



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2022-1861, **Version:** 1

A resolution appropriating \$8,000,000 in American Rescue Plan Act funds from Fund #30216 to the Housing Division of the Metropolitan Planning Department to support housing for older adults by developing additional affordable housing inventory and creating opportunities for homeowners to age in place.

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 older adults are especially vulnerable to the pressures of a heated housing market, which limits opportunities to age in their current home or within their communities; and,

WHEREAS, the Committee recognizes that the COVID-19 pandemic impacts older adults, who have faced disproportionate loss, illness, and loneliness during the pandemic; 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 make funds available through the Barnes Fund for the construction for rental housing for those age 62+ at or below 60% of AMI and to fund homeowner repairs/improvements to enable home sharing, on-site care, or accommodate multi-generational housing. In addition, the Housing Division will procure services to create a home sharing pilot program for older adults to offer space for affordable rental housing, as further described in Exhibit A; and,

WHEREAS, the proposed funds will be administered by the Housing Division through set-aside Barnes funding and competitively procured services with experienced partners; 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 \$ 8,000,000 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 \$8,000,000 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 make funds available through the Barnes Fund for Affordable Housing for the construction of rental housing for those 62 years of age and older, at or below 60% of the area median income (“AMI”). The Housing Division also seeks to fund homeowner repairs and improvements to enable home sharing, on-site care, or accommodate multi-generational housing. Finally, the Housing Division seeks to procure services to create a home sharing pilot program for older adults to offer space for affordable rental housing.

The Housing Division is requesting \$6,500,000 for new construction or acquisition and rehabilitation of housing for rent to persons aged 62 or older, at or below 60% of AMI. This would be accomplished through a designated set-aside in a Barnes Fund funding round. The goal for this activity is to produce 100 new units.

The Housing Division is requesting \$1,200,000 in funding for homeowners to make repairs and/or improvements to their homes to create additional living space. This funding would be available to homeowners at 80% of AMI for the following purposes: (1) to enable a space to be rented through the Home Sharing Program; (2) to create a safe space for on-site care; or (3) to accommodate for multi-generational housing. This would be accomplished through a designated set-aside in a Barnes Fund funding round. The goal for this activity is to assist 50 homeowners.

Finally, the Housing Division is requesting \$300,000 for a Home Sharing Pilot to create a technology platform for older adults to offer spare rooms or existing accessory dwelling units for affordable housing rental. The Housing Division would issue a request for proposals to a nonprofit to establish the platform and launch the program. The goal for this activity is to make 100 connections.

Fiscal Note: This \$8,000,000 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.