



METROPOLITAN HOUSING TRUST FUND COMMISSION MINUTES

January 28, 2025
2:00 pm – 4:00 pm

Members Present: P. Westerholm; G. Emmanuel; M. Carmen-Jackson; D. Moore, A. Christianson-Galina,
CM B. Taylor

Members Absent: J. Thomas

Staff Present: C. Middlebrooks (Planning Dept – Housing Division); R. Pardue (Planning Dept –
Housing Division); J. Dean (Planning-Housing Division); T. Ortiz-Marsh (Metro Legal).
E. Jeter (Planning Department)

1) **Welcome**

Westerholm began the meeting at 2:03 p.m. and read the Metro Code.

2) **Approval of Minutes**

Westerholm called for approval of the December 3rd minutes.

Vote: Emmanuel motioned to approve. Moore seconded. Passed unanimously.

3) **Public Comment**

Westerholm called for public comment.

Pardue introduced Andrea Prince.

Prince with Rebuilding Together Nashville stated, I wanted to come in front of the Commission today just to let you all know how important rehab and the work that we've been doing. We closed out our last calendar year, so I wanted to give you all an update. So last year, in 2024, we repaired 39 homes and over \$980,000 in direct repair costs along with over \$17 million in assessed town values recovered through this work. Without the Barnes funding, we would not have been able to reach the numbers that we have. In all the conversations around affordable housing and producing more homes, just the importance of preserving home ownership for folks in our community, you know after 30 years of homeowners living in their homes on fixed incomes, so, feeling like they might not have another solution except to sell their homes, if we aren't able to do those repairs to roofs, floors,

bathrooms, kitchens, to really make it a safe and healthy home for older adults. I just want to say thank you so much for what you all do to help to further that work along. We're also in partnership with Vanderbilt School of Nursing for being able to provide homeowner support. This spring we're hosting financial literacy classes and workshops along with mental health services, that were all kind of determined through working with the community through social determinants of health screenings that we've done over the past year. We really are trying to provide this holistic support to homeowners that's not only keeping them safe and healthy in their homes through repairs, but how can we connect them to other resources and services they might need if they're not being repaired. So, I just wanted to take this time to let you know what we've been doing and just let you know how important it is for our work with the Barnes fund and their support of us. So, thank you.

Westerholm thanked Prince for her comment. Westerholm then noted that he thinks that applies to the work of everyone in the room, both the staff, those in the planning division, as well as members of the audience involved. He then stated; I know this is the public comment period, so you're not supposed to hear me speak at this time, but I received a message from someone in response to our auditing conversation, and I wanted to see if there were any reactions that someone had at this time. Their comment was basically that there are several other processes they need to go through as a non-profit, and that their concern was what they're required to do by Metro code. But they wanted to make sure that it wasn't that much more burdensome. I'm not sure if anyone had a similar reaction or any thoughts on that in terms of what we were talking about with the audits. I'm going to give one more opportunity for public comment, based on that comment, if anyone wants to speak to that.

Terry Rappuhn with Westminster stated, well, on the issue of codes, I will say that we do rehab, and so what you run into in a house is that you go in and it's 30 years old, and so nothing is up to current code. So, what you touch, you must touch with that in mind. And it becomes very difficult to really understand how to do it. But my comment is that we really have found that Barnes is easier to work with because you will notice in the last round that we did, the original application said something like you have to bring it up to current codes, which we're not going to do. It's not possible to do. And so, it was changed to say that you must bring your codes to work with doing. I know that the contract was changed to say that our request and the request will be built, and that works. And it works so well that, in fact, we as an organization do not take federal funds because we don't believe that we can always comply with the federal grant guidelines and hundreds of pages of legislation. So, my comment is that in our experience, the Barnes is much easier to work with than other government money. But anyway, that wasn't my public comment. We're working with people who have been here for a very long time, who have lived in their houses for a very long time, and their houses are 30 plus years old. And so, what we run into is that occasionally we'll find a house that needs more work after we've done the first Barnes project. So, my question is around going into a house that we've worked with Barnes fund, and then later, maybe a year later, it needs more work in a different area. For example, a house needs a roof, so we go in and put a roof on it. But then it's got a 20-year-old HVAC. Well, if the HVAC's working, we're not going to replace the HVAC. But then two years later, the HVAC fails. And so, the way we have done it in the past was that, if it's a different round, we can work on the same house on a different project. I heard a discussion in the commission meeting after that that it was different than that. So, my question is, can we work on the same house in a different Barnes round? And I hope that we can, because we have a house right now in that situation. So, that's the reason I wanted to make a public comment today.

Westerholm thanked Rappuhn for her comment. He then asked Middlebrooks if she knows whether there's been a policy decision on that situation.

Middlebrooks then asked Dean for clarification.

Dean stated, currently, it's been handled sort of case by case. Before the current staff was here Brown did get permission to use additional funds from another round on a project. Currently, there is nothing in the grant policy for this specific round that would prevent them from doing that if it came from a separate round.

Westerholm asked; if we, as a commission, decided that that was a situation we wanted to address with them, is it too late for us to insert anything into that to address that situation?

Middlebrooks replied stating; if that's something that you wanted to specifically put in this grant policy, it would need to be done today so that we can activate these grant policies today.

Westerholm asked the commissioners if they had any thoughts on the subject.

Emmanuel stated, I guess if it's working now, and we have been able to do that, I'm just wondering if we need to make an initial policy.

Westerholm stated; I'm looking over at our legal counsel to see if there's any suggestions or guidance.

Ortiz-Marsh stated, my guidance right now is that we are still in the public comment period, and so I would advise against deliberation towards items on the agenda.

Westerholm stated; I appreciate that reminder. He then called for Pardue to announce the next public comment speaker.

Pardue introduced Zhu with MFX Venture

In the spirit of giving some updates, I'm part of a team that was working on that affordable housing cooperative and wanted to give y'all a few updates on where we purchased that building back in August. The scope of the project is to an innovative project where tenants in the building own a share of where they reside. We've been mostly focused on trying to train and educate some of the existing residents today, but we have had about 10 vacancies of this 60-unit property come up. So, we're collecting names on a wait list to go through some cooperative training. So, this is both for organizations that you know of and to the public, that we're trying to get people in here qualified at 50% AMI who are interested in joining the cooperative. And soon we're going to have some of those public meetings that I want to let everybody know that we can kind of go through the training procedures and those policies in case the commission or anybody out in the public is interested. Thanks.

Westerholm thanked Zhu for his comment. With no other persons signed up for public comment, Westerholm moved on to the next agenda item.

4) Financial Update and Legislation

a) Financial Update

i) December Financials

(1) Budget to Actuals – 12/31/24

Westerholm asked Middlebrooks to walk through the December financials.

