

RESOLUTION NO. RS2025-

A Resolution authorizing the Metropolitan Development and Housing Agency to negotiate and enter into a PILOT Agreement and accept payments in lieu of ad valorem taxes with respect to a multi-family housing project located at 2122 Buena Vista Pike known as Buena Vista Apartments.

WHEREAS, Tennessee Code Annotated 13-20-104 ("the Act") authorizes a Metropolitan Government for which a housing authority is created to delegate to such housing authority the authority to negotiate and accept payments in lieu of ad valorem taxes ("In Lieu of Tax Payments") from the housing authority's lessees operating low-income housing tax credit property ("LIHTC Property") upon a finding that such payments are deemed to be in furtherance of the housing authority's public purposes; and

WHEREAS, the Metropolitan Development and Housing Agency ("MDHA") was created pursuant to state law and is the housing authority for the Metropolitan Government; and

WHEREAS, by Ordinance No. BL2015-1281 as amended by Ordinance Nos. BL2016-334 and BL2016-435 (the "LIHTC Ordinance"), the Metropolitan Council (i) authorized MDHA to negotiate and accept In Lieu of Tax Payments from qualified lessees of LIHTC Property owned by MDHA and (ii) approved MDHA's program for determining qualifications and eligibility for such In Lieu of Tax Payments, a copy of which was attached to the LIHTC Ordinance (the "PILOT Program"); and

WHEREAS, the Metropolitan Council approved an annual tax abatement not to exceed \$5,000,000; and

WHEREAS, a balance in the amount of annual funding available for LIHTC's is currently \$4,155,373 after accounting for Artists Lofts (\$686,962) and Autumn Lake (\$157,665).

WHEREAS, Buena Vista Apartments, L.P. ("Owner") plans to acquire property located at 2122 Buena Vista Pike (the "Project Site"); and

WHEREAS, Owner has proposed that an apartment project consisting of approximately 60 units restricted to individuals and families earning 60% or less of the Area Median Income (AMI) utilizing income averaging, known as Buena Vista Apartments, be constructed on the Project Site by Owner and operated as a LIHTC Property (the "Project"); and

WHEREAS, the Board of Commissioners of MDHA has approved MDHA's taking title to the Project Site for the purpose of facilitating an in lieu of tax agreement with the Owner, a copy of which is attached hereto as Exhibit A (the "PILOT Agreement") and authorized the Executive Director of MDHA to take all actions on behalf of MDHA to (i) take title to the property, (ii) lease the Project Site and the Project to Owner, (iii) enter into the PILOT Agreement, and (iv) submit the PILOT Agreement to the Metropolitan Council for approval as required by the Act and the PILOT Ordinance; and

WHEREAS, the PILOT Agreement has been submitted to the Metropolitan Planning Commission which has recommended approval and provided a list of other LIHTC properties in the census tract; and

WHEREAS, MDHA has certified that the Project is consistent with MDHA's Consolidated Plan for Nashville-Davidson County and that there are no other PILOT agreements in effect in the same census tract of the Project Site; and

WHEREAS, those portions of the Project and the Project Site owned by MDHA will be exempt from ad valorem taxation pursuant to Tennessee Code Annotated 67-5-206; and

WHEREAS, the Owner has agreed to make annual PILOT payments payable to the Metropolitan Government in accordance with the attached PILOT Agreement; and

WHEREAS, the value of the project when completed is estimated to be \$9,820,783 based on an income evaluation of the Project and its corresponding tax credits;

WHEREAS, for the purpose of the \$5,000,000 annual cap set forth in the PILOT Ordinance, the difference between the annual in lieu of tax payment payable under the PILOT Agreement and the projected real property ad valorem taxes that would otherwise be payable with respect to the Project in the first tax year after completion of the Project is \$99,843; and

