

MINUTES OF MEETING  
OF  
THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

The Annual Meeting of the Board of Commissioners of the Metropolitan Development and Housing Agency was held on Tuesday, March 14, 2017, at 11:30 a.m. in the Collaboration Room of the Gerald F. Nicely Building, 701 South Sixth Street, Nashville, TN.

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

ABSENT:           None

ALSO PRESENT:  James Harbison, Secretary-Treasurer and Executive Director  
                  James Thiltgen, Deputy Executive Director  
                  Saul Solomon, Legal Counsel  
                  Tremecca Doss, General Counsel  
                  Melinda Hatfield, Director of Finance  
                  Will Biggs, Director of Affordable Housing  
                  Joe Cain, Director of Urban Development  
                  Martha Gregory, Director of Administrative Services  
                  Angie Hubbard, Director of Community Development  
                  Norman Deep, Director for Rental Assistance  
                  Ed Shewmaker, Director of Construction  
                  Aaron Darden, Director of Recapitalization  
                  Jamie Berry, Director of Communications  
                  Jean Merkle, Administrative Assistant to the Executive Director  
                  John Zirker, President, Cayce Place Resident Association  
                  Kelli Huff-Jones, Property Manager, Cayce Place  
                  Keith Melton, Walker & Dunlop  
                  Councilman John Cooper  
                  Steve Reiter

The Chair called the meeting to order and requested approval of the Minutes of the Meeting of February 14, 2017. Commissioner Basheer moved adoption of the following resolution:

Resolution No. 16-17

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Minutes of the Meeting of February 14, 2017, as submitted.”

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

The Chair introduced John Zirker, President, Cayce Place Resident Association, and Kelli Huff-Jones, Property Manager, Cayce Place.

Chair Mosley recognized Councilman John Cooper. Councilman Cooper spoke about the process he had encountered in requesting documents relating to a recent Request for Proposals to develop parcels at Rolling Mill Hill and the resulting proposals. Councilman Cooper believed MDHA not to be forthcoming with the subject documents. Chair Mosley stated MDHA always strives to exhibit transparency and would not intentionally ignore a request for information. Councilman Cooper stated he was making a formal FOIA request for the documents in question. Chair Mosley stated the documents would be assembled and Councilman Cooper would be contacted to pick them up in the Urban Development Office.

Chair Mosley called on Steve Reiter who had also requested to speak. Mr. Reiter said he was in agreement with Councilman Cooper on his request for information. He also commented on the Board’s Legal Counsel and his recent registration as a lobbyist for the Agency.

Commissioner Black reported on the Finance and Audit Committee held prior to the Board meeting. He said John Pieper, Mountjoy Chilton Medley, presented the September 30, 2016 draft audit report. Mr. Pieper stated the agency received an unmodified opinion based upon the audit procedures performed on the financial statements and federal awards, noting no financial statement significant deficiencies in internal controls or compliance. The report also showed audited activity for Vine Hill Homes, LLC; Preston Taylor Homes, LLC; and Ryman Lofts at Rolling Mill Hill, L.P. It was also reported that on December 20, 2016, the Investor Member and Special Member of Vine Hill Homes, LLC (the Company) sold their interests in the Company to MDHA for \$350,000. The sale was funded through the Vine Hill Authority Reserve and the intent is for the Company to be dissolved after the sale of the Project. Also discussed at the meeting was the major program testing, with no findings, of Public Housing and the Community Development Block and Entitlement Grants. Mr. Pieper concluded that there were no audit adjustments, disagreements with management, difficulties encountered, or fraud or illegal acts detected. Chair Mosley commended Ms. Hatfield and the Finance Department for a job well done.

Mr. Harbison gave an update on the agency’s various programs and projects. He said five public housing sites have now been converted to RAD. He said staff is working to acquire properties on South 6<sup>th</sup> Street adjacent to MDHA property. Mr. Harbison also said the project based voucher program is going well and later in the meeting the Board will consider an additional 79 units being added. He added that the President’s budget is showing significant cuts to the Community Development Block Grant Program and HOME. Staff will closely monitor any actions considered by Congress.

Jim Thiltgen, Deputy Executive Director, said that by State Law the agency is required to establish a written Open Records Policy by July 1, 2017 that will make available the public records of MDHA to the extent possible during regular business hours. He stated the policy had been reviewed and approved by the Board's Legal Counsel and requested approval. Commissioner Black moved adoption of the following resolution:

Resolution No. 17-17

"RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Public Records Policy for the Metropolitan Development and Housing Agency ("MDHA") as submitted on March 14, 2017, and herein made a part of these minutes by reference"

The motion was seconded by Commissioner Basheer, and upon vote all voted "aye".  
None voted "no".

