



SUMMARY REVIEW OF AGENDA ITEMS FOR THE MDHA BOARD OF COMMISSIONERS

August 8, 2023

6a. Memorandum of Understanding with the Metro Nashville Police Department.

It is recommended that the MDHA Board of Commissioners approve the Executive Director to execute Memorandum of Understanding agreements between the Metropolitan Development and Housing Agency and the Metropolitan Nashville Police Department effective July 1, 2023. The first MOU will cover the costs of the MDHA Taskforce and the MDHA Community Engagement Team not to exceed \$1,399,999. Additional MOUs between MDHA and specific precincts (Mid-Town, West, North, Hermitage, and East) will cover “walking patrols” not to exceed \$175,000. MNPD agrees not to reduce regular law enforcement coverage at MDHA sites due to the execution of the MOUs.

6b. PILOT Agreement – Nashville Christian Towers.

Nashville Christian Towers, LLC has applied for a PILOT to rehabilitate a 175-unit affordable housing complex located at 101 Foothill Court. Nashville Christian Towers, LLC has received an allocation of 4% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The development will contain 175 residences, all of which are one-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 \$43,006 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 \$415,791 for the first year the property is placed in service. This would leave MDHA’s annual abatement capacity at \$805,378.