Middlebrooks stated, the only thing I want to bring your attention to is because we had a combined meeting last time, on the last financials, you guys were given October's financials and you weren't given November's financials, so this one I gave you November and December. So, the columns that are highlighted in yellow are November and December's financials, and then you have your year-to-date, and then you have your percentage of the year-to-date also on the end.

Westerholm asked if there were any questions. Being none, he moved on to the next agenda item.

5) Items for Vote

a) Grant Contract Amendments

i) Rebuilding Together Nashville, Round 9 Contract Extension

Westerholm asked Middlebrooks to walk through the contract amendments.

Middlebrooks stated, Rebuilding Together Nashville needs more time to complete the total number of rehabilitation and repairs of the 87 units included in initial contract. In the past year, Rebuilding Together has increased the number of projects they were able to complete in a year. Rebuilding Together estimates that they will reach their 87-home goal by July 1, 2025, if not before. We can see that they have had two amendments prior to this. The first amendment to this contract served to redefine the scope of the program in order to expand the scope from 87 affordable single-family homes to instead serve 87 owner-occupied single-family and two-family home units. The second amendment to this contract served to extend the contract term to 36 months. This project has made 15 draws totaling \$1,411,006.42 which is 76.30% of grant budget. As of January 3, 2025, Rebuilding Together Nashville has completed 65 home repairs. Project work scopes have included in depths repairs, which increases the budget and timeline for completing projects. Barnes staff recommend approval of this extension. Rebuilding Together Nashville estimates they will reach the completion of this contract by July 2025, if not before. Rebuilding Together closes 4-5 projects a month, which will bring them to their 20 remaining projects within 5 months.

Westerholm asked the commission members if there were any questions, he then noted his appreciation for staffs work with the summary sheets that have justifications, progress, and staff feedback.

Vote: Moore motioned to approve. Taylor seconded. Passed unanimously.

ii) Inspiritus, Round 9 Contract Extension

Middlebrooks stated, Barnes was "first money in" on this project, which enabled Inspiritus to attract additional funding, including a HUD Section 202 funding award in November 2023. This

critical funding source will allow the project to be debt-free and greatly increase the financial sustainability of the project and its future residents. However, this program also required an extensive due diligence process with HUD, which typically results in long lead times. This project has had two amendments. The first amendment to this contract served to extend the contract term to 36 months. The second amendment on this contract served to change the draw schedule. This project has made one draw for \$500,000 on 4/29/24, which is 20% of the grant budget. The project is fully designed, nearly completed in permit review, and fully funded. Inspiritus is in the final stages of the HUD due diligence process and awaiting approval for the legal closing package. The project has made one initial draw on the Barnes grant already and will be able to request a second draw once building permits are approved in the coming weeks. Staff recommends approval of this extension. Inspiritus expects to close on the financing and be able to start construction in the first quarter of 2025. The project has an 18-month construction timeline and Inspiritus anticipates being completed by late 2026.

Westerholm asked the commission for questions or comments.

Vote: Taylor motioned to approve. Carmen-Jackson seconded. Passed Unanimously.

iii) Habitat for Humanity of Greater Nashville, Round 9 Contract Extension

Middlebrooks stated, Habitat Nashville is requesting a contract extension due to experiencing timing delays in the early phases of development related to three factors: 1) pandemic-related supply chain issues; 2) significantly delayed Nashville Electric Service infrastructure work on Village by the Creek; and 3) backlogged Metro review/approval processes. The project timeline is approximately one year behind the original plan but is now advancing at a normal pace. An extension would allow for enough time to obtain all required Metro approvals and, most importantly give the future Habitat homeowners enough time to complete their homeownership education requirements. If this extension were to be declined and remaining committed funding left unpaid, there would be no down-payment assistance available to the 26 homebuyers due to very few funders that support this specific critical need and securing replacement funding for constructing the homes and covering administrative costs would be a significant challenge, especially in an environment of continuing cost increases. With an approved extension, the Habitat team has expressed confidence that it will be able to complete the project and provide affordable homeownership opportunities to the 26 Nashville individuals and families. To date there has been one amendment which served to extend the contract term to 36 months. This project has made two draws: Draw 1: \$397,649.24; 13.3% of grant budget; Draw 2: \$60,898; 2.04% of grant. The 26 Village by the Creek homes are the final homes to be built in this community. Of these 26, 14 were scheduled to be built in the Spring of 2024 and 12 in the Fall of 2024. Habitat has finished volunteer construction on all 26 homes. The Certificates of Occupancy have been obtained for all 14 spring homes, while the 12 fall homes are in their final stages of construction and are awaiting Metro approvals. Habitat has drawn all site work and construction funding and has drawn a portion of down-payment assistance and the developer fee. To date, Habitat has closed nine Round 9 homes, with six more scheduled to close in February and three in March. The last eight of these homes are scheduled to close in May. Staff recommend approval of this extension. Volunteer construction is complete on all 26 homes, with the final 12 homes now in the final stages of construction and awaiting Metro approval. The future Habitat homeowners for all 26 homes have been selected and are working on their homeownership education requirements. Nine homes have been closed, with eight

more scheduled to close before the Barnes HTF Round 9 deadline in April 2025. However, the final eight homes are scheduled to close in May of 2025. Habitat is confident the requested extension will provide sufficient time for the future homeowners to complete their education requirements.

Westerholm asked the commission for questions or comments.

Vote: Emmanuel motioned to approve. Christianson-Galina seconded. Moore and Carmen-Jackson abstained. Motion Approved.

b) Round 15 Funding Allocation

Middlebrooks stated, the Metropolitan Nashville and Davidson County operating budget allocates annual funding to the Barnes Fund at the discretion of the Mayor and Metropolitan City Council. Each year, the Metropolitan Council allocates a budget comprised of operational dollars and a percentage of short-term rental tax revenue to the Barnes Fund for Affordable Housing. The Housing Trust Fund Commission, which oversees the Barnes Fund, determines the amount allocated to each 'round' of funding. The funding availability for Round 15 is \$19,399,742. Barnes staff are requesting that the Commission vote on a minimum funding allocation of \$19,399,742 for Round 15, 20% of which will be set aside for small organizations per Barnes requirements. Additionally, we are requesting the approval of \$16,488,500 in surplus money be added to this funding allocation when it becomes available for a total funding allocation of \$35,888,242.

Westerholm asked Middlebrooks; at the 20% set-aside, is that applied to the \$19 million, or is the additional \$16.4 million- I guess how is the 20% set-aside applied?

Middlebrooks responded, that will be the total amount.

Westerholm stated; okay, that makes sense. And then on that \$16.4 million, is any of that potentially threatened by some of the cuts we've been hearing about, or freezes on federal funding sources?

Middlebrooks responded, that's a question I don't have the answer to, but I can certainly find out. I don't know.

Ortiz-Marsh stated, Metro legal is currently working with Metro departments to determine federal funding sources. There was a freeze as of yesterday. I do not believe Barnes is affected by these orders.

