

MINUTES OF MEETING
OF
THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

The regular meeting of the Board of Commissioners of the Metropolitan Development and Housing Agency was held on Tuesday, January 30, 2018, at 11:30 a.m. in the Collaboration Room of the Gerald F. Nicely Building, 701 South Sixth Street, Nashville, Tennessee.

PRESENT: Ralph Mosley, Chair
 Melvin Black, Vice Chair
 Jimmy Granbery, Vice Chair
 Miniimah Basheer
 Antoinette Batts
 Charles Robert Bone
 Emily Thaden

ABSENT: None

ALSO PRESENT: James Harbison, Executive Director
 Saul Solomon, Legal Counsel
 James Thiltgen, Deputy Executive Director
 David Dellinger, Chief Operating Officer
 Melinda Hatfield, Director of Finance
 Martha Gregory, Director of Administration
 Joe Cain, Director of Development
 Will Biggs, Director of Affordable Housing
 Angie Hubbard, Director of Community Development
 Ed Shewmaker, Director of Construction
 Norman Deep, Director of Rental Assistance
 Mike Wegerson, Director of Recapitalization
 Jamie Berry, Director of Communications
 Jean Merkle, Administrative Assistant to the Board of Commissioners
 Lorene Pointer, President, Madison Towers Resident Association
 Randall Lacy, Manager, Madison Towers
 Ray Hensler,
 Kim Hawkins, Hawkins Partners
 Steve Reiter

Chair Mosley called the meeting to order and requested approval of the Minutes of the Meeting of December 12, 2017. Commissioner Basheer moved adoption of the following resolution:

Resolution No. 1-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Minutes of the Meeting of December 12, 2017, as submitted.”

The motion was seconded by Commissioner Thaden, and upon vote all voted “aye”. None voted “no”.

Chair Mosley introduced Lorene Pointer, President, Madison Towers Resident Association; and Randall Lacy, Manager, Madison Towers, who would be called on later in the meeting for comments.

The Chair recognized Steve Reiter for public comments. Mr. Reiter expressed interest in a Board item regarding project based vouchers for a new construction project at 2121 26th Avenue North. Saul Solomon, Legal Counsel, said the comments would be addressed later in the meeting when the item is considered by the Board.

Mr. Harbison said a letter was received from the local HUD Office on January 17 confirming the agency’s Section 8 Management Assessment Program certification score of 100 for the period ending September 30, 2017. He thanked Norman Deep and the staff of the Rental Assistance Department for their hard work in continuing to receive the 100 score. Mr. Harbison gave an update on the transformation of the agency’s public housing developments to project based voucher developments under the Rental Assistance Demonstration Program. He also reported on attending the recent Public Housing Authorities Directors Association meeting held in San Diego, CA. Commissioners Basheer and Batts also attend the meeting.

Commissioner Black reported on the Finance & Audit Committee meeting held prior to the Board meeting. He stated Ms. Hatfield, Director of Finance, presented an analysis of the MDHA restricted and unrestricted reserves by program as of December 31, 2017. Ms. Hatfield said public housing reserves available combined with existing and anticipated capital grant funds will be sufficient to fund the remaining RAD conversions. Commissioner Black said the committee was also presented the budget to actual comparison for the remaining public housing properties, project based rental assistance properties; and Center Office Cost Center (COCC) and Section 8 Voucher Program administrative budgets. He said the comparison provided a 3-month period budget to actual analysis highlighting variances. The public housing properties ended the period with \$1.5 million net operating income which is slightly less than budgeted. The COCC ended the period with a \$96,000 net operating income compared to a projected budgeted loss of \$274,000. Commissioner Black said this was primarily due to \$508,646 capital fund administrative funds drawn during the first quarter and vacant budgeted positions unfilled in the COCC departments. The Section 8 Voucher Program administrative budget is reflecting a new operating loss of \$81,000 for the first quarter compared to a budgeted net loss of \$29,000. He stated the administrative fee from HUD remains at a 77% proration with administrative reserves at \$175,000 as of December 31, 2017.

Commissioner Granbery reported on the January 12, 2018 Development Committee meeting. He said three items were presented to the committee for review. The first discussed was the proposed Donelson Transit Oriented Redevelopment District and an update on the three community meetings held thus far. Commissioner Granbery said the committee approved an amendment to the disaster recovery plan as presented by Angie Hubbard, Director of Community Development, which will move all remaining unutilized funds from projects to the proposed Bordeaux development of 40 townhomes and will be presented for approval later in the meeting. Commissioner Granbery said Joe Cain, Director of Development, reviewed the sales and development agreement negotiated between MDHA and Ray Hensler, Stiles/Hensler, for the purchase and development of Site K at Rolling Mill Hill. Commissioner Granbery said this item will also be considered by the Board for approval later in the meeting.

