



METROPOLITAN HOUSING TRUST FUND COMMISSION MINUTES

February 25th, 2025

2:00 pm – 4:00 pm

Members Present: P. Westerholm; G. Emmanuel; M. Carmen-Jackson; D. Moore, A. Christianson-Galina, J. Thomas

Members Absent: CM B. Taylor

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

1) **Welcome**

Westerholm began the meeting at 2:03 p.m.

2) **Approval of the Minutes**

Westerholm called for approval of the January 28th minutes.

Vote: Moore motioned to approve. Carmen-Jackson seconded. Passed unanimously.

3) **Public Comment**

Westerholm called for public comment.

Pardue introduced James Crockett with The Rebecca James Company.

Crockett stated he wanted to bring to the Commission's attention a comparison of his project that was denied versus other projects that were not denied. He stated based on the unit numbers and bedroom/bathroom count he felt as though he was helping more people with his project for family homes.

Terry Vo with Metro Council spoke on the meetings agenda item number five regarding the reward of the Community Land Trust properties to the Housing Fund and stated that she was in full support of the reward.

With no other volunteers for public comment, Westerholm moved on to the next agenda item.

4) Financial Update and Legislation

a) Financial Update

i) January Financials

(1) Budget to Actuals – 1/28/25

Middlebrooks presented an update on the Barnes financial and legislation.

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

5) Items for Vote-

a) (Re)award of Community Land Trust Properties to The Housing Fund

- **Background: RS2019-1570 awarded The Housing Fund 15 properties for the purpose of establishing the Community Land Trust and developing the properties for affordable housing. The deeds associated with these properties stipulated they must be developed for affordable housing by February 6, 2024, or the property shall revert back to Metro. Due to title clearing issues, the properties below reverted back to Metro. Therefore, the Commission must vote to re-award the properties to The Housing Fund. Please see the associated memorandum for further details.**

- i) 1707 22nd Ave. North**
- ii) 2018 Herman Street**
- iii) 2409 Batavia**
- iv) 74 Maury Street**
- v) 46 Green Street**

Middlebrooks presented a memorandum to the Metropolitan Housing Trust Fund Commissioners.

Marshall Crawford, President and CEO of the Housing Fund, presented a brochure to the Commission that provided an overview and insight on the homes that they have built. He also included an analysis that detailed some strengths, weaknesses, challenges, and threats regarding Community Land Trusts. He concluded his speech by addressing the future opportunity to rework some business with the Housing Fund and thanked the Commission for their time and efforts.

The Commission held subsequent conversation regarding the recommitment of the five properties so that they can, as planned, become part of the Community Land Trust Program. The main question at hand was if the Commission wanted to return those properties to the Housing Fund so that they can develop the properties as was the original plan.

Emmanuel asked for an explanation on what exactly they were voting on. She questioned if it was just a vote on returning them and if so, are they keeping the same five-year timeline on it.

Ortiz-Marsh stated that if it was the policy of the Commission to do so, it would be a regrant and it would go back to the Commission and then be regranted via legislation.

Westerholm asked Crawford to explain more regarding the properties and the five-year plan.

Crawford gave a brief overview of the opportunity of creating a Community Land Trust and spoke on how it did not make sense to create a Community Land Trust and not have any land to develop. He stated that if they could not develop them, then they wanted them to be reverted back so that Metro would have continued to own those properties instead of the Housing Fund.

Carmen-Jackson questioned Crawford on the generational wealth he mentioned in his brief as well as asked if the residents were leasing the property, land, or the actual house.

Crawford stated that the land is provided to the homeowner on a 99-year ground lease, and then the Housing Fund builds the structure. He explained that when you take the land out of the equation, it reduces the cost for the developers to build because they're only responsible for building the structure.

Carmen-Jackson questioned how the generational wealth comes from owning that piece of property and how it transfers to the next generation.

Crawford stated that the homeowner pays down on their mortgage just like anybody else does, and as they pay down on that mortgage, they create equity for themselves by paying that down. But there's also a process in which the structure will appreciate. We have a resale model that we take the individuals through that allows them to walk away with anything they pay down on their mortgage and the appreciation that's associated with it, just like anybody else does. And the other way is somebody will accumulate wealth and equity, because of the equity and appreciation of the structure.

Thomas asked who pays the property tax.

Crawford replied that the owner pays the property tax and that they have full responsibility for all of that. He stated, we serve as a steward. When you think about the community land trust, there's three components to it. The land, the development, and then the stewardship. When an individual who acts on ownership, when something goes wrong at your house, who do you call? The Housing Fund plays that role of being able to help them because they have a repair and replacement fee that allows them to be able to repair or replace something. But they own that home pretty much outright. It is theirs, and we treat it as such.

Westerholm asked Crawford what some pros and cons would be of including another five-year term if approved.

Middlebrooks advised that due to the ARPA funding these properties would have to be finished by December 31, 2026.

Christianson-Galina asked what happens to the properties if the projects are not done by the December of 2026 deadline.

Ortiz-Marsh stated she would have to get back to them with that answer. She also provided legal counsel regarding requirements and penalties in a situation as suggested. She mentioned that Metro legal, Housing Fund proper, and the Barnes team had a very robust conversation, and after further analysis, the regrant is supported by Metro legal.

Christianson-Galina stated that it seems like the most rational thing is to let them finish what they started.

Christianson-Galina motioned to approve. Emmanuel seconded.

Moore and Carmen-Jackson abstained.

6) Announcements

a.) Barnes Fund Annual Report

Middlebrooks presented the Barnes Housing Trust Fund Annual Report for 2024. She noted the report can also be found on the Barnes website.

Christianson-Galina stated in the future he would like to get their leverage back up as the previous low leverage was unsatisfactory.

Westerholm stated that round 15 has now been released and asked Middlebrooks about the sessions coming up.

Middlebrooks stated that they have an information session on March 4th and 7th. She also stated that unless a person has technical questions/issues, they should send all other questions to the Barnes email page. During an open funding round, they cannot answer any other types of questions regarding applications over the phone, email, meetings, etc. as it is against policy to meet with applicants, in order to be fair to everyone.

Westerholm asked the commission if there were any other questions or comments.

Emmanuel reminded everyone that the Housing Infrastructure Study will be having a lot of community meetings over the next couple of weeks.

7) Adjourn

With no further business, Westerholm adjourned the meeting at 2:43 p.m.

