



METROPOLITAN HOUSING TRUST FUND COMMISSION MINUTES

Tuesday, February 27, 2024

2pm - 4pm

Members Present: P. Westerholm, G. Emmanuel, K. Friskics-Warren, A. Christianson-Galina, M. Carmen-Jackson, D. Moore, CM B. Taylor

Staff Present: K. Weaver (Planning Dept – Housing Division),
R. Pardue (Planning Dept – Housing Division), T. Ortiz-Marsh (Metro Legal)

I. Welcome

Westerholm opened meeting and introduced CM Taylor.

Taylor highlighted the importance of affordable housing conversations and thanked everyone involved.

II. Review and Approval of Minutes

- Westerholm moved to approve the January meeting minutes.
- Friskics-Warren inquired about how approving the minutes as is might impact the round 13 application.
- Weaver responded by stating she had clarified what was meant by the policy by email to the commissioners, stating it was determined during internal discussions to keep the policy as is (score higher for those that are further along) since funds need to be used quickly,.Friskics-Warren said staff should focus on things being worded properly to avoid loss of trust.
- Weaver asked how the commission would want that worded and offered to readjust minutes.
- Friskics-Warren stated staff have education that Trust Funds do not preclude itself from being first money in. She furthered the minutes did not capture the spirit of the conversation.
- Weaver asked if the commission should revisit in March.
- Friskics-Warren agreed and suggested having Emily Thaden come back in March to educate new commissioners and staff on the concept.
- Friskics-Warren stated she would leave the direction up to Westerholm but would abstain from voting.
- Westerholm moved for a motion to have the minutes conditionally approved except for Friskics-Warren comments and defer to March agenda for discussion.
- Ortiz- Martin asked the chair to clarify the action being requested.
- Emmanuel clarified that the commission would like to approve the minutes with exception of the section in question.

- Ortiz- Martin reiterated the need to be a motion to rescind the minutes.
 - Emmanuel motioned to rescind motion, 2nd by Maria, vote on the rescission, unanimous vote to rescind.
 - Ortiz-Martin advised the commission to amend the motion by clearly stating what was struck.
- Vote- Emmanuel motioned to approve the minutes with exception to section 8, section 5 New Business to be discussed at the next meeting, Christianson-Galina 2nd, passed unanimously with section in question being deferred for discussion.

III. **Public Comment (Limit 2 Minutes per Community Member)**

Westerholm called for public comment. One representative of the public signed in, Craig Bardo. Bardo shared that for his dissertation he researched the effects of politics and media on housing affordability here in Nashville. He furthered that the current model for affordable housing is a market-based program that does not disrupt the housing market, some programs do disrupt housing and does not advance housing affordability. He suggested a study titled, “Who can afford to live in America” and offered while the current housing programs are well intentioned, they do not currently produce housing affordability. He stated that TN was a fascist state that precludes rent control and advocates for social housing that does work. He concluded his statement by asking the commission to promote resolution to stop the genocide currently happening in Gaza.

IV. **Project Progress and Financial Update**

- Weaver shared the Budget to Actuals 1/31/24.
- Weaver shared the Monthly Barnes Financial Report 1/31/24 – Current FY and Past 5 Years
- Carmen-Jackson asked why the management consulting keeps going up. She stated it was \$414,000 more than construction part of business.
- Weaver stated that the format was misleading and that she would resend the report. She furthered the column is cumulative and asked if it would be easier to have data shown back to 2013.
- Westerholm asked for clarity on column definition.
- Friskics-Warren stated it can only get worse.
- Christianson-Galina asked would current year-to-date mean 2024. Weaver confirmed and offered to send out a new report.
- Westerholm stated what makes most sense is to have a meaningful and easy to understand format as possible. He furthered, right now we just want to confirm we are reading the right things.
- Weaver shared she would bring 2013 to date and last five years to date for the next meeting. She would also get finance to provide reporting guidance.
- Friskics-Warren asked if staff could use other tools (i.e., videos, etc.) to educate commission.
- Ortiz-Martin asked Friskics-Warren if she was suggesting staff create videos and advised in the affirmative if content would be made available to public ahead of time. She furthered she’d need to research.
- Westerholm asked if there are certain parts of the budget in question maybe those highlighted areas could be the focus.
- Weaver asked if it would be helpful to receive the information via email.
- Ortiz-Marsh clarified that any commissioner could reach out to staff anytime individually. Direct questions are okay via email communication.

