NASHVILLE
PLANNING

Barnes Fund
Round 13
General Barnes Funding

February 7, 2024

Agenda

- Introductions
  - Please tell us if you are a first-time applicant

- Overview
  - Barnes Fund
  - 4 Project Types

- Each grant:
  - Funding
  - Eligibility
  - Application
  - Scoring Matrix
  - Timeline
  - Resources
  - Questions

Introductions

- Barnes and Housing Staff Intro

- You - Name, Agency, First Time Applicant?

4 Project Types

1. **Homeownership Development**

2. **Rental New Construction**

3. **NEW CATEGORY: Rental Rehab -** Rehabilitation of existing or acquired homes owned and operated by the Applicant.

4. **Owner-Occupied Rehab** - Rehabilitation of existing affordable owner-occupied homes.

Funding and Maximum Grant

$23,445,169 total available funding

- Maximum grant $4M

Small Organization Set-Aside 20% ($4,689,034)

- Organizations with budgets under $2M
- Small Org Set-Aside maximum grant $750,000

Developer Fee

- 20% maximum (higher points for 10% or less)

Affordability Period: 30 years

- If owner-occupied rehab, use provided lien schedule

General Requirements

Eligible Applicants

- 501(c)3 nonprofits. If NPO demonstrates 51% control of project, can partner with for-profit developers

Income Guidelines

- All income will be annual HUD AMI adjusted for household size.

- Homeownership – 80% AMI or below
  - Household income determined/documented at time of program agreement with Applicant

- Rental New Construction – 60% AMI or below
  - No income averaging, Barnes units household income cannot exceed 60%

- Rental Rehab – 60% AMI or below
  - Unoccupied: 60% at initial occupancy; Occupied: When becomes vacant, must rent to tenant 60% or below

- Owner-Occupied Rehab – 80% AMI or below
  - Household income determined/documented at time of program agreement with Applicant

General Requirements

Financial Standing

- Positive cash flow and ability to carry out project

- Audit is required for organizations with budget over $500,000

- External CPA-prepared financials required for organizations with budget $200,000 to $500,000 (required by Metro Code)

- NEW All organizations need to submit most recent Board monthly financial report (not CPA-prepared)

Contract Length

- 24-month Metro contract

- First 12-month extension generally granted

Eligibility – Rental Rehab (NEW)

Rental Rehabilitation Applicant Requirements

➢ **Eligible Activities**
- Acquisition of a single site or multiple sites.
- Rehabilitation of existing or acquired homes owned and operated by the Applicant.

➢ **Income Requirements**
- Unoccupied Units:
  - Tenant household income should not exceed 60% AMI adjusted for size at initial occupancy.
- Occupied Units:
  - To preserve housing security, no tenants should be displaced due to income.
  - However, when an occupied unit becomes vacant, it must be rented to a tenant with household income not exceeding 60% AMI adjusted for household size.

Owner-Occupied Rehab

Requirements

- Homeowners at 80% AMI or below

- Rehab work provided must have at least a 1-year warranty.

- Code violations within the scope of work must be addressed and corrected during rehab process.

- Developer Fee 20% or less.

- Use following lien and cost recapture agreement for investments of more than $10,000 per unit:

Owner-Occupied Rehab Lien

Lien	Loan Amount
2 years	Up to $10,000
3 years	$20,000
4 years	$30,000
5 years	$40,000
6 years	$50,000
7 years	$60,000
8 years	$70,000

Site Control

- **Applicant provides land**
  - Need strong land control for proposed development prior to applying
    - Deed in hand, a 99-year ground lease, or signed sales contract
  - Property must be zoned or able to be zoned within timeline
    - If not zoned, requires both of following:
      - Council Member letter of support and
      - Planning/Zoning Staff verification conversation
    - Failure to provide documentation above will prevent application from being considered for funding
  - Funds cannot be accessed until after zoning is approved

Application Instructions

I. Minimum Standards Required for Consideration

All minimum standards are explained in the Application and Grant Policy.

NOTE: If these criteria are not met, staff will not advance the application for further review.

1. **Complete Application Fully and Upload All Attachments**

2. **Financial Standing** – Audit/Financials plus Board Financials, answer all financial questions on Application

3. **Organizational Information** – No lawsuits or outstanding safety or wage claims, Developer Fee – 20% max

4. **Due Diligence/Site Control & Zoning** including performing due diligence on and understanding code/permit requirements prior to application, design documents

Application Instructions

Section II. Required Elements – 10 pts each

Development Team Experience and Capacity

- Similar projects, team experience, roles of partners, NPO 51% leadership

Funding Sources and Uses (formerly called Capital Stack)

- Sources, Barnes request ≤ 50% of total cost, committed funding letters
- Uses, detailed budget

Developer Fee

- Up to 20% (higher points for 10% or below)
- Provide details on use of developer fee
- Also provide names & fee estimates for consultants

Site control, zoning, and development timeline

Application Instructions

Section III. Evaluation Criteria – 15 pts each

Project Type

- Robust plan for how your project will be undertaken, i.e., through new construction and/or acquisition and rehab
- Demonstrate thoughtful, detailed approach

Marketing and Outreach

- Affirmative Marketing Plan, collaboration with trusted partners, reach different cultures that may not know about your program, community needs assessments/survey/data analysis

Application Instructions

Participant Engagement

- Robust plan for educating tenants, homebuyers, or homeowners for rehab

- Make sure understand affordability window of 30 years or rehab lien

- Engage them in process

Project Design

- Sensitive to Universal Design and visitability standards

- 10 criteria on [Universal Design Checklist](#) must be met to be considered for funding, and meeting more than 10 will be considered in the scoring matrix

- Checklist should be submitted with application

Application Instructions

Sustainability & Resilience

- Housing built to operate with reduced environmental impacts and to withstand a variety of extreme weather events

- At least 5 criteria from Energy Efficiency & Sustainability Checklist

- Resource conservation, heat mitigation, access to green space, use of more stringent building codes than currently required, access to multimodal transit options, etc. will be considered in scoring

- Submit checklist with application

Access to Transit

- Access to Public Transit – walkable, shuttles to stops, subsidy for WeGo

- High-need assets like education, employment, healthy food options

Application Instructions

Section IV. Bonus Points – 5 pts each

Diversity, Equity, Accessibility, and Inclusion (DEAI)

- DEAI checklist is required attachment, but bonus is for DEAI practices you follow

Deeply Affordable Housing

- How your project will serve households at or below the required maximum AMI

Promotion of Healthy Communities

- Designed to address the physical and behavioral health needs of residents

- Health- conscious features and amenities

- Effective, sustainable health interventions

- Input from residents, community, and public health professionals

- Assess research/data to understand health needs and inequities in community

Bonus Continued

Urban Zoning Overlay

- Geographic high-need access to housing
- Grant Policy and Application have instructions how to find UZO info

Walkability and Food Access

- Accessible, connected developments
- Determine the walk score for the proposed development including transit access, walkability and amenity access including access to grocery stores at https://www.walkscore.com/

Disaster Recovery

- Provide details of how many of your projects are in disaster zones and describe which zone

Scoring

Scoring Matrix for each project type is on Barnes Round 13 application page

Timeline

Applications Opened	January 31
Info Session	February 7
Email questions to karin.weaver@nashville.gov and rasheedah.pardue@nashville.gov	February 21
Applications Due	March 18 at 11:59 pm
Review Period	March 19 to April 24
Housing Trust Fund Commission Vote	May 28
Presentation to Council	Late July/early August
Unfunded Applications Review with Staff	September

Questions?

Thank you!