WHEREAS, MDHA's entering into the PILOT Agreement to facilitate the Project is in the interest and welfare of the citizens of the Metropolitan Government and will further MDHA's public purposes by providing financial incentives for construction and rehabilitation of affordable housing units through the federally sponsored low income housing tax credit program resulting in a positive impact on the supply of affordable housing in Davidson County; and

WHEREAS, MDHA has submitted the PILOT Agreement to the Metropolitan Council for approval as required by the Act and the PILOT Ordinance.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1: That the Council of the Metropolitan Government finds that MDHA's entering into the PILOT Agreement and acceptance of payments in lieu of ad valorem taxes with respect to the Project Site and the Project is in furtherance of the MDHA's public purpose of providing for and facilitating an adequate supply of affordable housing and in furtherance of the other public purposes described above.

Section 2: That the PILOT Agreement and the Project comply with the PILOT Ordinance and the PILOT Program.

Section 3: The Council of the Metropolitan Government finds that for the purpose of the \$5,000,000 annual cap set forth in the PILOT Ordinance, the difference between the annual in lieu of tax payment payable under the attached PILOT Agreement and the projected real property ad valorem taxes that would otherwise be payable with respect to the Project in the first tax year after completion of the Project is \$99,843.

Section 4: That the Council of the Metropolitan Government hereby approves the terms of MDHA's PILOT Agreement with the Owner in the form attached as Exhibit A.

Section 5: That this Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

APPROVED by Metropolitan

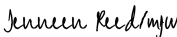
Development and Housing Agency:

Signed by:

1CA937EEF284E

President and CEO

APPROVED AS TO AVAILABILITY
OF FUNDS:

Signed by:

79E68C77EC74A2

Finance Director

APPROVED AS TO LEGALITY OF
FORM AND COMPOSITION

Signed by:

CE01AA73D7AE4B1

MDHA Attorney

INTRODUCED BY:

Member(s) of Council

PILOT AGREEMENT

THIS PILOT AGREEMENT (the “**PILOT Agreement**”) is made and entered into as of the 4th day of August, 2025, by and between the METROPOLITAN DEVELOPMENT AND HOUSING AGENCY (“**MDHA**”) and Buena Vista Apartments, LP (the “**Owner**”).

WITNESSETH:

WHEREAS, MDHA is a public body and a body corporate and politic organized under the Tennessee Housing Authorities Law, Tenn. Code Ann. §13-20-101, et seq., (the “**Act**”);

WHEREAS, §13-20-104(f) of the Act provides that a metropolitan government may delegate to a housing authority the authority to negotiate and accept in lieu of ad valorem taxes (“**In Lieu of Tax Payments**”) from a party that operates a low income housing tax credit (“**LIHTC**”) property, as such term is defined in the Act (a “**LIHTC Property**”) on property leased by such party from a housing authority;

WHEREAS, MDHA is the housing authority, as defined in the Act, for the Metropolitan Government of Nashville and Davidson County, Tennessee (the “**Metropolitan Government**”);

WHEREAS, by Ordinance No. BL2015-1281 as amended by Ordinance No. BL2016-334 (collectively, the “**PILOT Ordinance**”), the Metropolitan Government (i) authorized MDHA to negotiate and accept In Lieu of Tax Payments from lessees of LIHTC Property owned by MDHA, and (ii) approved MDHA’s program for determining qualifications and eligibility for such In Lieu of Tax Payments (the “**PILOT Program**”);

WHEREAS, Owner has acquired land located at 2122 Buena Vista Pike, and more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the “**Project Site**”);

WHEREAS, Owner intends to develop a 60 unit apartment project, known as Buena Vista Apartments, on the Project Site and operate it as a LIHTC Property (the “**Project**”);

WHEREAS, MDHA is authorized by law and has deemed it necessary and desirable to acquire the Project Site for the purpose of facilitating the Project in accordance with the PILOT Program, the PILOT Ordinance and the Act;

WHEREAS, the Board of Commissioners of MDHA approved MDHA’s purchase of the Project Site and authorized the President and CEO of MDHA to take all actions on behalf of MDHA to undertake the following:

