

MINUTES OF MEETING
OF
THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

The regular meeting of the Board of Commissioners of the Metropolitan Development and Housing Agency was held on Tuesday, April 10, 2018, at 11:30 a.m. in the Collaboration Room of the Gerald F. Nicely Building, 701 South Sixth Street, Nashville, Tennessee.

PRESENT: Melvin Black, Vice Chair
Jimmy Granbery, Vice Chair
Antoinette Batts
Charles Robert Bone
Emily Thaden

ABSENT: Ralph Mosley
Miniimah Basheer

ALSO PRESENT: James Harbison, Executive Director
Saul Solomon, Legal Counsel
James Thiltgen, Deputy Executive Director
David Dellinger, Chief Operating Officer
Melinda Hatfield, Director of Finance
Martha Gregory, Director of Administration
Joe Cain, Director of Urban Development
Will Biggs, Director of Affordable Housing
Angie Hubbard, Director of Community Development
Ed Shewmaker, Director of Construction
Norman Deep, Director of Rental Assistance
Mike Wegerson, Director of Recapitalization
Jamie Berry, Director of Communications
Connie Martin, Assistant Director of Asset Management
Cheryl Jett, Chief Operating Officer for Affordable Housing
Jeff Hall, Executive Program Manager for Recapitalization
Curtis Thomas, Urban Planning Manager for Recapitalization
Julia Moss, RAD Coordinator
Denise Hagewood, Executive Office Assistant
Mary Bond, President, Edgefield Manor Resident Association
Keisha Smith-Hill, Manager, Edgefield Manor
Carr Hagan, LHP Capital, LLC
Hiram Brown, 300 E Webster Street Holding, L.P.
Robert King, Highmark Biltmore Place II, L.P.
Councilman John Cooper

Nat Cole, MDHA
Timothy Burns, MDHA
Mary Bradley, Parthenon Towers Resident
Howard Allen, Homeless Advocate
Elaine Smyth, NOAH
Ed Branding
Steve Reiter

Vice Chair Black called the meeting to order and requested approval of the Minutes of the Meeting of March 13, 2018. Commissioner Thaden moved adoption of the following resolution:

Resolution No. 17-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Minutes of the Meeting of March 13, 2018, as submitted.”

The motion was seconded by Commissioner Granbery, and upon vote all voted “aye”. None voted “no”.

Vice Chair Black introduced Mary Bond, President, Edgefield Manor Resident Association; and, Keisha Smith-Hill, Manager, Edgefield Manor, who would be called on later in the meeting for comments.

The Vice Chair recognized Elaine Smyth and Steve Reiter for public comments. Ms. Smyth is with NOAH and had questions on the Donelson TOD and TIF funding. She wanted to know how to access TIF funds regarding Affordable Housing. Ms. Smyth was also told that this is a comment period and not for questions, but since she had asked the question, the TIF regulations were explained to Ms. Smyth by Joe Cain and further explanation by the Executive Director. Mr. Reiter also commented on TIF and the comments made by Ms. Smyth. Mr. Reiter also commented on the amount of TIF given to businesses and the amount that the developer received for the 505 building. He spoke on the transit plan and how more affordable housing is needed. He expressed his concerns on procedures for employee terminations.

Mr. Harbison reported that the federal budget has been passed and that MDHA would receive a slight increase in Community Development Block Grant funding. The Consolidated Plan survey is underway and asks everyone to complete the survey. He said the letters of intent for New Market Tax Credits have covered our need for the Explore! School. He announced the groundbreaking for Boscobel I at 10:30 a.m. on May 10. Mr. Harbison said he and staff had recently visited Purpose Built Communities in Atlanta to visit the East Lake development. Applications for CWA and Cumberland View were taken recently. He reported that residents are now moving into 10th & Jefferson; Kirkpatrick Park is under construction with the first phase 20% complete; and work continues on development and financing of Boscobel I & II. The Envision Napier Sudekum Transformation Plan is due to HUD in late June. This is a

requirement of Choice Neighborhoods Planning Grant. He said the Metro audit of the tax increment financing in the redevelopment districts was completed and revealed no findings.

Commissioner Black reported on the Human Resources Committee meeting held on March 13, 2018. He stated that the termination of Jovan Hines was reviewed and based on the Personnel Policy upheld by the committee.

Commissioner Granbery reported on the Development Committee meeting held prior to the Board meeting. The Donelson TOD was approved with changes made by the Executive Director. New budget numbers for Boscobel I were submitted; Trevecca Towers I/E and II PILOTs were discussed and also approval for the project based voucher program; LIHTC funds will be used for this project.

