





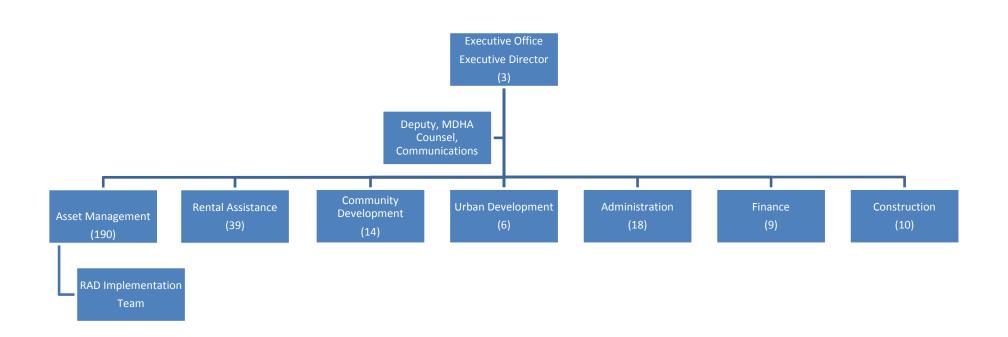
### MDHA's Intent

- Preserve and grow affordable housing while increasing opportunity for our residents
- Strengthen and improve community assets, including green and open spaces, while building a greater Nashville
- Self Develop; No land disposal; outsource only if not in current capabilities
- When developing: Multi Use; Mixed Income;
  Provide Equity and Opportunity in Housing

# MDHA History and Leadership

- MDHA incorporated by the State of Tennessee in 1937 as the Nashville Public Housing Agency under US Housing Act of 1937
  - Charter amended 1965 to be MDHA
  - Separate agency from Metropolitan Government
  - Board appointed by Mayor; confirmed by Council
- MDHA Board: Ralph Mosley Board Chairman
  - Melvin Black Finance Chair
  - Jimmy Granbery Development Chair
  - Anna Page
  - Gif Thornton
  - Minimah Basheer
  - Antionette Batts
  - Jim Harbison non-voting Executive Secretary

# MDHA Organization Chart (294 employees)



## MDHA's Team

106 with Bachelors Degree or higher.

By Degree: JD- 3; Masters and Post-Masters - 43; Bachelors - 60

By qualification: Over 88 housing, development, financial,

construction, architecture, family counselling and other certifications

including:

All Property Managers certified as Professional Public Housing Managers and Certified Property Managers.

All Leasing Assistants certified Public Housing Occupancy Specialists.

All Maintenance Supervisors certified Apartment Maintenance Technicians.

All Housing Inspectors certified as Home Inspectors.

All Contract Specialists certified as Procurement and Contract Specialists.

All tradesmen licensed in their trades: plumbing, pesticide, HVAC...

# Affordable Housing Defined

Affordable housing is housing deemed affordable to those with a moderate income, 80% Area Median Income (AMI) or less, where housing, including utilities does not cost more than 30% of a family's disposable income.

Disposable income is a family's compensation, including salary, overtime, bonuses, commissions and paid leave, less the deduction of health insurance premiums and personal current taxes.

Personal current taxes include federal, state, unemployment and disability taxes, social security taxes, and any other amounts mandated to be deducted by law. \*

\*Source: U.S. Department of Housing and Urban Development; definition is for rental units only; does not address ownership. The USG can grant waivers to allow affordable housing programs to be opened to 120% AMI or less.

