



METROPOLITAN HOUSING TRUST FUND COMMISSION MINUTES

Wednesday, May 25, 2022
2 – 4 pm

Members Present: G. Emmanuel, K. Friskics-Warren, J. Simmons, J. Schmitz, C. Ferrell

Members Absent: CM Suara

Staff Present: A. Brown (Planning Dept – Housing Division), M. Amos (Metro Legal), M. Gupta (Metro Legal), H. Davis (Planning Dept – Housing Division)

Guests Present: CM Hurt, Bill Walker (Internal Audit), Seth Hatfield (Internal Audit)

I. Welcome

II. Review and Approval of Minutes

- a. Friskics-Warren motioned to approve. Simmons seconded. 4 in favor, 1 member (Ferrell) absent for first vote.

III. Director of Housing Update

- a. Hannah Davis as designee of Angela Hubbard lead discussion of housing division update.
- b. Housing Director, Angie Hubbard, sent her apologies that she was not able to attend the meeting.
- c. Davis noted that the Mixed-Income PILOT passed Metro Council on 3rd reading on 5/5. She stated that they will officially launch the program on June 1 with an informational webinar. Be on the lookout for more information.
- d. Davis stated that the Catalyst Fund Manager RFP should be released any day.

- e. Davis shared Hubbard's thanks to the Commissioners who provided input on the scope of work for the Unified Housing Strategy through the survey and by email. Davis said that they are awaiting the final report on the Homelessness Performance Review to incorporate recommendations into the RFP scope and move it to Procurement.
- f. Davis mentioned that the Consultant will present the Homelessness Performance Review and Recommendations to Metro Council 05/26/2022 at Noon in the Council Chambers, and the presentation was live streamed as well.
- g. Davis shared that the new Housing Policy Research Analyst will begin remotely on 6/6 and in the office on 6/13. Davis said Kaycee Ensign will join us from the Virginia Department of Housing and Community Development in which she performed very similar functions. Her immediate project is to complete an updated inventory of all publicly-funded dedicated housing in Nashville, including housing that is in the pipeline.
- h. Davis stated that they are excited to break ground on the 90-unit permanent supportive housing building downtown. Davis shared that the Commissioners received an email invitation to the groundbreaking ceremony to be held at 10am on 5/31.
- i. Davis said that the Planning Budget Hearing was today after the Commission meeting at 5:30 on 05/25/2022 and will include discussion on funding for Housing programs. The hearing will be live-streamed. The Social Services budget hearing followed.

IV. Project Progress and Financial Update

- a. Legislative Update
 - i. Grant contracts for Round 9 heard at Council on 04/05/2022
 - 1. Brown stated that RS2022-1443 passed, which included all contracts except for Pathway and TVA. She is currently working with legal and

public property to finalize the DRCs and quitclaims for the donated property from Round 9.

ii. Pathway contract for Round 9 heard at Council on 04/19/22

1. Brown said that RS2022-1444 passed at the second council meeting in April after a deferral to get additional information about populations served and the NES contributions to the program.

iii. Round 5 + Round 7 Contract Amendments heard on 04/05/2022

1. Brown noted that all amendments (RS2022-1445, RS2022-1446, RS2022-1447, and RS2022-1448) passed for the Round 5 and Round 7 projects that have extended timelines for completion. Brown added that Round 6 amendments are drafted and will be heard next Commission meeting since those projects expire on 08/07/2022 for any first extensions.

iv. Cost Supplement Contract heard at Council on 05/05/2022

1. Brown shared that RS2022-1506 passed at Council. She shared that all grantees that were included in the supplement have received a copy of the executed contract and a draw request form for the supplement amount to submit with their next draw on a development included in the supplement contract.

b. Draw Updates

i. Rebuilding Together Nashville

1. Brown stated that RTN made a final draw on three completed and one 25% draw on homes in March for \$67,924.85. She added that they have since then submitted an additional final draw for \$21,966.33 on that

same home that would complete their Round 6 obligation. She added that once it is inspected, it will be processed for final payment.

ii. Westminster Home Connection

1. Westminster made two draws on two rounds in April.

- a. Brown stated that for Round 5 they submitted a draw for \$15,657.44 for 8 homes completed by 03/01/2022. Brown noted they have completed 47 homes to date on this grant. Brown stated they have expended \$106,798.94 on this grant to date with \$48,201.06 of their \$155,000 grant.
- b. Brown noted that for Round 7 they submitted a draw for \$10,200 for an additional 3 homes bringing their total to 11 homes completed for this round. Brown added that they have expended \$45,641.97 on this grant to date and have \$4,358.03 left of their \$50,000 grant.

