



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2021-800, **Version:** 1

A resolution supporting HB818/SB815 currently pending in the Tennessee General Assembly to allow the Metropolitan Development and Housing Agency to enter into payment in lieu of tax agreements for mixed-finance projects that include an affordable housing component.

WHEREAS, according to the Metropolitan Human Relation Commission's recent series titled "Understanding Nashville's Housing Crisis," approximately one half of renters in Davidson County are paying more than they can afford for housing, a statistic that will only worsen as rents continue to rise; and

WHEREAS, Tennessee Code Annotated § 13-20-104 currently authorizes a Metropolitan Government for which a housing authority is created to delegate to such housing authority the authority to negotiate and accept payments in lieu of ad valorem taxes ("PILOTS") from the housing authority's lessees operating low-income housing tax credit properties ("LIHTC properties") upon a finding that such payments are deemed to be in furtherance of the housing authority's public purposes; and

WHEREAS, the Metropolitan Development and Housing Agency ("MDHA") was created pursuant to state law and is the housing authority for the Metropolitan Government; and

WHEREAS, broadening the use of PILOTS to include mixed-finance projects, in addition to LIHTC properties, that contain an affordable/workforce housing component would allow for the construction of more affordable/workforce housing more quickly to address Nashville's critical housing needs for those who are cost-burdened; and

WHEREAS, HB818 sponsored by Rep. Clemmons and SB815 sponsored by Sen. Yarbro would authorize MDHA to enter into PILOT agreements with mixed-finance project operators upon approval by the Metropolitan Council; and

WHEREAS, the enactment of HB818/SB815 will provide a much-needed tool to address the affordable housing crisis in Nashville. This state enabling legislation would allow the Metropolitan Council to consider legislation guiding the applicability and implementation of a PILOT program for mixed-finance projects to ensure that the tool is used fairly and in a fiscally responsible way.

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

Section 1. The Metropolitan County Council hereby goes on record as supporting HB818/SB815 currently pending in the Tennessee General Assembly to allow the Metropolitan Development and Housing Agency to enter into payment in lieu of tax agreements for mixed-finance projects that include an affordable housing component.

Section 2. The Metropolitan Clerk is directed to send a copy of this Resolution to each member of the Davidson County Delegation to the Tennessee General Assembly.

Section 3. This Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

