



## METROPOLITAN HOUSING TRUST FUND COMMISSION MINUTES

Tuesday, April 23, 2023  
2pm - 4pm

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

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

### I. Welcome

- Westerholm welcomed everyone and read the code of laws to open the meeting.

### II. Public Comment

- Westerholm invited those who had signed up to speak to share comments.
  - i. Grace Smith with Age Well shared that the Age Well organization receives phone calls from cost burdened Older Adults needing subsidized housing regularly. They are usually put on a wait list when refereed out to partnering agencies. Smith ask for the 1,2 M be reallocated to be used as a subsidy for OA or that the funding be maintained with the original intent to help provide housing for the population.
  - ii. Eddie Latimer with Affordable Housing Resources mentioned the last meeting, Clark UMC CDC, built homes next to the church, city showed up late in the process-whereas the organization could not add the expense in its proforma but would require the non-profit to replace water line for an entire block at the non-profits cost. He furthered it was the city fighting the city when non-profits are burdened with cost with no warning and noted there needs to be better system to avoid having City working against itself.
  - iii. Brian Drobnick suggested leftover ARPA funding, he described as stimulus money with short shelf life designed to combat inflation, be considered for assisting developers who have open deals and are currently have proforma issues due to no fault of their own.
  - iv. Andy Zho with MFX Venture mentioned the Co-op contract language needed updating and the draw schedule needed updating to make the acquisition funds available.

### III. Approval of the Minutes

- Westerholm asked for a motion to approve minutes with a minor update of the amount of Round 13 funding available being corrected to state \$30M. CM Taylor motioned for approval. Friskics-Warren seconded. Passed unanimously.

#### IV. Financial Update and Legislation

##### a. Financial Update

- Weaver provided financial updates through March 30, 2024

##### b. Draw Report Update

- Pardue provided draw updates

#### V. New Business

##### a. For vote: Grant Extension Requests

- Woodbine Community Organization, RS2021-936, Amendment No. 2-Contract Term Extension

- Weaver explained WCO requested a second 12-month extension to their R9 contract to complete its 3720 Clarksville Pike (3557 and 3561 Dickerson Pike) project.
- Westerholm invited a motion to approve the extension.

- *CM Taylor moved to approve. Emmanuel Seconded. Passed Unanimously.*

- Samaritan Recovery Community, RS2021-936, Amendment No. 2.-Contract Term Extension

- Weaver explained Samaritan Recovery Community requested an initial 12-month extension to their R8 contract to complete its 405 South 4<sup>th</sup> Street project.
- Westerholm invited a motion to approve the extension.

- *Friskics-Warren moved to approve. Carmen-Jackson Seconded. Passed Unanimously.*

##### b. Discussion and Vote: ARPA grant guidelines/policy changes

- Round 14 Grant Policy (Discussion Only)

- Weaver explained funding origin was from MDHA and is being converted to Barnes Funding. She advised the commission to discuss with pending approval during the May meeting. She explained the difference from other rounds, would be the focus on serving those in the 30 AMI and experiencing homelessness. The Housing Division has been working with OHS to create the policy. Some policy highlights include requiring applicants to provide PSH or other deeply affordable rentals accepting vouchers; Partner teams need to have experience with PSH and provide a MOU or proof of experience; Must create net new units; Site control must include applicant already meeting zoning and land use requirements; a development fee not exceeding 25%, etc.
- Westerholm recapped purpose to today is to discuss and prepare to vote next month.
- Friskics-Warren expressed the original MDHA funding had too many strings attached and pointed out with those same limiting restrictions it may be difficult also for Barnes to grant out funding. She asked if staff had identified interested applicants.

- Weaver stated there was some interest in the funding.
  - Emmanuel asked if the limit was the same.
  - Weaver confirmed it was currently \$4M but the commission could remove caps.
  - Westerholm noted more details and policy would be presented at next meeting.
  - Weaver stated the policy would be simpler than in the past.
  - Christianson-Galina advised staff to streamline the transportation process.
  
- c. FY24 Surplus Funds for R13 projects (Discussion and Vote)
  - Weaver shared Round 13 applicants request totaled approximately \$42M while only \$23,445,169 was available. She shared that available surplus in the amount of ~\$9M according to Metro finance is available for the Barnes Fund.
  - Westerholm called for a motion to approve surplus funds for round 13 projects.
    - *Friskics-Warren motioned to approve. Moore seconded. Pass unanimously.*
  
- d. Request to reallocate ARPA funds for R13 projects.
  - Weaver asked the commission to approve leftover Round 12 funding be approved to be awarded to Round 13 applicants to fund more projects. She shared the funding would also need to be approved by the Covid Oversight Committee and Metro Council; however, asked the HTFC for supportive approval.
  - Friskics- Warren commented on practice of not mixing funds.
  - Friskics- Warren asked if wording would be offered to broaden use and stay within general attempt. She also shared the ask might be asking commission to approve prematurely.
  - Westerholm pointed out the time crunch associated with the funding and that it needed to be revamped to meet needs.
  - Friskics-Warren pointed out that the funding was not Barnes, and it would just be using the Barnes process.
  - Christianson-Galina agreed.
  - Friskics-Warren suggested specific wording to make suggestions to help non-profit partners. She encouraged staff to share wisdom with to council and Covid oversight, doesn't want BF to be accountable for funding not being allocated.
  - Weaver- commission could email ideas to staff and if the HTFC doesn't approve the request the housing division could use funding for other activities outside of the Barnes Fund.
  - Friskics-Warren is willing to use process but, need fewer restrictions for timeline, OA pressing need, partners could put it to use if it was less restrictive.
  - Westerholm- asked for a motion.
  - Weaver- reiterated the request for funds would be used for homeownership for Older Adults would be taken to council for approval.
  