- (A) acquire the Project Site;
- (B) enter into a lease with Owner pursuant to which Owner will (i) lease the Project Site and the Project from MDHA with MDHA having the right to cause Owner to purchase the Project Site and the Project from MDHA upon expiration of the tenth (10th) Tax Year, (ii) rehabilitate the Project on the Project Site, and (iii) by recorded agreement, commit to operate the Project as a LIHTC Property in accordance with the requirements of the Internal Revenue Code and the Tennessee Housing Development Agency (“THDA”) for a minimum period of fifteen (15) years after the Project is complete (the “**Project Lease**”);
- (C) enter into this PILOT Agreement;
- (D) submit this PILOT Agreement to the Metropolitan Planning Commission to obtain a recommendation of approval or disapproval, as envisioned by the PILOT Ordinance;
- (E) submit this PILOT Agreement to the Metropolitan Council of the Metropolitan Government (the “**Metropolitan Council**”) for approval as required by the PILOT Ordinance; and
- (F) take such other action and execute such other documents as the President and CEO deems necessary or desirable to facilitate rehabilitation of the Project and the transactions described above consistent with this PILOT Agreement, the Act, the Project Lease, the Metropolitan Ordinance and the PILOT Program (including MDHA’s application and policies and procedures related thereto).

WHEREAS, MDHA intends to acquire the Project Site from Owner and will concurrently enter into the Project Lease; and

WHEREAS, Owner has agreed to make In Lieu of Tax Payments with respect to the Project as described herein.

NOW, THEREFORE, for and in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties hereto, and as an inducement to Owner to develop the Project and operate the Project as LIHTC Property, MDHA and Owner agree as follows:

1. With respect to Project Site and the real property component of the Project, Owner shall make In Lieu of Tax payments to MDHA who will then remit the payment to the Metropolitan Government, as follows:

- (a) The In Lieu of Tax Payments shall be equal to the Applicable Ad

Valorem Taxes, as defined below, through and including the calendar year in which the development of the Project is completed.

(b) Commencing on January 1st of the calendar year following the year in which the Project is placed into service (“**Tax Year 1**”) and each tax year subsequent to the Tax Year 1 (Tax Year 1 and each subsequent tax year being referred to herein as a “**Tax Year**”) through the tenth (10th) Tax Year, in Lieu of Tax Payments shall be as follows:

1	\$10,700
2	\$11,021
3	\$11,352
4	\$11,692
5	\$12,043
6	\$12,404
7	\$12,776
8	\$13,160
9	\$13,554
10	\$13,961

Subject to Section 1(e) below, the In Lieu of Tax Payments shall be fixed and shall not fluctuate with the amount of the assessment for the Project Site or the Project or the tax rate in effect for any Tax Year. The amount of the In Lieu of Tax Payment is approximately equal to \$178 per unit in year 1 of the PILOT term. In Lieu of Tax Payments for each Tax Year shall be paid when due but in any event not later than the date on which the Applicable Ad Valorem Taxes would become delinquent.

(c) After the tenth Tax Year, this Agreement shall expire and Owner shall pay 100% of the Applicable Ad Valorem Taxes.

(d) The term “**Applicable Ad Valorem Taxes**” shall mean any real property ad valorem taxes that, but for ownership of the Project Site and the Project by MDHA, would have been due and payable to the Metropolitan Government pursuant to Tenn. Code Ann. § 67-5-102 with respect to the Project Site and the Project.

(e) Notwithstanding anything contained herein to the contrary, if THDA or the IRS determines that the Project is not in compliance with LIHTC

requirements and is therefore not operated as a LIHTC Property at any time during a Tax Year, and Owner has failed to cure such default within any specified cure period, Owner shall pay 100% of the Applicable Ad Valorem Taxes with respect to such Tax Year.

