



METROPOLITAN HOUSING TRUST FUND COMMISSION MINUTES

June 25, 2023

2pm- 4pm

Members Present: P. Westerholm; K. Friskics-Warren; M. Carmen-Jackson; A. Christianson-Galina;
D. Moore

Members Absent: CM Brandon Taylor; G. Emmanuel

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

1) **Welcome**

Westerholm started the meeting and read the Metro code.

2) **Public Comment**

Andy Zhu inquired whether the Round 14 PSH questions were published online. Weaver confirmed they were posted Monday, June 24th.

3) **Approval of Minutes**

Westerholm called for a motion to approve the May minutes. Friskics-Warren motioned to approve. Moore seconded. Passed unanimously.

4) **Financial Update and Legislation**

a) **Financial Update**

i) **May Financials**

(1) **Budget to Actuals 5/31/24**

Weaver shared budget to actuals up to May 31, 2024-see attached.

Friskics-Warren asked if the budget to actual reflected a 12-month period. Weaver explained that the Budget to Actual reflects the full 12-month budget. Friskics-Warren then asked about the timeframe for the fiscal year, and Weaver responded

that it ends on June 30. Friskics-Warren suggested that it may be helpful to be clearer about the timeframe the budget covers.

Friskics-Warren asked if the \$37M that is about to be awarded in Round 13 is reflected in the budget to actuals. She noted it must be in the budget somewhere as it has been approved but maybe finance is handling that differently. Weaver explained that \$23M was in General, \$5.2M was reallocated from Round 12, and the remaining was in surplus. Friskics-Warren noted that as things change during the year – such as getting more money - Finance does not change the budget. Weaver noted that Finance updates actuals and does not change budget. Hubbard added that does not think Finance is carrying the ARPA funds in the budget.

(2) Monthly Barnes Financial Report – Current FY and Past 5 Years

Weaver shared the Barnes Current FY and Past 5 Years- see attached.

b) Draw Report Update

Pardue shared draws to date ending May 31,2024- see attached.

5) Items for Vote

a) Grant Contract Amendments

i) Clark UMC: Round 9, Funding Increase

Weaver provided a summary of Clark UMC CDC’s second contract amendment request to increase its original award to cover an unexpected Metro Water expense. She reminded the Commission of their vote at the May meeting to award an additional \$300K to the non-profit’s original award to offset the cost. The original award was \$100K.

Vote: Christianson-Galina moved to approve the amendment. Moore seconded. Passed unanimously.

ii) Thistle Farms: Round 10, Contract Term Extension

Weaver provided a summary of Thistle Farms’ request to extend its Round 10 contract.

Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.

iii) Mary Queen of Angels: Round 10, Contract Term Extension

Weaver provided a summary of Mary Queen of Angels’ request to extend its Round 10 contract.

Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.

iv) Habitat for Humanity: Round 10: Contract Term Extension

Weaver provided a summary of Habitat for Humanity’s request to extend its Round 10 contract.

Vote: Friskics-Warren moved to approved. Christianson-Galina seconded. Moore abstained. Passed.

b) Round 13 Award Recommendations

Ortiz-Marsh shared legal learned just before the commission meeting started that an Open Meetings Act violation invertedly occurred two commissioners met to discuss applications. She advised the Commission to cure the issue by sharing with the public at the current, properly noticed HTFC meeting the information discussed.

Weaver provided background for the meeting as follows: Two commissioners served on the review panel for rental applications. The meeting was held virtually on 1/2/2024. Staff solicits potential reviewers to participate in application scoring process and assigns the reviewers applications to review. It is required that each application be independently scored prior to the review panel meeting. The reviewers then meet to confirm scoring based on the matrix criteria and application details and are given an opportunity to adjust scores, if needed. The review panel reviewed each application using the scoring matrix and voted whether the application should be funded based on matrix criteria; however, during the random distribution of application assignments, two commissioners were selected for the same project type [rental projects].

