



SUMMARY REVIEW OF AGENDA ITEMS FOR THE MDHA BOARD OF COMMISSIONERS

June 10, 2025

6a. Cherry Oak Apartments Construction Loan Extension.

This item requests Board approval of a 6-month extension of construction financing provided by Bank of Tennessee for the Cherry Oak Apartments development. The six-month extension of the construction financing is intended to give the property time to complete milestones for permanent loan conversion.

6b. Community Development Block Grant Disaster Recovery (CDBG-DR) Program Award for Affordable Housing Development.

MDHA recommends awarding \$7,666,200 in CDBG-DR funds to 6121 Nolensville, LLC for the development of 34 affordable rental units at Lenox Vista Apartments in zip code 37211, an area impacted by the 2021 flood. This follows a competitive application process targeting affordable housing in a federally designated Most Impacted and Distressed area. Board approval is requested to authorize the award and execution of related documents.

6c. PILOT - Trinity Lane Apartments.

Nashville Leased Housing Associates V, LLLP has applied for a PILOT to develop a 233-unit affordable housing complex located at 865 W Trinity Lane. Nashville Leased Housing Associates V, LLLP has applied for an allocation of 4% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The development will contain 233 units consisting of 55 two-bedroom units, 104 three-bedroom units, and 74 four-bedroom units. 100% of the units will be subject to income and rent restrictions, the average income restriction will be no greater than 60% of area median income (AMI).

Staff is recommending approval of a PILOT that would have an initial payment of \$34,950 in lieu of property taxes after the project is placed in service. The PILOT payment will increase over the 10-year life of the agreement. This PILOT payment was based on review of the site's projected base year taxes, development budget, operating pro forma, and debt obligations. MDHA estimates this to be a tax abatement of approximately \$587,627 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$3,567,746.

6d. PILOT - Buena Vista Pike Apartments.

Nashville Leased Housing Associates VI, LLLP has applied for a PILOT to develop a 242-unit affordable housing complex located at 2500 Buena Vista Pike. Nashville Leased Housing Associates VI, LLLP has applied for an allocation of 4% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The

development will contain 242 units consisting of 60 one-bedroom units, 140 two-bedroom units, and 42 three-bedroom units. 100% of the units will be subject to income and rent restrictions, the average income restriction will be no greater than 60% of area median income (AMI).

Staff is recommending approval of a PILOT that would have an initial payment of \$36,300 in lieu of property taxes after the project is placed in service. The PILOT payment will increase over the 10-year life of the agreement. This PILOT payment was based on review of the site's projected base year taxes, development budget, operating pro forma, and debt obligations. MDHA estimates this to be a tax abatement of approximately \$526,241 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$3,041,505.

7a. Withdrawal from Community Choice Demonstration.

On April 30, 2021, MDHA was one of nine PHAs across the country selected to participate in the United States Department of Housing and Urban Development (HUD) Community Choice Demonstration (CCD) Program. While successful in expanding housing opportunities for families, the impact of CCD on MDHA's budget authority has been significant. MDHA is projecting a HAP funding shortfall by the end of 2025 and has been advised by the HUD Office of Field Operations to take actions to mitigate the shortfall amount and to make plans to handle a shortfall with potential limited support from any shortfall set-aside funding. Withdrawal from CCD is a necessary mitigation action.

7b. Amendment to Housing Choice Voucher (HCV) Administrative Plan.

Rental Assistance is requesting Board approval of proposed amendments to the HCV Administrative Plan that include adding preferences for Family Unification, Foster Youth to Independence and RAD Choice Mobility vouchers, updating the current section for RAD Choice Mobility of the HCV Administrative Plan, adding a section for the Foster Youth to Independence vouchers, and amending the current policy on selecting the correct payment standard for a family when there is a reduction in the applicable payment standard. Rental Assistance is also requesting Board approval of the recommendation to withdraw from the Community Choice Demonstration program.

7c. Public Housing Authority (PHA) Annual Plan.

MDHA requests that the Board of Commissioners adopt the final attached resolutions: (1) approving the Plans and certifying compliance with the regulations relating to the development, submission, and implementation of the Plans, and (2) providing an Annual Civil Rights Certification and Resolution.