



**HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD**

**City of Chattanooga, Tennessee  
MONTHLY MEETING MINUTES**

**John P. Franklin, Sr. Council Building  
Assembly Room  
1000 Lindsay Street  
Chattanooga, TN 37402**

**for  
Monday, September 16, 2024  
12:30 p.m.**

Present were Board Members: Richard Johnson (Secretary), Andrea Smith, Brian Erwin, Hank Wells, and Dr. Patti Skates. Absent were Hicks Armor (Chair) and Johnika Everhart.

Also, present were Harolda Bryson and Phillip A. Noblett (Counsel to the Board); Janice Gooden (CALEB); Anna Protano-Biggs and Dawn Oakes (AIM Center); Kurt Faires (Chambliss); Jake Toner and Martina Guilfoil (CNE); Javaid Majid (Finance); Sandra Gober and Richard Beeland (Economic and Community Development); and Jay Moneyhun (Bass Berry & Sims).



Mr. Richard Johnson called the meeting to order, confirmed the meeting advertisement, and established that a quorum was present to conduct business.



**ELECTION OF VICE-CHAIR**

Mr. Johnson said that our Chair is not present. With respect to the election of the Vice-Chair, we will postpone this to next month's meeting. Mr. Johnson has some comments which he feels appropriate that our Chair needs to hear. On motion of Ms. Smith, seconded by Mr. Erwin, the Vice-Chair election will be discussed at the next meeting.



**MINUTES APPROVAL FOR THE JULY 22, 2024, MONTHLY MEETING**

On motion of Mr. Wells, seconded by Ms. Smith, the July 22, 2024, monthly meeting minutes were unanimously approved.



**PUBLIC COMMENTS**

There was no one from the public who had comments.

Ms. Harolda Bryson introduced herself to the Board. She is one of the Assistant City Attorneys for the City of Chattanooga. Attorney Noblett has been a little under the weather for the past few days and has chosen to join us at the meeting but is in the back of the room and is available to answer any specific questions.

Mr. Richard Johnson introduced himself as Secretary of the Board. Chairman Hicks Armor is out today, and we do not currently have a Vice-Chair.



**RESOLUTION**

On motion of Dr. Skates, seconded by Mr. Erwin,

**A RESOLUTION AUTHORIZING AMENDMENT IN CONNECTION WITH THE HEALTH, EDUCATIONAL AND HOUSING FACILITY BOARD OF THE CITY OF CHATTANOOGA, TENNESSEE, COLLATERALIZED MULTIFAMILY HOUSING BONDS (ESPERO CHATTANOOGA PROJECT) SERIES 2023 AND AUTHORIZING ISSUANCE OF REFUNDING BONDS. (HEB-2024-15)**

Ms. Bryson said that the purpose of this resolution is to end some current fundings. Attorney Noblett said that this will be for refunding bonds and Mr. Jay Moneyhun is available to speak.

Mr. Moneyhun is bond counsel for the financing of this project. Last year we issued tax exempt bonds to finance the project. Those bonds closed and were issued, and the project is moving along. We are now at the part of the project where they are closing their construction financing and locking in their permanent financing as well as admitting the tax credit investor into the project which will provide the additional sources of the funding for the project to move forward.

The purpose of this resolution is to affect a couple of minor amendments to the existing bond issue that will allow the bonds to be remarketed and held during construction period. The second part is once the project is completed, they are hoping to close on this amendment in the next couple of weeks and construction will commence. Once construction is complete, the permanent financing for the project will be converted and they are able to go ahead and lock in a

fixed rate with the bank that is going to hold the bonds on a long-term basis. This would allow them to lock in the fixed rate and by approving the Bond Financing Agreement. That is the purpose of this resolution to affect that approval and allow them to convert the financing when the construction is complete.

They are hoping to close in two weeks on this amendment and on their construction financing and prior financing tax credits. Once that closing occurs, they will commence construction immediately, and they are projected to complete by 2026.

Mr. Erwin asked what was the date of the perm agreement previously? We do not have a date for that yet. They had a Letter of Intent executed last year. This is the actual closing of the permanent financing and locks in the rate with the bank, and that loan will actually fund and close upon completion.