V. **Draw Update**

Pardue shared draw update report for December and January- see attached.

- Carmen-Jackson asked if percent of completion could be added to the draw report.
- Weaver said that the draw number could be included, which would indicate what completion status was.

VI. Old Business

a) For vote: R13 grant policy edit: Land Acquisition

- Weaver asked for approval to edit the Round 13 grant to add land acquisition, as an eligible cost for cost for the Barnes Fund.
- CM Taylor asked would there be a limit as what the land cost could be.
- Weaver explained the current ideal of Barnes funding being no more than fifty percent of a project would still apply.
- Taylor asked for the primary reason for the edit.
- Weaver explained tax properties are usually free and available; however, some of those properties are not feasible for affordable housing developments.
- Westerholm asked, if approved, would it be part of template for future rounds.
- Friskics-Warren asked if applicants could apply for land without immediate plans.
- Weaver deferred to commission for their opinion.
- CM Taylor offered it would be a good idea to grab land when available since scarcity of land has been a barrier to creating afford.
- Friskics-Warren suggested developers could buy land with restriction for that it would be for affordable housing. It would be important to have project limits in place.
- Weaver asked for commissioner advice regarding whether staff should research and get back to the commission.
- Emmanuel expressed she would love to hear from current grantees and provided Mick Nelson, an audience participant, along with Metro funded the Catalyst Fund (CF) , a report to council, CF will help to find funding to take land to prepare for Barnes Fund later.
- Weaver offered to have the Housing Director talk to commission about the Catalyst Fund.
- Nelson advised it was designed to flow with the market.
- Emmanuel offered that we shouldn't preclude buying land but maybe should not do the same thing as Catalyst.
- Christianson-Galina asked if land would revert to the fund if applicant goes bankrupt.
- Emmanuel expressed she'd be more comfortable with a fundable project as the project would be less likely to be rescinded.
- Friskics-Warren suggested to research, two caps, if land is a part there could be a bonus amount to support land acquisition cost.
- Weaver said she'd talk to the Housing Director and Davis to avoid doubled up metro funding.
- Lucile Houseworth of Habitat offered that access to land is essential and shared that timing is usually slowed between acquisition and development due to required environmental usually required by HUD funded projects.
- She furthered Habitat just completed an environment which took a year. She expressed that if HUD funding would be a part of a project's capital stack, time for this additional requirement would need to be considered.
- Christianson-Galina offered that Barnes funded land would need to remain affordable permanently.

- Friskics-Warren stated a Land Trust would solve the issues of perpetual affordability and is the best tool.
- Weaver shared Round 12 includes Metro donated land from Water and has perpetual affordability via 99-year lease.
- Westerholm confirmed that further discussion should be added to next meeting.
- Emmanuel offered to vote pending clarification of further procedures.
- Ortiz-Marsh asked what the commission would be approving.
- Emmanuel replied to add land acquisition for larger projects.
- Ortiz-Marsh confirmed the commission is offering to approve with clarification later.
- CM Taylor restated that clarifications were needed and agreed staff should research for next conversation.
- Weaver suggested that since applications for Round 13 are due 3/18, the change apply to Round 14.
- Friskics-Warren motioned to rescind motion to approve.
- Westerholm reiterated to add further discussion around land acquisition to the March meeting.
- Ortiz-Marsh suggested a firm statement to withdraw the motion was needed to defer the conversation.

Westerholm stated the motion to add land acquisition would be withdrawn and discussion deferred to March the meeting.

Weaver requested that the vote would be applied to round 14 policy.

