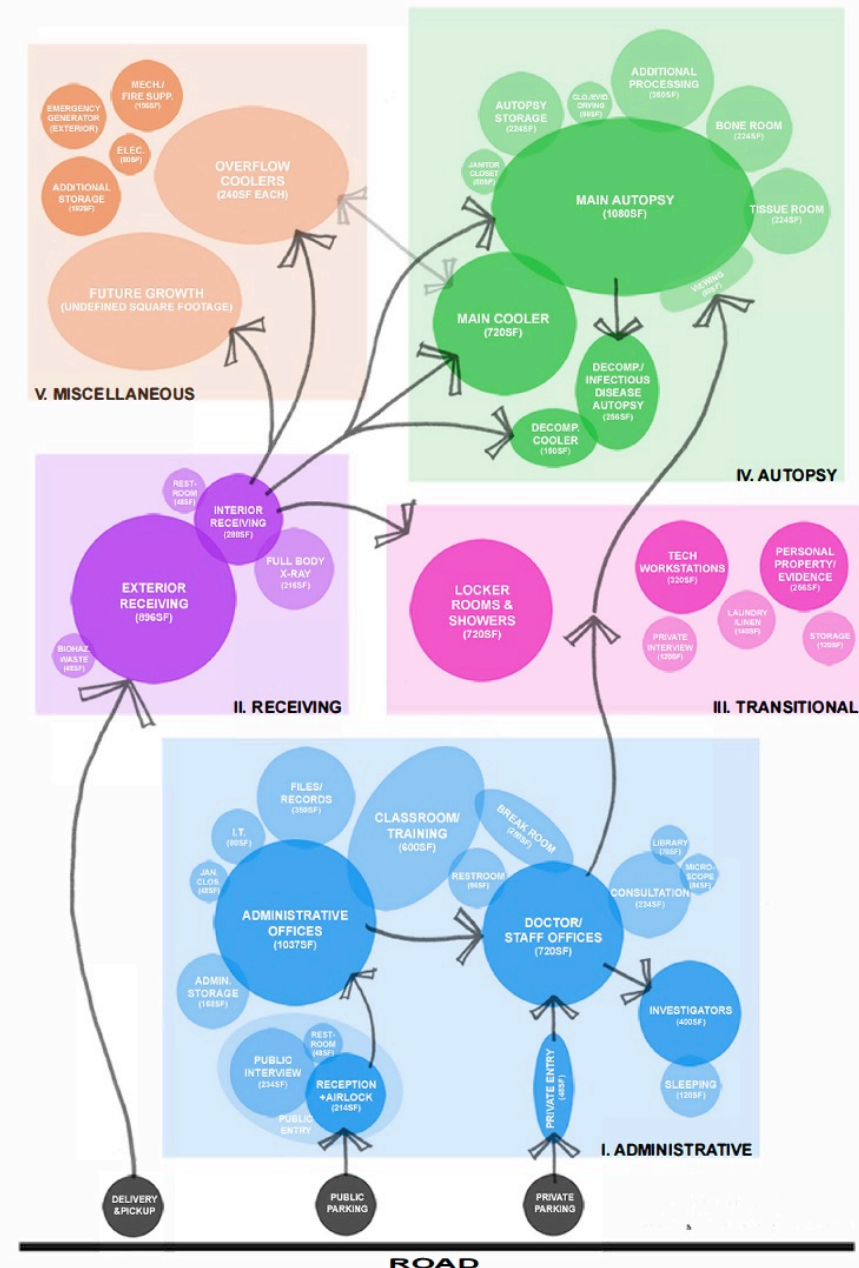
3202 Amnicola Hwy
Chattanooga, TN

Built 1989
4,806 Square Foot



Pre-design Building Program Study Diagram

Prepared by Billingsley Architecture, LLC
February 2021



Pre-design Building Program Study Requirements

New Building Size
14,244 SF

ADDITIONAL PROGRAMMATIC REQUIREMENTS:

- Security/Alarm system
- Secure roof w/anti-terrorism roof hatch
- Autopsy area & Admin area on separate HVAC systems
- Solar panel installation recommended
- Confirm compliance with NAME (National Association of Medical Examiners) standards for NAME accreditation

BUBBLE DIAGRAM:

The attached bubble diagram is meant for programmatic purposes only. Its purpose is to illustrate the organization of the spaces defined within this document, as well as required adjacencies and access points.

SQUARE FOOTAGE TOTALS:

Administrative Area Total Square Footage: 5665 s.f.

Receiving Area Total Square Footage: 1709 s.f.

Transitional Area Total Square Footage: 1978 s.f.

Autopsy Area Total Square Footage: 4104 s.f.

Misc. Space Total Square Footage: 788 s.f. (interior)

= 14,244 s.f. TOTAL

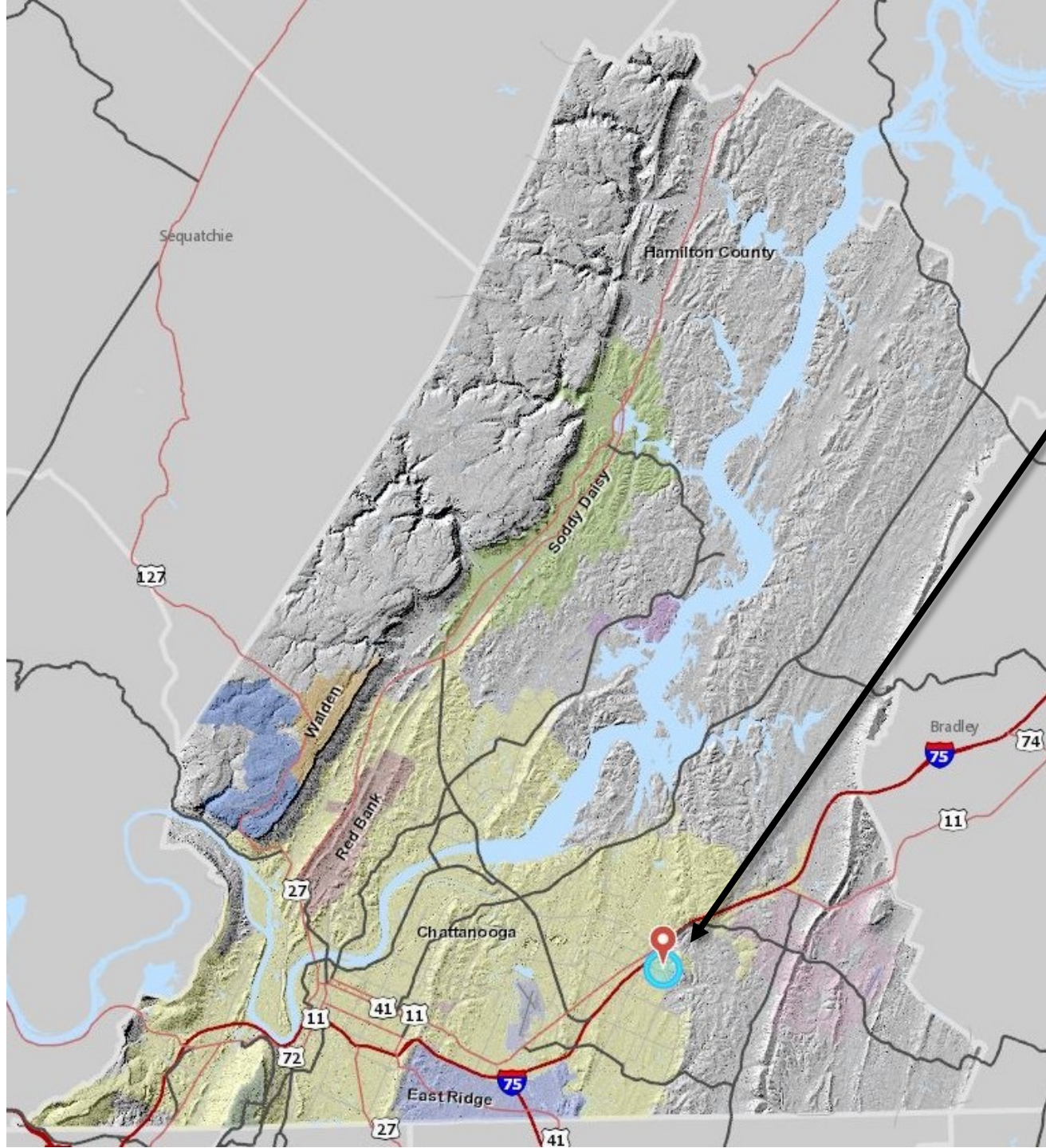
CONSTRUCTION ESTIMATE:

A preliminary construction estimate is **\$5,700,000**. This estimate is based on current construction costs (as of 03.16.21) and is subject to change. This construction estimate covers the building structure costs only. Sitework/site improvements would be an additional **\$150,000**. (No geotechnical testing has been performed in the area of the proposed site.) The proposed site is a favorable location because of its existing direct access to utilities (water, sewer, gas, electric), as well as existing road access.