Attorney Noblett said that this morning's call also had several dates this week as to the bond closure dates and the bond sale. The bonds will be entering market and the interest rate on the bonds will be locked in hopefully this Thursday. There are a couple of approvals like they are waiting to get their building permit and there are things in the air that are required for closing. Hopefully, they will be able to price the bonds this Thursday and close the remarketing of the bonds the following Thursday. If they are not able to get the permitting totally completed, they are down to the last few items.

Construction financing is a taxable financing that is provided by a bank that is a CITC loan. The interest rate on that loan is prime minus 4 through the Tennessee Department Revenue Program that provides variable loan interest rate loans for affordable housing such as this project. The rate on that taxable financing will be prime minus 4, and those proceeds will collateralize the bonds. The bond rate will be pretty similar to that construction financing. When the bonds are converted, the fixed interest rate will be the long-term and is a good rate and a long-term tax exemption.

Mr. Johnson asked about a contingency in the event rates will be coming down. They would have the option to talk with the bank. Once they lock in this rate, the rate is good now, they may have an option to chat with the bank and see if they can adjust the rate between now and the closing. The rate that the bank is offering now is actually a good rate that works for the project. They want to go ahead and lock it in so there will not be any variables.

The motion carried.

**ADOPTED**

**RESOLUTION**

On motion of Mr. Wells, seconded by Ms. Smith,

**A RESOLUTION RATIFYING THE ACTION TAKEN BY THE CHAIR AND SECRETARY FOR THE EXECUTION OF A JOINDER AND FIRST AMENDMENT TO DEED OF TRUST, ASSIGNMENT, SECURITY AGREEMENT AND FIXTURE FILING REGARDING THE TWENTY MILLION DOLLARS (\$20,000,000.00) PROMISSORY NOTE RELATED TO THE TSO CHATTANOOGA DEVELOPMENT, LP, PAYMENT IN LIEU OF TAXES AGREEMENT WITH THE HEALTH, EDUCATIONAL, AND HOUSING FACILITY BOARD. (HEB-2024-16)**

Ms. Bryson said that this is a ratification of a document that Chairman Armor previously signed. The only reason it was such a rush is because opposing counsel wanted to get this done. Attorney Noblett said this is basically an amendment to the original financing agreement. The original resolution that was passed authorizing any and all papers, documents, certificates, or other instruments that may be needed for carrying out the authority of the resolution. The resolution was completed in 2015 on a PILOT. It was amended in 2021 and this is a subsequent amendment for a better interest rate.

Mr. Erwin asked for clarification, this is only an amendment to have the opportunity to improve the interest rate? Attorney Noblett said yes.

The motion carried.

**ADOPTED**

**RESOLUTION**

On motion of Dr. Skates, seconded by Mr. Wells,

**A RESOLUTION AUTHORIZING THE ADMINISTRATOR FOR THE DEPARTMENT OF ECONOMIC DEVELOPMENT TO ENTER INTO AN AGREEMENT, IN SUBSTANTIALLY THE FORM ATTACHED, WITH CHATTANOOGA NEIGHBORHOOD ENTERPRISE (CNE) AND PROVIDE FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) FROM THE HEB AFFORDABLE HOUSING FUND TO CONTINUE PROGRAMS ENSURING AVAILABILITY OF AND ACCESSIBILITY TO AFFORDABLE HOUSING, EXPANDING ACCESS TO FINANCIAL RESOURCES, AND EMPOWERING**

**RESIDENTS TO ADVOCATE FOR THEIR  
NEIGHBORHOODS. (HEB-2024-17)**

Mr. Johnson said that we support these initiatives and have gone on record several times indicating that.

Ms. Martina Guilfoil asked for support. CNE believes that the future of Chattanooga is rooted in the vibrancy of our neighborhoods and the prosperity of all of our people. When we talk about affordable housing, you cannot have prosperity of people without having affordable housing but also importantly is that we cannot promote homeownership as a wealth building vehicle if neighborhoods are in decline and values are destabilized.

Over the past 38 years, CNE has been acting in stabilizing the rising property values and revitalizing neighborhoods while focusing on helping people achieve stability in their homes either through affordable rental or for homeownership. Many people can achieve homeownership without financial education and counseling because they need budgeting, credit counseling, and other sources of financial support.

