



# Metropolitan Nashville and Davidson County, TN

## Legislation Details (With Text)

**File #:** BL2021-725  
**Type:** Bill (Ordinance)      **Status:** Passed  
**File created:** 4/26/2021      **In control:** Metropolitan Council  
**On agenda:** 7/6/2021      **Final action:** 7/6/2021  
**Title:** An ordinance to amend Section 2.149.040 of the Metropolitan Code of Laws regarding the Barnes Fund for Affordable Housing.

**Indexes:**

**Code sections:**

**Attachments:** 1. BL2021-725 Amendment

Date	Ver.	Action By	Action	Result
7/7/2021	2	Mayor	approved	
7/6/2021	1	Metropolitan Council	passed on third reading	
7/6/2021	2	Metropolitan Council	amended	
6/1/2021	1	Metropolitan Council	deferred	
5/18/2021	1	Metropolitan Council	passed on second reading	
5/17/2021	1	Affordable Housing Committee	approved	
5/4/2021	1	Metropolitan Council	passed on first reading	
4/27/2021	1	Metropolitan Council	filed	

An ordinance to amend Section 2.149.040 of the Metropolitan Code of Laws regarding the Barnes Fund for Affordable Housing.

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

Section 1. That Section 2.149.040 of the Metropolitan Code of Laws is hereby amended by modifying subsection G as follows:

G. Make recommendations to the metropolitan council regarding the awarding of grants from the Barnes Fund, including funds appropriated yearly by the metropolitan council through the operating budget ordinance, to deserving nonprofit organizations and nonprofit civic organizations, or as otherwise authorized by state law, supporting the purposes of the commission. Criteria for the awarding of such funds shall be established by the commission. The criteria shall include setting aside at least twenty percent of such grants during Fiscal Years 2022 and 2023 to be used for the creation and preservation of affordable housing or capacity building for organizations that create or preserve affordable housing to be awarded to small nonprofit organizations, provided that a sufficient number of qualified applications are received. Starting in Fiscal Year 2024 and thereafter, the criteria shall include an aspirational goal of setting aside at least twenty percent of such grants to be awarded to small nonprofit organizations. For the purposes of this subsection, "small nonprofit organizations" means nonprofit organizations with an annual operating budget of no more than four million dollars and a housing budget of no more than one million dollars. The commission shall submit a recommendation to the metropolitan council for the appropriation of funds to deserving nonprofit organizations consistent with T.C.A. § 7-3-314, as it may hereafter be amended. Once funds have been appropriated by the

metropolitan council to the deserving nonprofit organization(s), the commission shall enter into a grant contract with each such organization. No such grant contract shall become effective without the approval of the metropolitan department of law and director of finance. In the event the recipient organization fails to complete its obligations under the grant contract within twenty-four months from execution, the commission shall be authorized to rescind the contract and to reclaim previously appropriated funds from the organization, subject to terms and conditions within the grant contract allowing for such.

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

### Analysis

This ordinance would require 20% of the Barnes Fund for Affordable Housing grant funds to be set aside for small nonprofit organizations. The Metro Housing Trust Fund Commission was created by Ordinance No. BL2013-487 to, in part, oversee the management and operation of the Barnes Fund for Affordable Housing. Part of the duties of the Commission are to establish criteria for the awarding of Barnes Fund grants and make recommendations to the Council regarding the awarding of grants to nonprofit organizations.

This ordinance would require that the criteria established by the Commission include setting aside at least 20% of the grant funds to be allocated to small affordable housing nonprofit organizations that have an annual operating budget of no more than \$4,000,000 and a housing budget of no more than \$1,000,000. This set aside would not apply if there are not a sufficient number of qualified small nonprofit applicants.