# 114,082 Nashville Renter Families with 25,275 Families in USG subsidized apartments (22%)

#### 70,204 Nashville Citizens

- USG HUD subsidized Public and Indian Housing units provided under Section 9 of the Federal Housing Act: 5399 apartments/families (30% AMI; MDHA)
- USG HUD subsidized Housing Choice Vouchers provided under Section of the Federal Housing Act: 7398 units/families, includes designated vouchers for Homeless, Housing for People with Aids (HOPWA), Veteran Homeless Vouchers; and Project Based Vouchers for Homeless Veterans (30% AMI; MDHA)
- USG HUD subsidized Project Based Rental Assistance (PBRA) provided under Section 8 of the Federal Housing Act: 5244 apartments/families (30% AMI; private owners with 20 year contracts to USG HUD)
- USG IRS subsidized Low Income Housing Tax Credit (LIHTC) provided through Tennessee Housing Development Agency (THDA): 7234 (60% AMI; private owners, non-profits and MDHA)

Source: American Community Census, US Census, HUD, MDHA and THDA; Does not address affordable rentals built under HOME or CDBG programs (43 apartments in FY 2014); or non-profit or voluntary affordable housing provided by private owners

All Section 8 and 9 programs are legacy programs with no new USG allocations.

# USG Housing Programs Supporting Nashville (\$119,300,000 FY 2014 in direct subsidy)

- Section 8 of the Federal Housing Act (HUD)
  - PBRA (private owners; \$45.3M/year estimate)
  - PBV (MDHA \$45,000/year)
  - Housing Choice Vouchers (\$35M/year, MDHA)
- Section 9 of the Federal Housing Act (HUD, \$33M/year, MDHA)
- LIHTC (THDA administered) Private, MDHA and nonprofits
- HOME, CDBG, ESG, HOPWA (\$6M/year, MDHA)
  - Various programs, a part of which are for affordable housing; most visible is CDBG Homeowner Repair Program (\$450,000 in 2015) and HOME funding for the Barnes Fund (\$1.2M in 2014; \$1M in 2015);
  - HOME funds presently at risk for zero Federal funding; Zero funding for Barnes in 2016
  - Most programs executed by Non-profits, but funds administered by MDHA
  - HUD Budget and budget apportionment