(f) Notwithstanding anything contained herein to the contrary, Owner shall pay 100% of the Applicable Ad Valorem Taxes for the periods before Tax Year 1 and after Tax Year 10, if the Project Lease is in effect during such periods.

2. Commencing in Tax Year 1 and in each Tax Year subsequent through the (10th) Tax Year, Owner shall provide to MDHA an annual report not later than September 1st of each Tax Year containing the following information:

- (a) The value of the Project, as estimated by the Owner;
- (b) The date and remaining term of the Project Lease;
- (c) The amount of In Lieu of Tax Payments payable in such Tax Year;
- (d) The date in which the Project is scheduled to return to the regular tax rolls and be eligible to pay 100% of the Applicable Ad Valorem Taxes following the tenth (10th) Tax Year;
- (e) A calculation of the Applicable Ad Valorem Taxes for such Tax Year that, but for ownership of the Project Site and the Project by MDHA, would have been due and payable to the Metropolitan Government pursuant to Tenn. Code Ann. § 67-5-102 with respect to the Project Site and the Project;
- (f) A copy of the Owner's most recent Annual Certification as submitted to THDA, certifying compliance with LIHTC requirements; and
- (g) A copy of any monitoring or compliance reports provided by THDA to the Owner during such Tax Year.

3. Commencing with Tax Year 1 and each Tax Year thereafter, Owner shall pay to MDHA a monitoring and reporting fee to be set by MDHA but not to exceed five percent (5%) of the amount In Lieu of Tax Payment due with respect to such Tax Year (the "Annual MDHA Fee"). The Annual MDHA Fee shall be paid not later than fifteenth (15) day of such Tax Year. Unpaid amounts shall bear interest at the rate of four percent (4%) in excess of the average prime rate of interest published from time to time by the Federal Reserve or similar commonly accepted reporting organization if the Federal Reserve ceased to publish such information. Owner's failure to pay the Annual MDHA Fee within thirty (30) days after written notice from MDHA shall constitute a default under this PILOT Agreement in which event

Owner shall pay 100% of the Applicable Tax Rate for such Tax Year instead of the In Lieu of Tax Payment set forth above.

4. Owner's payment of the In Lieu of Tax Payments shall satisfy the requirement in Tenn. Code Ann. § 67-5-206(a) that MDHA pay the Metropolitan Government for services, improvements or facilities furnished by the Metropolitan Government for the benefit of the Project.

5. This PILOT Agreement may not be assigned to any party other than the assignee of the lessee's interest under the PILOT Lease pursuant to an assignment that is made in accordance with the PILOT Lease, including MDHA consent requirements, if any, specified therein. Each permitted assignee shall assume Owner's obligations under this PILOT Agreement concurrent with the assignment of the PILOT Lease.

6. This PILOT Agreement shall be construed in accordance with the laws of the State of Tennessee, and if any one or more of the provisions of this PILOT Agreement shall be held invalid, illegal or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, legality or unenforceability shall not affect any other provision hereof, but this PILOT Agreement shall be construed the same as if such invalid, illegal or unenforceable provision had never been contained herein. This PILOT Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.

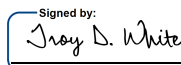
7. This PILOT Agreement is subject to and conditioned upon (i) approval of this PILOT Agreement by the Metropolitan Council as required by the PILOT Ordinance, (ii) Owner's satisfaction of all conditions and requirements imposed by MDHA in connection this PILOT Agreement or the transaction contemplated herein, (iii) MDHA taking title to the Property and entering into a mutually acceptable Project Lease, and (iv) THDA's approval of the Project and allocation of low income housing tax credits, to the extent such approval or allocation has not been received as of the date of this PILOT Agreement.

8. MDHA shall remit all In Lieu of Tax Payments received in connection with the Project and/or the Project Lease to the Metropolitan Government within fifteen (15) days of receipt.

