



SUMMARY REVIEW OF AGENDA ITEMS FOR THE MDHA BOARD OF COMMISSIONERS

July 8, 2025

6a. PILOT – Buena Vista Apartments.

Buena Vista Apartments, LP has applied for a PILOT to develop a 60-unit affordable housing complex located at 2122 Buena Vista Pike. Buena Vista Apartments, LP has received an allocation of 9% Low Income Housing Tax Credits (LIHTCs) from the Tennessee Housing Development Agency (THDA). The development will contain 60 units consisting of 48 one-bedroom units, and 12 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 \$10,700 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 \$99,843 for the first year the property is placed in service. This would leave MDHA's annual abatement capacity at \$2,941,662.

6b. Change Order Number 1 for the Contract with American Constructors, Inc. for 5th and Summer.

Board approval of Change Order No. One in the amount of \$1,914,964 to the contract with American Constructors, Inc., for the construction of 5th & Summer. This will increase the contract amount to \$42,696,071, which is a 4.7% increase from the original contract value of \$40,781,107.