



# Metropolitan Nashville and Davidson County, TN

## Legislation Text

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An ordinance amending Chapter 2.136 of the Metropolitan Code to require the Planning Department to provide periodic reports regarding the Metropolitan Government's efforts to address the issue of housing affordability in Nashville and Davidson County.

WHEREAS, according to the 2020 Metropolitan Social Services Commission Community Needs Evaluation, the poverty rate in Metropolitan Nashville Davidson County is 12.4%; and

WHEREAS, approximately 2,000 persons are experiencing homelessness in Metropolitan Nashville Davidson County at any given time according to the 2020 Point in Time Count; and

WHEREAS, 2019 American Community Survey data, in conjunction with other data analysis, found over 65,000 renter households in Nashville-Davidson County pay more than 30% of their household income for housing and are housing cost burdened; and

WHEREAS, the local economy continues to grow and expand rapidly, but housing costs continue to be a major barrier to economic progress for many in Nashville; and

WHEREAS, monthly median gross rent for apartments in Nashville has risen 56% from 2010 to 2019 while median household income has increased only 46.5% and vacancy rates have increased 3 percentage points at the same time; and

WHEREAS, the Housing First policy has been shown to provide a path out of homelessness and dependency for many individuals, but there is an inadequate supply of housing to meet the demand at the lowest income levels; and

WHEREAS, increasing the supply of modestly priced housing supports economic growth and is an important tool in reducing poverty, maintaining a local workforce in Davidson County, and remaining competitive in a regional market; and

WHEREAS, for local economies, housing that is affordable can help create jobs, attract new employers and a skilled workforce, and lower the risks of delinquency and foreclosure, which reduces costs to local governments; and housing can be a source of economic stability for individuals and families; and

WHEREAS, older models of building affordable housing in outlying areas -- where land is naturally inexpensive -- have led to additional financial stress by households, increasing transportation costs and traffic congestion; and

WHEREAS, the current building boom has led to gentrification of formerly affordable neighborhoods and displacement of long term residents; and

WHEREAS, the General Plan for the Metropolitan Nashville Davidson County, developed through the NashvilleNext process, includes housing goals of (a) maintaining economic and social diversity through housing choices that are affordable, available, and accessible to all new and existing Nashvillians; (b) reducing the negative effects of gentrification in Nashville's growing residential market; and (c) ensuring that both renters and owners of all incomes take part in and benefit from neighborhood improvements; and

WHEREAS, the problems of housing affordability are complex and will require multiple solutions implemented by various agencies, organizations, Metro departments, businesses, and groups; and

WHEREAS, Nashville's selection as an inaugural member of PolicyLink's All-in Cities Anti-Displacement Policy Network demonstrates the city's commitment to assembling data, policy ideas, and best practices that will lead to the strategic development and tracking of solutions to displacement to ensure that Nashville's neighborhoods continue to thrive; and

WHEREAS, progress in providing solutions can be determined only if there is measurable data to document both the scope of the problem and the change over time as different tools are implemented; and

WHEREAS, the Mayor's Affordable Housing Task Force recommended nine action steps that the city should undertake in the next three years to make meaningful progress toward maintaining, preserving, and producing affordable housing; and one of the recommendations was to invest in data management and a coordinated, global housing strategy with executive leadership and robust staffing. Data management should provide the basis for accountability and inform policy and funding decisions ranging from homelessness to affordable housing.

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

SECTION 1. Chapter 2.136 of the Metropolitan Code is hereby amended by adding the following new Section 2.136.030:

2.136.030 Affordable housing report.

A. The Metropolitan Planning Department, through its two designated housing positions, shall publish and provide the members of the Metropolitan Council Affordable Housing Committee not later than July 1 of each year a report providing the following information:

1. A current baseline of Davidson County's housing needs for families with incomes at or below 60% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development.
2. The number of new affordable housing units that are currently authorized and/or funded for construction.
3. The number of units that are being explicitly preserved through public or private intervention to prevent demolition of existing affordable housing.
4. Any other information or metric deemed necessary by the Planning Department to provide a clear assessment of the Metropolitan Government's progress toward reducing the deficit in affordable housing.

B. Data for this report may be based upon the Metropolitan Development and Housing Agency's most recent Consolidated Plan for Metropolitan Nashville and Davidson County, and augmented with data provided by the Barnes Fund Commission, the Metro Planning Department, and other agencies.

C. This report may be updated quarterly on the Planning Department's website to reflect the demolition of existing affordable housing, the preservation of exiting affordable housing, and construction of new affordable housing in the previous quarter. Production data may consist of units that have been authorized, funded, and

occupied in separate categories so that the commitment of future units can be included in the updates provided.

SECTION 2. That this ordinance shall take effect from and after its enactment, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

### Analysis

This ordinance, as amended, requires the Planning Department to publish and provide members of the Metropolitan Council's Affordable Housing Committee with a report by July 1 of each year. The report would be required to contain the following information:

1. The baseline of needs for families with incomes at or below 60% of Area Median Income, as defined by the U.S. Department of Housing and Urban Development.
2. The number of new affordable housing units that are currently authorized and/or funded for construction.
3. The number of units being explicitly preserved through public or private intervention.
4. Any other information deemed necessary by the Planning Department to provide a clear assessment of Metro's progress toward reducing the deficit in affordable housing.

Data can be based on MDHA's most recent Consolidated Plan and augmented with data provided by the Barnes Fund Commission, the Planning Department, and other agencies. The report would be updated quarterly on the Planning Department's website.

A minor housekeeping amendment was added at the July 20 meeting.