Jim Thiltgen, Deputy Executive Director, presented the first item by stating that T.C.A. Section 9-21-151 requires submission of State Form CT-0253 Report on Debt Obligation when a public entity incurs debt. At its meeting on February 14, 2017, the Board authorized a tax increment loan for the Peabody Plaza (Eakin Partners) to finance eligible TIF costs. Mr. Thiltgen said that a \$7.9 million loan closed on March 16, 2018 at a fixed rate of 5.25%. Statement of this information, together with distribution of the State form to the members of the Board, meets the public disclosure requirements. No action is required.

Mr. Harbison presented the second item requesting revisions to the Donelson Transit-Oriented Redevelopment Plan. The Redevelopment Plan for the Donelson Transit Oriented Redevelopment District has approved at the January 30, 2018 board meeting. Ordinance No. BL2018-1139 was filed with the Metro Council and approved on first reading at its meeting on March 20, 2018. Various council members have had discussions since the Board's initial approval and have suggested changes to the plan which are outlined in the attached memo. Mr. Harbison said the five amendments to the plan are not new policies and are covered in other documents governing the Donelson Transit Oriented Redevelopment Plan and they are included in the revised Plan for clarity. After discussion, Commissioner Bone moved adoption of a resolution approving the revised Plan.

The motion was seconded by Commissioner Thaden. Upon discussion, Saul Solomon, Legal Counsel, stated that as long as the plan and the council ordinance provides that the initial period of affordability will be defined to 60% of the lower AMI, as long as there is a minimum of \$10 million of TIF set aside for that affordable housing, and that 10% of units in any residential development utilizing TIF must be set aside for the definition of affordability. The Executive Director would then have the authority to make subsequent changes as required of the plan. Commissioner Bone withdrew his earlier motion and moved adoption of the following resolution:

Resolution No. 18-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the revised to the Donelson Transit-Oriented Redevelopment Plan, substantially in the

form submitted and authorizes the Executive Director to make any minor changes as may be deemed necessary; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to take the necessary steps for submittal to the Metropolitan Council for its approval.”

The motion was seconded by Commissioner Thaden and upon vote Commissioners Bone, Batts, Thaden and Black all voted “aye”. Commissioner Granbery recused himself from the vote citing his firm’s ownership of property in the Redevelopment Plan area. None voted “no”.

Michael Wegerson, Director of Recapitalization, requested Board approval of the Program Budget and Construction Manager GMP for Boscobel I, L.P. Hardaway Construction Corp. has provided a Guaranteed Maximum Price proposal of \$19,395,416 for construction of Boscobel I, along with the scope and design for the project at a total cost of \$25,000,000. Board approval was also requested to create a single purpose entity to develop the project, accept Low Income Housing Tax Credits in the amount of \$10,778,922. Utilize \$6.5 million in Recapitalization Reserve Funds for construction (\$1.5 million decrease as presented on November 8, 2017). After questions and discussion, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 19-18

“RESOLVED, That the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the creation of a single purpose entity for the Boscobel I, L.P.; and the following:

Scope and Design Total Cost	\$25,000,000
Low Income Housing Tax Credits	\$10,778,922
Recapitalization Reserve Funds	\$ 6,500,000
Guaranteed Maximum Price w/Hardaway Construction Corp.	\$19,395,416

and;

BE IT FURTHER RESOLVED, That the Executive Director is authorized to take any and all actions as may be required to implement the Boscobel I project.”

The motion was seconded by Commissioner Batts, and upon vote all voted “aye”. None voted “no”.

Norman Deep, Director of Rental Assistance, requested Board approval to award 31 Project-Based Vouchers to LHP Capital, LLC, for Trevecca Towers I/E, an existing 354 unit development for elderly and disabled persons, located at 60 Lester Avenue. Mr. Deep said this project is contingent on

Environmental Review requirements. After discussion, Commissioner Batts moved adoption of the following resolution:

Resolution No. 20-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the award of 24 0-bedroom units and 7 1-bedroom units of project based vouchers to LHP Capital, LLC for Trevecca Towers I/E located at 60 Lester Avenue; and

BE IT FURTHER RESOLVED, That this award is contingent upon clearance of Environmental Review requirements; and

BE IT FURTHER RESOLVED, That the Executive Director is hereby authorized to execute any, and all documents necessary to implement the award of the project based vouchers for this project.”

The motion was seconded by Commissioner Granbery and upon vote all voted “aye”. None voted “no”.

Mr. Deep presented a second request for Board approval to award 48 Project-Based Vouchers to LHP Capital, LLC, for Trevecca Towers II, an existing 210 unit development for elderly and disabled persons, located at 84 Lester Avenue. Mr. Deep said this project has the same requirements for Environmental Review as the previous item. After discussion, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 21-18

“BE IT RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the award of 15 0-bedroom and 33 one-bedroom project based vouchers to LHP Capital, LLC for Trevecca Towers II, located at 84 Lester Avenue; and

BE IT FURTHER RESOLVED, That this award is contingent upon clearance of Environmental Review requirements; and

BE IT FURTHER RESOLVED, That the Executive Director is hereby authorized to execute any, and all, documents necessary to implement the award of the project based vouchers for this project.”