Emmanuel asked Middlebrooks when the remaining funding would be available.

Middlebrooks responded, the last I heard, which was the middle of last week, it would be early February.

Westerholm asked for any further questions or comments.

Taylor motioned to approve. Carmen-Jackson seconded. Passed unanimously.

c) Nonprofit Audit Requirements

Westerholm stated; as we all know, this is going to be something that will be more standard for round 16, but for round 15, we're shorter than a transitional period, so we have a little bit of flexibility perhaps in how we decide to best determine compliance with the Metro code, as well as perhaps placing burdens on participants with our funds.

Middlebrooks stated, per Metro Code, 5.04.070, organizations with five hundred thousand dollars or more in total annual revenue or receiving grant funds from the Metropolitan Government more than fifty thousand dollars are required to submit an annual audit conducted by an independent CPA in accordance with generally accepted auditing standards. Every Barnes Fund applicant applying for more than \$50,000 must meet the audit requirement, regardless of whether the nonprofit meets the Single Audit threshold. 990s or other financial documents will no longer be accepted. Because an "annual audit" is required, a nonprofit must be in existence for at least one fiscal year and have an audit completed for that fiscal year. All grantees will be required to submit an audit for the most recent fiscal year. The audit requirement is effective for the upcoming funding round and subsequent funding rounds. Because the requirement is in Metro Code, neither the Housing Trust Fund Commission nor the Housing Division have the authority to waive or alter this requirement. This requirement may impact some potential applicants. Of 68 applications submitted for funding rounds 10-14, audits were not submitted for 12 (18%) applications. To help transition this requirement for Round 15 applicants, staff propose the following for approval: Audits will be an evaluation factor instead of a threshold criterion. Nonprofits submitting audits will receive the highest points. Nonprofits that do not have an audit will receive the lowest points; however, they may still be eligible for funding if the application passes other threshold criteria and has enough points. Staff will not be able to submit legislation for Council approval without an audit. If a nonprofit that does not have an annual audit for the most recent fiscal year is recommended for funding, that nonprofit will be required to submit an audit within 90 days of HTFC approval. A nonprofit must be in existence for at least 1 fiscal year at the time of application. This will be a threshold criteria and will ensure that a nonprofit can produce an annual audit within the 90-day period. Staff proposes that the grant policy for funding rounds after Round 15 will transition the audit requirement from evaluation criteria to threshold criteria.

Westerholm thanked Middlebrooks. He stated, reviewing the notes from one of the minutes from the December meeting, I think that we had a pretty good discussion on some things. I don't know if we came to a consensus on the best way to approach this. I was trying to remember if I was close to consensus, I don't know if I was. I think it's certainly important for us to recognize that this will be threshold criteria come round 16. I think where I was leaning then, as I was reviewing the minutes and where I think I still am, is that where we are in the timing of everything, if we are releasing the instructions of the application soon, the deadline for that will be April, I don't have the date written down, but it'll be a two-month period. My thought was if we include in the application instructions that this is going to be a problem for 16. You mentioned something earlier in saying if you wanted to pursue funding and you don't have an audit, trying to get that process started by the time you submit your application was one thought I was thinking about. But I certainly welcome the feedback from others. I'm trying to figure out if we can streamline that a

little bit more.

Emmanuel stated, I think in general I thought it was fair, even though we can't really affect the policy like you said, you can give a little bit of a grace period to get that. I think what you're saying makes sense.

Westerholm stated; we're at a place where we need to have as much of a consensus as we can to get this voted on today, so we can move along with everything. As its stated now, if the Commission is comfortable with this, I'm comfortable with this. My only thought was ensuring that in the application, maybe you give an extra nudge to say can you demonstrate with your application that you started the process of getting an audit done, if you don't already have one on hand. Is it okay as staff has provided it, or is the extra nudge appropriate?

Carmen-Jackson asked if the process was easier for them.

Westerholm replied; sure, fair question. My thought was if we ask them to demonstrate that they have begun a process of an audit they don't already have, because right now we have it submitted over the 90 days of our approval, so if we were to approve something in April, they will need to have it on time to go to Council, which would be 60-ish days afterwards?

Taylor stated, just for now we accept it, yeah, I think we don't need to decide at this moment, so we can go through the process. We may can wait until March; we won't have time.

Westerholm stated; I was trying to get a general sense of this. I guess my concern was because we're all trying to make sure that we get the dollars out to help projects along as quickly as possible, and does the recommendation to have an audit submitted within 90 days of Housing Trust Fund permission approval, is 90 days lenient to the extent that that would interfere with the council timeline approval? If it doesn't, then it probably doesn't matter. We can stick with what the staff recommends.

Ortiz-Marsh stated, I would not send a contract to council for approval until all the contract requirements are met. If we have an organization that is approved for funding in April, but they don't have the audit requirement, I would not submit a contract for approval until staff tells me the audit requirement has been met. So essentially, the approval without the audit is a conditional approval, and then let's say the 90 days pass, essentially those funds are then deobligated until the commission decided what to do with those potential surplus funds.

Westerholm replied; would it be just the funds for that project, or would that hold up the whole package? That would be going forward.

Ortiz-Marsh stated, yeah, I could submit different resolutions with different contracts. I will admit submitting a funding round via different resolutions will make it harder on the back end for staff to track. But if the staff is saying they're okay with that work, then that's the recommendation.

Carmen-Jackson asked; what's the timeline? 60 days? 90 days?

Ortiz-Marsh responded, depending on when the commission's meeting is, where that lines up with the filing deadline with council, sometimes it's two weeks, sometimes it's four weeks. It just depends on when the approval comes, because I base my legislation on filing deadlines with the council office.

Moore stated, the staff's recommendations about these rounds, using the audits as an evaluation factor, if they don't have those, they get less points than if they had them and then give them the 90 days to get that in once they're approved. So as a transitional, and of course next year, the next round, that would be off the table.

Taylor stated, I think the feedback regarding the last five rounds, we've only had 12 applications not having an audit, and it's helpful. If I'm not mistaken, in the last conversation, was heavily built around are the audits going to hold back anyone or not give everyone an opportunity.

Westerholm stated; if I understand this correctly, under the current setup, the applications are due on April 7th. Come April we would have the applications and staff would be evaluating them. At our April meeting we would be going to vote on those. I guess where I'm a little bit concerned is that we're giving them 90 days from May, part of me thinks we should start that clock a little bit sooner.

Middlebrooks stated, today we make these decisions and you guys are voting on all these things today. So, after today you guys will make these decisions to vote on these things and then I will go back, and I will insert all these things that we're making decisions on today into the RFAs. The RFAs will go live. Anybody who is considering applying for one of these grants, the applications don't open yet, but they will be able to go in and see this and that should be the trigger for them if they need an audit. The audience and anybody else who goes onto the Barnes website, they will be able to read the RFA and know that this is our policy. So granted, it's not a huge window of time, but they will be able to know in the next few days that, yes, I have to have an audit. It's not just in March that they're finding out, they'll be able to find out sometime in the next few days.