Mr. Harbison presented the next item requesting Board approval of a Cooperation Agreement between MDHA and the Metropolitan Government. The agreement provides for services such as police, fire and trash pick-up in exchange for a Payment in Lieu of Taxes (PILOT) due to the Metropolitan Government. The proposed PILOT is \$50 per unit with an inflation adjustment once every four years. After discussion, Commissioner Thaden moved adoption of the following resolution:

Resolution No. 18-17

"RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Cooperation Agreement by and between the Metropolitan Development and Housing Agency and the Metropolitan Government of Nashville and Davidson County as submitted on March 14, 2017 and herein made a part of the minutes by reference; and

BE IT FURTHER RESOLVED, that the Executive Director is authorized to execute any and all documents relating to the implementation of the Agreement."

The motion was seconded by Commissioner Bone, and upon vote all voted "aye". None voted "no".

Mr. Harbison presented the next item requesting Board approval of a financing plan for approximately 94 new apartments on the site of the current Kirkpatrick Park as an initial step in the implementation of Envision Cayce. He introduced Keith Melton with Walker & Dunlop who presented the details of the financing plan. After discussion and questions, Commissioner Thaden moved adoption of the following resolution:

Resolution No. 19-17

“WHEREAS, the Metropolitan Development and Housing Agency has engaged in a strategy to recapitalize its aging affordable housing inventory by rebuilding such housing into new mixed income communities; and

WHEREAS, the development of approximately 94 units of housing at Kirkpatrick Park, consisting of approximately 36 rent-subsidized units, 20 workforce units and 38 market-rate units, will be an initial step in implementing that strategy; and

WHEREAS, the Agency has formed a wholly owned single-asset non-profit entity known as MDHA Kirkpatrick Park, LLC, for the purpose of developing and owning this property; and

WHEREAS, this development will require that the undeveloped real estate be conveyed to the non-profit entity at no cost, that the non-profit entity apply for and receive a Section 221(d)(4) loan from the Federal Housing Administration in the amount of approximately \$13.9 million, and that the Agency commit up to \$7.4 million in equity;

NOW THEREFORE BE IT RESOLVED, by the Board of Commissioners of the Metropolitan Development and Housing Agency, that it approves the concept of developing a 94-unit mixed-income residential community at the site known as Kirkpatrick Park; and

FURTHER RESOLVED, that it authorizes the transfer of the Kirkpatrick Park property to the MDHA Kirkpatrick Park, LLC, at no cost; and

FURTHER RESOLVED, that it authorizes the MDHA Kirkpatrick Park, LLC to apply for a FHA Section 221 (d)(4) loan to be repaid from the operating income of that property; and

FURTHER RESOLVED, that it authorizes the transfer of \$500,000 in HOME funds and up to \$6.9 million from the Recapitalization Reserve Fund to the MDHA Kirkpatrick Park, LLC, to be used as an equity investment in the development of the property; and

FURTHER RESOLVED, that the Executive Director is authorized to carry out such actions, including the signing of documents and the transfer of funds, as may be required to carry out the authorizations of this Resolution.”

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

Norman Deep, Director of Rental Assistance, presented a request to award 79 project-based vouchers to Urban Housing Solutions. Commissioner Basheer moved adoption of the following resolution:

Resolution No. 20-17

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the award of

79 project based vouchers to Urban Housing Solutions at the below listed locations:

Rex Courts 331 Plus Park Blvd.	12 – One Bedroom Units
Village Place Apartments 110 Oak Valley Drive	11 – One Bedroom Units 4 – Two Bedroom Units 1 – Three Bedroom Unit 1 – Four Bedroom Unit
The Park at Mercury Court 416 Murfreesboro Road	5 – One Bedroom Units
Lewis Street Apartments 1216 Lewis Street 1220 Lewis Street 1335 Lewis Street	6 – One Bedroom Units 6 – One Bedroom Units 4 – One Bedroom Units
Eastwood Courts 919 North 12 <sup>th</sup> Street	2 – One Bedroom Units 9 – Two Bedroom Units
Greentree Apartments 2531 Glenrose Avenue	15 – One Bedroom Units
Porter East 701 Porter Road	3 – One Bedroom Units

BE IT FURTHER RESOLVED, That this award is contingent upon clearance of Environmental Reviews and all units passing the Housing Quality Standards inspections; 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.”

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

Chair Mosley called on Mr. Zirker for any news from Cayce Place. Mr. Zirker said security is at the forefront and the majority of issues are from people who do not reside at Cayce Place. He said Cayce Place residents represent themselves and are not represented by outside parties. Ms. Huff-Jones thanked the Board for the opportunity to attend the meeting and said staff is working hard as the Envision Cayce plans unfold.

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

---

Secretary

APPROVED:

This \_\_\_\_\_ day of \_\_\_\_\_, 2017.

---

Chair