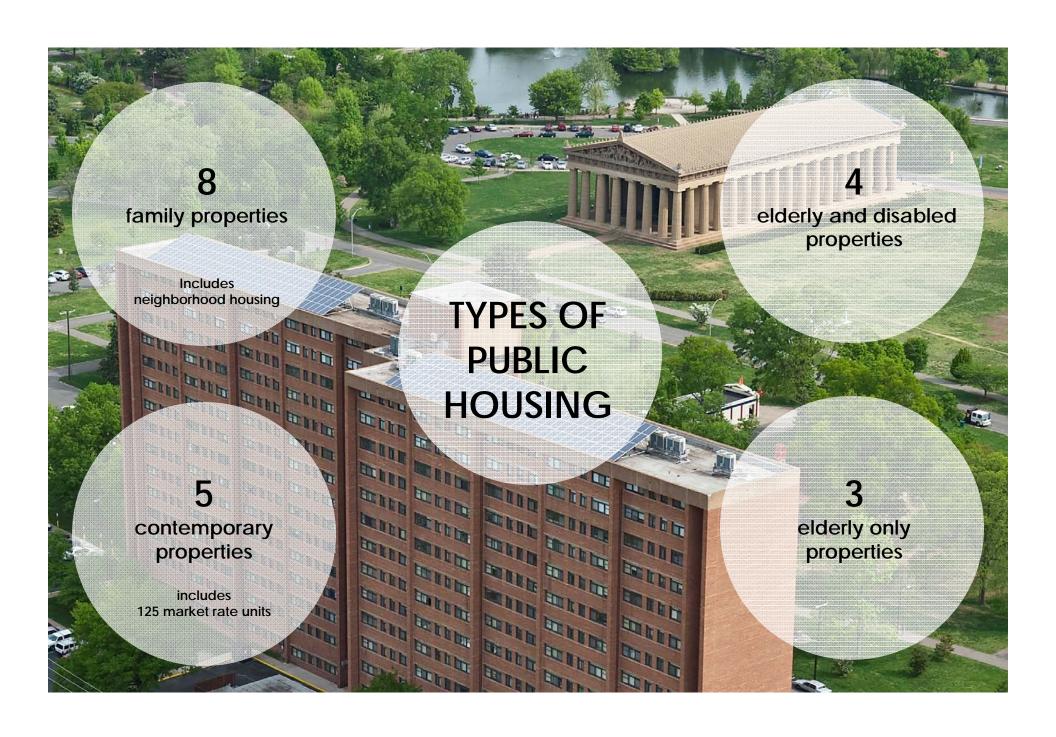






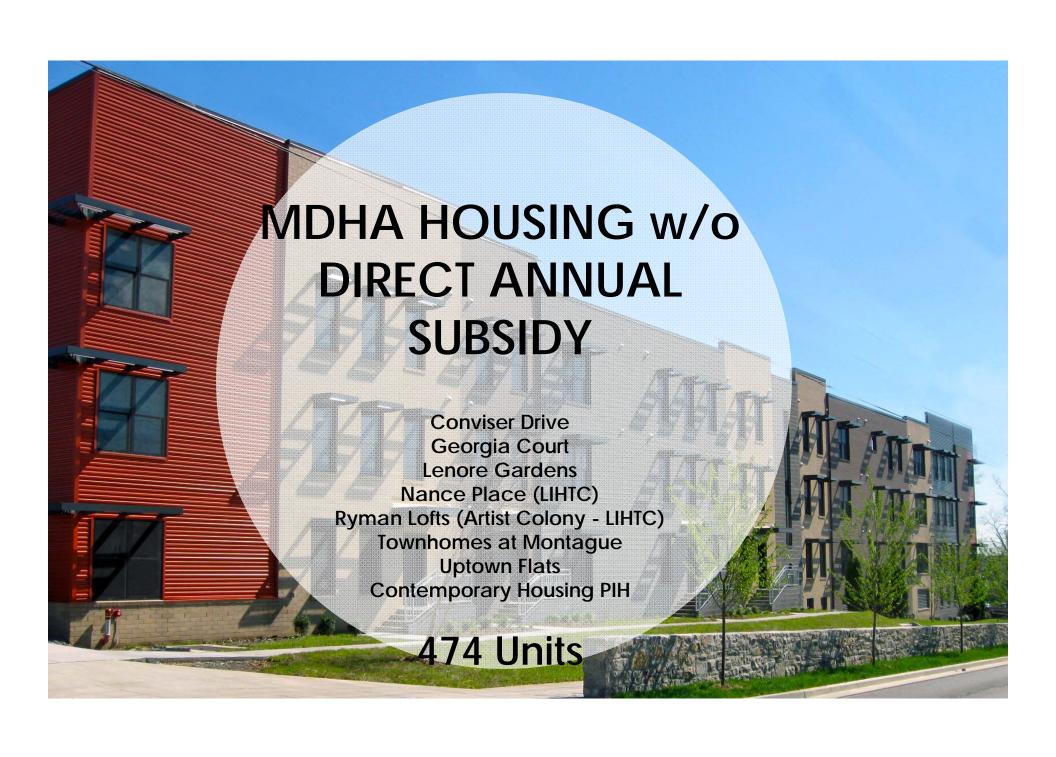














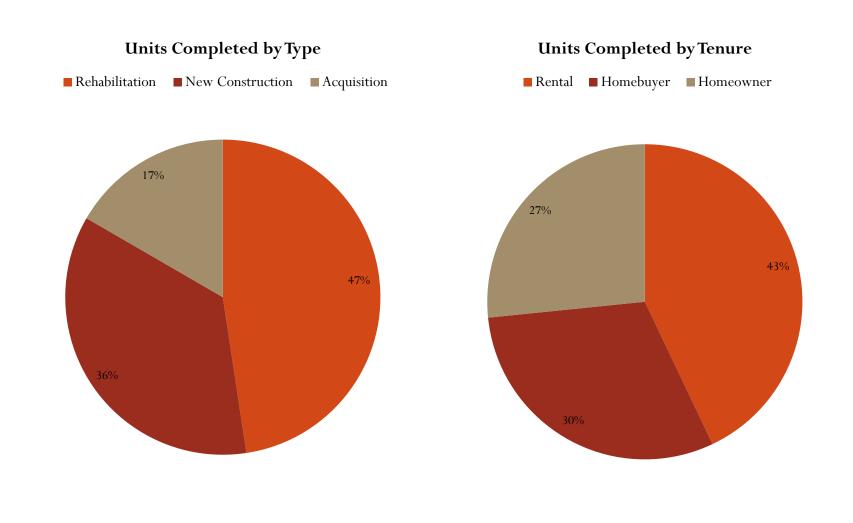




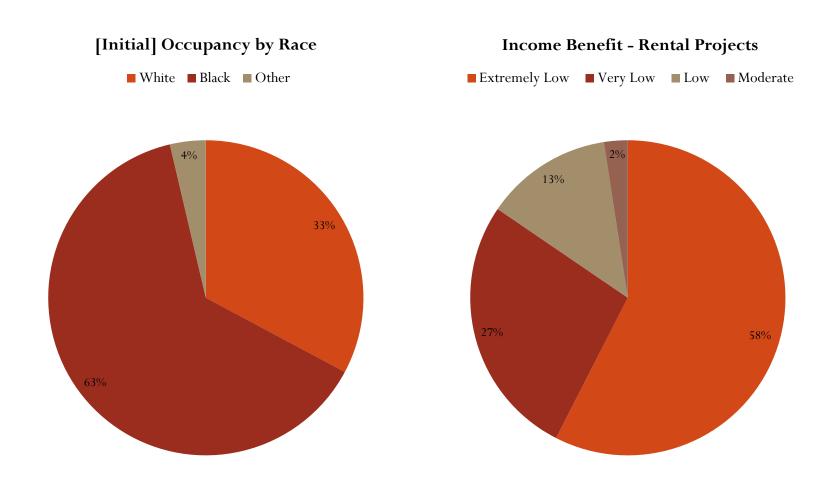
#### **HOME** in Nashville

- One of few Federal resources for new construction of affordable housing
- Since 1992, Nashville has received nearly \$64 million in HOME funds
- Produced 4,415 affordable units