Existing Building and Site Constraints

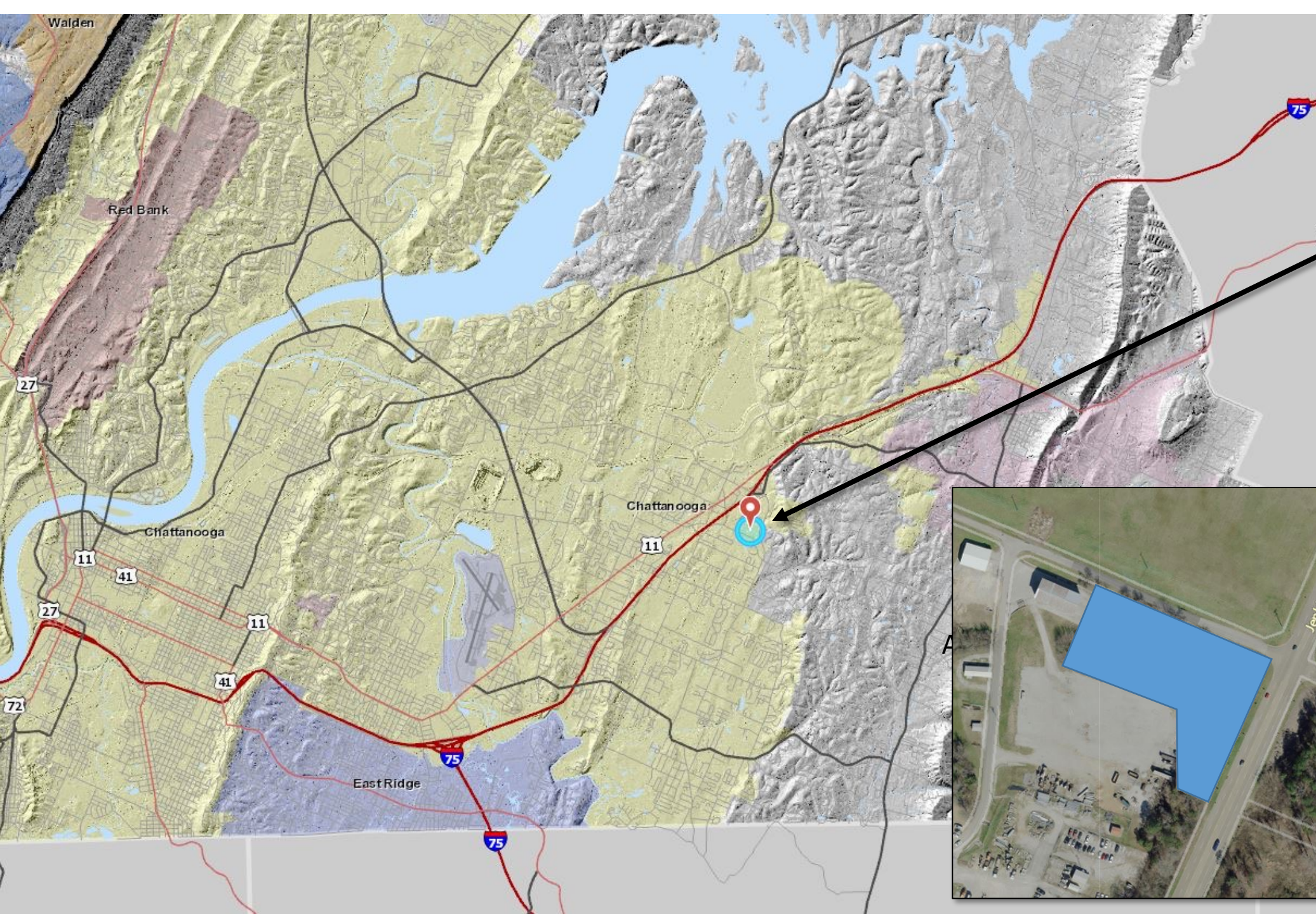
- Building is inadequate for future growth to accommodate required workspaces as identified by Program Study
- Deficiencies include insufficient HVAC and exhaust system
- Existing site size of 28,000 SF is unable to support a building requirement of 14,244 SF





Proposed Site For
New Forensic Center

Off I-75, Exit 7
Near 3600 Jenkins Road
Chattanooga, TN

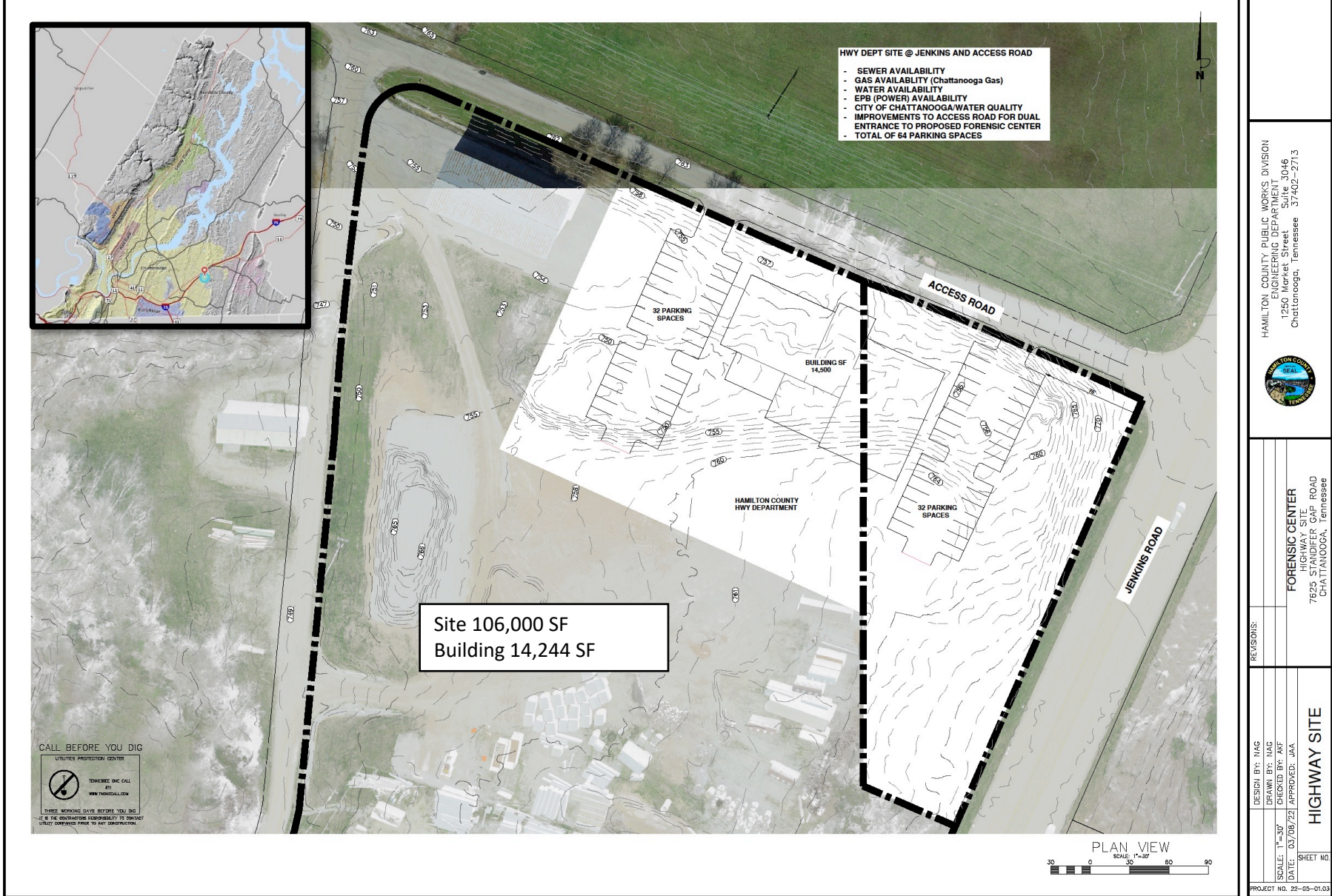


Proposed Site For
New Forensic Center

3600 Jenkins Rd,
Chattanooga, TN



Proposed New Facility Site – 3600 Jenkins Rd



- HWY DEPT SITE @ JENKINS AND ACCESS ROAD**
- SEWER AVAILABILITY
 - GAS AVAILABILITY (Chattanooga Gas)
 - WATER AVAILABILITY
 - EPB (POWER) AVAILABILITY
 - CITY OF CHATTANOOGA/WATER QUALITY
 - IMPROVEMENTS TO ACCESS ROAD FOR DUAL ENTRANCE TO PROPOSED FORENSIC CENTER
 - TOTAL OF 64 PARKING SPACES

Site 106,000 SF
Building 14,244 SF

HAMILTON COUNTY PUBLIC WORKS DIVISION
ENGINEERING DEPARTMENT 1046
1250 Market Street
Chattanooga, Tennessee 37402-2713



REVISIONS:

DESIGN BY: MAC	FORNSIC CENTER
DRAWN BY: MAG	HIGHWAY SITE
CHECKED BY: AKF	7625 STANDIFER GAP ROAD
DATE: 03/08/23	CHATTANOOGA, Tennessee

PROJECT NO. 22-05-01.03

CALL BEFORE YOU DIG
UTILITIES PROTECTION CENTER
TENSURET ONE CALL #1
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THREE WORKING DAYS BEFORE YOU DIG
IT IS THE CONTRACTOR'S RESPONSIBILITY TO CONTACT
UTILITY COMPANIES PRIOR TO ANY CONSTRUCTION

PLAN VIEW
SCALE: 1"=30'
0 30 60 90

Project Cost Estimate

\$10,105,200

*Building Construction Cost
Estimated at \$400 per SF

Project Costs developed Spring 2022

Design (10% of estimated building cost)	\$570,000
Special Inspections during construction (2% of estimated building cost)	\$114,000
Site Infrastructure (grading and preparation)	\$150,000
Project construction admin/testing (2% of estimated building cost)	\$114,000
Construction contingency (10% of estimated building cost)	\$570,000
<u>Building Construction</u>	<u>\$5,700,000*</u>
Estimated Total	\$7,218,000
Plus 40%	\$2,887,200
Estimated Total	\$10,105,200

Project Timeline

- Pre-design Building Program – Completed February 2020
- Architect Selection – Request for Qualifications (RFQ) – 3 Months
- Design – 9 Months
- Bid & Award – 3 Months
- Construction – 12 Months
- Total Time After Project Approval – approximately 2 Years, 3 Months

Projected Budget

New Building (design and construction)	\$10,105,200
Autopsy Equipment	\$3,475,290
Property (approx. 2.5 acres)	<u>\$250,000</u>
TOTAL COST	\$13,830,490
State Investment	\$10,000,000
Hamilton County Investment	\$3,830,490

Note: Hamilton County intends to absorb any additional utility costs (estimated at \$100,000), donate the property (approx. 2.5 acres), and deal with any construction cost escalations by reducing building square footage and/or providing additional funding.

