



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

**Nov. 8, 2022**

### **6.a. Unarmed Security Guard Services for MDHA's Senior Properties.**

In accordance with MDHA's procurement policy all contracts over \$1,000,000 in value require the approval of MDHA's Board of Commissioners. Based on Responses to a Request for Proposals, the selection committee recommends splitting the scope of work by property with four properties under Allied Universal Security and three properties under Topps Private Investigation and Security Firm. The annual cost of the combined value of these two contracts will exceed \$1 million. Board approval is requested for the Executive Director, or his designee, to enter into a contract with Allied Universal Security and Topps Private Investigation and Security Firm to provide Unarmed Security Guard services.

### **6b. PILOT Agreement – Birchstone Village.**

Birchstone Village, LP has applied for a PILOT for a proposed 228-unit affordable housing development at 616 North Dupont Avenue. Birchstone Village, 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 \$29,890,080. When completed, the development will consist of 82 one-bedroom units, 97 two-bedroom units, and 49 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 \$53,407 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 \$368,008 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$1,364.

**6c. PILOT Agreement – Ewing Heights.**

Ewing Heights, LP has applied for a PILOT for a proposed 180-unit affordable housing development at 334, 336, and 336A Ewing Drive. Ewing Heights, 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 \$21,090,279. When completed, the development will consist of 170 multifamily units and 10 townhome units. Of the 170 multifamily units, 85 will be 2-bedroom units and 85 will be 3-bedroom units. There will be six 3-bedroom townhomes and four 4-bedroom townhomes. 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 \$27,000 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 \$387,740 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$369,372.

**6d. Approval to award Housing Opportunities for Persons with Aids and HIV (HOPWA) Funding.**

The Housing Opportunities for Persons with AIDS (HOPWA) program provides funding to nonprofit and public agencies to provide housing assistance and supportive services that benefit low-income persons that are medically diagnosed with HIV/AIDS.

Following a competitive request for applications (RFA) process, MDHA requests approval to proceed with a HOPWA award recommendation of \$1,479,690 to Nashville Cares for the following eligible activities: short term rent, mortgage, and utility assistance; supportive services; permanent housing placement; tenant based rental assistance; emergency housing; and administration.

The award is a single procurement activity above \$1 million and requires the MDHA Board of Commissioners' approval.

**7a. Revision to Housing Choice Voucher (HCV) Payment Standards.**

HUD has published the 2023 Fair Market Rents (FMRs) effective October 1, 2022. The new FMRs reflect an increase ranging from 10% to 13%.

In an effort to maintain affordability for Housing Choice Voucher participants and expand their housing opportunities, Board approval is requested to amend our HCV

Payment Standards effective January 1, 2023, to equal 100% of the newly HUD-published FMRs for all bedroom sizes.

**7b. SEMAP for Year End September 30, 2022.**

The Section Eight Management Assessment Program (SEMAP) is the performance measure that HUD uses to assess our management of the Housing Choice Voucher (Section 8) program. We self-assess on 8 indicators and project our scores on other indicators based on tracked by HUD's information systems. All of the relevant data pertaining to our performance for the year ended September 30, 2022 has now been collected and analyzed. We are projecting that we will score the maximum points on the 13 SEMAP indicators on which we will be scored. The Board is being asked to approve the SEMAP certification and authorize its submission to HUD by the deadline of November 30.

**8a. Lockton Pay Structures and Cost Analysis.**

In October the Human Resources Committee heard and voted to forward the Lockton Companies presentation on the compensation, benefits and classification study results to the full Board. Board approval of the new salary structures and the compensation costs analysis for the 2023 fiscal year is requested.