Angie Hubbard, Director of Community Development, presented the first item of business requesting Board approval of Amendment Five and Technical Corrections to the Community Development Block Grant Disaster Recovery Action Plan. Ms. Hubbard said this amendment proposed the reallocation of CDBG-DR funds in the amount of \$703,464.13 from planning, infrastructure and recovery projects to housing activities. After discussion, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 2-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves Amendment Five and Technical Corrections to the Community Development Block Grant Disaster Recovery Action Plan as presented in a memorandum from Angela Hubbard, Director of Community Development, to the Board of Commissioners dated January 16, 2018 and made a part of these minutes by reference; and

BE IT FURTHER RESOLVED, That it authorizes the Executive Director to submit said Amendment Five and Technical Corrections to the Metropolitan Council and thereafter to the U.S. Department of Housing and Urban Development for approval.”

The motion was seconded by Commissioner Bone, and upon vote all voted “aye”. None voted “no”.

Ms. Hubbard presented a second item requesting to allow the transfer of property from the Woodbine Community Organization in exchanged for property owned by RM Dixon Real Estate. She explained the details of the transfer/exchange of property and the conditions stipulations therein. Commissioner Granbery moved adoption of the following resolution:

Resolution No. 3-18

“RESOLVED, That the Board of Commissioners of the Metropolitan Development and Housing Agency hereby approves the transfer of properties owned by Woodbine Community Organization known as Parcels No. 09207025400 and No. 09207025500 (0 Merry Street); and

No. 09207025600 (2302 Merry Street) to RM Dixon in exchange for properties owned by RM Dixon known as Parcel Nos. 09207025700, 0920724700 and 09207025100; and

BE IT FURTHER RESOLVED, That the conditions of the transfer/exchange of properties as enumerated in a memorandum to the Board of Commissioners from Angela Hubbard, Director of Community Development, dated January 16, 2018 are approved.”.”

The motion was seconded by Commissioner Thaden, and upon vote all voted “aye”. None voted “no”.

Michael Wegerson, Director of Recapitalization, requested Board approval to negotiate a fee and enter into a contract with Hardaway Construction for the Construction Manager at Risk services for the Boscobel-1 (A-4) project. Mr. Wegerson said there are two phases-preconstruction and construction. The costs for the pre-construction services is \$55,500. Once the Guarantee Maximum Price (GMP) is negotiated the Board will be asked to approve. After questions and discussion, Commissioner Basheer moved adoption of the following resolution:

Resolution No. 4-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby awards a contract to Hardaway Construction for the Construction Manager at Risk for Boscobel-1 (A-4) and the pre-construction services in the amount of \$55,500; and

BE IT FURTHER RESOLVED, That when the Guaranteed Maximum Price (GMP) has been negotiated, staff will request Board approval.”

The motion was seconded by Commissioner Bone, and upon vote all voted “aye”. None voted “no”.

Mr. Wegerson requested Board approval of a second item to negotiate a fee and enter into a contract with RG Anderson Contractors for the Construction Manager at Risk services for the construction of Explore! Elementary & Middle School. Mr. Wegerson said this project also has two phases-preconstruction and construction. The costs for the pre-construction services is \$30,000. Once the Guarantee Maximum Price (GMP) is negotiated the Board will be asked to approve. After questions and discussion, Commissioner Thaden moved adoption of the following resolution:

Resolution No. 5-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby awards a contract to RG Anderson Contractors for the Construction Manager at Risk for the

construction of Explore! Elementary & Middle School and the pre-construction services in the amount of \$30,000; and

BE IT FURTHER RESOLVED, That when the Guaranteed Maximum Price (GMP) has been negotiated, staff will request Board approval.”

The motion was seconded by Commissioner Batts, and upon vote all voted “aye”. None voted “no”.