Friskics-Warren asked for legal to set context just in case everyone doesn't know what the Public Notice law is by sharing what is required and what happened. Ortiz-Marsh shared that a Sunshine violation occurs when two or more commissioners meet to discuss official business and there is not adequate public notice and the meeting occurring in a space where the public may participate, so there is transparency in government. In this case, it was not an adequate public notice.

Westerholm and Christianson-Galina participated in the review meeting. Both summarized the review meeting.

Christianson-Galina pointed out that the applications were reviewed independently prior to the group review and that scoring overall did not change after the group meeting with exception that the group determined that the disaster recovery section in the scoring matrix was difficult to apply. The group decided since the entire county could be considered a disaster zone, every application would receive maximum points for this section to be fair.

Westerholm asked Legal what remedy the Commission needs to do. Legal clarified that the two commissioners need to discuss their scores in an open meeting, then the Commission should hold its vote. Friskics-Warren added that in the past there was only one commissioner on a review meeting and curing the current mishap is essential for reputation of fund. She went on to discuss the impact if there is a clear break between projects recommended and not recommended for funding or if there is just a hairline difference.

Hubbard iterated there were four persons on the review committee, not just the two commissioners. In addition, she reminded everyone that every rental project was

recommended for funding except one, which is recommended for partial funding. She asked the chair to discuss meeting.

Westerholm shared that the review panel reviewed each application, discussed the differences in scoring, and voted on whether each application should be funded. He furthered that all the applications in the rental category were scored independently using the scoring matrix for evaluation prior to the group meeting. He added that none of the applications were declined nor were their significant shifts in point values. He supported the previous statement by Christianson-Galini that the definition for the disaster recovery points could include the entire city and the panel scored each application equally as a result.

Weaver reiterated that the mistake only impacted the review of rental projects and that every application was fully funded except the lowest independently scored applicant, which was funded less due to funding limitations, resulting in a recommended amount of approximately \$2.4 M instead of the \$3 M requested.

Hubbard stated that eighteen applications were reviewed by three committees. All the homeowner and rehab applications were recommended for funding except for one homeowner application (due to low score) and one rental rehab application (due to it not meeting threshold criteria required for further evaluation). Neither of these applications were included in the rental application review.

Friskics-Warren confirmed the other project types [homeowner and rehab] were not judged by the rental review panel, and that all the impacted applications were recommended for funding. She asked if it would be reasonable to think that the outcome would have been the same if there were just one commission member on the panel.

Hubbard asked legal if all concerns had been addressed.

Ortiz-Marsh confirmed the issues have been cured and now the commission could commence with the vote publicly. She also confirmed the commission completed the conflict-of-interest forms.

Weaver summarized the reviewer recommendations (see attached summary page).

Westerholm asked if anyone would like to entertain a motion.

Friskics-Warren thanked staff for the review and stated she and Moore would need to be recused from voting on Park Center and Habitat for Humanity, respectively. She motioned to vote.

Ortiz-Marsh advised since some of the commission members had a conflict of interest, it would be best to vote on each award individually.

- Westerholm asked for a motion to approve \$1,217,198 of funding for Rebuilding Together Nashville's targeted home repair program.
Vote: Christianson-Galina moved to approve. Carmen- Jackson seconded. Passed unanimously.
- Westerholm asked for a motion to approve \$1,024,212 of funding for Park Center's Power Ave. Opioid Recovery rental project located at 808 Powers Ave. Nashville 37206. Friskics-Warren recused herself from voting on this project.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed.
- Westerholm asked for a motion to approve \$4M of funding for Samaritan Recovery Community's rental project located at 400 S. 5th St., Nashville 37206.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.
- Westerholm asked for a motion to approve \$3,999,000 of funding for Habitat for Humanity's Bella Terrace homeownership project. Moore recused herself from voting on this project.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed.
- Westerholm asked for a motion to approve \$375,000 of funding for Living Development Concept Inc.'s homeownership project located at various addresses in the 37217, 37210, 37211 zip codes.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.
- Westerholm asked for a motion to approve \$1M of funding for TN Prison Outreach Ministry's Women's Stepdown Housing Program located at 424 Moore Ave.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.
- Westerholm asked for a motion to approve \$4M of funding for the Arts & Business Council's Artist Loft rental project located at 3539 Dickerson Pike, 37207.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.
- Westerholm asked for a motion to approve \$187,600 of funding for Westminster Home Connection's Critical Repairs and Modifications for Older Adults projects.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.
- Westerholm asked for a motion to approve \$500,000 of funding for the Housing Fund's Asset Protection and Home Rehab project.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.
- Westerholm asked for a motion to approve \$3,700,000 of funding for AAA Residential Resources Inc's rental project located at 403 Ewing Drive.
Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.
- Westerholm asked for a motion to approve \$2,640,000 of funding for Affordable Housing Resources homeownership project located at 0 Trinity Lane.

Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.

- Westerholm asked for a motion to approve \$3,800,000 of funding for Woodbine Community Organization’s rental project located at 0 Curtis and 3720 Clarksville Pike, Nashville 37218.

Vote: Christianson-Galina moved to approve. Carmen- Jackson seconded. Passed unanimously.

- Westerholm asked for a motion to approve \$4M of funding for Be a Helping Hand rental project located at Nashville 5050 Linbar Drive, Nashville 37211.

Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.

- Westerholm asked for a motion to approve \$4M of funding for Non-profit Housing Corporation’s Northview Active Senior Housing located at 876 W Trinity, Nashville 37207.

Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.

- Westerholm asked for a motion to approve \$2M of funding for Pathway Lending’s Hamilton Church Apartments rental project located at 2920 Hamilton Church Road, Antioch 37013.

Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.

- Westerholm asked for a motion to approve \$1,491,605 of funding for Springboard Landings rental project located at 7986 Coley Davis Rd, Nashville 37221.

Vote: Christianson-Galina moved to approve. Carmen-Jackson seconded. Passed unanimously.

6) Items for Discussion

a) FY 25 Budget update

Hubbard provided a FY25 budget update, which includes \$7.5M for permanent supportive housing already received in the Barnes Fund financials, \$6 M in operating funds that would be available July 1, and approximately \$16.4 M, available after FY 24 financial audit is complete, likely in February 2025. She asked the commission to think about whether there should be a separate Fall round for the \$6 M in operating funds that would be available July 1. Hubbard noted the current open Round 14 (utilizing the \$7.5 M) would go to council in October 2024. She encouraged the public to provide comments for the July HFTC meeting.

b) Transition update

Hubbard noted that this would be Weaver’s last meeting and shared her gratitude for the work Weaver has contributed to the fund.

Hubbard introduced the new upcoming manager, Catherine Middlebrooks, a current Metro Nashville employee with grant administration experience who will be starting July 22, 2025. She asked the commission and the Barnes community for grace for the next few months as the current staff acclimate to the new transition. She added that current staff, Pardue and

Dean, are available as well.

c) Commissioner survey

Westerholm asked for commissioners to complete the survey by Friday, June 28th so that results could be compiled and shared at the next meeting.

7) Announcements

Hubbard shared that United Housing Strategy was underway and the commissioners should expect an invite to participate in a roundtable soon. She also asked the public to attend community listening sessions. Westerholm provided information on the next session, which would be held Tuesday July 11th at East Park. Other meetings will be listed on the housing website.

Westerholm mentioned THDA's Housing Needs Survey and encouraged folks to go to the website and complete that survey.

Friskics-Warren mentioned the public hearing on budget, a group voiced concern about Barnes Fund and advised the commission should know and address those concerns. Hubbard confirmed a full investigation had been completed with no reported violations related to wages or safety. She said she would provide the commissioners with more information. She added that beginning last year, any applicant with outstanding wage issues will not be funded. Friskics-Warren responded that was ideal especially with the East Bank labor protections. Hubbard noted CM Sepulveda is working to create a contractor review board will likely apply to Barnes Fund contracts.

8) Adjourn

With no further announcements, Westerholm motioned to adjourn. Carmen-Jackson seconded. The meeting ended.