- Leveraged other funds by ratio of 1:2.76, including majority funding of the Barnes Fund thus far
- Most projects are rental that benefit extremely low-income households (0-30% AMI)

### **HOME** in Nashville



#### **HOME** in Nashville



#### Celebrate HOME

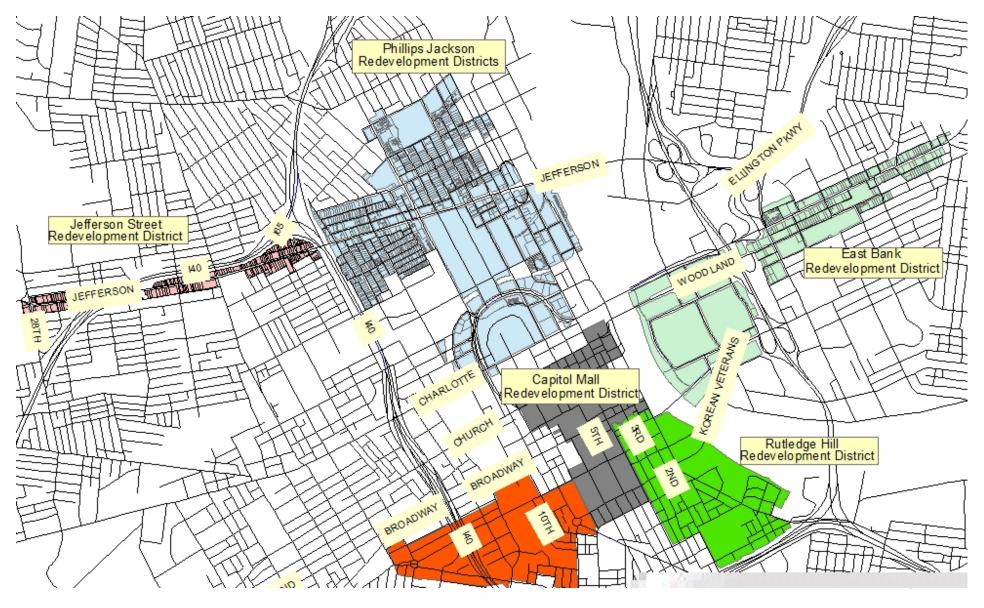
 See a HOME project • Hear what these funds mean to our citizens • Share the story • #SaveHOME!