CNE works as a whole. We believe one part does not work without the other, and we really work on both. Over the past 38 years, CNE has been a strong partner in the City operating with the housing and economic development department doing things that are difficult for the City to do, and CNE has stepped into that role. Last year, the City used to fund CNE out of General Funds, and then they decided to ask CNE to come before the HEB and get \$500,000.00 of support from the HEB. What that support really provides is the creation of our rental units and operation of ongoing project management. We currently have MLK right here on 624 which also has a PILOT and is getting ready to open in three months, 24 units. We just broke ground on a PILOT the Board gave them on Bailey Avenue with 32 units, Lyerly Avenue 16 units, and now we will hear about Mill Town later on.

Our downpayment assistance program has been really successful. That was funded out of ARPA dollars, \$1.5 million, we just got funded for another \$500,000.00, we helped 28 low income households, families, individuals, buy their first home with the \$50,000.00 loan that they do not make any payment on at zero interest and repay when they either sell the property, refinance with cash out, or title transfers.

When you look at the demographics of that population, one of the things that stood out was how many of a majority of people were able to buy when they do not have a high school education. When we talk about wealth building where it has been proven that one year of post high school education really improves your economic outlook. For folks that do not have that to be able to buy a home and stay in Chattanooga is an impactful outcome of that program.

We often do not talk about in terms of stability and sustainability of homeownership for many of our senior population. Our rehab program goes into dilapidated and unsafe housing conditions and helps people that do not have the resources to get a conventional loan to be able to take out money to be able to improve their housing conditions. We wish we had more money to put towards rehab of these homes. One family we were actually able to rebuild the entire house in

such bad condition for \$100,000.00 went into that house. While one house may be expensive, it really dramatically improves the livability and sustainability of that family for generations to come. Rehab, downpayment assistance, creation of rental units, and financial education is what CNE is asking for today.

Attorney Noblett said the City Council has confirmed that there is \$500,000.00 in the account for this issue. This agreement has been reviewed by our office as well and states what they agree to do. It will be an agreement that will be signed off by the Administrator of Housing for the City to make sure that is completed correctly. This furthers the policies of this board for low and moderate housing as well.

The motion carried.

**ADOPTED**

**PRESENTATION OF ANNUAL REPORT OF  
HEB PILOT AND AFFORDABLE HOUSING FUND PROGRAMS**

This is the Board's report card for all of the PILOTs that we have in the last year. This is a great way to assess and hold folks accountable and the Board.

Ms. Sandra Gober said that this report provides all of the information on the PILOT projects that have been funded starting from 2002 to present. Our role primarily is to give the Board an update on whether or not the projects are complying based on what was approved in the resolution. The summary was presented to the Board. Some of them carry different regulations and requirements. The initial PILOT was to get some affordable housing units in the downtown area. The requirement was that the development had to be in the downtown footprint.

To date, the Board has approved PILOTs for over 2,000 units of housing. See attached Annual Report attached to these minutes. Each project is required to submit an annual report which is really the rent roll. They review that as well as the income of the tenants to ensure that the units are occupied by income eligible tenants and that the rents that are being charged are in line with the requirements. Not only do they send the report to us, but they have low income housing tax credits in the deal and have to do a report to THDA.

The summary of the requests for the Affordable Housing Fund is also attached for over the last five years. The majority are complete with the exception of the CNE construction on East M.L. King.

Mr. Erwin asked Ms. Gober regarding gatekeeping. Mr. Erwin is curious how perspective tenants are able to find out the information on if that property is maxed out for below the AMI or how that is marketed to perspective tenants. Ms. Gober said each unit does their own marketing, and in their marketing, they indicate that so many units are available at this restrictive rent for income. Internally, we get a lot of calls from individuals looking for affordable units. We do not dictate and control the wait list for that development. We provide the assistance and assure they are adhering to the requirements, but they do have to contact the development themselves.

These projects are all in compliance. Attorney Noblett was not involved initially when the first resolution for the downtown projects was put in place in 2002. At this point in time, all of those projects including Walnut Commons will be going off in 2025, but they are back on the tax rolls. As soon as 2025 comes through, we will achieve that. The value of those investments is now fully paying the 100% which is a good thing for the City.