Staffing Analysis:

POPULATION BY COUNTY:

Hamilton 375,000

Bradley 112,000

Polk 17,000

Rhea 34,000

Sequatchie 16,000

Marion 30,000

Bledsoe 16,000

Meigs 13,000

Total catchment area population: 613,000

Hamilton County: 62% of catchment area population

Total out-of-county population: 238,000 (38% of catchment area population)

NAME standards: 250 autopsies and equivalents per pathologist; 3 exams = 1 autopsy equivalent

Estimated autopsies/equivalents: Hamilton County: 500 (375 autopsies + 125 exams)

Estimated autopsy referrals, out of county: 238

Probable actual autopsy referrals: 120 (50% estimate based on experience in similar systems)

Total Hamilton County autopsies / equivalents, plus estimated autopsy referrals 500+238= 738

Total Hamilton County autopsies / equivalents, plus probable autopsy referrals 500+120= 620

738 autopsies / 250 autopsies per pathologist = 3 pathologists

620 autopsies / 250 autopsies per pathologist = 2.5 pathologists

Staffing:

Current Staffing

- 2 Forensic Pathologists
- 1 Chief Medical Investigator/Office Manager
- 1 Chief Deputy Medical Investigator/Asst. Office Manager
- 4 Medical Investigative Specialists
- 2 Forensic Technicians
- 1 Administrative Support
- 1 Accreditation & QA Support

Estimated Additional Future Staffing:

- 1 Additional Forensic Pathologist
(prefer Board-Certified)
- 2 Additional Medical Investigative Specialists
- 2 Additional Forensic Technicians
- 1 Additional Administrative Support



Budget Proposal

Hamilton County Medical Examiner Facility

About the Project

Hamilton County Government is proposing an initial \$10,000,000 state budget request for the development of a new Hamilton County Medical Examiner building to replace and serve as the Southeast Tennessee Regional Forensic Center. The County is fully committed to, and vested in, the comprehensive oversight of the funds, management, and completion of the project. Any additional cost overages, revisions, or unanticipated activities incurred will be provided, as needed, by the County toward the total project amount. Currently, the estimated construction cost of \$10,105,200, anticipated equipment cost of \$3,475,290, and property donation of \$250,000 combined are approximately \$13,830,490.

The proposed 14,244 sq. ft. building will replace and more than triple the square footage of the current 33 year-old (built in 1989) now obsolete, outgrown structure. The new building will house and provide sufficient staff space and resources as needed by Hamilton County and the surrounding Southeast counties in its regional medical examiner service area.

The current forensic center is impeded by issues related, but not limited to, capacity backlogs; advanced technology requirements; physical plant failures; quality process improvements; etc. Results have yielded ever-rising case numbers primarily attributed to, and compounded by increases in regional population growth, violent crime fatalities, opioid overdoses, and COVID-19 deaths. Overall the new medical examiner facility will address these costly debilitating inefficiencies and outcomes, while fulfilling the mission of protecting the public's health and safety, participating in the criminal justice system, and providing vital statistical data.

Timeline

Pre-design Building Program – Completed February 2020

Architect Selection – Request for Qualifications (RFQ) – anticipated Three (3) Months

Design – anticipated Nine (9) Months

Bid & Award – anticipated Three (3) Months

Construction – anticipated Twelve (12) Months

Total Design, Bid and Construction Time – approximately Two (2) Years

The project is scheduled, after architect selection, to start July 1, 2023 and end June 30, 2025

Design and Bid & Award
July 1, 2023 - June 30, 2024

Construction
July 1, 2024 - June 30, 2025

Budget Information

Project Design and Construction Estimate

Design (10% of estimated building cost)	\$ 570,000.00
Special Inspections during construction (2% of estimated building cost)	\$ 114,000.00
Site Infrastructure (grading and preparation)	\$ 150,000.00
Project construction admin/testing (2% of estimated building cost)	\$ 114,000.00
Construction contingency (10% of estimated building cost)	\$ 570,000.00
Building Construction *	\$ 5,700,000.00
Estimated Total	\$ 7,218,000.00
Current 2022 Estimate + 40%	\$ 2,887,200.00
Grand Total	\$ 10,105,200.00

Note: *14,244 sf at \$400/sf. Estimate does not include any required land acquisition, equipment, or furnishings

Projected Autopsy Equipment Estimate

Autopsy Stations and Equipment	
Full Body X-Ray - (LODOX)	
Autopsy Carts- Hydraulics (5)	\$ 480,000
Pneumatic Saws With Vacuum	\$ 500,000
System Coolers (Main and	\$ 33,310
Decomposition) Miscellaneous	\$ 15,000
Shelving	\$ 145,000
Office Furniture	\$ 66,000
Floor Scale	\$ 75,000
Refrigerator and Deep Freezer	\$ 19,500
Rack: Front Load 40 Cadavers 3x7 footprint, Main Cooler, 4 Tiers	\$ 13,440
Height Winch-Body Lift System (3)	\$ 40,000
Cadaver Trays 27" x 78" (76 Trays) with Drain/Plug @ \$900 Each	\$ 70,000
Cadaver Carriers (36 Carriers) @ \$3,000 Each	\$ 68,400
Microscopes (5)	\$ 108,000
HVAC additional Negative Air Pressure System Requirements	\$ 130,000
Generator Commercial Grade (Electrical Backup, Power Failure)	\$ 300,000
Medical Grade Stand-Behind Hydraulic Fork/Scissor lift (Body Lift to Wall Racks)	\$ 150,000
Security, Phones, IT	\$ 10,000
Safety Wall Mount Shower and Eyewash	\$ 250,000
Washing Machine and Dryer Commercial Grade (Biohazard Sheets, Towels)	\$ 4,200
Moving Expenses	\$ 2,000
Grand Total	\$ 2,500
Supply, Demand, Materials Cost Increase Estimate +40%	\$ 2,482,350
Total	\$ 992,940
	\$ 3,475,290

Appendix

- **Justification Letter to Build a New Hamilton County Medical Examiner Facility**
- **Projected Estimated Cost for New Facility**
- **Projected Estimated Cost for Autopsy Equipment**
- **Projected Estimated Budget for New Facility**



Office of Hamilton County Medical Examiner Southeast Tennessee Regional Forensic Center

3202 Amnicola Hwy · Chattanooga TN 37406 · P 423-209-5700 · F 423-493-5176

Justification Letter to Build a New Hamilton County Medical Examiner Facility

Hamilton County, Tennessee Government has current land acquired for the immediate construction of the new proposed Hamilton County Medical Examiner building facility.

The current Hamilton County Forensic Center was built and occupied for use in 1989. It is now 33 years old, and is in constant need of repair, outdated, and unable to hold current 2021-2022 staffing; office space is limited to six (6) staff offices, requiring some office space to be shared. Current staffing is twelve (12) employees.

The 5,812 sq. ft. facility was sufficient for the staffing at that time and could provide adequate forensic capabilities for cases required by Tennessee State Law to be examined as medical examiner cases.

The onset of population growth in Hamilton County, and surrounding Tennessee counties, including peripheral north Georgia, Alabama, and North Carolina states and counties, dramatically increased the volume of cases investigated by Hamilton County Medical Examiner's Office.

Hamilton County, Chattanooga, Tennessee also has a level one trauma hospital with ground and air medical EMS transports daily of critical injured patients from outside Hamilton County jurisdiction. If any of those critically injured patients succumb, the death is a Hamilton County Medical Examiner responsibility for investigation only and completion of death certificates due to the death occurring in Hamilton County jurisdiction.

Currently, Hamilton County violent crime is on the rise, opiate overdoses cases have tripled possibly quadrupled with the introduction of the deadly Fentanyl synthetic opioid in the year 2017.

The Covid-19 Pandemic 2020-2021 increased Hamilton County Medical Examiner case load as local hospitals have limited or no morgue/cooler space and decedents have to be transported under Hamilton County Medical Examiner jurisdiction for storage until families could make funeral arrangements.

Funeral homes are backlogged with funeral services, and maximum capacity reached in their facility morgues/coolers, which caused extended storage of decedents at the Hamilton County Medical Examiner's Office.

Hamilton County Medical Examiner's Office has the capability of holding twelve (12) decedents in the interior main cooler with the use of wall racks. An outside refrigerated disaster trailer was purchased due to limited interior cooler space with a capacity of holding twenty-four (24) decedents. The disaster trailer stays near capacity due to indigent county cremations and hospital, funeral home overflow and is therefore not available for its intended (and necessary) purpose.

September 10, 2021, Hamilton County purchased a refrigerated container with the capability of storage of 20-40 decedents dependent on configuration. This was an emergency purchase due to the Covid-19 Delta Variant deaths occurring at local hospitals. The refrigerated container was placed off-site in a secure Hamilton County facility approximately 8-10 miles from the Medical Examiner's Office.

Hamilton County Medical Examiner's personnel are also responsible for control, supervision, and inventory of decedents housed/stored at the off-site refrigerated container.

There are two autopsy stations in the main building and a third station for bariatric and decomposition cases at the Hamilton County Medical Examiner's Office. However there are no negative air pressure capabilities for infectious disease and advanced decomposition cases.

Autopsy stations are equipped with older generation forensic tools that are powered by electricity. These electric tools are near water and considered a potential shock hazard even though on ground faulted receptacles (GFIC).

The use of power tools plugged into wall receptacles also are potential tripping hazards while working at the autopsy stations. Modern forensic equipment are now predominantly pneumatic air tools stationed on ceiling reels to eliminate electric shock and fall/tripping hazards.

