



Legislation Text

File #: 18-1286, **Version:** 1

February 12, 2019

TO: City of Franklin Board of Mayor and Alderman

FROM: Eric S. Stuckey, City Administrator
Tom Marsh, Interim Director, Building & Neighborhood Services
Kathleen L. Sauseda, Housing Development Coordinator

SUBJECT:

Consideration of Contract 2018-0277, Contract with Franklin Housing Authority (FHA) for the Receipt Of Community Development Block Grant Funds from the City of Franklin as Reimbursement for Costs Associated with Construction of Public Facilities for the Chickasaw Senior Development (02/12/19 WS)

Purpose:

The purpose of this memorandum is to provide information to the Board of Mayor and Aldermen (BOMA) to consider a contract with the Franklin Housing Authority (FHA) relating to the Chickasaw Senior Community Development. This contract will support the construction of dwellings for low to moderate income senior residents by reimbursing FHA for construction of public facilities associated with the project.

Background:

The Chickasaw Senior Community will be developed under the guidelines of Section 42 of the Internal Revenue Code. This tax credit program was developed to encourage the construction and rehabilitation of rental housing for low-income individuals and families. This development will be located on real property leased from the Local Authority and will comply with the Metropolitan Statistical Area Data requirements that defines low to moderate incomes.

Per Ordinance 2018-34 the Board of Mayor and Aldermen ordained that "\$150,000 in future Community Development Block Grant funding will be assigned to the 48-unit multi-family Chickasaw Senior Housing Complex for required public sanitary sewer and water infrastructure upgrades and improvements.

FHA will be reimbursed up to One Hundred Thirty-Six Thousand Eight Hundred Thirty-Six Dollars (**\$136,836.00**) through this contract. The additional funds ordained by the Board will be contracted separately from future program years.

Financial Impact:

The funds allocated by the contract are drawn from the 2016 and 2018 program years.

Recommendation:

Staff recommends approval of this contract.