



Metropolitan Nashville and Davidson County, TN

Legislation Details (With Text)

File #: BL2021-970 **Name:**

Type: Bill (Ordinance) **Status:** Passed

File created: 10/25/2021 **In control:** Metropolitan Council

On agenda: 12/7/2021 **Final action:** 12/7/2021

Title: An ordinance to amend Section 2.24.250 of the Metropolitan Code of Laws to require the proceeds of the sale of delinquent tax sale properties to be deposited into the Barnes Fund for Affordable Housing.

Sponsors: Burkley Allen, Ginny Welsch, Gloria Hausser, Zulfat Suara, Colby Sledge, Kyonzte Toombs, Delishia Porterfield, Joy Styles, Emily Benedict

Indexes:

Code sections:

Attachments: 1. Amendment - BL2021-970

Date	Ver.	Action By	Action	Result
12/8/2021	2	Mayor	approved	
12/7/2021	1	Metropolitan Council	passed on third reading	
12/7/2021	1	Metropolitan Council	amended	
11/16/2021	1	Metropolitan Council	passed on second reading	
11/15/2021	1	Budget and Finance Committee	approved	
11/15/2021	1	Affordable Housing Committee	approved	
11/2/2021	1	Metropolitan Council	passed on first reading	
10/26/2021	1	Metropolitan Council	filed	

An ordinance to amend Section 2.24.250 of the Metropolitan Code of Laws to require the proceeds of the sale of delinquent tax sale properties to be deposited into the Barnes Fund for Affordable Housing.

WHEREAS, Nashville’s economy is growing and expanding, but housing costs continue to be a major barrier to economic progress for many in Nashville; and

WHEREAS, increasing the supply of modestly priced housing supports economic growth and is an important tool in reducing poverty in Davidson County; and

WHEREAS, housing trust funds have been established in over 600 state and local jurisdictions to address the housing needs of the most vulnerable low income populations using dedicated sources of public funds leveraged by private funding sources; and

WHEREAS, Reverend William Barnes worked tirelessly over five decades to improve the lives and housing conditions of Davidson County residents of limited means; and

WHEREAS, in 2013, BL2013-487 established the William Barnes Fund for Affordable Housing (Barnes Fund) as a housing trust fund for Metropolitan Nashville and Davidson County to target households earning less than 80% of the HUD area median family income to help address critical housing needs; and

WHEREAS, the Barnes Fund has helped fund the construction or rehabilitation of 2800 units of affordable housing since its inception, and 330 of these homes have been designated for home ownership allowing

families to begin to build generational wealth; and

WHEREAS, Tennessee Code Annotated § 67-5-2501 et seq. allows the Metropolitan Government to acquire delinquent tax-sale properties to be used by the Metropolitan Government; and

WHEREAS, Tennessee Code Annotated § 7-3-314(e) further authorizes the Metropolitan Government to convey these properties to nonprofit organizations for the purposes of building affordable housing; and

WHEREAS, however, sometimes parcels acquired through this process cannot be used by any departments of the metropolitan government and are not requested by nonprofit organizations, and it is in the best interests to the Metropolitan Government to declare these parcels surplus and offer them for sale; and

WHEREAS, it is to the benefit of the citizens of the Metropolitan Government of Nashville and Davidson County to use the proceeds from these surplus properties to fund the Barnes Fund for Affordable Housing, to increase the availability of affordable housing in Nashville.

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

Section 1. That Section 2.24.250 of the Metropolitan Code of Laws is hereby amended by deleting Subsection G in its entirety and replacing it with the following:

G. Notwithstanding Section 5.04.140 of the Metropolitan Code of Laws, when the director of public property administration determines that there is a parcel of property acquired through the delinquent tax-sale process established in Tennessee Code Annotated § 67-5-2501 et seq. and no department nor any affordable or workforce or any similar housing agency has any use for the parcel, the director is authorized, with the approval of the metropolitan council, to sell such property, and the proceeds shall be deposited into the Barnes Fund for Affordable Housing. Such proceeds shall not be construed as prohibiting other appropriations to the Barnes Fund separate from the annual operating budget ordinance of the metropolitan government from available revenue sources. This is intended to provide additional funding to the Barnes Fund above and beyond the annual funding provided in the operating budget each year.

Section 2. This ordinance shall take effect from and after its final passage, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

Analysis

This ordinance amends Section 2.24.250 of the Metropolitan Code of Laws to require the proceeds of the sale of delinquent tax sale properties to be deposited into the Barnes Fund for Affordable Housing. The Metropolitan Government acquires properties through the delinquent tax-sale process established under state law. Prior to the sale of Metro property, Metro departments are given the opportunity to use the property. Pursuant to state law, delinquent tax sales properties are also eligible to be conveyed to nonprofit organizations for the purpose of building affordable housing. If these parcels cannot be used by other metro departments or by nonprofit organizations for the purpose of affordable housing, they can be sold.

The ordinance under consideration requires that funds acquired from the sale of a delinquent tax-sale property be deposited into the Barnes Fund for Affordable Housing.