Norman Deep, Director of Rental Assistance, requested Board approval to award 52 Project-Based Vouchers to Urban Housing Solutions for the new construction of property located 2121 26th Avenue North. Mr. Deep said this project requires an Environmental Review and Subsidy Layering Review the same as previously approved project based voucher project requests. After discussion, Commissioner Basheer moved adoption of the following resolution:

Resolution No. 6-18

“BE IT RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the award 52 one bedroom project based vouchers to Urban Housing Solutions for its proposed new construction of property located at 2121 26th Avenue North; and

BE IT FURTHER RESOLVED, That this award is contingent upon clearance of an Environmental Review and a Subsidy Layering Review; and UHS ability to secure a 9% Low Income Housing Tax Credit from the Tennessee Housing Development Agency; and

BE IT FURTHER RESOLVED, That the Executive Director is hereby authorized to execute any, and all, documents necessary to implement the award of the project based vouchers.

The motion was seconded by Commissioner Thaden and upon vote all voted “ay”. None voted “no”.

Mr. Deep presented a second request from Urban Housing Solutions for 44 one bedroom and 24 two bedroom project based vouchers. UHS proposes a substantial renovation of property located at 300 E. Webster Street consisting of a 274 total units. Mr. Deep said this project has the same requirements for an Environmental Review and Subsidy Layering Review. After discussion, Commissioner Basheer moved adoption of the following resolution:

Resolution No. 7-18

“BE IT RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the award 44 one bedroom and 24 two bedroom project based vouchers to Urban

Housing Solutions for its proposed substantial rehabilitation of a 274 unit complex located at 300 E. Webster Street; and

BE IT FURTHER RESOLVED, That this award is contingent upon clearance of an Environmental Review and a Subsidy Layering Review; and

BE IT FURTHER RESOLVED, That the Executive Director is hereby authorized to execute any, and all, documents necessary to implement the award of the project based vouchers.

The motion was seconded by Commissioner Granbery and upon vote all voted "ay". None voted "no".

Joe Cain, Director of Urban Development, presented the next item requesting Board approval of the Sales Agreement and Development Agreement with Stiles & Hensler Development Group, LLC for Site K, Rolling Mill Hill. Mr. Hensler was in attendance and presented overview of the proposed development for Site K. He asked Kim Hawkins to give details of the proposed greenway expansion, pedestrian way and public plazas that are part of the development. Mr. Cain said the developer is requesting tax increment financing in the amount of \$17.5 million and detailed the uses of the TIF loan. He stated in addition to the purchase price of Site K, the developer will give \$1 million for the production of affordable housing in Nashville. After considerable discussion and questions, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 8-18

"RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Agreement for Purchase and Sale of Real Estate and Development Agreement with the entity known as Rolling Mill Hill Partners, LLC substantially in the form presented for the purchase and development of Site K, Rolling Mill Hill; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to execute any and all necessary documents required to effectuate the agreements set forth above.

The motion was seconded by Commissioner Basheer and upon vote Commissioners Black, Granbery, Batts, Thaden, Mosley and Basheer all voted "aye". Commissioner Bone recused himself from the vote citing his firm's relationship with the entity. None voted "no".

Mr. Cain's second item presented was a request to approve the Tax Increment Financing (TIF) Priorities for Transit Oriented Redevelopment Districts and the Donelson Transit-Oriented Redevelopment Plan. Mr. Cain explained the details of the TIF Priorities one of which will require developers seeking financial assistance from MDHA for residential development must designate 10% of the total number of units as affordable. Mr. Cain said four meetings have been held to gather input from

property owners and neighbors in the Donelson area in preparing the Donelson Transit Oriented Redevelopment Plan. After discussion, Commissioner Basheer moved adoption of the following resolution:

Resolution No. 9-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the MDHA Tax Increment Financing (TIF) Priorities for Transit Oriented Redevelopment Districts and the Donelson Transit-Oriented Redevelopment Plan, dated January 30, 2018, and made a part of these minutes herein by reference; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to submit the Redevelopment Plan to the Metropolitan Council for approval substantially in the form provided.

The motion was seconded by Commissioner Bone and upon vote Commissioners Black, Batts, Thaden, Mosley, Basheer and Bone all voted “aye”. Commissioner Granbery recused himself from the vote citing his firm’s ownership of property in the Redevelopment Plan area. None voted “no”.

Mr. Mosley called on Ms. Pointer who spoke about Madison’s celebration of Black History Month and other activities including a pool tournament and talent contest. Mr. Lacy said he is new to Madison and is looking forward to working with the Resident Association and the many activities that are being planned.

There being no further business to come before the Board, the Chair declared the meeting adjourned.

Secretary

APPROVED:

This _____ day of _____, 2018.

Chair