- Friskics-Warren said the Barnes Fund is willing to use its process with a focus on Older Adult and Homeownership with flexibility to develop policy. She iterated that the council needs to understand why restrictions make it difficult with short timing.
  - *Friskics-Warren motioned to approve. Emmanuel Seconded. Passed Unanimously.*

**e. Transition plan for Housing Trust Fund Manager**

- Weaver shared that the Housing Division is working on a transition plan for the manager.
- Friskics-Warren inquired about who would be managing Round 14.
- Weaver said she would continue to work through June 28, and that other housing division staff would be available to ensure the round was released. Additionally, the staff is working with OHS to create policy for the round.

**VI. Old Business**

**a. Vote: Contracts for R12 Approved Grantees**

- Weaver asked the commission to approve Round 12 contracts.
  - *CM Taylor moved to approved. Carmen-Jackson- seconded. Passed unanimously.*

**b. Discussion: Grant Process Amendment Recommendations**

- Weaver referenced the previous month's discussion where staff recommend creating a policy for how grantee's request amendments.
- Friskics-Warren staff recommendations clearly written out would be helpful for commission.
- Westerholm- staff would provide analysis including pros and cons.
- Emmanuel-commission advice must be in alignment with legal so having staff provide those parameters would be helpful.

**c. Discussion and Vote: Grant Contract Amendment Request**

- R9 Clark UMC CDC
  - Westerholm- Latimer referenced earlier. Potential for commission to make a motion of support if consistent with practice and policy. The commission could declare potential available funds to applicants, recognizing votes would be contingent.
  - Friskics-Warren asked if they could apply in Round 15 but pointed out the commission would have to allow all grantees the same opportunity.
  - Christianson-Galina asked if there was any legal reason the commission could not use a portion of the surplus to provide supplement to Clark. He suggests subtracting the amended amount from the surplus prior to making it available for a future round.
  - Ortiz-Marsh responded there were no legal issues, but finance would need to approve. She advised the commission would need to amend the previous approval to include the use of surplus for the amendment.
  - \$300K goes to R9 and balance goes to R13.

- Westerholm suggested making a broader motion and inquired with legal if that was okay.
- Ortiz-Martin - Yes- up to commission, legal can't answer question to finance.
- Carmen-Jackson agreed the need was sufficient and reiterated it is important to expedite housing wherever possible.
- Westerholm: moved to revisit and amend the previous vote to approve surplus funding referenced in 5 c. He asked for a motion to amend motion for \$9.55M surplus to R13 projects be reduced by 300K (9.25M to R13 with 300K to R9) If finance allows.
  - *Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.*
  - Friskics-Warren- the commission just did something that has not been done in the past. She noted that a process was needed.
- R8 Urban Housing Solutions property amendment
  - Weaver explained after additional staff scrutiny, staff would not recommend this request for approval due to the project type being changed in the request. The logic is that the application may not have been funded with the change. She noted the decision was up to the commission.
  - Elrod pointed out that round 11 was short funded with 650K, seeking 2M if possible, not enough funds available, unlucky timing. Preservation and Construction are equally viable.
  - Emmanuel asking if the commission is not allowed to approve request, where would the funding go?
  - Weaver responded the funding would just go back into the next funding round.
  - Emmanuel asked if funding would be out by the end of August and pointed out that it would be unfortunate to have money sitting when a non -profit needs it now.
  - Weaver iterated it was staff's suggestion, not saying it is not legally permissible,
  - Ortiz-Marsh commented that there was no guarantee the applicant would have received a sufficient score with the new project parameters.
  - Elrod - Ask if Surplus could cover short funding for R11 instead of R13?
  - Weaver asked what commission would like to use that funding for.
  - Elrod- could surplus be used to fund short funded applications before going to R13.
  - Westerholm said commission would want to give all R11 applicants access to funds. For discussion: If we move forward and say, funds that may have been short funded in R11, funds may be used. The commission asked staff to provide analysis of which applicants were short funded to be considered at the next meeting.

- *CM Taylor moved to table the discussion to the next meeting. Carmen-Jackson seconded. Passed.*

**VII. Announcements**

- Terri Rappuhn shared that when commission awards R13 ARPA money, small org may not be able to effectively accept funding due to the time constraints.
- Weaver shared ARPA funds have a lot of federal guidelines that have been waived, and that staff is aware that not all small orgs will be able to utilize funding.

**VIII. Adjourn**

- With no further comments, Westerholm concluded the meeting.

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>