9. Notwithstanding anything to the contrary contained here, MDHA shall provide copies of any notices sent to Owner to Pinnacle Bank (the "**Investor**"). Investor shall have the right, but not the obligation, to cure any default on behalf of Owner, and MDHA shall accept or reject such cure as if tendered by Owner.

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and date first above written.

METROPOLITAN DEVELOPMENT AND
HOUSING AGENCY

By:  Signed by:
1CA327FEFF284E...

Title: President and CEO

Buena Vista Apartments, L.P., a Tennessee limited partnership
By: WCO Buena Vista GP, INC., a Tennessee corporation
Its: General Partner

By:  DocuSigned by:
C7432D7512084AB...

Title: President

FILED WITH THE METROPOLITAN CLERK

Austin Kyle

Date

EXHIBIT A

Legal Description

Situate in the City of Nashville, the 2nd council district of Davison County and the State of Tennessee and being all of a 1.5756 acre tract of land, in the name of 2122 Buena Vista LLC, as recorded in DB-20211206-0161338 and being more particularly described as follows:

Beginning at a found 5/8" iron pin "Littlejohn" on the northwest corner of a tract of land in the name of Christopher & Deborah Beach, as recorded in DB-20010709-0072681, and also being on the southerly right-of-way line of Buena Vista Pike;

Thence along the southerly line of said Beach lands, South 53°25'33" East, a distance of 370.50 feet to a found 5/8" iron pin (without cap) on the northwesterly line of a tract of land in the name of T&W Amusement Company, Inc., as recorded in QC-20220329-0036248;

Thence along the northwesterly line of said T&W Amusement Company, Inc lands, South 36°34'27" West, a distance of 185.00 feet, to a found 5/8" iron pin (without cap) on the easterly corner of a tract of land in the name of NBA Disciples Housing of Nashville, Tennessee, Inc., as recorded in DB-20020930-0118486;

Thence along the northeasterly line of said NBA Disciples Housing of Nashville, Tennessee, Inc. lands, North 53°25'33" West, a distance of 371.47 feet to a set iron pin and cap on the aforementioned southerly right-of-way line of Buena Vista Pike;

Thence along the said southerly right-of-way line of Buena Vista Pike, North 36°52'26" East, a distance of 185.00 feet to the Point of Beginning.

Being the same property conveyed to 2122 Buena Vista, LLC, a Tennessee limited liability company, by Warranty Deed of record in Instrument No. 20211206-0161338, in the Register's Office of Davidson County, Tennessee.



Memo

To: MDHA
From: Metropolitan Nashville Planning Department
Date: July 22, 2025
Re: Planning Commission Recommendation for PILOT Agreement

This memo fulfills the Planning Commission obligations as outlined in the MDHA Housing Tax Credit PILOT Program General Program Description which was attached as Exhibit A to BL2025-XXX. The memo consists of two parts: the staff recommendation and a map

PART I: RECOMMENDATION ON GENERAL PLAN CONSISTENCY

Project: Buena Vista Apartments, LP (07013006800, 2122 Buena Vista Pike)
60 multi-family units
Units targeting 50% to 60% of the Area Median Income (AMI)

Zoning:

Multifamily Residential (RM40-A-NS) is designed for high intensity multifamily development at a density of 40 units per acre, typically characterized by mid- and high-rise structures and structured parking. These districts are appropriate for areas designated in the general plan to have residential development at moderate to high intensities, and along primary corridors to meet the policy goals of creating transit-oriented communities and diversity of housing choice. These districts may also be appropriate as a transition between more intense mixed-use centers and surrounding neighborhoods. These districts should have good access to arterial streets and public transportation services. The zoning has the added exception of prohibiting Short term rental property—Owner occupied and Short term rental property—Not owner occupied uses from the districts.

