



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2022-1862, **Version:** 1

A resolution appropriating \$7,000,000 in American Rescue Plan Act funds from Fund #30216 to the Housing Division of the Metropolitan Planning Department to build 108 new units of affordable housing for families at or below 50% AMI.

WHEREAS, on June 15, 2021, the Metropolitan Council passed Resolution RS2021-966, a resolution which accepted grant funds for local government support from the Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act of 2021 ("ARP Funds") from the U.S. Department of the Treasury to The Metropolitan Government of Nashville and Davidson County, which was subsequently signed into law by Mayor John Cooper on June 16, 2021; and,

WHEREAS, Resolution RS2021-966 established a COVID-19 Financial Oversight Committee ("the Committee") whose role is to collect, consider, and recommend appropriate uses of the ARP Funds as designated by the Metropolitan Council disbursement plan. The Committee will submit its reports and recommendations to the Mayor, the Director of Finance, and the Metropolitan Council not later than June 30, 2025; and,

WHEREAS, there are federal requirements for use of ARP Funds that require that these funds be expended or obligated on or before December 31, 2024; and,

WHEREAS, the Committee recognizes that much of Nashville's existing housing inventory caters to individuals or small families, which limits inventory for larger families; and,

WHEREAS, the Committee recognizes that utilizing resources to advance housing options for families has far-reaching implications for other aspects of families' and children's lives, including increased economic stability, improved health, and increased educational achievement; and,

WHEREAS, in 2021 the Metropolitan Government formed an Affordable Housing Task Force. Building on these findings and recommendations, the Housing Division of the Metropolitan Planning Department ("the Housing Division") targeted four initiatives for transformational impact - (1) pathways to equitable homeownership for Black and brown residents; (2) housing opportunities for older adults; (3) innovative housing solutions for families; and (4) support of Envision Cayce; and,

WHEREAS, the Housing Division has convened working groups to map systems and pinpoint funding/resource gaps, which is incorporated into this request for funding; and,

WHEREAS, based on these discussions, the Housing Division seeks to procure 108 new units of co-op housing for families at or below 50% of AMI, as further described in Exhibit A; and,

WHEREAS, the proposed funds will be administered by the Housing Division through competitively procured services with an experienced partner; and,

WHEREAS, it is to the benefit of the citizens of The Metropolitan Government of Nashville and Davidson County that this resolution be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN

GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. The Metropolitan Council accepts this resolution as a recommendation of the COVID-19 Financial Oversight Committee.

Section 2. That \$ 7,000,000 from the Covid-19 American Rescue Plan Fund #30216 is hereby appropriated to the Housing Division of the Metropolitan Planning Department for the purposes outlined in Exhibit A.

Section 3. This resolution shall take effect from and after its final passage, the welfare of the public requiring it.

Analysis

This resolution appropriates \$7,000,000 in American Rescue Plan Act (“ARP”) funds from Fund #30216 to the Housing Division of the Metropolitan Planning Department (“Housing Division”).

In 2021, the Metropolitan Government formed an Affordable Housing Task Force. Based upon the findings and recommendations of the Affordable Housing Task Force, the Housing Division has targeted four initiatives for transformational impact - (1) pathways to equitable homeownership for Black and brown residents; (2) housing opportunities for older adults; (3) innovative housing solutions for families; and (4) support of Envision Cayce.

Based upon discussions of working groups, the Housing Division seeks to procure 108 new units of co-op housing for families at or below 50% of area median income. This would be accomplished through a designated set-aside in a Barnes Fund funding round.

Fiscal Note: This \$7,000,000 appropriation, along with the appropriations per Resolution No. RS2022-1865, RS2022-1863, RS2022-1860, RS2022-1861, RS2022-1862, and Resolution No. RS2022-1856 would be the 35th, 36th, 37th, 38th, 39th and 40th resolutions appropriating from the American Recovery Plan Act (ARP) Fund for a cumulative total of \$221,497,030. The total grant award is \$259,810,600. The first half of this amount was received in July 2021 and the second half was received in July 2022. The grant award must be obligated by December 31, 2024 and expend by December 31, 2026.