

## Metro Property for Affordable Housing

In addition to funding and incentives for the creation and preservation of affordable housing, Metro Nashville makes or utilizes some of its property for affordable housing. Types of properties made available or utilized for affordable housing fall into two general categories: tax delinquent properties and surplus properties. Also, Metro may include affordable housing in the development of larger sites. A list of Metro-owned property is maintained by the Office of Public Property: <u>Public Property Administration</u> <u>Nashville.gov</u>.

#### **Tax Delinquent Properties**

After the period of redemption expires and prior to tax delinquent properties being made available for sale, the Office of Public Property sends a list of properties to the Housing Division. Each property is then analyzed for development potential. Properties that are feasible for development are made available on a competitive basis to nonprofit organizations through the Barnes Housing Trust Fund. Properties that are not feasible for development are sold, and the proceeds go to the Barnes Fund.

A challenge to activating tax delinquent properties in a timely manner is clouded title. The Housing Division is preparing to establish a land bank authority, which would have the ability to expedite title clearing.

To date, over 100 properties have been awarded to nonprofit organizations.

# **Surplus Property**

Most Metro property is "held" in a portfolio by various departments, such as Parks, Metro Water Services, MNPS, etc. From time to time, a department may decide a property is no longer needed and will "surplus" the property. Other Metro departments will then have an opportunity to express interest in the property.

In 2022, General Services partnered with Ernst & Young (EY) to conduct a space planning study for Metro departments. As part of this study, EY collected property and facility information from many departments and provided the Housing Division with a list of potential housing parcels. This list included 324 parcels classified as vacant residential land. However, 276 of these parcels are owned by the Metro Nashville Airport Authority and are **not** appropriate for housing construction. Of the remaining 48 parcels, about half were tax delinquent properties that were made available through the Barnes Fund. The other half were either deed restricted FEMA buyout properties or otherwise not feasible for development.

More recently, Metro Water Services surplused two of its properties for affordable housing: 0 Hagan St. and 136 Jacksonian Dr. These properties will be awarded on a competitive basis through the Barnes Fund. The Planning Department is currently analyzing three surplus properties for housing and other uses: 0 Brick Church Pike, old Bellevue Library, and Inglewood Library.

A challenge to utilizing surplus property is how the property was acquired. For example, if a property was donated for a particular use, it may revert to the original owners or heirs if it is no longer used for that purpose. Also, the funding source used to purchase a property may restrict its use or development potential.

Finally, while it may appear as if Metro has an abundance of vacant or underutilized land, some property is deed restricted FEMA buyout property on which housing cannot be built, or property may protect critical infrastructure.

### **Larger Development Projects**

Metro will include housing options in large redevelopment projects, such as 88 Hermitage, the East Bank, Global Mall, and 2<sup>nd</sup> and Gay (where the Strobel Center is under construction).

### Opportunities

Metro continues to explore and pursue opportunities to co-locate public, civic, and housing uses. An exciting opportunity is co-locating affordable housing with transit stations.