Policy:

BORDEAUX – WHITES CREEK – HAYNES TRINITY COMMUNITY PLAN

T4 Urban Neighborhood Evolving (T4 NE) is intended to create and enhance urban residential neighborhoods that provide more housing choices, improved pedestrian, bicycle, and vehicular connectivity, and moderate to high density development patterns with shallow setbacks and minimal

spacing between buildings. T4 NE areas are served by high levels of connectivity with complete street networks, sidewalks, bikeways, and existing or planned mass transit. T4 NE policy may be applied either to undeveloped or substantially under-developed “greenfield” areas or to developed areas where redevelopment and infill produce a different character that includes increased housing diversity and connectivity. Successful infill and redevelopment in existing neighborhoods needs to take into account considerations such as timing and some elements of the existing developed character, such as the street network and block structure and proximity to centers and corridors.

Supplemental Policy: Bordeaux-Whites Creek-Haynes Trinity. This site is located within the Haynes Trinity Small Area Plan area of the Bordeaux-Whites Creek-Haynes Trinity Community Plan area. The intent of the supplemental policy is to create and enhance neighborhoods with greater housing choice, improved connectivity, and more creative, innovative, and environmentally sensitive development techniques. The policy plans for a local street and alley on the site.

Project Details:

The site includes approximately 1.51 acres located along Beuna Vista Pike and is located northeast of the intersection of Clarksville Pike and Beuna Vista Pike. The overall project calls for a 60-unit multifamily residential development. The proposed plan includes two 3-story apartment buildings with surface level parking between the two structures.

Planning Department Analysis:

Consistency with Urban Neighborhood Evolving and Haynes Trinity Supplemental policies

The T4 Neighborhood Evolving policy aims to establish higher population densities and smaller lot sizes, offering a wider range of integrated housing types to enhance housing choice compared to some neighboring urban areas. In locations where transportation infrastructure is lacking or inadequate, improvements may be necessary to enhance pedestrian, bicycle, and vehicular connectivity.

The Haynes Trinity plan focuses on creating and improving neighborhoods with a greater variety of housing options. The plan proposes a multifamily residential development that increases density and diversifies housing choices, as well as enhancing connections for pedestrians, cyclists, and vehicles within the neighborhood. Generally, building heights are limited to one to three stories, with the possibility of up to four stories in select areas. The proposed plan indicates a maximum building height of 45 feet in 3 stories within the build-to-zone, and a maximum height of 60 feet.