Westerholm stated; if we adhere to the staff proposal, chances are everyone who might be in that situation would have ample time and we probably won't be in a situation where an award is made to an entity that does not yet have an audit. Hopefully they would have already started that. In the meantime, if we keep it as an evaluation criteria that might be best. I think I want to go with the will of the commission. I feel like we're leaning a little bit more towards the staff recommendation. Does that sound fair? I think we're all willing to go along with this.

Vote: Emmanuel motioned to approve. Moore seconded. Passed unanimously.

d) Round 15 Grant Policy

i) Funding Cap

Middlebrooks stated, in the past, funding has been capped at \$4,000,000 for projects that are not competing for Small Organization Set-Aside funding, and at \$750,000 from projects

competing for Small Organization Set-Aside. Historically, caps have been included in the Grant Policy approved by the Commission. Staff are seeking policy guidance from the Commission on how to explain/structure the cap in the Round 15 Grant Policy to give applicants a clear expectation on the amount of funding available for a project. Options presented at the December 3, 2024, meeting were: Based on the per unit cost, not to exceed the cap; Based on the number of bedrooms, not to exceed the cap; Based on request, not to exceed the cap. However, the Commission did not reach a consensus on a funding cap. A few members favored no funding cap; others wanted to receive feedback from grantees. As a follow-up, staff have confirmed that Metro Code does not include a cap for the Small Organization Set Aside. Staff request that the Commission establish and approve a funding cap policy for Round 15.

Westerholm asked Middlebrooks if they received feedback from grantees.

Middlebrooks responded that she did not receive any specific feedback from grantees.

Westerholm stated; currently we've been at \$4 million for all projects, and then \$750,000 for the small organizational set-aside. And we've already voted for the total amount that's going to be available of that \$35 million or so. We can kind of do the math on our heads as far as how many projects that will be rendered under what we've historically funded.

Emmanuel asked; per project, did we say that you're going to get 50% of your total project come from us? Because I'm just trying to be sure here. How many projects is this going to be? How many projects would be \$8 million plus? I was approached by a couple of grantees saying they could certainly use the higher funding cap. I think I just want to see how many projects that would affect. There are some huge projects, like maybe a \$30 million plus for a big project. I think those projects could certainly utilize it. We still have a 20% set-aside. That's the piece that I would want to make sure we don't take any dollars away from the smaller projects

Westerholm stated; I think round 15 is going to be a very impactful round based on the share of ballots. Recognizing that we're largely at the will of the Metro council to provide funding for each round. As much as we appreciate the steady generosity that they provided, circumstances could arise where there's a smaller amount, we're able to provide. To the extent that we've increased the cap, we could be making fray-offs.

Taylor asks staff about a number for requests for additional funding within the last two rounds.

Dean responded stating; not fully technical but I think in the ballpark of 2.

Taylor stated, the amount of funding has been reasonable for the projects we've done over the last couple of years.

Christianson-Galina stated, I get why we have the set aside because we want to support smaller organizations, but I don't get, so why do we have a cap? What's the logic or what are the goals we're trying to accomplish with the cap?

Emmanuel stated, I think there's probably a few things. On one end I completely agree with why we have a cap, but on the other hand, I think it's just what people are saying. We're trying to spread it around to as many organizations as possible so that they have other funding that can then do the projects. It's not solely with Barnes that they must leverage the fundings. So, I think that's the positive of the cap. I think for me, I'm just wondering is 4 million the right number. When we have these exceedingly larger projects, 4 out of 50 is not that much when you think about it. So that's what I'm looking at. How many of those kinds of projects do we really get and how much will that really affect people?

Westerholm asked; how frequent should we adjust that? Because from a similar perspective, we want Barnes funding to be part of a broader package that helps get these projects out there. I recognize that for those who are developing these projects, they're facing increased costs on a variety of different areas as well. I'm sympathetic to the idea that 4 million doesn't get you what it did several years ago. At the same time, we still want to preserve the accessibility of the fund for as many projects as we can.

Pardue noted that before round 13, the previous cap was 3 million.

Emmanuel questioned that if they do increase the cap, what would be the right number, taking inflation into consideration.

Carmen-Jackson stated she believes it should be increased to 5 million because of inflation, noting that it would give them more room. She noted that construction is increasingly more expensive.

Moore stated she believes they should keep it the same since they have only utilized it since the last few rounds. She noted there are some nuances in there that they don't know about that could happen to the funding. She stated, it may be best to keep it to 4 million at this time and to stay the course this round.

Ortiz-Marsh stated, the Chair recognizes members to speak on the subject for whatever time the chair feels necessary.

Westerholm acknowledges an audience member who wished to speak outside of the public comment period. He stated his appreciation for everyone's perspective and stated that he thinks they are asking many of the right questions. He then asked the commissions approval for audience comments outside the original public comment period.

Taylor stated the threshold for the second public comment period would be one-minute per comment.

Vote: Taylor motioned to approve. Christianson-Galina seconded. Passed Unanimously.

(1) Second Public Comment Period

Wilshire with Pathway Lending stated, thank you for the opportunity to speak. I'll try and keep it brief. I debated it in high school, so I'll talk very quickly. I appreciate the commission's desire to spread it around. I endorse that. But cap, to me, seems arbitrary. Just because you have a cap doesn't mean you have to hit it. And it would seem to be an arbitrary limit on what could end up being a great project that you want to do but because you set a cap; and I think the increasing costs of construction or other reasons that couldn't be assessed at this time, setting a limit would potentially prevent you from doing something that you otherwise would want to do. Just because you set a cap doesn't mean you ever actually have to hit it. You could have a cap at \$40 million and give 50 projects each \$750,000. The cap seems arbitrary to me, but I appreciate the motivation behind it.

Westerholm thanked Wilshire.

Zhu with MFX Venture stated, I work with some big projects that are \$200 grand. I work with some things that are \$10 million. We see both of those perspectives. I probably agree with Matt that I think a top-line cap doesn't necessarily make sense. I think if you figure it out with the fact that sometimes it's a big project with a small percentage, and technically you'll get a grant that's spread out over a lot of units, and it looks like a favorable per unit cost subsidy, but it's not necessarily pushing the project into becoming that much more affordable. That could be gap financing. That might be a gap finance, but for another project, like a smaller one where it's a bigger part of the stack, that is the reason that it happens at all. So, you kind of have different competing priorities, I think, for different types of project sizes. So, I would think also you would probably want to put per unit dollar max cap on it if you want to take off the top line. HUD releases kind of guideline limits for that for certain bear grant funding. That might be an easy one to track to start out with. THDA also says you can't spend more than XYZ cost per unit on different for new construction, stuff like that. So, there's some benchmarks out there that already exist that might be good to track to. But as a policymaker, and not as an applicant, I would think that it also would want to be scaled, which is probably not what you have to do today.

