



SUMMARY REVIEW OF AGENDA ITEMS FOR THE MDHA BOARD OF COMMISSIONERS

June 14, 2022

6a. 2022-23 Annual Update of the Consolidated Plan

MDHA has prepared the 2022-23 Annual Update to the Consolidated Plan for Nashville-Davidson County (Action Plan). The Plan describes community needs and funding priorities for the 2022-2023 Program Year (June 1, 2022, through May 31, 2023). The Plan serves as Nashville's application to HUD for the following grant programs: Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), the Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). MDHA is seeking Board approval to be submit the Action Plan to the Nashville Metropolitan Council. The Action Plan will be submitted to HUD following Council approval.

6b. Public Housing Authority Plan.

The Agency is required to prepare and submit to HUD an Annual Plan that pertains to the Housing Choice Voucher program and to our intended uses of Faircloth Amendment authority for any new public housing units we intend to develop. The Annual Plan is largely a progress report on the goals and objectives we set forth in the Five-Year Plan that was adopted in 2019. The draft Annual Plan was made available for public review and comment and a public hearing was conducted by the Board in May; but no comments have been received. The Board is requested to approve the Annual Plan and authorize its submission to HUD.

6c. PILOT Agreement – Dickerson Flats.

WCO Dickerson Flats Apartments, LP has applied for a PILOT for a proposed 167-unit affordable housing development at 3551, 3557, and 3561 Dickerson Pike. WCO Dickerson Flats Apartments, 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 \$11,697,588. When completed, the development will consist of 167 units of service-enriched housing targeted to homeless and at-risk households, and will include: 50 efficiency units, 49 studio units, 48 one-bedroom units, and 20 two-bedroom units. Due to a layering of additional subsidies, the project will offer rents well below 60% AMI for a portion of the units, and all other units will be capped at no greater than 60% AMI (project may use income averaging).

Staff is recommending approval of a PILOT that would have an initial payment of \$31,073 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 \$123,780 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$2,280,464.

6d. PILOT Agreement – Clarksville Pike.

WCO Clarksville Pike, LP has applied for a PILOT for a proposed 250-unit affordable housing development at 3720 Clarksville Pike. WCO Clarksville Pike, LP has received an allocation of 4% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The tax credits will result in an equity amount of \$37,933,970. When completed, the development will consist of 84 one-bedroom units, 123 three-bedroom units and 43 four-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 \$37,500 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 \$463,422 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$1,817,042.

7. Juneteenth Holiday.

The MDHA Board of Commissioners is asked to approve Juneteenth as a paid holiday. Juneteenth is a federal holiday in the United States commemorating the emancipation of enslaved African Americans and the celebration of African American Culture. June 19th will be added to the Personnel Policy as the 12th paid holiday for all MDHA employees.

8. Executive Performance Evaluation.

The MDHA Board of Commissioner is asked to approve the criteria for evaluating the Executive Director's performance annually.