CM seconded to add Land Acquisition to New Business for March for Round 14.

b) For information: ARPA funds from MDHA update

- Weaver shared that ARPA funds would be available after March 31st. MDHA deferred the transfer of funds to allow time to fund a few final viable program applicants, but surplus may be given to the Barnes Fund.
- Friskics-Warren asked about program restrictions. Weaver said if MDHA could not use it would be given to Barnes Fund.
- Weaver stated the original legislation focused serving 0-30% AMI.
- Friskics-Warren- If the funding would only serve the 0 to 30% AMI, how will BF make it work without help?
- Friskics-Warren stated we need as many units as possible, operationally difficult without additional funding. Weaver stated there would be more info at next meeting.

c) For discussion:

i) HTFC potential appointees process

- Weaver shared the previous manager had information. Now that position's structure has changed, council making election for two of those positions.
- CM Taylor- recommend listing qualifications needed or missing in the commission body.

ii) HTFC meeting recording update

- Weaver shared that the HTFC meeting was not to be recorded as Metro Network expressed it did not currently have capacity.
- CM Taylor offered to research the legislation passed regarding recording committee meeting like the sports authority which records meetings happening offsite for transparency. The goal is to make sure folks can access if not able to attend.

- Weaver asked how the commission recommend staff move forward with the discussion with Metro Network.
- CM Taylor reiterated that if there is legislation, bring it to the committee. He will work with Council to confirm.

VII. New Business

a) For vote: Grant Contract Amendment Requests

- Weaver shared that Inspiritus requested a Round 9 RS2022-1443 Amendment #2, to amend the draw schedule.

Vote- Friskics-Warren motioned to approve. CM Taylor seconded. Passed Unanimously.

- Weaver shared that Urban Housing Solutions requested a first-time grant extension for its Round 9 RS2022-1443 contract.

Vote- Friskics-Warren motioned to approve. Christianson-Galina seconded. Passed Unanimously.

- Weaver shared that Habitat for Humanity of Greater Nashville requested an amendment for a second grant extension for its Round 8 RS2021-936 contract. Lucile Houseworth of Habitat additionally offered the extension was needed due to general delays resulting in a domino effects. She shared some of the delays were windows post pandemic which pushed subsequent rounds up. Houseworth noted the project was all caught up with R8 and R9 up to date and anticipated to be complete by the end of year.

Vote- Friskics-Warren motioned to approve. Emmanuel seconded. Passed Unanimously.

- Weaver shared that Habitat for Humanity of Greater Nashville requested a first-time extension for its Round 9 RS2022-1443 contract.

Vote- Emmanuel motioned to approve. CM Taylor seconded. Passed Unanimously.

- Weaver shared that Mary Parrish Center requested a first-time grant extension for its Round 9 RS2022-1443 contract.

Vote- CM Taylor motioned to approve. Carmen-Jackson Taylor seconded. Passed Unanimously.

- Weaver shared that Be a Helping Hand Foundation requested a first-time extension for its Round 9 RS2022-1443 contract.

Vote- Christianson-Galina motioned to approve. Moore seconded. Passed unanimously.

Christianson-Galina asked why the contracts were not thirty-six months by default.

Weaver explained twenty-four months was a Metro standard.

VIII. Announcement and General Comments

- Weaver shared round 13 Question and Answer will be posted by 2/28/2024. She offered printed copies.
- Prince with RTN asked if Rehab applicants were eligible to apply for funding after compliance period.
- Weaver shared properties is not eligible for Barnes funding if it's been funded by Barnes previously.
- Friskics-Warren pointed out that the eligibility clock reset after the affordability period ends.
- Friskics-Warren inquired when commission would vote on round 14 grant policy.
- Weaver shared the structuring of the funding was still in process and it would be in the next couple of months, not sure exactly.
- Emmanuel confirmed round 13 grant application recommendations would be scheduled for the April meeting and Round 12 in March.
- Weaver noted – more rounds due to getting ARPA out the door.
- Westerholm shared Tennessee Housing Conference would be held 2/29-3/1

IX. Adjourn

With no further comments, the meeting was adjourned.

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>