

SUMMARY REVIEW OF AGENDA ITEMS FOR THE MDHA BOARD OF COMMISSIONERS

May 12, 2020

URBAN DEVELOPMENT (HARBISON & CAIN)

7. Approval of 808 at Skyline Ridge PILOT Agreement

At its April 9, 2020 meeting, the MDHA joint Finance and Development Committee approved the 808 at Skyline Ridge PILOT Agreement. 808 at Skyline Ridge, L.P., a limited partnership established by LDG Development to acquire parcels located at 820 and 808 Skyline Ridge Drive, and develop a 178-unit mixed use affordable housing complex. The developer has applied for a 4% LIHTC allocation from THDA to help finance the construction of this complex. The tax credit will result in an equity amount of approximately \$16.2 million. When completed, the proposed development will include 7 residential buildings and modern amenities, including a pool, fitness center, business center, community room, and dog park. The project will contain 96 two-bedroom units and 82 three-bedroom units. The average income of all residents will be restricted to no more than 60% of area median income (AMI), with no tenant earning above 80% AMI.

Staff is recommending Board approval of a PILOT having an initial payment of \$20,114 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 a review of the applicant's sources and uses, debt obligations, as well as projected cash flows to the property. MDHA estimates this to be a tax abatement of approximately \$361,011 for the first year the property is placed in service. The current uses of the site generate \$2,586 in annual property tax. If approved, this would leave MDHA's annual abatement capacity at \$1,204,908. Board approval is requested.

COMMUNITY DEVELOPMENT (HARBISON & ALEXANDER)

8. Approval of HOME Investment Partnership Program Funding

During its April 9 meeting, the MDHA joint Finance and Development Committee voted in favor of disbursing \$4,321,930.00 in HOME Investment Partnership Program Funding to the recipients recommended by the Program's Application Review Committee.

In November 2019, MDHA issued a Request for Applications (RFA) for non-profit and for-profit developers to apply for HOME funds to build new affordable housing for rental and homeownership. The Application Review Committee recommended funding awards to Woodbine Community Organization for 54 rental units; Campus

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Crossroads for 22 rental units; Be a Helping Hand for 2 rental units; and Habitat for Humanity for 15 new homebuyer units. Board approval is requested.

9. Approval of 2020 Action Plan and Substantial Amendment to the Consolidated Plan for Housing and Community Development

At its April 9 meeting, the MDHA joint Finance and Development Committee discussed and approved the 2020 Action Plan for submittal to HUD. The Committee also approved a Substantial Amendment 2 to the 2018-2023 Consolidated Plan that provide clarifications/changes to the original Plan.

The 2020 Action Plan describes community needs and funding priorities for the 2020-2021 Program Year (June 1, 2020, through May 31, 2021). The Plan serves as Metro Nashville's application for receiving funds for the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), the Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA).

Approval and authorization for the documents to be submitted to the Metropolitan Council is requested from the MDHA Board of Commissioners.