Prince with Rebuilding Together Nashville stated, so for us, we're building together specifically to keep within the larger funding amounts. And so, if somebody's getting \$15 million towards their project, will that take the chance that we could get funded for doing, you know, help rehab? It's so much different funding rehab projects compared to new unit development. You know, we're running, you know, essentially where we are, we don't sell a unit at the end of this. We're not making money back. So, all our funding goes directly into the projects. If we didn't get Barnes funding, we wouldn't be able to do the work that we're doing. And so, it makes me nervous to think that, you know, I could be pushed out by a large, great project, but then all those other smaller units aren't going to be able to get done because of the large cap. So, I appreciate the view people are spreading around. It especially helps small organizations that are maybe not competing in the small category, to be able to remain competitive and be part of the whole process.

Westerholm thanked Prince for her comment.

Lucille Houseworth with Habitat for Humanity of Greater Nashville stated, I would like to echo what has been said about retaining caps. I agree that a modest increase of the \$4 million cap could be wise given inflation. Even though the \$4 million has only been in place for a couple of rounds. There has been a cap in every round that I'm familiar with, we've had probably seven or eight rounds of funding. I think there was caps put in there for exactly what she was talking about, to make sure that large projects get enough money to make it worthwhile and to be able to match, but also that smaller projects or, you know, things that use less money can also be funded. So, I would be supportive of retaining the \$4 million cap with, per project, with perhaps a very modest increase given inflation.

Westerholm thanked Houseworth for her comment.

Terry Rappuhn stated, I'm going to support what Andrea and Lucille just said, but kind of a different flavor on it. We are in small set aside. We're doing rehabs. It's between \$3,000 and \$10,000 typically. There is no capital stack. And so, what I'm passionate about is that the 50% concept, which makes sense maybe for a large project with capital stack, right now, that is a bonus part, not a bonus part, it's a scoring part. It's not a threshold part. And that's important to us, because there's not, like Andrea said, there's no other money out there lining up when there's no future cash flow. So, I support there being a cap at a level that works for all the participants, but I also very much support the 50%, especially for rehab projects, the scoring mechanism and not a threshold.

Westerholm thanked Rappuhn for her comment.

Josh Haston with LDG Development stated, I see a lot of different perspectives and understand all those perspectives. But I would just add to that, as you guys have a lot of authority in how you draft these funds, as we see National continue to grow, what I would say is there's a comment about HUD limits in terms of cost per unit. Most projects, especially on the high-tech side, get waivers on those costs every year simply because of site work that's required to do that. So, I would just keep that in mind. Regarding small costs versus high costs, I think you can accomplish both goals of awarding both smaller projects as well as larger projects and get just as much bang for your buck. What you might want to consider, in my opinion, is the merits of the project in terms of how and what it's going to provide for the community. What we've seen just in general of lots of developments in the past decade is they tend to be very location specific. So what I would advise is if we're really looking out in terms of housing affordability and requirements and what that does for the community over the long haul as we continue to see gentrification, maybe it might be advised that you increase the cap for projects that are maybe outside of the qualified census tract or some sort of measure like that so that you're helping to make up for that gap that's lost from the tax credit that you're not getting from being in a higher income census tract, but still it will hopefully get a larger project that is ground running and that goes to the pensionary

cost.

Westerholm thanked Haston for his comment.

Nick Nelson with Nelson Community Partners stated, I think the caps are a good idea. I think for a bunch of reasons that were already shared. I think also it sort of de-risks the allocations a little bit. You could end up with a big chunk of money in one project that runs into some problems, then the whole round doesn't look as good. So, I just think there's something advisable about sort of de-risking allocations in a \$4 or \$5 million cap. Makes sense to me. That would be where I start from. The cap that I comment on is the small cap at \$750,000, I did some quick math. I think that would be a \$7.5 million round. That would be 10 awards at \$750,000. I'm not sure that's going to be the most efficient way to allocate resources at that level. And so, as a proportion, you've got \$4 or \$5 million of let's say 25 or 28, that might be six awards or so. But if you have 10 awards, it will be smaller in size. I think maybe some proportionality, maybe increasing that to \$1.5 or \$2 million or something might be wise. And currently I don't think anywhere in the scoring criteria is sort of a funding efficiency scoring criteria, I don't believe. Which is like, oh, we get more points if we use less Barnes fund per unit. I'm not necessarily suggesting that, but the cap sort of offers a different way of approaching that instead of spreading the money around and trying to get more efficiency. That's just my two cents.

Westerholm thanked Nelson for his comment. He then asked if anyone else would like to comment in the second public comment period. Being none, he proceeded with the current agenda item.

Taylor stated, I'm a fan of the cap. I think that a cap truly provides a bit of transparency, and we have mountains and mountains of opportunities to be transparent in our process here, but it adds just a little bit of transparency to say, this is, I think, a way, to everyone, organizations can come in at this level. These organizations make a profit from doing this. I think being transparent about that with a cap is truly important to the constituent, to the taxpayer that pays for the Barnes fund to be able to offer the dollars to move these projects.

Emmanuel stated, thank you everyone for those comments. That was very helpful to hear from the different sides. And for you too, Councilman Taylor. I'm not necessarily advocating getting rid of the cap, but I do want to understand why our cap is what it is. And so just hearing what everybody's saying, I love that idea of saying, and I don't know if it would be good for this round. I will clarify by saying I know this round is ready to go but the idea of saying, it's almost like an evaluation criteria if I'm asking for X amount of money and they score differently. If it's a lesser amount, they score higher because I allocate more dollars and vice versa. If we don't do it this round, I think it would be great for us to talk about that for future rounds. I think that makes more sense to me. But I do want to talk about these numbers. If we had two rounds that were \$4 million, has that been two years? So, in two years, costs have certainly gone up. Even if it's a small increase, costs have certainly gone up in two years to where I feel like it would make sense to adjust on both numbers. That's the comment I would bring up. I think it might make sense to adjust these numbers upward and maybe not getting rid of the cap. And then having further discussion either for this round or the next one on how we can look at that.

Christianson-Galina stated, I'm convinced after hearing everybody I'm now supportive of a cap. But I do think the \$5 million number raising it slightly with the increase in construction costs seems like a good idea. And I hadn't thought about raising the \$750,000. But that really doesn't make a lot of sense.

Westerholm stated; we've had some good feedback from our audience, good conversation from our commission. It sounds like we're getting to a place where there's support for retaining the cap. There's interest in perhaps a small adjustment or some sort of adjustment to what those caps are for both regular projects as well as the set-aside. Is someone interested in throwing out a number?