# Redevelopment Districts







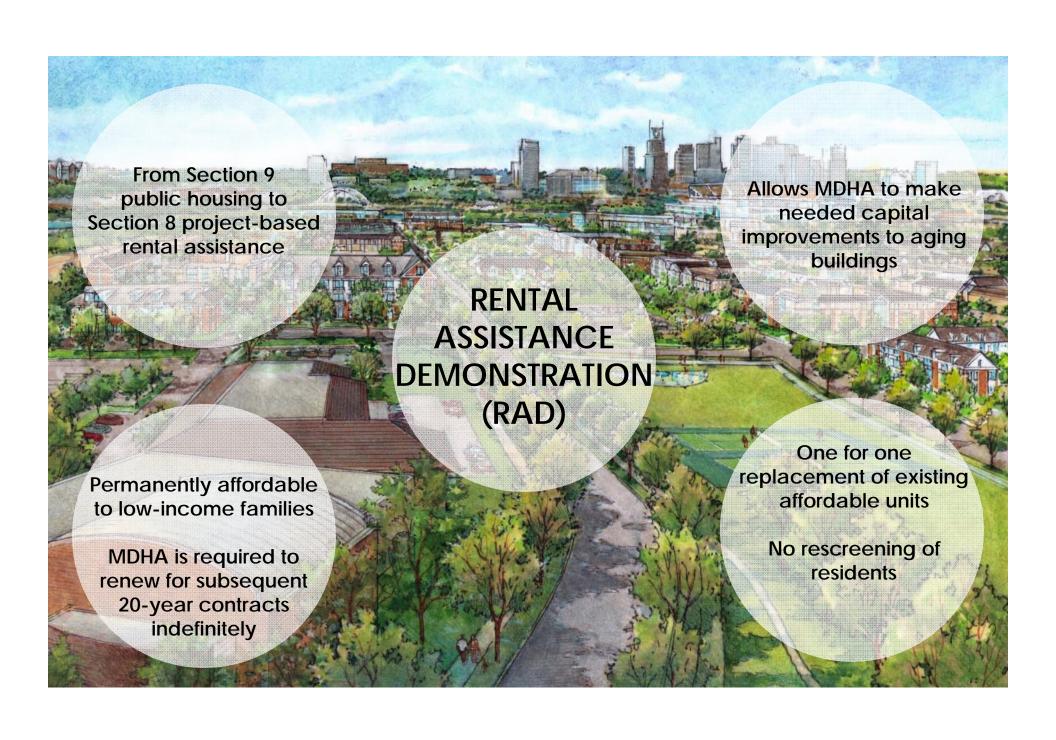
## What is TIF?