iii. New Level CDC

1. Brown stated that New Level made a \$331,800 draw for their Round 7 development in Williams Station. Brown added they have one draw left for \$20,000 at final use and occupancy.

iv. Budget Report

1. Brown noted that the line items on the budget report reflected changes that were caused by moving out of the Mayor's Office.
2. She stated that the line items for computers and project management were above budgeted line items because the Mayor's Office recouped laptops and new ones needed to be ordered to support staff.

Additionally, the project management budget for inspections on draws were previously absorbed while in the Mayor's Office but are now reflected in the Barnes budget.

3. Brown stated that she will need to revise the original budget based on these changes and present a new budget to the Commission at the next meeting.
4. Emmanuel inquired as to whether the Commission will receive their budget ask for FY23.
5. Brown stated that the FY23 budget has been decreased to \$15M total including operating costs. She stated that this will be reflected in the updated budget presented at the next meeting.

v. Urban Housing Solutions

1. Brown stated that UHS made a first draw on their Round 9 developments for Rex2 for \$187,500. She added they have \$2,812,500 left on their three round 9 developments.

vi. Habitat for Humanity of Greater Nashville

1. Brown stated that Habitat made a first draw on their Round 8 development for Village by the Creek. She added that with this \$94,275.36 draw, they have \$1,905,304.64 remaining for the 32 obligated homes in Village by the Creek.

vii. Affordable Housing Resources

1. AHR made draws on their Round 4, 6, and 8 developments.

- a. Brown stated that for Round 4 they made draws on four properties including two final draws totaling \$25,626. She added that they have \$42,698.15 left of their \$410,000 grant.
- b. Brown noted that for Round 6 they made first and second draws on four homes totaling \$9,964.47. She added that they have \$154,459.97 left of their \$286,690 grant.
- c. Brown noted that for Round 8 they made a fourth draw for \$82,225 for their townhome development on Lombardia Lane. She added they have \$610,362.50 left for this development of the \$784,300 grant.

c. Application Update

i. Timeline Update – Delayed Closing to 05/30/2022

- 1. Brown notified the Commission previously, the closing of the Round 10 application cycle had been delayed to May 30, 2022. She stated that she will be able to give a full overview of applicants and requested amounts at the next meeting when she presents information from the executive review team.

ii. Brown provided a Reviewer Overview included below of all external reviewer bios.

- a. **Toni Shaw** is a Housing Program Manager in the Tennessee Housing Development Agency's Community Programs Division. She is responsible for the administration of the Community Investment Tax Credit Program and several programs under the Tennessee Housing Trust Fund including the Competitive Grants

Program, Challenge Grant Program, the Capacity Building Grant Program, Building Trades Demonstration Program, and the Creating Homes Initiative – 2 Program. Toni holds a bachelor’s degree in psychology, from Fisk University and a master’s degree in Public Service Management from Cumberland University.

b. **Terry Malone** is the Founder and President of Sound Realty and manages the affordable property management. Prior to founding Sound Realty, she served in several roles for Tennessee Housing Development Agency (THDA) over her 19-year tenure including the Low-Income Housing Credit program, Project Based Section 8 program, and Rural Development programs. Terry holds a Bachelor of Business Administration Degree and Master of Science in Management Degree from Austin Peay State University as well as a Graduate Certificate in Public Administration—Executive Leadership from Tennessee State University.

c. **Nicole Robben** is the Director of Commercial Real Estate at Pathway Lending, a nonprofit Community Development Financial Institution (CDFI), specializing in multifamily affordable housing financing. Nicole has been in the lending and community/economic development sector for 20 years. She moved to Nashville 4 years ago from Milwaukee where she worked for a couple years for PACE Equity, financing energy

efficiency in all asset classes (multifamily, office, retail, warehouse, hotel), and 8 years at LISC, a nationally known CDFI, financing a variety of complicated projects to revitalize lower income communities.