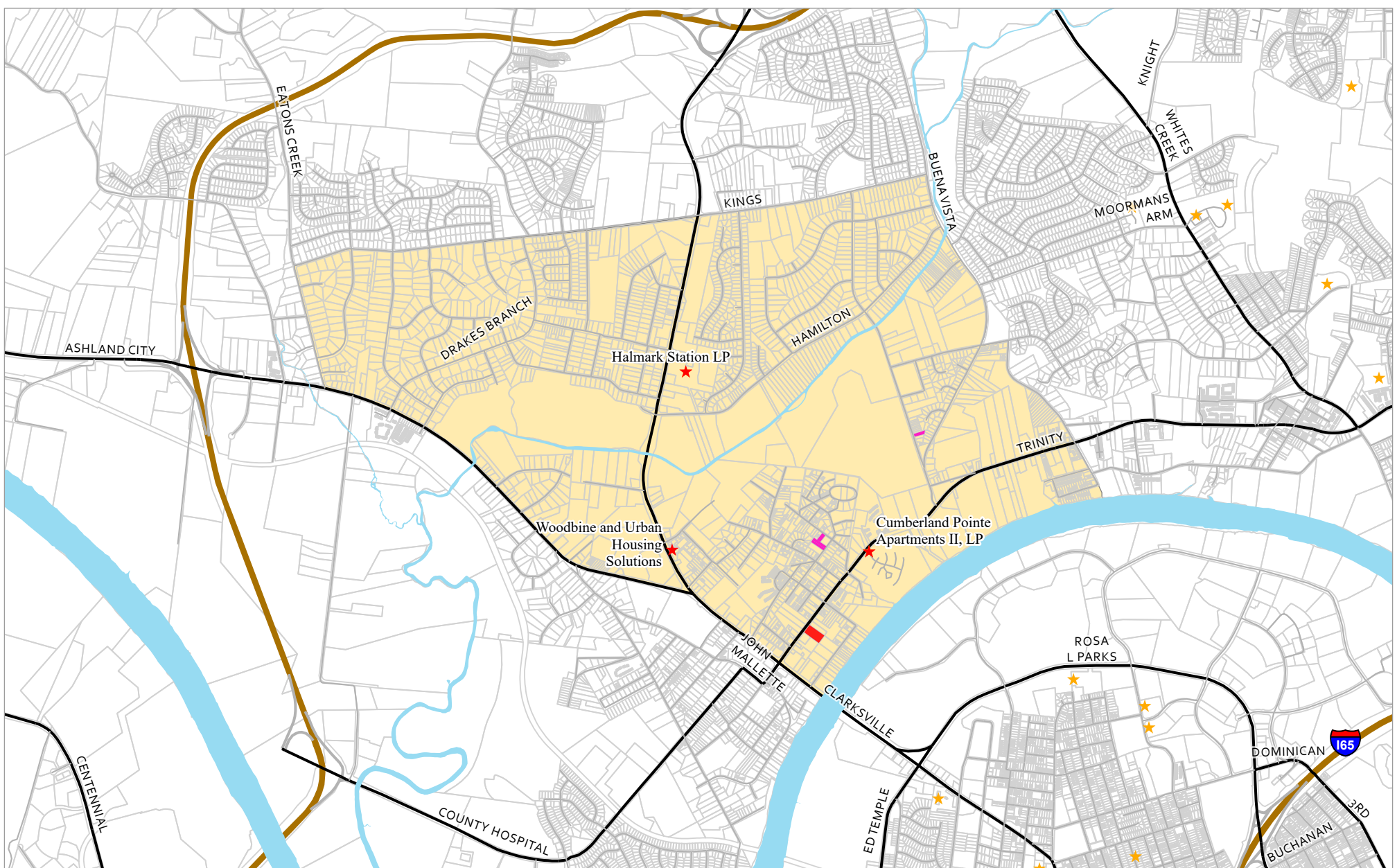
The plan and architectural standards align with the expanded suburban character of the Neighborhood Evolving policy. The plan enhances the pedestrian realm by placing parking away from the proposed local streets within the site. Connectivity for pedestrians and vehicles will be improved through the implementation of sidewalks and public streets, which aligns with the connectivity goals outlined in both the T4 Neighborhood Evolving and Haynes Trinity Supplemental policies.

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Planning Determination: The proposed development is consistent with the NashvilleNext adopted general plan, the Community Character Policies, and Supplemental Policies.

PART II: LIST OF FEDERALLY SUBSIDIZED MULTI-FAMILY PROPERTIES WITHIN THE CENSUS TRACT

See attached map.



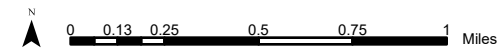
- ★ Other Federal Affordable Housing Units
- 2122 Buena Vista (Parcel 07013006800)
- MDHA
- ★ Federal Affordable Housing Units in Tract

Organization	Total Units
Cumberland Pointe Apartments II, LP	200
Halmark Station LP	66
Woodbine and Urban Housing Solutions	217

Federally Subsidized Multi-Family Projects within Census Tract 47037012801



Source :
U.S Census Bureau &
Nashville Planning
July 2025



Certification of Consistency with the Consolidated Plan

U.S. Department of Housing
and Urban Development

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.
(Type or clearly print the following information:)

Applicant Name: _____

Project Name: _____

Location of the Project: _____

Name of the Federal
Program to which the
applicant is applying: _____

Name of
Certifying Jurisdiction: _____

Certifying Official
of the Jurisdiction
Name: _____

Title: _____

Signature: Emel Alexander

Date: _____