Christianson-Galina stated, just throwing out; \$5 million and then \$1.5 million.

Westerholm asked; do you think that's a little too high for you?

Moore replied, I would probably say \$4.5 million and \$1 million. We're looking at \$36 million. So, it's not going to go far, if we raise the cap, it's not going to go far. \$100 million would be different – but \$36 million...

Taylor stated, In December 2024, it's about \$500,000 inflation increase over the years.

Westerholm stated; one idea is that we would increase it to \$4.5 million and \$1 million, another idea is \$5 million and \$1.5 million. And leave the per unit cost for another conversation.

Taylor asked staff; is your recommendation based on what we've been doing the past year?

Middlebrooks replied, the information on this memo came from y'all's survey, so I just presented you with your own information.

Taylor stated, this is putting you all on the spot. What does this do for... We can look at units, we can look at projects. What does this do? Just a quick math, I suppose.

Middlebrooks stated, you're asking me right now to kind of analyze everything what's going on. Number one, Emmanuel, I love your thoughts as far as evaluation criteria, per unit cost, and having that conversation for round 16 I think those are good conversations that we can have. And that's based on a lot of what you guys talked about in the survey. I think those are good conversations to have leading into round 16. Because those are things you guys all discussed. So, I think those are good conversations to continue to have. I do think based on audience conversation and the commissions conversation, that bringing the cap up based on your own conversations, I think that that is a possible idea. I think the amount of funding we have for this round; I think that it's doable to bring the cap up. If that's what you decide to do, I think that we have enough, that we will have enough that we can spread the wealth. The way you're thinking is a good thought process to bring up.

Westerholm thanked Middlebrooks for her insight. He then stated; I agree with what Emmanuel said. Looking at the per unit cost and per bedroom cost is an intriguing area. Josh's comments about how it looks I think I'm welcome for the conversation on that. But for purposes of this funding round, I think that we just need to stick with a based-on request not to exceed the cap approach and then determine where we want that number to be. I think that we've all agreed that there's a need to increase it a bit. I guess the question for us to decide is, thinking about the tradeoffs between \$4, \$4.5, \$5 million and \$750,000 and \$1.1 million and \$1.5 million, do we have strong feelings as to what that does as we explore those different levels? Speaking for myself, I think that I'm comfortable with either of those funding caps. If the commission has strong feelings one way or the other, I'm open to determining what we think is the best amount. I think that with this funding round, we do have a somewhat larger amount than we've typically had. There's also the concern that once we go up, it'll be hard to ever go down. And so, if we do have an extent to which we do raise it, that kind of sets our line in the sand to say it's going to be hard for us to get below that again because all the projects are going to see increasing inflation in the future and smaller amounts that we'll have to offer.

Emmanuel stated the population in Nashville is going to require more units.

Taylor stated, if we're going to raise it today, for me, I'll vote no to raise it today. Not because I don't think it needs to be raised, but I don't think we have a lot of justification other than we know the inflation is there, we know the cost of doing is more, we know the housing is getting harder to find for individuals. But we can define and have more justification behind it. If we can have numbers, what's the percentage of inflation, what's the amount of housing stock that we have or need in the next number of years. And if we have that information, I think we can be able to collaborate with it to be able to truly set standards, stand behind it and say this is why we made this decision because it's based on this as opposed to what I think I would like to have more concrete evidence of why we should increase it today.

Westerholm thanked Taylor. He then stated; Emmanuel, I must put you on the spot, but I feel like since you're one of the longer-serving commission members, going back to the idea that caps have been a part of the Barnes fund probably since its history and trying to figure out where were those caps coming from. I appreciate the comment from Councilman. It does, I think, help us to be intentional about understanding why these numbers are created so they don't just be seen as arbitrary. And it may be that there was a conversation at some point that said here's why \$2 million was a good cap, here's why \$3 million was a good cap. I'm guessing it's based on here's a number that we think is appropriate based on the amount of funding that we must release per round as well as what is the amount that we think is needed to get a lot of projects over the hub. It's going to be a little different every time probably, but I'm guessing those are probably some of the factors. I don't know if you recall anything, Emmanuel, that was more specific than that?

Emmanuel responded, no, I mean, just what you said. I don't think I have any details on why that was. And I do agree with everything that you're saying, Councilman Taylor, as far as saying the structure is already in front of you. The flipside is I know sometimes it takes a year or two to get round out and that's the part that I struggle with is, you know, is there some medium

amount that we raise it? Like you said, we're not going back down once we raise it. Is there something in the middle that we can handle? But I do think if we do anything substantial, we will need an actual detail in relation to what projects mean and why. But I do hear things constantly from people, insurance costs are extremely expensive, construction costs are expensive, it's not even just one thing, many things, so I just want to be sensitive to that to make sure that we're making it possible for people to do real projects of scale. And any projects of scale, too. I mean, I think some of the smaller nonprofits, too, would benefit from our raising those numbers. So that's my only reason why I must take to wait for essentially what will probably be at least another year.

Carmen-Jackson stated, the fact that, like you said, everything is going on and it's getting more expensive to build, why don't we just secure this money for the future? We don't know. Nobody knows. Just to be safe.

Taylor asked; is there a way to add an amendment or waiver to an amendment? The amendment or waiver to if there's a project that you're looking into is going to have rooms, units, etc. things that we're looking for; all levels of AMI, all levels of criteria and to cap it, where we are in that waiver to renew the criteria and request housing and funding.

Carmen-Jackson stated, Is this a good requirement? Yes, of course.

Taylor stated, I don't know if we can do it legally.

Ortiz-Marsh stated, I'm going to repeat what you back to you to make sure I'm understanding correctly. A policy that would give this commission the ability to review a funding request if certain factors were met with the application.

Taylor responded, yes, or certain factors of application based on a project that may need additional funding that we see that meets additional criteria to complete that project. We've got X number of units and X number of rooms at both levels, could we increase the amount? In a waiver amendment style space within the application process.

Ortiz-Marsh responded, yes, you could motion to accept the funding cap with a waiver, a possibility to apply for a waiver to that cap in the application and that waiver to the cap would be reviewed by this commission. I'm understanding your process is very formal.

Taylor responded, no, it's not.

Ortiz-Marsh stated, okay, I will say, and I don't want to step on staff's toes, that would likely delay this commission approving the grantee slating that would require if there were waivers to the cap in the application, those waivers would have to come to the commission during the scoring process for the application to be considered.

Taylor stated, I think we would need to define what requires a waiver. We don't have time to do that, but we may have goals that we already have that could solicit a waiver.

Middlebrooks stated, I don't know if that would be something that would be in the grant policy, which it's currently not in the grant policy, but if that's something that was going to be allowed, we would have to have some sort of policy around it otherwise everybody's going to have a waiver so that they can go above the cap. Then what's the point in having the cap?