- d. **Angela Harrell** is the Senior Community Development Program Manager at MDHA. Angela has worked at MDHA for over 12 years, initially hired to administer the NSP1 & NSP2 programs purchasing foreclosed, abandoned, and vacant properties during the recession. She currently manages the HOME, CDBG-DR, and CDBG housing programs administering over \$40 million in grant funds. Angela has a Master of Business Administration from the University of Phoenix and a Bachelor of Business with a Concentration and Urban Development from Tennessee State University.
- e. **Miguel Vega serves as the** Chief Diversity Officer/ SVP Business Development and Community Outreach at First Community Mortgage. Vega has been with FCM for almost 2 years, leading the Multi-Cultural Lending Initiative (MCLI) team to great success since its development. The new position reinforces the commitment of FCM with diversity and inclusion as well as focusing on serving multicultural markets and underserved communities. He has been the driving force behind FCM winning the honorable Mortgage Bankers Association (MBA) Diversity Award for market outreach in 2017.

2. **Jody Moody** first worked with The Mathews Company as a summer intern while in business school in 1998. The Mathews Company is a full-service real estate firm that has been focused on Nashville commercial real estate development, construction, management and brokerage since 1941. He joined the firm full-time as a Development Associate in 2000 after completing his graduate degree. From 2003 to 2006, Jody moved to a role as a Vice President for the Affordable Housing Division of GMAC Commercial Mortgage, where he managed a team responsible for underwriting and closing more than \$1 billion of tax-exempt bond transactions for multifamily affordable housing. In 2006, Jody returned to The Mathews Company where today he is responsible for acquisitions, dispositions, capital markets activity, investor relations and asset management for the Mathews portfolio. Jody has been an active member of the Urban Land Institute for nearly two decades, where he chairs the Capital Markets Action Council in Nashville and the Small Scale Development Product Council. Jody holds a BA from Vanderbilt University and an MBA from Emory University.
3. **Aron Thompson** is executive director of Real Estate Developers (R.E.D.) Academy a program of ULMT. The Urban League of Middle Tennessee R.E.D. Academy offers persons of color an unequalled educational opportunity for a rewarding, responsible leadership position in the building industry. The program focuses on increasing the number of developers of color in the real estate developers with an emphasis on affordable housing. Aron is an architect with over twenty years of

experience in project types: student-focused, student housing, sports and recreation, justice, aviation, healthcare, industrial, and corporate projects. He has worked for firms such as Moody Nolan and Gresham Smith in senior project architect and project manager roles. He is a member of the National Organization of Minority Architects where he is the Parliamentarian of the Nashville Chapter. He is a deacon in his church and a board member for Bethlehem Centers of Nashville.

4. **Keith Samaroo** – President & Chief Executive, has over 25 years in the real estate development industry specializing in complex waterfront rezoning and brownfield redevelopment. After relocating to Nashville in 2018, the company has pioneered mix-use and intergenerational communities outside of the urban core of downtown Nashville. The need for “value housing” combined with sustainable construction created the foundation for all of their communities. Keith has incorporated his experience in real estate development, re-finance strategies and reposition for various real estate assets; Keith was a development partner in a transit oriented multi-family development project in NY; and medical office building in New York. Keith was a founding member of the US Green Building Council in New York’s local Chapter as well as serving on the board for the Smart Growth Council Chapter. Keith has a BS in Physics from Fordham University, an Electrical Engineering equivalent from Manhattan College and an MBA in Finance from Dowling College, New York.

5. Brown added that Friskics-Warren would be the Commission representative on the review team this funding round.
 6. Friskics-Warren asked Brown to state the racial makeup of the review committee. Brown stated that there was a mix of latinx men, white women, Black women, and one white male.
 - a. Friskics-Warren requested that this be noted in the reviewer information moving forward.
- iii. Brown added that she had received a request from a potential applicant to waive one of the eligibility requirements in order to apply for Round 10 funding.
1. She stated that the criteria of “an operating budget equal to or greater than the grant request amount” would prevent at least one applicant from applying in this round.
 2. Friskics-Warren stated that there is enough financial experience on the review team to determine project viability without this eligibility requirement.
 3. Schmitz cautioned that he was concerned about editing the process this far into the application round.
 4. Friskics-Warren asked Metro Legal representative Macy Amos about procurement standards when editing criteria. Amos stated that typically a week is added to the timeline when an RFP is edited once already released.
 5. Schmitz moved to waive the eligibility criteria of “an operating budget equal to or greater than the grant request amount” for FY22 Spring Funding Round 10 and add 7 days to the application timeline

(application extended to 06/06/2022). Friskics-Warren seconded. 4 in favor, one (Ferrell) absent for second vote.