Conclusion:

The current Hamilton County Medical Examiner's Forensic Center is thirty-three (33) years old, in poor condition and in constant need of repair. Current exterior stucco building walls have deteriorated due to natural environment, weather and maintenance machinery abuse exposing foam insulation material at the base of the walls.

Current HVAC systems do not and have not worked properly for years making inside working environment for employees unpleasant and uncomfortable, hazardous due to wet and damp autopsy floors (slip fall hazards). The moisture issues regarding expensive X-ray equipment required placing towels over the equipment to prevent damage. Moisture has also caused autopsy tools, scalpel blades to rust inside manufactured packaging.

Building security systems are lacking with only one security camera available. Grieving and upset family members have breached secure rear areas of the facility placing medical examiner employees at risk of confrontational threats by decedent's family members.

The footprint of space for the building has limited rear parking for the current staff. Some staff have to park in the front (visitor parking area), which can be an issue with safety with encounters of upset family members. Our front visitor parking area is sometimes shared with overflow parking to an adjacent fire and police training center.

Current autopsy stations are very close together making working two stations at once distracting and intrusive for the forensic pathologists and technicians to conduct their examinations.

Older and outdated autopsy electrical equipment/tool; potential risk of shock and fall/tripping hazards.

Absence of negative air pressure capabilities for infectious disease and advanced decomposition odor absorption.

Absence of a separate cooler space for decedents with infectious disease and advanced decomposition odor absorption capabilities.

Inadequate cooler space based on current intake and inventory of deceased individuals; hospital, funeral home overflow due to Covid-19 Pandemic, and indigent county cremation storage cases.

Inadequate eye/skin contamination stations, only one near the autopsy station and not a separate emergency safety station.

Inadequate and safety/security parking for employees/staff.

Building maintenance repairs are only a temporary fix and not monetarily feasible to continue spending money based on the age of the facility.

Inability to expand or retro-fit any construction additions due to the footprint of land the current building is on. It is also noted that the land the current building is on is owed/property of the City of Chattanooga and not Hamilton County.

Inadequate office space for current employees/staff.

Inadequate building square footage based on employee staffing, autopsy work stations, and cooler space.

Building air systems have not been efficiently working and has caused mold/mildew and condensation issues. These issues caused having to move older stored case photographs and DNA cards to a dry Hamilton County facility so not to compromise the integrity of the photographs and degrading of the DNA cards that have to be maintained indefinitely.

Bottom line, current population increase, volume of intake of cases, increased violent deaths, traffic related deaths, opioid overdose deaths, increased Covid-19 deaths, current staffing, and age of facility; this facility is grossly inadequate in square footage for proper efficiency and operational requirements.

Projected Estimated Cost for New Facility

Hamilton County Engineering and Facilities Maintenance coordinated a building project programming analysis for a new Forensic Center in March of 2021. The analysis was conducted by a consulting architectural firm. The result of detailed interviews with Forensic Center staff to determine daily operational requirements, review of the existing facility layout, and comparison with other similar size facilities was the completion of a programming phase.

Project design and construction budget information, based on the programming phase analysis for a new Forensic Center with a square footage of 14,244 square feet, is outlined as follows:

Design (10% of estimated building cost)	\$570,000
Special Inspections during construction (2% of estimated building cost)	\$114,000
Site Infrastructure (grading and preparation)	\$150,000
Project construction admin/testing (2% of estimated building cost)	\$114,000
Construction contingency (10% of estimated building cost)	\$570,000
<u>Building Construction *</u>	<u>\$5,700,000</u>
Estimated Total	\$7,218,000
Current 2022 Estimate + 40%	\$10,105,200

Note: *14,244 sf at \$400/sf in Spring 2022
Estimated Annual Utility Costs (Gas, Water, Sewer, Elec.): approx. \$100,000

Projected Estimated Cost for Autopsy Equipment

Autopsy Stations and Equipment	\$480,000
Full Body X-Ray - (LODOX)	\$500,000
Autopsy Carts- Hydraulics (5)	\$33,310
Pneumatic Saws With Vacuum System	\$15,000
Coolers (Main and Decomposition)	\$145,000
Miscellaneous Shelving	\$66,000
Office Furniture	\$75,000
Floor Scale	\$19,500
Refrigerator and Deep Freezer	\$13,440
Rack: Front Load 40 Cadavers 3x7 footprint, Main Cooler, 4 Tiers Height	\$40,000
Winch-Body Lift System (3)	\$70,000
Cadaver Trays 27" x 78" (76 Trays) with Drain/Plug @ \$900 Each	\$68,400
Cadaver Carriers (36 Carriers) @ \$3,000 Each	\$108,000
Microscopes (5)	\$130,000
HVAC additional Negative Air Pressure System Requirements	\$300,000
Generator Commercial Grade (Electrical Backup, Power Failure)	\$150,000
Medical Grade Stand-Behind Hydraulic Fork/Scissor lift (Body Lift to Wall Racks)	\$10,000
Security, Phones, IT	\$250,000
Safety Wall Mount Shower and Eyewash	\$4,200
Washing Machine and Dryer Commercial Grade (Biohazard Sheets, Towels)	\$2,000
Moving Expenses	\$2,500
Subtotal	\$2,482,350
Supply, Demand, Materials Cost Increase Estimate +40%	+\$992,940
Total	\$3,475,290

Projected Estimated Budget for New Facility

New Building (design and construction)	\$10,105,200
Autopsy Equipment	\$3,475,290
Property (approx. 2.5 acres)	<u>\$250,000</u>
TOTAL COST	\$13,830,490
State Investment	\$10,000,000
Hamilton County Investment	\$3,830,490

Note: Hamilton County intends to absorb any additional utility costs (estimated at \$100,000), donate the property (approx. 2.5 acres), and deal with any construction cost escalations by reducing building square footage and/or providing additional funding.



HAMILTON COUNTY, TENNESSEE
OFFICE OF THE COUNTY MAYOR
WESTON WAMP

Tony Niknejad
Policy Director
Office of Governor Bill Lee
State Capitol
600 Dr. Martin Luther King Jr. Blvd.
Nashville, TN 37243

Mr. Niknejad:

As a follow up, please find below justification for use of State and Local Fiscal Recovery Funds (SLFRF) to be utilized for a new Hamilton County Regional Forensic Center.

Executive Summary

- The Hamilton County Regional Forensic Center is the Southeast Tennessee Regional Forensic Center and has the capacity to handle 12 bodies at a time – as of July 2022, Hamilton County has had 1,177 confirmed COVID-19 deaths.
- COVID-19 patients are routinely sent to Hamilton County Hospitals because it is a regional health care hub.
- The influx of COVID-19 deaths has overloaded the current facility, which, was not designed to handle a pandemic of this size.
- The footprint and ongoing operations of the current facility make it impossible to retrofit to handle the influx from COVID-19.
- Building a duplicate site would be wasteful and inefficient.
- In order to handle the influx from COVID -19, a new facility is needed ASAP and Hamilton County has agreed to provide the land, engineering, construction management, relocation cost, and cover all expenses beyond the 10 million grant.

Regional Forensic Centers across the State of Tennessee:

Tennessee State Department of Health has designated five (5) regional forensic centers; West Tennessee Regional Forensic Center (Memphis), Middle Tennessee Regional Forensic Center (Nashville), East Tennessee Regional Forensic Center (Knoxville), Northeast Regional Forensic Center (Johnson City), and Southeast Regional Forensic Center (Chattanooga). Additionally, all regional forensic centers are accredited under National Association of Medical Examiners (NAME).

Negative Impacts of Covid-19 on Operations and Population Served:

The Covid-19 Pandemic unofficially started at some point in the year of 2019. At that time Covid-19 symptoms were diagnosed or misdiagnosed as Flu, or upper respiratory infections, as early warning signs and flawed testing negated the actual identification of the Covid-19 disease. The Centers for Disease Control and Prevention (CDC) Covid-19 testing plans were initiated in early January 2020. In late January 2020, details by the CDC of Covid-19 testing were received. In February 2020, detection and testing of suspected Covid-19 cases began. In April 2020, there was a lack of wide distribution of Covid-19 test kits to health agencies and the deaths were underestimated. Negative impacts from the Alpha, Delta, Omicron and current BA.2 etc. variants were felt greatly in Hamilton County, Tennessee.

After the first health warning issued by the CDC, due to hoarding, and lack of mass produced personal protection equipment (PPE), the Hamilton County Regional Forensic Center was unable to purchase from any vendor (PPE) for our office, staff, and field medical investigators to adequately perform duties. All (PPE) was on back order or very limited (especially latex gloves, facemasks, face shields, body disaster bags, and no R95 facemasks required/preferred to wear). The Hamilton County Regional Forensic Center could not purchase any hand sanitizer, or any sanitization liquids (except what was in stock) to clean hands and equipment. Negative impact due to supply and demand, (PPE) costs doubled or tripled; not budgeted for.

At or near peak reported deaths, nationwide, Hamilton County, Tennessee local hospitals (three major hospitals) were in the same situation, but not to the extent of cities/counties with enormous populations, as Hamilton County, Tennessee has roughly a population of 364,700.

Hamilton County, Tennessee is surrounded by other Tennessee counties and borders several Georgia counties without the level of care (ventilators) to treat or required for the pandemic treatment. Most if not all suspected Covid-19 patients in the outlying counties were transferred (by EMS or air medical) to the three Hamilton County hospitals for higher level of care and ventilator availability/capacity. One Hamilton County, Tennessee hospital is a level one trauma center, so they were accepting not only suspected Covid-19 patients, but all critically ill and traumatic injury cases. Hamilton County Covid-19 hospitalizations and deaths were exacerbated due to the influx of out of county/state Covid-19 patients that were transported to local Hamilton County hospitals caused hospital staff shortages, closure of floor rooms (inadequate staffing), staff infected with Covid-19, and intensive care units at full capacity; utilization of negative air pressure units in neuro trauma intensive care units. Negative impact; over capacity (inadequate staffing) of hospitals; emergency rooms placed on advisory, or bypass (excluding trauma cases); economic deficits and negative revenue.