Carmen-Jackson asked; what group would be delayed the most, the waiver or the amendment?

Middlebrooks responded, the waiver because we must review all the waivers because we have to bring every waiver to the commission to vote.

Carmen-Jackson asked; would this go with the amendment?

Westerholm asked; where would the funding reside that would be pursued in that situation?

Taylor stated, it would have to be a defined issue. And I'm going back to you, and you stated that there's not been, for the \$4 million, I don't know if it's \$750,000 or the lower number. But how many projects have been requested for more than \$4 million? Or at the top. I don't want to speak for you all. If you're not requesting it, if we add a waiver, will it then be requested later down the road? I personally don't believe so. Because we're not to the threshold now right now to where people are saying yes; where we have a multitude of individuals that are asking for the top of the limit of what we have. I think we need multiple more meetings. And maybe we can leave this for a different round.

Carmen-Jackson stated, I see it a different way. How many projects are coming up? Do we know? Let's see it from this last time, it seems to me like there's quite a bit of projects coming up in Nashville. We have a long list of information given to us.

Westerholm stated; I think it's safe to suggest there will always be several projects. Councilman, I'm trying to wrap my head around your train of thought. Sorry if I'm getting this a little bit wrong, but I'm wondering if you're trying to figure out a way for projects that might want to pursue additional funding after they've reached a cap, a way to do that might be to figure out in another round, as we go through another policy discussion, to determine, right now we have the 20% set aside for the smaller projects. Maybe we say we want another 10% set aside for other contingencies that might arise that we could establish a second criteria list for and then give that and see if that gets utilized. I imagine that there could be several contingencies that would be a process we build into a timeline and figure that out. But I think for our purposes today, if you're okay with that, I would prefer that we take it up on another conversation.

Taylor stated, this isn't purely for conversation, but if we want to meet the need of the builder, absolutely, funding, I mean, I have this conversation a lot with developers, it's expensive to build. Specifically, it's expensive to build in Nashville. It's expensive to buy property in Nashville. It's expensive to live there. It's all expensive. And it's only going up. And so, I think that there's a conversation here. I think there's a work session possibly that we can go to that opens the opportunity for us to work directly with the people that this will affect the most. But I think if

there's a project that someone has that they just need just a little extra, but they can't get it, is there a way that we can build into our plan to allow for that to happen for the sake of affordable housing?

Westerholm thanked Taylor for his comment. He then stated; I welcome that conversation for future rounds of policy. I think that I just threw out several 10% for contingency fund. Maybe that's a good number, maybe it's not a good number. But if we do want to explore that, and to bring us back to the matter that we do need to decide today, is the funding cap for this round 15. Any other pieces of the pie that we're looking to cut out are going to be impacted by that. So, as we're thinking about whether we're good with the \$4 million and \$750,000, or if we want to bump that up a little bit, I'll just throw it out there, if we're also thinking about a small amount of contingency at some point, that would also affect what we're talking about right now.

Christianson-Galina stated, I guess to me, it seems more elegant and straightforward and fair if we just bump up the number and have no contingency fund and no waivers.

Carmen-Jackson responded, no, because that's going to delay the project. So, no waivers at all.

Emmanuel stated, I think like everyone's saying, it's going to take a lot more discussion. The only other thing I was going to bring up is when you're looking at our application and the points that you can get for each different round, there's a more important place on deeper affordability, corporate housing, long-term affordability, all these things that cost more people to do. But in our last meeting and now, we're saying those are important. What I'm hearing is unified housing strategies, saying the lower number of the scale is harder. In our organic funding round, it's like we gave a pretty big number to somebody. So, I guess the only other side of this that I want to say, if we want more of those projects and we just gave a big award to somebody to be able to do that project, we don't see a lot of those projects come through. We see some, but not a lot, and probably because there's not enough dollars to get done until we get those ARPA rounds where we gave a much bigger number. So that's the only piece I want to consider in this round. I think there's a lot more of these discussions we need to have, like you've all said, that I think we should have before the next round. But that's the only other reason I would say to do a small increase this time. It may not make a difference for a project like that, but I think it's worth it.

Westerholm stated; I would entertain a motion to approve the funding cap for round 15 for a level of \$1.5 million for projects and \$1 million small organizational set aside, if someone's willing to make that motion.

Christianson-Galina asked; so how would that work, if we were going to do that or just slightly higher cap?

Westerholm replied; you would not support that motion.

Christianson-Galina asked Carmen-Jackson what she was thinking.

Carmen-Jackson stated she is thinking \$5 million and \$1.5 million. And the reason why is because the need is so expensive.

Christianson-Galina asked; so, if the first motion failed and then we went to a second one to five, but theoretically that failed. Could we go back to the first one?

Westerholm replied; yeah, the chair expressed openness to a certain number. There was not a motion offered at that level. He then asked Emmanuel if she was wanting to file a motion.

Carmen-Jackson said yes.

Carmen-Jackson motioned to approve \$5 million and \$1.5 million. Anton seconded.

Westerholm stated they could now either have a vote or further discussion.

Emmanuel stated, given all the things we said that we wanted to have a basis for why we put the numbers. Just sort of a small movement upward and then really before the next round have a deep dive on how we should really put these numbers in place.

Westerholm asked if anyone else had a comment. He then stated; I was also preferring a smaller increase.

Carmen-Jackson stated a million doesn't make much of a difference when you're talking about construction and that it is a very small amount of money.

Westerholm replied; sure, I'm just trying to think through all the things we've been talking about as far as raising the limit. So, we'll always be at \$5 million and \$1.5 million essentially at this point forward. I just want to make sure that if we're comfortable with that, then that's great. If we're not, then I think we'll have a lot to hear in discussion before we take the vote. If there's another alternative or it's just a preference to stick to where it is.

Moore stated, basically, if we don't come to an agreement on what that number should be, we'll probably stick to what we already have. But what's already in place?

Westerholm replied; we must have an affirmative vote to determine what the levels are.

Christianson-Galina stated, we could move to your numbers if this vote failed.

Moore stated, either way, we don't want the \$4 million. It's set in place. That's what everybody's saying.

Ortiz-Marsh stated, the discussion should be on the motion on the table, which is about the \$5 million cap for a large project or large organization, and a \$1.5 million set aside. So, the discussion should be set around that. If we don't have a discussion specifically on that, it would

be appropriate to take a vote.

Carmen-Jackson asked; would it be better four and one?

Westerholm replied; I think what council's reminding us of is that there is a proper motion and a proper second with specific amounts on there. And I think we're at a point where we are needing to take a vote. So, I'll call for a vote. And if you are in favor of the cap being \$5 million and \$1.5 million, then vote aye. If you are not in favor, vote no. If you vote no, then we'll go back and have more discussion.

Westerholm called for approval. The motion failed.

