



SUMMARY REVIEW OF AGENDA ITEMS FOR THE MDHA BOARD OF COMMISSIONERS

November 14, 2023

5. PILOT – Northview.

UCC Northview, LLC has applied for a PILOT to construct a 254-unit affordable housing complex located at 876 West Trinity Lane. UCC Northview, LLC has received an allocation of 4% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The development will contain 130 one-bedroom units and 124 two-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 \$49,900 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 \$474,088 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$26.

6a. SEMAP for Year End September 30, 2023.

Board approval is requested to authorize the Executive Director to submit the 2022-2023 Section 8 Management Assessment Program certification to HUD.

6b. HCV Payment Standards Revisions.

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, 2024, to equal 100% of the HUD-published FMRs for all bedroom sizes.