

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

11:30 a.m. Aug. 11, 2020

5. Agency Safety and Health Plan.

As required by Public Chapter 561 of the General Assembly of the State of Tennessee, Metropolitan Development and Housing Agency must maintain an effective occupational safety and health program for its employees. The established program has been updated to provide a safe and healthful place and condition of employment and the Board is being requested to approve the resolution.

6a. PILOT Agreement – Hickory Ridge.

Hickory Ridge Apartments, Phase II, LP (Developer) has acquired property located at 579 Hickory Hills Boulevard and is currently developing a 60-unit affordable housing complex. Developer has received 9% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The tax credits will result in an equity amount of \$7,865,096. When completed, the proposed development will consist entirely of two and 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 having an initial payment of \$44,674 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 site's projected base year taxes as well as the project's development budget, operating pro forma, and debt obligations. MDHA estimates this to be a tax abatement of approximately \$60,740 for the first year the property is placed in service. For 2019, the site generated \$3,638 in annual property tax. If approved, this would leave MDHA's annual abatement capacity at \$528,684.

6b. Public Housing Authority Annual Plan.

As required by HUD, the Annual PHA Plan, which relates primarily to our administration of the Housing Choice Voucher program, was prepared by agency staff and had the required public review and comment opportunities for the 45 days prior to the public hearing before the Board on July 14. The Plan has now been finalized and the Board is being requested to approve the Plan, adopt the resolutions required by HUD to accompany the Plan, and authorize its submission to HUD.