



FRANKLIN HOUSING AUTHORITY

FRANKLIN, TENNESSEE

Lighting your path to affordable housing

March 5, 2019

Mayor Ken Moore
City of Franklin
109 3rd Avenue South
Franklin, TN 37064

Dear Mayor Moore:

In 1953, the Franklin Housing Authority was established by the City of Franklin and has been serving families in the Franklin community since that time. We are a unique organization in that we are considered an instrumentality of the city with our Board of Commissioners being appointed by the Mayor. Since 1967, the FHA and the City have had a cooperation agreement in effect which further outlines the relationship between the two organizations. State Statute also provides direction on the relationship between the two entities.

To date, we have completed the development of two new properties on the Reddick site at a development cost of \$22.8 million which added 112 units of affordable housing to a site which previously contained 44 units for a net increase of 68 units. Our Park Street rehab was completed in 2018 at a cost of \$1.7 million and the addition of 22 non-subsidized affordable units.

This letter is a follow-up to a request we made in May, 2018 for assistance with our Chickasaw Senior Community development. Construction began on the \$11 million 48-unit Low Income Housing Tax Credit development for senior residents in November with a projected completion of November 2019. We appreciate the support we have received from the city with the contribution of \$150,000 in CDBG funds and a PILOT payment of \$50 per unit.

We had also requested the waiver of Road Impact Fees and Parkland Dedication Fees. This request was deferred and sent to the Franklin Housing Commission to recommend a solution to requests such as this. Given the recommendation presented by the Commission and BOMA's direction to come back with more information, we would like to submit our request again for those fees to be waived.

We paid \$569,681 in fees in order to begin construction and we are asking that \$479,766 be waived and refunded. This includes \$228,582 in Parkland Dedication fees and \$251,184 in Road Impact fees.

200 Spring Street, Franklin, TN 37064
615-794-1247

Development is very expensive with the bid for our Chickasaw Senior Community being \$2.5 million over the original estimate and exceeding the amount of money that will be received for construction through tax credits. In order to meet the requirements for our tax credit allocation, grant funding and funding from HUD, our rents are restricted thereby limiting the amount of income generated. Without assistance from the City with fees, our ability to continue to build and update our affordable housing portfolio will be limited.

Once again, we appreciate the past support we have received from the City and hope we can continue to count on that partnership to help us provide more affordable housing for our community.

Sincerely,

Derwin Jackson
President/CEO

cc: Vice Mayor Clyde Barnhill
Alderman Brandy Blanton
Alderman Pearl Bransford
Alderman Bev Burger
Alderman Margaret Martin
Alderman Dana McClendon
Alderman Ann Petersen
Alderman Scott Speedy
Eric Stuckey
Vernon Gerth
Scott Black