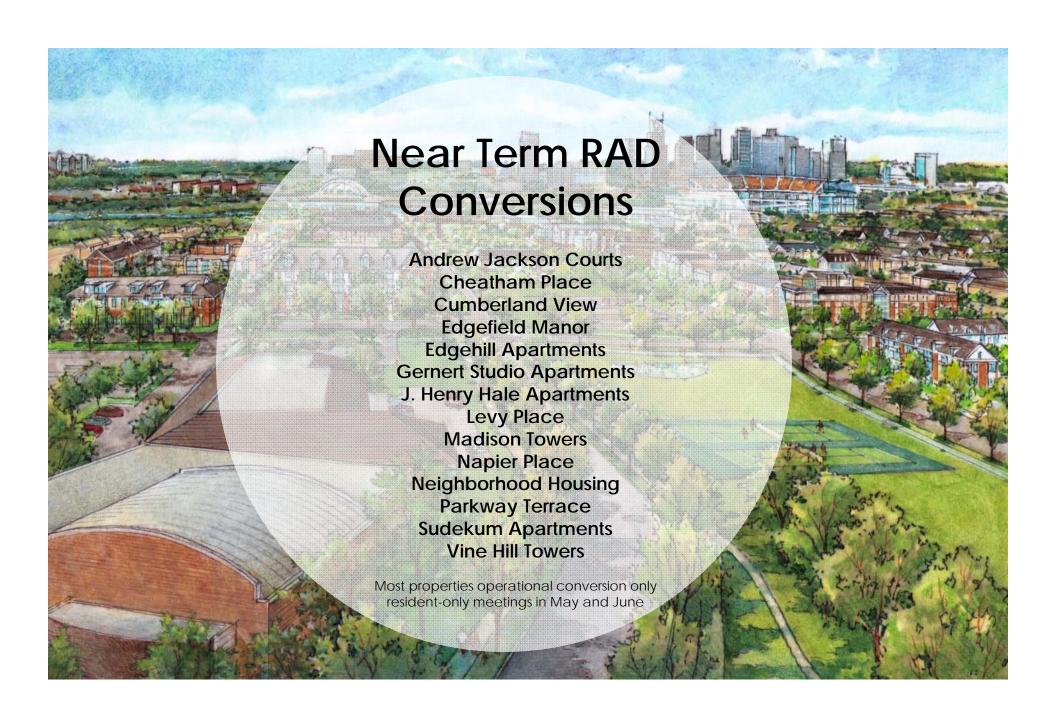
- Tax Increment Financing (TIF) is a public financing tool that utilizes future gains in property taxes to subsidize current needs for specific categories of infrastructure and improvements. Tennessee State law governs TIF use to assist projects that promote economic growth and provide a public benefit
- TIF is premised on the concept that if an economically deficient area is redeveloped by a government agency it will generate increased property taxes for the taxing jurisdiction in future years. Those increased (or "incremental") taxes can be used to pay the small portions of the costs of the redevelopment
- In Nashville, TIF can only be used as a redevelopment tool in designated redevelopment districts as established and approved by Metro Council and after approval, managed by MDHA.



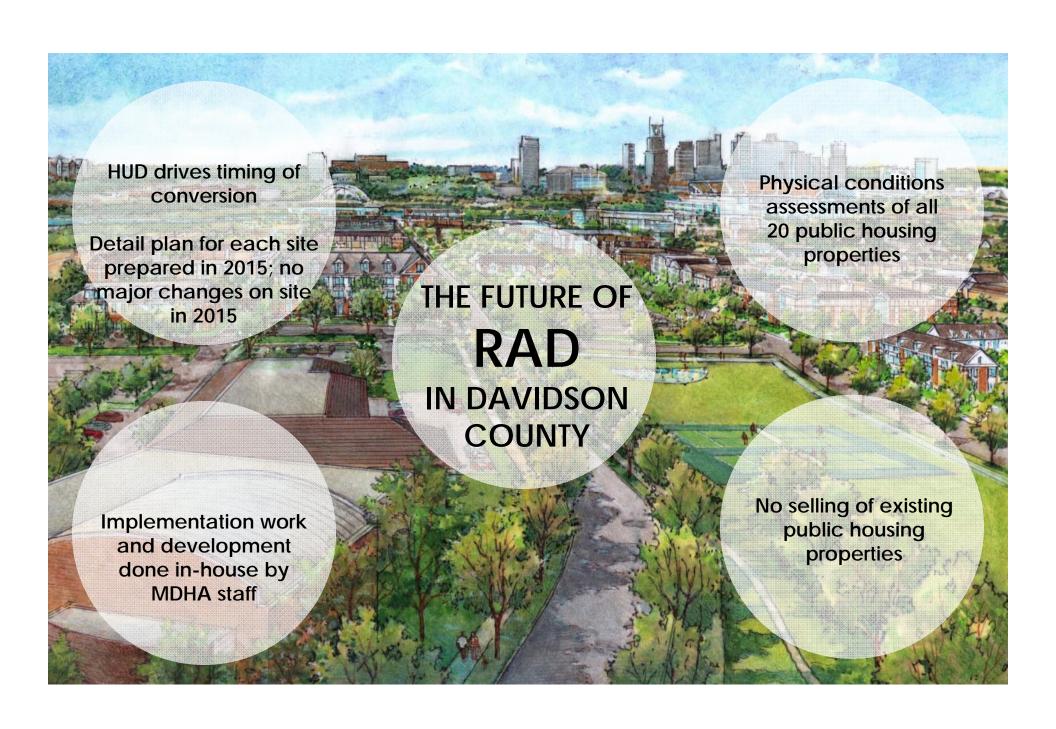
#### Rental Assistance Demonstration (RAD)