Negative impact to the Hamilton County Regional Forensic Center - deaths from outlying counties/states at local hospitals caused additional burden for overflow of deaths from hospitals and storage of decedents until funeral arrangements were made.

The Hamilton County Regional Forensic Center was directly and negatively impacted by the closure of all schools, businesses closings, travel restrictions, training canceled, and staff working at home remotely. The Hamilton County Regional Forensic Center split weeks of personnel being at the office and the other half working at home remotely.

The Hamilton County Regional Forensic Center must have 24/7, 365 coverage for death scene investigations, examinations/autopsies, and indigent deceased person storage with no prearranged funeral home plans. Also, if both forensic pathologists were infected or suspected as infected with Covid-19, then all examinations/autopsies would have to be transferred/transported to another regional forensic facility (Knoxville or Nashville) at the expense of Hamilton County government and county taxpayers, which would be a negative economic impact, and logistic issues; fortunately, that did not occur.

On March 10, 2020, Hamilton County Emergency Management procured (monthly rental approximately \$6,000 to \$7,000 per container) two (2) offsite mobile morgue refrigerated containers for local hospitals and our office for death overflow storage. The Hamilton County Regional Forensic Center staff had total control of the operations of the offsite facility and made protocols of use for the offsite facility, which was located approximately ten (10) miles from the Hamilton County Regional Forensic Center. Further, the negative economic impact included vehicle fuel, vehicle maintenance costs, employee salaries and overtime compensation.

Hamilton County Regional Forensic Center selected staff had to implement the offsite facility protocols and coordinate with all local hospitals on how to use the facility, which took Hamilton County Regional Forensic Center staff away from normal duties to initiate the written protocols, make sure the hospital assigned coordinators were updated and had read the new protocols for use. A group email was established with read receipts for confirmation of disseminated information.

Hamilton County Regional Forensic Center and Hamilton County Emergency Management had to contract private transport service for all Covid-19 or suspected Covid-19 deaths from hospitals, homes, motels/hotels to the offsite Covid-19 refrigerated container facility. All the above items (offsite facility, split shifts transport services, and additional documentation had a negative economic impact as these were additional services not previously budgeted for).

The pandemic economically impacted the Hamilton County Regional Forensic Center as additional overtime compensation was required for the new unscheduled duties of the offsite facility for hospitals and coordination with the private transport service of deceased persons, as Hamilton County Emergency Medical Services (HCEMS) were backlogged with calls for service including Covid-19 patients.

Hamilton County Regional Forensic Center can hold twelve (12) deceased persons, with the use of a (construction materials type manufactured) hand-crank lift to wall trays in the main cooler. The six (6) floor trays are for pending examinations/autopsies. Negative impact: Employees subject to injury to move bodies to wall trays in order to have adequate floor trays available.

All confirmed or suspected Covid-19 deaths were transported from hospitals or homes directly to the offsite Covid-19 facility and not brought into the Hamilton County Regional Forensic Center as the facility does not have any negative air pressure area/room for infectious disease control, thus a negative Covid-19 impact for service. Cases that required autopsy were performed with limited staff to lesson possible exposure.

Due to negatively impacted Covid-19 deaths, families could not have traditional funeral services for their loved ones. Local, out of county, and other state funeral homes were negatively impacted due to the backlog of planned funerals and some funerals took as long as a month or longer to be performed.

Most families, not by choice, made the determination to have their loved one cremated, as funeral homes could not provide refrigerated storage long enough for a traditional burial. Hospitals initiated no visitor policies, which included families not able to be with their loved ones at or near the time when death occurred. Families had to rely only on hospital personnel/staff to comfort loved ones when death occurred. Negative impact: harmful, emotional, and mentally distressing to families and healthcare workers.

If the death occurred in Hamilton County, Tennessee, it was the responsibility and duty of the Office of the Hamilton County Regional Forensic Center, either the Chief Medical Examiner or Associate Medical Examiner, to review all cremation permits, and death certificates. Clerical staff had to make a cremation case file, and fax all approved cremation permits to the appropriate funeral home. Negative Economic Impact for Covid-19: Cases are not usually/normally a medical examiner case. Due to the Covid-19 pandemic cases, the additional autopsy caseloads, and natural cases not associated to Covid-19 were the responsibility of the Hamilton County Regional Forensic Center.

Statistical information for the pandemic period January 01, 2019 to July 15, 2022:

Hamilton County, Tennessee

Covid-19 deaths: 1,177

Accidental deaths: 1,374 (including 586 Drug Overdose Deaths)

Homicides: 153

Suicides: 237

Cases Autopsied: 1,600

Total Medical Examiner Cases: 3,053

Natural Deaths: 757

Non-ME Cases but deaths reported: 9,886

Cremation Permits: 8,813

Cremation Permits: 1,177 Covid-19 deaths (probably one-third (1/3) to possibly one half (1/2) or more were Covid-19 related deaths; cremations).

Additional Covid -19 Concerns:

As nationwide, Hamilton County Regional Forensic Center still has Covid-19 concerns. The death rate has decreased as well as hospitalizations. With that said, should a new more vicious Covid-19 variant emerge, with mass deaths, the Hamilton County Regional Forensic Center is in the same exact position as

during the previously mentioned pandemic parameters; unable to provide adequate forensic services with space constraints. Within the timeframe of May 2022 through July 2022, 75% of Hamilton County Regional Forensic Center staff was positive for some variant of Covid-19 and required quarantine.

There is no possible way to incur a surge of Covid-19 deaths with our current building facility if another Covid-19 wave should reappear or surface. New Covid-19 variants even more contagious have emerged with local hospitals preparing for a late 2022 outbreak on increased hospitalizations. The Hamilton County Regional Forensic Center's current facility is simply too limited to handle our current case load and Covid-19 or worse.

Economically, it would be a reasonable approach after having endured the negative impact of Covid-19, including the harm of placing employees at risk of exposure to Covid-19 related infections (negative air capabilities), to build a new forensic facility, safe for employees, capable of a pandemic surge and to handle the current case load. The current facility lacks the capacity for body assisted lift systems currently used by updated forensic centers. There is no ceiling room space to retrofit such body lift systems. Having the body lift systems in place would assist in preventing employee injuries.

The additional safeguards are not practical to retrofit the current building facility as there is no adequate building space for such retrofitted equipment. Since the Hamilton County Regional Forensic Center must operate 24/7, 365 days/year, and understanding the interior space of the current building, there is no way to continue regular operations while renovating the current facility. Also, the lot/property is very limited and would not allow adequate construction site space while continuing regular operations.

Analysis:

The Hamilton County Regional Forensic Center falls under the umbrella of State of Tennessee Department of Health and should meet the eligibility criteria under the Public Health Category. Investigation of death and the determination of the manner and cause of death is the primary principle of any forensic center for any person/citizen that requires forensic services.

1. Covid-19, like any other communicable infectious disease, is a public health concern with various economic impacts on resources, appropriate functioning building facilities, appropriate staffing, budgets, employee benefits, coordination and cooperation with peripheral agencies and other stakeholders and we must attempt to honor family religious parameters regarding religious autopsy protocols.
 - Impact to Covid-19 socioeconomically deprived or less fortunate persons or households; provide same forensic services as any person/citizen would expect with Covid-19 infections
 - Impact on business, hospitals, funeral homes, law enforcement agencies, non-profits, hospice care, body donations to science entities, DNA paternity testing, organ donation centers, indigent or reasonable funeral expenses or cremation services (Hamilton County, TN provides indigent cremations)
 - Disproportionate impact on homeless community, indigent families of deceased, closure of businesses due to Covid-19 pandemic, economic financial failure

- Most severe impacts with Covid-19 exposures to healthcare workers (including Hamilton County Regional Forensic Center staff/employees), frontline workers (law enforcement, general governments, front line infrastructure workers; infected with Covid-19 causing debilitating post-infection effects (loss of job and most severe death)

2. Design a response that addresses or responds to the impact:

- Impact of harm/risk of Covid-19 due to Hamilton County's geographic location, health care facility development, population growth, this necessitates a need for additional space for forensic services. With a projected 3.8% to 3.9% population growth (estimated) Hamilton County will have just under 400,000 in total population
- Not figured into the project population growth are homeless community populations, and the influx of out of county/state patients transferred to Hamilton County local hospitals for Covid-19 treatment; any deaths associated to Covid-19 are the responsibility of the Hamilton County Regional Forensic Center for possible overflow storage and cremation application processing
- Reasonableness of impact for a projected new forensic center based on previous or future Covid-19 outbreaks; adequate space to conduct forensic examinations and autopsies; and adequate employee work stations; reasonable benefit to any person regardless of socioeconomic status, religious beliefs, or ethnicity by a more expeditious approach of forensic services (autopsy results/reports for answers to families, death certificates, cremation permits, law enforcement inquiries on criminal cases; efficient body storage inventory reduction (cooler space) to funeral homes with ample cooler space for continued examinations and forensic services

Address additional information on specific Covid-19 impact to the operations of the current facility:

Covid-19 continues to impact the Hamilton County Regional Forensic Center's day to day operations with additional unbudgeted capital and operations expenditures as previously mentioned including private transport services, delegation of extra personnel duties and responsibilities that ordinarily would not have been tasked. However, these are reasonably proportional to the harm/risk associated to the Covid-19 pandemic and in compliance with National Association of Medical Examiners (NAME) standards of accreditation.

Specifically inquired for this response was that cooler space was the main issue for a new forensic center. However, this is only one component of necessary improvements to handle Covid-19.

