

## **SUMMARY REVIEW OF AGENDA ITEMS FOR THE MDHA BOARD OF COMMISSIONERS**

**11:30 a.m. Oct. 12, 2021**

### **5. “Driver’s Safety” Matching Grant**

MDHA is committed to the safety and well-being of its employees, and all efforts shall be made to provide a safe and hazard-free workplace. MDHA holds automobile liability coverage with Public Entity Partners and is eligible to seek reimbursement of half of its costs (up to \$4,000 through a matching grant program) by offering driver's safety training to its employees. Board approval is requested to apply for this grant.

### **6a. Amendment of Award of Project Based Vouchers – Hillside Flats**

In November 2018, the MDHA Board approved the award of 138 project-based vouchers to ECG Hillside LP for Hillside Flats, a new construction development of 290 LIHTC units consisting of 181 one bedrooms, 85 two bedrooms and 24 three bedrooms. ECG Hillside LP was awarded project-based vouchers for 66 one-bedroom units, 51 two-bedroom units and 21 three-bedroom units. The units are nearing completion and ECG Hillside LP has requested an amendment to the Agreement to Enter Housing Assistance Payments (AHAP) Contract. The request is to change the number of one-bedroom PBV units from 66 to 15 and reducing the total PBV award from 138 to 87.

### **6b. Award of Project Based Vouchers – Chestnut Hill**

MDHA has received an application for the award of project-based vouchers (PBVs) for a new construction development to be known as ECG Chestnut Hill. The developer, Elmington Capital Group has submitted a proposal that was awarded \$50,000 under a competitive MDHA HOME Program grant. The project is located at 101 Factory St. Nashville, TN 37210. The plans are for a total of 204 units, comprised of studio, one-bedroom, two-bedroom and three-bedroom units. They are requesting a total of 51 PBVs - 1 studio, 12 one-bedroom units, 26 two-bedroom units, and 12 three-bedroom units.

### **7. Chestnut Hill PILOT**

Elmington Capital has established a limited partnership, ECG Chestnut Hill, LP that will acquire property located at 101 Factory Street in Nashville, Tennessee. ECG Chestnut Hill, LP plans to construct a 204-unit affordable housing complex. ECG Chestnut Hill, LP has applied for 4% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The tax credits will result in an equity amount of \$22,109,401. When completed, the development will consist of 7 studio units, 52 one-bedroom units, 99 two-bedroom units, and 46 three-bedroom units. 100% of the units will be subject to income and rent restrictions, the

average income restriction will be no greater than 60% of area median income (AMI).

Staff is recommending approval of a PILOT that would require Developer to make a total initial payment of \$18,000 in lieu of property taxes after the project is placed in service. The PILOT would increase by 3% annually over the 10-year life of the agreement. This PILOT payment was based on review of the site's projected base year taxes, development budget, operating pro forma, and debt obligations. MDHA estimates this to be a tax abatement of approximately \$322,957 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$240,656.