The motion was seconded by Commissioner Thaden and upon vote all voted “aye”. None voted “no”.

Joe Cain, Director of Urban Development, requested Board approval of a PILOT agreement between MDHA and LHP Capital, LLC, which has acquired Trevecca Towers I/E, a 354 unit affordable housing complex serving low income elderly and disabled residents located at 60 Lester Avenue. LHP Capital, LLC has received a 4% LIHTC conditional notice from the Tennessee Housing Development Agency to help finance the rehab of this complex. After discussion, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 22-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the PILOT Agreement between MDHA and LHP Capital, LLC substantially in the form submitted for Trevecca Towers I/E located at 60 Lester Avenue; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to execute any and all necessary documents for implementing the PILOT Agreement, execution of leases, and any legislative requirements including submission to the Metropolitan Council for its approval.”

The motion was seconded by Commissioner Bone, and upon vote all voted “aye”. None

Mr. Cain also presented a request for Board approval of a PILOT agreement between MDHA and LHP Capital, LLC, for Trevecca Towers II, a 210 unit affordable housing complex serving low income elderly and disabled residents located at 310 Stanley Avenue (84 Lester Avenue). LHP Capital, LLC has received a 4% LIHTC conditional notice from the Tennessee Housing Development Agency to help finance the rehab of this complex. After discussion, Commissioner Bone moved adoption of the following resolution:

Resolution No. 23-18

“BE IT RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the PILOT Agreement between MDHA and LHP Capital, LLC substantially in the form submitted for Trevecca Towers II located at 310 Stanley Avenue (84 Lester Avenue); and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to execute any and all necessary documents for implementing the PILOT Agreement, execution of leases, and any legislative requirements including submission to the Metropolitan Council for its approval.”

The motion was seconded by Commissioner Thaden, and upon vote all voted “aye”. None voted “no”.

Mr. Cain next presented a request for Board approval of a PILOT agreement between MDHA and Highmark Biltmore Place II LP for the proposed, new construction of a 42-unit apartment complex near the intersection of Glastonbury Blvd. and Massman Drive. This project represents Phase 2 of the existing Biltmore Place Apartments and has received a 9% LIHTC reservation notice from the Tennessee Housing Development Agency for construction of the new development. After discussion, Commissioner Batts moved adoption of the following resolution:

Resolution No. 24-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the PILOT Agreement between MDHA and Highmark Biltmore Place II LP, substantially in the form submitted for Biltmore Place Phase 2 located at Glastonbury Blvd. and Massman Drive; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to execute any and all necessary documents for implementing the PILOT Agreement, execution of leases, and any legislative requirements including submission to the Metropolitan Council for its approval.”

The motion was seconded by Commissioner Granbery and upon vote all voted “aye”. None voted “no”.

Mr. Cain requested Board approval of a PILOT agreement between MDHA and 300 E Webster Street Holding, L.P. (a limited partnership with Urban Housing Solutions) to acquire the existing 274 unit Hampton Terrace Apartment Complex located in Madison. The entity has a 4% LIHTC firm notice from the Tennessee Housing Development Agency for the rehabilitation of the existing complex. In addition to using LIHTC, the project will also contain 68 project based vouchers to house those with disabilities, other special needs and extremely low income. After discussion, Commissioner Bone moved adoption of the following resolution:

Resolution No. 25-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the PILOT Agreement between MDHA and 300 E Webster Street Holding, L.P., substantially in the form submitted for the rehab of Hampton Terrace Apartments located at 300 E. Webster Street; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to execute any and all necessary documents for implementing the PILOT, execution of leases, and any legislative requirements including submission to the Metropolitan Council for its approval.”

The motion was seconded by Commissioner Thaden and upon vote all voted “aye”. None voted “no”.

Mr. Mosley called on Ms. Keisha Smith-Hill, property manager at Edgefield Manor. She thanked everyone for the invite and stated that Ms. Mary Bond has been the RA President for about three years and Edgefield Manor is taking applications through walk-in. Ms. Bond stated that the RA is hosting several activities in the coming months, including well care, Devine Divas (cancer survivors) and other activities for the seniors. She said the RA is planning to have a garden at Edgefield with the children around the neighborhood; and added the need a grocery store in the area. Ms. Bond said there are a lot of activities going on at Edgefield Manor.

Mr. Black also recognized Councilman John Cooper (who had just left the room), and Howard Allen, Housing Advocate for the homeless.

There being no further business to come before the Board, the Chair declared the meeting adjourned.

Secretary

APPROVED:

This _____ day of _____, 2018.

Chair