Address building a new facility vs increase current cooler space:

1. There is no possible way based on the footprint and square feet of the current building/facility to attempt such an expansion or retrofit of additional cooler space or equipment. Making larger or

increasing cooler space would decrease the other limited precious space/area currently in use to compensate for the cooler expansion. Hamilton County and Chattanooga City building codes may negate or prohibit any add-on or exterior additions/expansions to the current facility. Current employee and visitor parking is already inadequate. Any proposed external expansion would negate the current parking space.

2. It would make our current facility non-operational (closed or cease operations) due to any demolition or attempted construction to expand cooler space in the current facility. Examinations/autopsies would have to be transferred to other regional forensic centers with a negative impact of economic non-budgeted expenditures.

Address opioid-related deaths as a one of the primary needs for a new forensic center compared to the effects of Covid-19 pandemic:

There is a logical or reasonable assumption that due to Covid-19, some individuals lost their jobs permanently. Some of those individuals were previous substance abusers and were possibly working in an environment where their employer conducted/mandated drug screen testing for employment. This kept the individual clean of drug use while being actively employed. Once the individual lost their job, reduction in force etc. was reasonable that the individual returned to substance abuse use due to lack of employment or ability to find other employment. These individuals potentially fell back into depression and reverted back to a previous life style of drug addiction. More importantly the previous drug addiction; the synthetic opioid Fentanyl may have not been prevalent; but now is the number one death component in opioid deaths.

Workforce employees working remotely or from home were not under supervised scrutiny. This gave an avenue of recreational drug use with unfortunate distribution of unknown opioid laced drugs. This resulted in opioid drug overdoses (survival/recoveries) and associated drug overdose opioid deaths. Negative impact to hospitals, public safety (Police, Fire, EMS), forensic centers with a public health hazard/concern.

In numerous opioid death cases, the decedent was also Covid-19 positive.

Address the cost of the capital project reasonable and proportional response to the pandemic's impact:

The pandemic's effect was globally harmful to the entire populace. It struck absolute fear in people with daily news announcements of the increasing death tolls with no end in sight. When it was announced that Covid-19 was indeed a public health hazard, the fear was exacerbated to the point of hoarding personal protective equipment (PPE), cleaning out stores of sanitary items, water, and food. The pandemic turned into panic. Most people infected were under the impression they would die based on televised death tolls.

The harm effected every individual globally and locally. There was no immediate remedy for Covid-19 testing abilities, treatment was based on traditional pulmonary disease infection treatment protocols with ventilators. Healthcare workers and epidemiologists were initially treating individuals on a new Flu variant not encountered before and were grossly mystified. Vaccination research/testing was going

through clinical trials. There have been deadly disease pandemics globally (Plague, different variants of Flu, SARS in 2002-2003 and the ongoing Covid-19 pandemic) and lessons should have been learned for a future outbreak. It is unknown how long the delay was from China, but the minute Covid-19 was known to be fatal, the CDC and World Health Organization should have immediately prepared a strategic plan of action. Unfortunately, the delay and political intervention (of initial denial as a health concern) caused deadly and economically grave consequences.

The nationwide extent of harmful effect resulted in 1,016,647 deaths with 87,000,000 Covid-19 infections. Hamilton County alone had 1,177 deaths and 103,532 Covid-19 infections during the timeframe previously mentioned. This alone was a harmful event not to exclude the economic negative impact to Hamilton County. The number of entities affected include hospitals, health care workers, front line public safety, funeral homes, non-profit organizations, and most importantly all the families that lost loved ones to the Covid-19 pandemic, which still exists.

Capital expenditures for a new forensic center are appropriate for an assortment of reasons, including most of the existing facility, equipment, office furnishings, and employee office space is grossly inadequate to handle the increased volume from the Covid-19 pandemic.

Comparison of a capital project against two alternative capital expenditures and why the capital expenditure is superior.

1. **Proposed alternative capital expenditure:** to expand current building facility space including cooler space. Our current facility has cooler space for twelve (12) deceased individuals. This endeavor would not be possible due to the already limited space, lot size and footprint of the existing facility. There is no room for any expansion project (internally or externally) to the existing facility. Any proposed demolition, retrofitting, or construction would cause a closure of the existing facility, which requires 24/7, 365 days of operation for forensic services. This alternative would be considered completely unacceptable.

2. **Proposed alternative capital expenditure:** to use the current facility in addition to a proposed retrofitting of another facility. First and foremost, Hamilton County Government has no facility/building for such retrofitting (any facility with square footage required) as that was addressed up front initially. Attempting to work out of two separate facilities to compensate for inadequate space or additional square footage would be disadvantageous, an unrealistic working environment, and economically not a viable avenue of a capital expenditure. The current forensic services facility/building should remain as one entity and not be separated in order to prevent wasteful spending on duplication of equipment and productivity loss from employee separation. This alternative would be considered unacceptable.

3. **Proposed alternative capital expenditure:** the construction of a proposed new facility from the ground up with the appropriate space, square footage adequate for the increased current
 - forensic caseload including any Covid-19 communicable diseases/infections (past, present or future) a compelling and reasonable response.

- Hamilton County has already paid and committed for engineering and program phase design based on the size of other comparable newly constructed forensic center facilities of similar size. Based on pre-engineering assessment, the size of the new facility was determined to be approximately 14,244 square feet verses the current 5,812 square feet to efficiently provide forensic services.
- To initiate two new alternative capital expenditures would require Hamilton County to provide pre-engineering program phase with costs associated for the two alternative projects that are incapable to execute/accomplish. Hamilton County has assessed that they do not have an existing building to retrofit our forensic service's needs. The reduction of any square footage of the proposed new forensic center defeats the purpose of proposed/projected county growth and the harm would be redundant as in the current situation we experienced with Covid-19 or future outbreaks.
- Hamilton County does have land available for immediate construction of a new forensic center facility. The proposed building of a new forensic center verses any of the alternative proposals mentioned is superior based on current and projected population increases, continued Covid-19 disease detections, desired visitor destination location, and surrounding county and other state transfers of higher level of care of critically ill patients to Hamilton County. Any deaths associated to these patient transfers that occur in Hamilton County are deemed to be under the jurisdiction of the Hamilton County Regional Forensic Center.
- FURTHER: Currently Hamilton County Regional Forensic Center contracts with Bradley County for forensic services. With the new facility at the current engineered specifications, the Hamilton County Regional Forensic Center could potentially expand contracted services and handle potential overflow from Covid-19 or future pandemics. This simply will not work with the current facility/building. Additional contracted services would require appropriate staffing to facilitate workload with authorization in the form of a Memorandum of Understanding (MOU) for reimbursement from other Tennessee counties. Nearby counties currently pay for forensic services and transportation to Nashville or Knoxville Regional Forensic Centers. A closer geographic location for forensic services could benefit additional Tennessee counties.

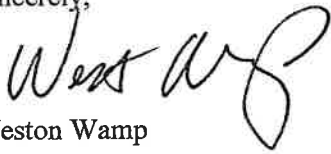
Based on the above information, the third proposed capital expenditure is superior verses two alternative capital expenditures.

Modifications to the existing facility inadequate:

- The current Hamilton County Regional Forensic Center was built in 1989 and was not designed to handle the surge from Covid-19.
- The current Hamilton County Regional Forensic Center building and footprint are simply too limited to be modified to handle Covid-19.

Your consideration and guidance for the State and Local Fiscal Recovery Fund (SLFRF) usage for the proposed building of a new Hamilton County Regional Forensic Center is greatly appreciated.

Sincerely,

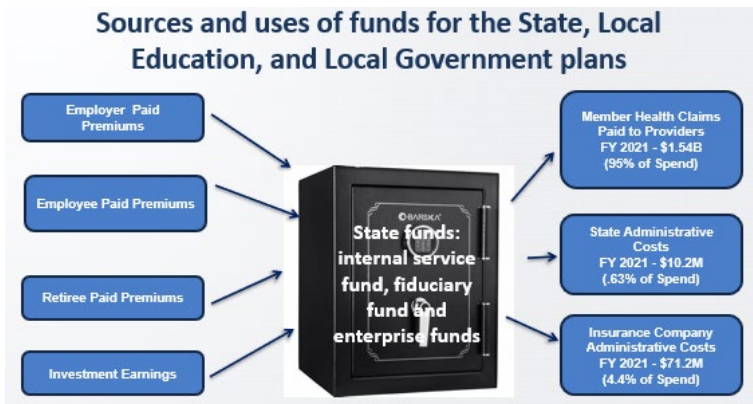
A handwritten signature in black ink, appearing to read "Weston Wamp". The signature is fluid and cursive, with the first name "Weston" written in a slightly larger, more prominent script than the last name "Wamp".

Weston Wamp

American Rescue Plan Act Fund Request

Background: State Group Insurance Plan Funding

The State, Local Education, and Local Government plans provide health insurance for ~100 state and higher education entities, ~120 local education agencies, and ~400 local government agencies, covering ~284,000 people across the state. The plans are each self insured (also known as “self-funded”), which means the state is responsible for paying the medical claims and for operating the health plans. Instead of paying insurance companies a premium, the state, like other large, self-insured employers, pay a fee (usually per member or per employee per month) to use their networks and their administrative services. The contractors are acting as third-party administrators (TPAs), not as insurers. The state is the insurer, collecting premiums from the employers, employees, and retirees to pay the costs of our members’ health care directly, instead of using the fully-insured products of an insurance company. The premiums we collect for each plan stay with the State, in dedicated funds, that include only the premiums and expenditures for that plan; the premiums are not passed to the insurance companies.