Vote: Christianson-Galina motioned to raise the funding cap to \$4.5 million and \$1 million. Moore seconded. Taylor abstained. Passed.

ii) Rental Housing RFA

Westerholm called for Middlebrooks to provide a brief for the next three RFAs.

Middlebrooks stated, you'll see that audit requirements are highlighted here. Since we voted on that today, I'll go in and I'll update that. And then I'll put the funding allocation and the funding cap in here also since that was voted on today. You will see that the evaluation and scoring criteria is also in here. And submission requirements and deadlines are in here. The applications will be available via Survey Monkey Applied on the Barnes Fund website. It will open on Monday, February 10th and will remain open until April 7th. We will be holding two information sessions. We'll have an in-person information session on March 7th from 1 to 3 p.m. here in the Sonny West Conference Center. We will also have a virtual information session on March 4th from 10 a.m. to 12 p.m. A link for the virtual information session will be posted on the Barnes Fund website. We will also be sending it out to everybody who's on our listserve. Questions can be submitted in writing before March 14th. Grant questions can be emailed to the Barnes Fund email at barnesfund@nashville.gov. Responses to questions will be posted to the Barnes Fund website. Emails to information session participants and persons who submitted questions on or about March 24th. Please do not email my staff with questions about the applications before the round opens. Nobody is going to get any information about the applications until the applications open. The RFAs, once I update the things that you guys voted on today, will be posted to the Barnes Fund website probably in the next day or so. So, everybody in the audience will be able to get them. But they're standard. We are hoping to get everything wrapped up and to council by July so that the contracts will be taken care of by then. Was there anything in any of the RFAs that you guys saw that you wanted to discuss or have questions about?

Christianson-Galina stated, I'm thinking about the federal level push against DEI. I guess since we're not taking federal funds, it doesn't affect us. But I was thinking if it makes sense to just rename 18 and keep everything else the same to like, representation.

Middlebrooks responded, when we were doing this, we did discuss that. We had that discussion, but again, because we're not federal, we decided we didn't want to take that out. We wanted to

make sure that we maintained our integrity behind DEI. So, if the board, if the commission would like us to change it, we can. But we just decided to leave it alone because we wanted to maintain the integrity behind it.

Ortiz-Marsh stated, I would request that this commission should approve these RFAs that if the approved conditional Metro Legal will not be reviewed with OPI on the sections of federal diversity equity and inclusion. I don't feel comfortable stating right now that this is okay. So, if the commission could approve this pending a review, and find out what the Metro Legal recommendation is, that would probably be the best-case scenario.

Westerholm stated; I know it's hard to know what to expect, but would there be a situation where the guidance that Metro Legal provides would affect the timeline? Where an application would be being filled out and there was a need to amend portions of that, would that affect the timeline of anything? I think the answer is no. I just want to make sure.

Ortiz-Marsh responded, I can get Barnes an answer by the end of the week. So, it may just delay opening the applications by a few days. We don't want to open an application that might have questions that would have to be reviewed later.

Westerholm thanked Ortiz-Marsh for her comments. He then stated; if there were no further questions, I would welcome a motion on the rental housing RFA. I'll take these up one at a time. Is there a motion to approve with the condition of the legal state?

Christianson-Galina motioned to approve the RFA with the conditions that legal review the diversity, equity, and inclusion section. Moore seconded. Passed unanimously.

iii) Homeowner Development RFA

Vote: Taylor motioned to approve. Emmanuel seconded. Passed unanimously.

iv) Owner Occupied Rehab RFA

Vote: Moore motioned to approve. Emmanuel seconded. Passed unanimously.

With no other questions or comments from the commission, Westerholm moved on to the next agenda item.

6) Items for Discussion

a) January 2025 Quarterly Progress Report

Westerholm stated; I would say this was a good presentation of a lot of information. I enjoyed reading through it. Because we're mainly on the clock, I don't want to ask you to do too much of a walkthrough. Were there any questions or comments that commission members had about this?

Middlebrooks stated, anything that's highlighted in yellow has changed since the last quarterly report. I put down how much they've gone down since the last quarterly report, or if they've

moved along in the progress of their project, if they have completed their project, if they've started construction or anything. So that's probably how I'll do these reports going forward. So, if you have any questions, you can just let you know.

7) Announcements

a) Barnes Annual Report Update

The report is delayed but will be coming up in the next few weeks.

b) Unified Housing Strategy Update

Middlebrooks stated, The Barnes Annual Report usually comes out at the end of the year or the beginning of next year. Due to everything that we have going on right now, it's a little bit delayed. We are in final revisions of it, so it should be coming out soon in the next couple weeks. I just wanted to let you guys know that. We haven't forgotten about it. It's coming. So, we will have that soon.

Westerholm moved onto the Unified Housing Strategy Update.

Middlebrooks stated, in April 2024, Metro Nashville's Housing Division kicked off the development of the Unified Housing Strategy with the support of its partners. Since April, the UHS team has participated in meaningful community and stakeholder engagement and conducted robust analyses. While the division had initially aimed to release the strategy by the end of 2024, more time is needed to complete additional analysis to produce a comprehensive and effective strategy for our city. The Unified Housing Strategy is now expected to be released in Spring of 2025 and will provide a detailed roadmap for how to address Nashville's housing challenges. Following the release of the UHS, Metro Nashville's Housing Division will offer opportunities for members of the public to learn more about the strategy and invite the community to provide feedback. Additional details about these opportunities will be posted on the website, [Nashville.gov/UHS](https://www.nashville.gov/UHS), as they become available. During the feedback and engagement month, we would like to offer a full presentation to the commission. I know you guys have been waiting for the UHS for a while, so we wanted to make sure we put out a nice message about what's been going on. We apologize for the delays.

Westerholm thanked Middlebrooks for the update. He then asked if there were any other announcements by commission members that they have not yet addressed.

Christianson-Galina stated, I'd like to just express concern that it's pushed back, and we weren't able to make this budget season, and housing is such a pressing issue. I've heard rumors behind why it was pushed back. But I guess we'd like to hear why it happened and why we can't have this now before the current budget is released.

Middlebrooks responded; when the UHS was originally supposed to be released, and I say this also saying that I am not on the UHS team and UHS was already underway when I came on board, when we got the initial reports from UHS, there was just some changes that we wanted to see going forward, and we went back and we worked through some more things with UHS

because when we get the full UHS, we want to make sure that it is exactly the way we want it to be for our city. And so, there was just more meetings that are needed to be had, more conversations that are needed to be had, because this is a big project for our city, and we wanted to make sure that when we put this project in action, that it's exactly the things that our city is going to need. And so, you know, sometimes projects need to be pushed back to make sure that the result is exactly what we want them to be. And this is what happened with the UHS.

8) Adjourn

With no further business the meeting was adjourned at 3:56 p.m.