V. Guests from Internal Audit

- a. Bill Walker and Seth Hatfield from the Internal Audit team will joined to discuss the most recent audit completion and give an update about the audit hearing on 06/14/2022.
- b. Hatfield described the phasing of the report and stated that the report was very clean besides a couple of recommendations that were partially implemented.
- c. Hatfield stated that there has been much improvement since the hiring of full-time dedicated staff for Barnes. They added that they wanted to instill further improvement by capturing standard operating procedures to ensure consistent oversight of the fund from staff.
- d. Walker noted that they will review the recommendations made within a year, but a full audit would happen within another 5 years.

VI. Community Share - CM Sharon Hurt

- a. CM Hurt joined regarding information about reaching minority-led developers for Barnes application cycles.
 - i. CM Hurt shared that institutional and systemic designs lead to the same grantees receiving funds repeatedly and other organizations are left out. She stated that you have to attack the design because it's difficult to redress hundreds of years discrimination and you have to be intentional.
 - ii. She shared some background about the Neighborhood Stabilization Funds and who was getting money from HUD post-2010 flood. She stated that when she was looking at the organizations, she noted that the communities being served

are not from the community. She stated that funds need to go to grassroots organizations and teach them how to do better. She stated that the 20% allocation to small organizations that CM Suara helped usher in was a good start but needs more progress.

VII. New Business

a. Discussion regarding Office of Homelessness proposal from CM O'Connell (BL2021-971).

i. CM O'Connell's legislation had been altered after deferral to eliminate housing from the scope of the legislation and would instead create an Office of Homeless Services. Brown stated are waiting for results of the Housing NOLA report prior to vote at Council.

1. Brown stated that legislation has been reinstated after deferral for the first meeting in in June.

ii. Commissioners reviewed the changes of the Ordinance and made no further recommendation or notes.

b. Cost Overrun Contract Correction – Affordable Housing Resources

i. Brown noted that she didn't change the per unit cost after removing the two units (one from FABC and one from AHR since it was completed between the time that the Commission requested information and when you voted on contracts). Brown stated that the only amount that would need to change based on this data would be the AHR number, which is why theirs is the only one on a second piece of legislation.

1. Brown stated that the difference in the amount was only \$1,522.36. She added that the contracted amount changed from \$76,118.36 to \$74,596.

ii. Vote

1. Schmitz moved to approve the contract. Simmons seconded.

Unanimous approval.

c. **Land Grant Policy**

- i. Brown stated that edits were made to include the restriction to this funding round and land recommendations for homeownership versus multi-family.

1. Brown added that a larger discussion is to come for recommendations about the overall use of land and how to recommend certain parcels for the CLT or put them out in a funding round. She added that much of this will also be a product of the unified housing strategy.
2. Brown noted that Alisha Haddock from The Housing Fund will join the next meeting to discuss the progress of the Community Land Trust properties.

ii. Vote

1. Ferrell moved to approve the policy. Simmons seconded. Unanimous approval.

VIII. Public Comment (Limit 2 Minutes per Community Member)

- a. Terry Rappuhn from Westminster Home Connection joined to state that they just finished their first Metro audit from dispersing tornado funds. She added that they were humbled by CM Hurt's perspective and wanted to share some of what helped them get a good audit from Metro since it can be difficult for smaller entities. She stated that everything should be documented before the grant term ends and clear any questions through Metro Legal.

- b. Keith Branson from Westminster Home Connection joined to stated that he was moved by CM Hurt as well and wanted to continue to uplift the intentionality discussions at every level.

IX. Announcements

- a. New Commissioner Update
 - i. The administration notified Brown this week that since the vacancy has extended past 60 days that the Vice Mayor would be making the appointment. We are expecting a resolution shortly and have sent information to assist with deciding on the appointment.
- b. Brown stated that the Budget hearing for the Housing Division and Barnes to take place at the courthouse following the Commission meeting.
- c. Brown noted that staff have also completed a standard interim and final report for grantees that is now available under “Grantee Materials” on the application page.

X. Adjourn

The Barnes Housing Trust Fund

<http://barnes.nashville.gov>

Metro Housing Trust Fund Commission <http://www.nashville.gov/Government/Boards-and-Committees/Committee-Information/ID/123/Housing-Trust-Fund-Commission.aspx>