Of the state’s annual plan expenses, 5% pay administrative costs and 95% pay providers for health care costs. In contrast, if we were to pay insurance companies a premium, they are permitted by law to retain up to 15% for large groups to account for profit margins, marketing and other administrative expenses. In our self-insured plan, while the state is responsible for the members’ claims, we also save money in the instance that claims are lower than forecast. In a fully insured plan, the

responsibility of members’ claims as well as the insurance risk is transferred to the insurance carrier, who benefits in case of lower claims. These key differences are outlined below:

	Self-insured – State, Local Education, Local Government	Fully Insured
Savings	Results in higher savings as the plan doesn’t pay for the insurer’s profit, reserves or marketing and has lower administrative costs. If claims are less than forecasted, the plan retains the surplus, not the insurance company.	The premiums are usually higher as the financial and insurance risk is passed on to the insurer. By law, insurers of large groups are permitted an 85% medical loss ratio (i.e., they can retain 15% for marketing, administrative costs, profit).
Flexibility	The state can control the benefit design.	The ability to alter the benefits may be limited.
Cash flow	Medical claims are paid as they occur, and the state only pays claims to providers and administrative fees to the third-party administrator(s). The state maintains reserves should claims exceed expectations and retains the surplus in its funds.	The employer pays a fixed monthly premium to the insurance carrier regardless of the level of member claims. The insurance carrier retains surplus beyond payout of claims and maintains reserves.
Financial risk	The employer holds the financial risk arising out of claims’ experience higher than expectations.	The insurance carrier owns the financial risk related to the payment of medical claims.

American Rescue Plan Act (ARPA) Funding Request: Benefits Administration (BA) requests ARPA funds for the State Group Insurance Program (SGIP) to reduce future premium increases resulting from the COVID-19 pandemic’s impact to the plans.

BA requests ARPA funds to help mitigate the extraordinary negative impact of the COVID-19 pandemic on the SGIP. All three self-insured plans administered by BA (State, Local Education and Local Government) have experienced significant increases in claims due not only to the specific costs for COVID-19 testing, treatment and vaccines, but also deferred care and the unfavorable rebound from delayed treatment. Since the pandemic started through October 2022, costs directly associated with COVID treatment, testing, and prevention and paid by members and the plans totaled **\$205.9M**. Specific COVID-related costs incurred on or after 3/3/2021 through 10/31/2022 and paid by the plans, which would be eligible for ARPA funds, totaled **\$127.4M**:

Claim Net Payments for Claims Incurred on or after March 3, 2021 and Paid Through October 31, 2022					
BCBST/CIGNA & Caremark	COVID Treatment	COVID Test Claims	COVID Vaccination Claims	COVID Anti-Viral Claims	Total
State/Higher Education	\$41,842,403.07	\$15,946,240.19	\$5,291,194.63	\$38,480.46	\$63,118,318.35
Local Education	\$33,202,348.70	\$11,115,036.87	\$6,148,027.28	\$25,171.68	\$50,490,584.53
Local Government	\$10,476,484.79	\$2,741,716.54	\$570,355.63	\$5,500.50	\$13,794,057.46
Total	\$85,521,236.56	\$29,802,993.60	\$12,009,577.54	\$69,152.64	\$127,402,960.34

BA’s consulting actuary, Aon, modeled the impact of the ARPA funds on future rate increases under three scenarios. All scenarios assume the ARPA payments reimburse actual costs incurred by the respective plans from 3/3/21 – 10/31/22 applied to the most recent forecast, which assumes a 6.75% trend. Aon’s projections over the last twelve months for the SGIP reflect sizable volatility in claims experience. While Aon’s most recent forecast as of October 2022 includes a factor for general inflation, this dynamic continues to change. If the actual trend is just 1% higher than the current forecast, the baseline rate increases by almost 2%. Aon projects 3-year rate increases at the following levels for the plans. Fully funding the COVID expenses through ARPA reduces the needed premium increases ~1 percentage point.

Premium Increase Budgeted/Forecast	State	Local Ed	Local Gov
CY 2023 Premium Rate Increase	6.2%	6.1%	7.5%
CY 2024-2026 Premium Forecast as of Sept 2022	5.3%	5.9%	7.2%
Scenario 1	4.3%	4.9%	6.1%
Scenario 2	5.3%	4.9%	6.1%
Scenario 3	4.8%	4.9%	6.1%

As an example of the funding impact, in the Local Government Plan, the Level 3 Premier PPO family premium increase for 2024 would be reduced by \$281/year, shared by both the member and the agency.

ARPA funds could be distributed differently across plans or used for expenses through 2026, so a determination could be made in 2023 as to the most impactful way to distribute the funds. It is notable that the COVID costs per member for the Local Government plan were 21% higher than the State/Higher Education Plan and 18% higher than the combined costs for all three plans. Reduced premium increases would directly benefit members across the state as well as the agencies that fund a portion of the premiums, not the insurance carriers. As the state funds 80% of the premiums for state/higher education members and 45% of local education instructional staff through the BEP/TISA formula, the ARPA funding applied to help offset COVID costs in the health plans will also reduce the state funds budgeted and appropriated for these programs.

We expect higher costs and claims volatility to continue in the foreseeable future. The ARPA funds will help mitigate this volatility and reduce premium increases required to maintain the plans’ health and stability. As self-insured plans, this infusion will directly benefit the plan’s participating agencies and the ~284,000 Tennesseans provided health coverage through the SGIP.



Securing Workforce Housing

The Fahe Tennessee Alliance (comprised of Fahe members, Neighborworks American TN Members and TAHRA members) proposes a public/private partnership with the state of Tennessee to disburse \$100 million through the American Rescue Plan Act (ARPA) to invest in Tennessee's economic competitiveness and safeguard our seniors' quality of life by significantly increasing workforce housing supply over the next 3 years.

The Need:

Access to housing for working families is critical to ensuring that Tennessee is able to continue to attract and retain corporate partners that bring good jobs to our state. Yet at present, **TN is short 133,581 homes that Tennessee workers can afford** and with labor and material prices soaring as much as 20% last year, developers and landlords are struggling to meet rental demand.¹

Concurrently, in Q3 of 2021, total housing permits in TN fell by 5.7%; single-family housing permits fell by 2.3%.² Yet, **Demand for housing in TN is at an all-time high³. In Eastern TN, it's up at least 19% over pre-pandemic levels, yet supply is down 26%.** If we want to continue to be a place that attracts good employers, honors its commitment to our seniors and our vets, we have to invest in housing that is accessible to folks at all income levels.

The Strategy:

Our Ask:

Fahe Tennessee proposes investing \$100 million of onetime ARPA funding to secure 1,000 units of housing that working families can afford.

Managed by Fahe TN, this funding would be granted out statewide to nonprofit developers and Housing Authorities to purchase land and secure sites (including predevelopment work), construct new housing, and update, repair and preserve existing affordable housing. A one-time investment at this level would secure a

¹ https://www.thinktennessee.org/wp-content/uploads/2020/11/state-of-our-state-policy-brief_-housing_final.pdf

² <https://www.mtsu.edu/berc/housing/>

³ <https://www.wate.com/investigations/record-low-supply-record-high-demand-driving-home-sales-in-east-tn-housing-market/>

minimum of 1,425 sites for single and multi-family housing development across the state.

Why ARPA Dollars?

Housing production for working families, seniors or others with unique housing needs is an eligible use of ARPA funding and is specifically cited in the guidance on “responding to the economic impacts of the pandemic: assistance to families and communities”. If we act today, we can leverage these funds and deliver much needed housing statewide.

The Impact:

The impact doesn't end with the >1,400 units of housing. By investing these one time ARPA dollars in housing, the state of TN can set itself up for long term economic growth and success. Retail follows rooftops.

- In VA, building 100 rental homes generated \$11.7 million in local income, \$2.2 million in taxes and 161 local jobs in the first year.⁴
- According to a Pennsylvania study, for every dollar spent by a proposed Pennsylvania state housing trust fund on remodeling or rehabilitating an existing home, an additional \$1.28 of indirect and induced spending would occur. And equally important, anywhere from 14-20 jobs were created for every \$1 million in housing trust fund dollars spent.⁵
- The Minnesota Housing Finance Agency provides further evidence that a public investment in affordable housing can leverage significant capital and generate real revenue for state and local governments. Over two years, an investment of \$260.1 million in affordable housing leveraged roughly \$470 million in additional public and private funds and resulted in nearly \$1.4 billion in direct, indirect, and induced economic activity. This, in turn, generated roughly \$62.5 million in state and local tax revenue.⁶

The need for workforce housing is statewide. From Mountain City to Memphis, demand for quality housing exceeds supply. Investing in the Fahe Tennessee State Caucus housing production plan creates an ongoing pipeline of quality builds that serve all Tennessee.

Who will this affordable housing be open to?

As we work to alleviate the public health and negative economic impacts of the Coronavirus we seek to assist the broad range of populations experiencing housing scarcity across Tennessee. Core competencies of the organizations,

⁴ <https://www.arlingtonchamber.org/blog/five-ways-housing-affordability-affects-local-businesses>

⁵ <https://www.opportunityhome.org/wp-content/uploads/2018/02/Housing-and-Economic-Development-Report-2011.pdf>

⁶ <https://www.opportunityhome.org/wp-content/uploads/2018/02/Housing-and-Economic-Development-Report-2011.pdf>

including our expertise with various federal programs, will allow us to work with households/families at the income levels outlined in the final ARPA rules, and other relevant federal housing programs. By utilizing ARPA in concert with other funding streams, projects will be able to serve a broad range of income levels from well below poverty guidelines (0-60%AMI) to those making up to 300% of Federal Poverty Guidelines (~\$70,000 for a family of 3 in TN) per Treasury guidelines. This is an important component of this proposal. What we're seeing on the ground, and in data, is that middle income, workforce households are too wealthy to get financial support for housing purchase or rentals; but not wealthy enough to compete in Tennessee's highly competitive housing market or find rentals that do not leave them rent burdened (paying more than 30% of their income for housing).

Renter and homebuyers will have to apply (organizations have waiting lists) and qualify based on program requirements that align with ARPA and other federal funding rules. All organizations participating in this proposal have staff with expertise in understanding various federal program guidelines and various financing options. This will allow for efficient layering of programming to maximize funding and ensure this program serves the most residents possible.