- PRAD is a USG HUD demonstration program that combines public housing operating and capital subsidies into a 20 year Section 8 Housing Assistance Payment (HAP) Project Based Rental Assistance (PBRA) contract between the local public housing authority (PHA) and HUD for the same number of units as funded under the public housing subsidies; and that releases the HUD declaration of trust on public housing property titles to give PHA 's fee simple ownership.
- Conversion under RAD allows access to private capital markets to securitize contracts and PHA only owned land
- Section 8 HAP contracts have more flexible options to refresh rent subsidy basis, renew contracts and increase subsidies.
  - One for one replacement of units required
  - Tenant relocation paid by MDHA
  - After 2 years in PBRA, tenant have option for vouchers for one year
- MDHA applied to convert all Nashville Public Housing, 5480 units December 17, 2013 and received approval March 31<sup>st</sup>, 2015. The procedure for contracts and title releases has begun, and will take up to two years to complete fully for the 22 public housing sites and their 433 acres.
- RAD provides a resource opportunity through public-private partnerships and equity capital to accomplish Envision Cayce and to pursue Envision redevelopment at all aging MDHA sites, while adding significant numbers of affordable workforce housing in Nashville.











# Envision Cayce: *A Community Driven Process*

#### Highlights of Process so Far

- Meetings with Cayce Place Residents
- 2. Meeting with Lenore Residents
- 3. Public Meetings + Community Charette
  - 4. Community Advisory Group (CAG) Meetings
- 5. Interviews with key stakeholders
  - 6. Door to Door Resident Survey
    - 7. Market Assessment
    - ExistingConditionsAssessment



### **Envision Cayce Concept Master Plan**

Housing Type	Number of Units
Cayce Place & CWA Replacement Units	968
Affordable Housing	358
Market-Rate Units	1,064
2,390 Total Units	

Non-Residential Uses	Area
Retail (grocery, pharmacy & more)	127,700 square feet
Institutional & Office (existing partners plus new library & education facility)	161,000 square feet
Mini Parks & Open Space	11 Acres

## **Envision Cayce Concept Master Plan**







#### 2014 - 2017



**HUD** approval of RAD application

Finalize acquisition of CWA

Engage experienced mixed-finance counsel and implementation team



Finalize land swap with Metro Park

- Finalize agreement with Cayce Clinic
- Finalize agreement with Metro Government re-transfer of metro-owned land to MDHA
- Work with the Mayor and Metro Government to secure infrastructure funding
- Submit Demolition/Disposition Proposal to HUD, if needed
- Submit Acquisition Proposal for HUD review
- Prepare Relocation plan



Complete application for Redevelopment Area

- Initiate TIF process
- Complete site engineering and geotechical studies for initial phase
- Initiate Re-zoning (Specific Plan Process-SP)
- Finalize strategy with Clean Water Nashville for future overflow abatement projects
- Finalize agreement with Metro Water Services regarding capacity fees



Secure LIHTC PILOT Legislation approval

- Refine Phase 1 plan and begin construction
- Develop Education and Supportive Services Plan
- Submit tax credit funding application for Phase 2

