



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

**May 10, 2022**

### **5a. Architectural Services for Boscobel V and VI.**

Board approval will be requested in May to execute agreements with Smith Gee Studios for Architectural Services to design the Boscobel 5, Boscobel 6, and related infrastructure and parking projects. The total design fees requested is \$2,444,380. Sitework is anticipated to start in April 2023. Design documents will need to be submitted with a 4% Low Income Housing Tax Credit application in January 2023.

### **5b. PILOT Agreement – Flats at Hickory Woods.**

Flats at Hickory Woods, LP has applied for a PILOT for a proposed 88-unit affordable housing development at 4207 Murfreesboro Pike. Flats at Hickory Woods, LP has received an allocation of 9% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The tax credits will result in an equity amount of \$16,209,591. When completed, the development will consist of 44 two-bedroom units and 44 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 have an initial payment of \$65,000 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 \$95,756 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$2,404,244.

### **5c. Second Avenue Engineering Fees.**

The 2<sup>nd</sup> Avenue North Streetscape is a infrastructure project assigned to MDHA by the Mayor's office to reconstruct the hardscape/landscape and subsurface utilities after the bombing on Christmas Day 2020. We are requesting Board approval to enter into an agreement with Kimley-Horn for professional design services for a lump sum of \$1,202,600.00.