Which communities will be built in?

Fahe TN Members serve across the state of TN covering specifically the Appalachian counties in the Upper Cumberland region and the NE region of the State of TN including Knoxville and surrounding counties.

NWA organizations cover additional communities in and around Chattanooga, Hamilton County (Chattanooga Neighborhood Enterprises); Nashville and Davidson County (Affordable Housing Resources); Memphis and Shelby County (United Housing Inc.)

TAHRA has members in all 95 counties so there is the potential for a diverse array of investments across the state. However, we anticipate that TAHRA's interested Housing and Redevelopment Authorities in non-metro areas with a need for workforce housing are planning to utilize ARPA for additional affordable housing development. We anticipate they will serve (at minimum): Johnson City (First TN); Morristown, Oak Ridge, Knoxville (East TN); Chattanooga, Cleveland, Dayton (Southeast TN); Jackson, Bolivar (Southwest TN); Ripley in the Memphis area; Crossville, Sparta (Upper Cumberland); Martin (NW TN), Nashville/Davidson County, Franklin (Greater Nashville).

In total, we anticipate that as many as 78 counties would benefit from this investment.

Beyond our geographic reach and intention to serve communities statewide; final project investment decisions will be based on a variety of factors including but not limited to:

- Current and future housing demand data (areas with limited current housing stock),
- Communities with limited access to private investment for housing development (where an infusion of ARPA funding could do the most good),
- The degree to which a project is shovel ready and
- Projects with the greatest return on investment (ROI defined by the number of units created or preserved).

A series of examples of the type of project we would consider can be found as addendum B.

How it is in line with other Federal affordable housing programs?

The expertise of the Fahe organizations and our partners will allow for the leverage of other funds from various federal sources including HUD and USDA – HOME investment Partnerships, Low Income Housing Tax Credit, Public Housing Capital Fund, Section 202, Section 811, Project-Based Rental Assistance, Multi-family Preservation & Revitalization Program and Community Development Block Grant. In addition, there is in-house expertise with programs available from Federal Home Loan Bank Cincinnati and other public and private financial institution resources.

By aligning onetime ARPA funding with these existing resource streams, we can create a forced multiplier effect that allows us to quickly scale up and deliver significantly more housing stock over the period of this funding-to a far broader income swath than we're able to do with traditional federal funds. As mentioned in question 1, this is a unique feature of this opportunity; as designed we can begin to fill the gap for working class families.

It is important to note that Federal programs have many compliance requirements, including income eligibility and affordability terms. The organizations in this proposal have deep experience and are fully equipped to keep each project compliant with both ARPA and the traditional federal programs utilized in the development of affordable housing.

This expertise in layering federal programs and other resources will be essential not just for compliance; or creating the greatest number of units possible; but for ensuring the housing we create remains affordable for Tennesseans at varied income levels. In addition, the organizations have certified housing counselors available to provide these services to prepare each family for successful homeownership.

What is the specific period of performance?

Upon approval of ARPA funding, as the fiscal intermediary, Fahe will initiate any required paperwork with TN and the organizations identified for the utilization of these funds. We will then move quickly to obligate all funding well before the December 2024 deadline; and fully disburse this funding prior to the December 2026 deadline. Put simply, this type of work is well within Fahe's wheelhouse: We have decades of demonstrated expertise in quickly deploying large investments to support housing and community development projects.

By December, 2026, (or within 36 months of funding whichever comes first) the organizations utilizing ARPA via the SLFRF from the State of Tennessee would create a minimum of 1,425 affordable housing units for renters and homeowners both in urban and rural areas where there is a tremendous need to increase affordable housing units in our most impacted communities.

Proposal Differentiator:

We understand that Tennessee has made a \$15 million investment in Habitat For Humanity; and \$90 million to THDA to finish a number of tax credit deals that were at risk due to the increase costs of construction during the pandemic. What we're proposing does not replicate either of these projects. It's additive.

By blending state, federal, relief and private investment, our partners can build and preserve housing that serves both our most vulnerable neighbors; and those folks in middle incomes who don't qualify for, or want, subsidies but are priced out of what few market rate units exist. Further, we can do this work at a scale and speed that is unique to our model and clearly evidenced by past performance. Between 2019-2021 Fahe TN Members alone utilized \$403,039,774 to deliver 4,270 units for 11,521 Tennesseans.

Finally, we're going to serve regions and communities facing the greatest housing pressures, with the least local economic resources to meet demand absent an infusion of external investment. Put simply, we will deploy these funds in communities where tax credit deals are rare, but where future needs are great. A primary example of this is Blue Oval City.

Why FAHE as an intermediary?

We are experts in the field of community development:

As experts in the field of housing construction and development, these organizations are prepared to effectively and efficiently deploy ARPA funding to meet current and future demands for workforce housing. In fact, they have a proven history of doing this work, and doing it well. **Between 2018 and 2020, Fahe and Neighborworks America partners deployed \$343,506,049 in public and private funding to secure 4,343 units of housing for 8,548 Tennesseans.**

Fahe TN, the state subsidiary of our larger backbone institution, Fahe, will act as the designated intermediary vehicle for the deployment of these resources to the above partners. Fahe is well positioned to support the state of Tennessee in quickly and effectively using these ARPA funds for their intended purpose and on the proper timeline.

At the regional level, Fahe has an exceptional track record of accessing capital for the creation of housing and promotion of community development in Appalachia. During FY2021, Fahe made total direct investments of \$173.2M. Total capital under management including investments managed and loans serviced for other organizations topped \$279M.

Alleviating the Administrative Burden

Fahe TN will apply its experience in designing and implementing programs, federal funds compliance and serve as the intermediary between the state and subgrantees. We will be community-focused to identify and meet local needs, and “administratively” focused to streamline processes, ensure compliance, and provide program administration support. Fahe will identify a lead staff member to serve as a single point of contact for the State for all financial, administrative and compliance requirements. Additional Fahe TN coalition members will focus on outreach and partnership with local governments and landowners to identify and secure property that meets identified community needs. This model maximizes communication flow and program efficiency.

About our Coalition:

About Fahe and Fahe TN:

Working with our Network of 50+ nonprofits across the Appalachian portion of Kentucky, Tennessee, West Virginia, Virginia, Alabama, and Maryland, Fahe uses our expertise in finance, collaboration, innovation, advocacy, and communication to achieve a more prosperous Appalachian region. Since 1980

Fahe has invested \$1.05B generating \$1.6B in finance. This investment was channeled through our Members and community partners, directly changing the lives of 687,183 people.

Today, Fahe TN is comprised of 15 nonprofit housing developers and the TN NeighborWorks affiliates:

- Affordable Housing Resources
- Aid to Distressed Families of Appalachian Counties (ADFAC)
- Appalachia Habitat for Humanity
- Appalachia Service Project
- Blount County Habitat for Humanity
- Chattanooga Neighborhood Enterprises
- Clinch-Powell RC&D Council
- Creative Compassion
- Crossville Housing Authority
- Eastern Eight Community Development Corp.
- HomeSource East Tennessee
- Kingsport Housing and Redevelopment Authority
- Knoxville Habitat for Humanity
- Knoxville Leadership Foundation
- Loudon County Habitat for Humanity
- Mountain T.O.P.
- Oak Ridge Housing Authority
- Tennessee Community Assistance Corp.
- United Housing Inc.

About [TAHRA](#):

The Tennessee Association of Housing and Redevelopment Authorities (TAHRA) is the premier organization providing assistance and support to Tennessee public and affordable housing agencies. Founded in 1939, TAHRA has members in every county and collectively leverages and deploys hundreds of millions of dollars annually to create and preserve housing working families can afford.

For additional information:

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Attached:

Addendum B: Project Examples

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A major component of the strength of the organizations included in this proposal is their ability to directly respond to the challenges and opportunities facing the communities they serve. These nonprofit developers are the best equipped to work with local leaders and residents to fill existing gaps in the housing market, and to prepare communities for increased housing market interest as new businesses come in.

Funding will be used for land acquisition, predevelopment, development and preservation of housing working families can afford. However, the end product (the type of housing developed) will vary based on the respective community. To help paint a clearer picture, we've very briefly summarized three present projects- that could be supported by this funding.

Multi-Family Rental Project

Type:	Scarboro/Downtown Workforce Housing Development
Number of Units:	140 Units Mixed Income Rental
Number Housed:	350 individuals
Funding Needed:	Funds used for land acquisition and gap development costs (\$2-\$5 million)
Total project Value:	\$22 million
Special Note:	There are 3 land locations identified so project could be replicated in Anderson County.

Single Family Homeownership

Type:	In fill of new construction
Number of Units:	10 Homes; 3bed/2bath \$200-\$220k sales price
Number Housed:	30-40 individuals
Funding Needed:	Funds used for land acquisition and gap development costs (\$500k-\$1 million)
Total project Value:	\$2-2.5 million
Special Note:	Land to be identified in coordination with Land Bank

Rental Preservation

Type:	Existing Affordable Workforce Rental Development
Number of Units:	80 Units
Number Housed:	180 individuals

Funding Needed: Funds used for land acquisition and substantial rehabilitation (\$7 million)
Total project Value: \$8 million
Special Note: Land to be identified in coordination with Land Bank

Combined Project Totals

Individuals housed: 570
Total ARPA Investment: \$12,500,000
Total Value of Projects: \$32,500,000

Additional Economic Benefits:

We anticipate that the three sample projects alone would result in⁷:

Jobs Created: 600
Indirect state/local economic benefit: \$41,600,000

(this is inclusive of items purchased for construction, increased local economic activity, increased tax base etc.)

⁷ We are applying the force multiplier model utilized in PA. <https://www.opportunityhome.org/wp-content/uploads/2018/02/Housing-and-Economic-Development-Report-2011.pdf>