



SUMMARY REVIEW OF AGENDA ITEMS FOR THE MDHA BOARD OF COMMISSIONERS

March 14, 2023

6a. 5th And Summer Contractor

Board approval is requested to allow the Executive Director, or his designee, to award to, and execute all contract documents with, American Constructors, Inc. in the amount of \$40,781,107.00 as General Contractor for Construction of 5th & Summer. 5th & Summer is located within the Cayce property at 725 S 5th Street and is a six-story residential project with 64 one-bedroom units, 39 two-bedroom units, and 4 three-bedroom units for a total of 107 units; fifty of which are designated for affordable housing.

6b. Park Point East Parking Deck

Board approval is requested in March 2023 for the Executive Director to execute the Guaranteed Maximum Price (GMP) amendment with Hardaway Construction for the Park Point East Parking Deck (The Project) in the amount of \$3,325,059.00. The Park Point East Parking Deck is a one level flat elevated deck over the Cherry Oak Apartments surface lot that will provide 80 spaces for the use of Park Point East residents.

6c. 2023 Community Development Block Grant – Disaster Recovery (CDBG-DR) Action Plan

On March 27th and 28th, 2021, the County experienced historic rain and flash flooding in Zip Code 37211. As a result, in May of 2022, there was a Presidential Disaster Declaration resulting in the award of \$8,518,000 in Community Development Block Grant – Disaster Recovery (CDBG-DRGR) to assist in long-term recovery efforts. MDHA has prepared an Action Plan detailing how the funds will be used to address the remaining unmet needs through the development of new affordable housing. The MDHA Board will be asked to approve this Action Plan today prior to it being submitted to Metro Council for approval in April. After Metro Council approval, the Plan will be submitted to the U.S. Department of Housing and Urban Development (HUD) for approval to access these funds.

6d. Affordable Housing Gap Financing Program Awards

In October 2022, Metro Council awarded \$25,000,000 in American Rescue Plan Act dollars to MDHA for the purpose of providing an Affordable Housing Gap Financing (AHGF) program to provide loans to developers to create deeply affordable rental units to serve Davidson County's Homeless population. MDHA issued a Request for Applications (RFA) in November of 2022 making the funds available to nonprofit and for-profit developers to create the units to be leased via the Coordinated Entry (CE) managed by the Metro Homeless Impact Division (MHID). The MDHA Board will be asked to approve awards to five developers totaling 10,149,321.63 to be used to create 63 AHGF units for the targeted

population and 638 affordable units. MDHA plans to issue an RFA for a 2nd funding round for this program in the coming weeks.

7a/b. Revisions to Housing Choice Voucher (HCV) Administrative Plan, and revisions to the Community Choice Demonstration (CCD) Program Payment Standards

Currently the HCV Administrative Plan states that, under the Community Choice Demonstration Program, MDHA may approve a payment standard for units within census tracts identified as high-opportunity area by the Community Choice Demonstration of not less than 110% of the Davidson County Fair Market Rent (DCFMR) and not more than 175% of DCFMR.

Upon HUD's release of the 2023 Fair Market Rents (FMRs), we reviewed the payment standards for the high-opportunity areas and the Census's American Community Survey data. This review revealed rents in some high-opportunity census tracts increased at significantly higher rates than Davidson County rents increased overall. The rent escalations in these tracts exceeded the Davidson County average which was reflected in HUD's 12% average FMR increase. As a result, the limit of 175% of DCFMR established for the CCD program high-opportunity areas is now insufficient as the resulting payment standards for tier 1 units exceed 175% of the FMR.

We are therefore requesting Board approval to amend the HCV Administrative Plan to change the maximum limit from 175% to 200% of the DCFMR and amend the Payment Standards for the high-opportunity areas identified under the CCD program to reflect the 2023 increase in the HUD-published FMRs.