### **OTHER BUSINESS-DISCUSSION**

#### **Mill Town PILOT**

Mr. Kurt Faires handled the PILOT for Chattanooga Neighborhood Enterprises. We are coming before the Board today to ask to give less than previously agreed to. The Mill Town project that was approved in 2024 is on multiple contiguous parcels. It has come to their attention that some additional environmental remediation needs to occur and fortunately the EPA has agreed to do that at their expense. The project is 34 units total in multiple buildings, and the land that is on hold involves 12 of the 34. The PILOT Agreement previously approved said everything would be completed and on-line within 24 months from the date of the agreement. Because of this new development, 12 of the units are on hold, but it is CNE's intention to go ahead and build those out as soon as they agree on the land. The original PILOT term is 20 years and it may be beyond two years before construction is completed because the start date has been delayed, we are not asking for 20 years for these 12 delayed units. We will take whatever is remaining and have 18 or 19 years instead of 20.

This is largely informative and certainly not asking for anymore but to let the Board know that 12 of the 34 here will come on-line later than originally anticipated beyond the 24 month window. We would propose adding a sentence in the amendment saying it is understood that the 12 units will be late and will be subject to the remaining period of existing PILOT.

Mr. Jake Toner spoke at this point. We have spoken with an environmental attorney but the clean up can happen on the schedule of a federal organization and not depending on us at all. We have asked if they can speed it up and put us on a priority list, but we cannot influence that at all. One of the other projects they did move it up and got the Bailey Project straight. At this time, they cannot give us a hard date.

Attorney Noblett asked if they were not asking to extend the PILOT period. No terms changed except it will take more than 24 months for 12 of the 34 units. This does sound reasonable and beyond their control. CNE is not having to pay for the remediation.

Mr. Johnson asked that a motion be made to extend for those 12 units that have additional site preparation and that the federal government will be coordinating, subject to the language that is approved by the attorneys for CNE and the HEB. Ms. Smith made the motion to accept the terms with the new language, seconded by Mr. Erwin, and the motion carried.

**Report on Debt Obligation – Erlanger Health System Revenue Bonds \$319,410,000.00**

Attorney Noblett said that the bond sale was completed last week and was something they were excited that the rate of their bond indebtedness was good based upon the rate of the City and County in connection and through the HEB. They were pleased to get that accomplished. That new bonded indebtedness will help them in their financing as an entity that is not a governmental entity and is a private entity that came to this Board like we provided that same type of ability for Memorial Hospital and Parkridge. This is just informational for the Board.



After further discussion, Mr. Erwin made a motion to adjourn the meeting, seconded by Ms. Smith, and the meeting adjourned at 1:20 PM.

Respectfully submitted,

Richard Johnson, Secretary

APPROVED:

Hicks Armor, Chair





## **City Of Chattanooga: Payment In Lieu of Taxes (PILOT) Annual Report to HEB**

**The Affordable Housing PILOT Program is a financial incentive designed to encourage multi-family rental development for low-to-moderate income households.**

**September 16, 2024**

# SUMMARY OF PILOT PROJECTS

Type Development	Development Name	Developer	Property Address	30% AMI	50% AMI	60% AMI	80% AMI	Market Rate	Total Units	Estimated Investment	PILOT Start Year	PILOT End Year
Renovation	Campbell Ridge/ Battery Heights	Alco Properties, Inc	3401 Campbell Street	70		18	54	0	142	\$17,000,000	2022	2036
Renovation	Bayberry	Alco Properties, Inc	2300 Windsor Street	134		29	0	0	163	\$13,000,000	2018	2032
New Construction	Chestnut Flats	Elimington/ECG Chestnut Group, LLC	2108 Chestnut Street	87		112	0	0	199	\$22,000,000	2019	2033
Renovation	Patten Towers	Elimington Capital	1 East 11th Street	0		221	0	0	221	\$34,000,000	2020	2044
Renovation	Ridgeway Apartments	Vitus Group	1230 Poplar Street	0		120	0	0	120	\$16,000,000	2019	2033
Renovation	Jaycee Towers	Wishrock Group/Chattanooga Housing Authority	500 W. MLK BLVD.	0		105	70	0	175	\$16,000,000	2018	2058
New Construction	Reserve at Mtn. Pass	LDG Development	4905 Central Avenue	60		120	60	0	240	\$52,000,000	2024	2040
New Construction	Market City Center	The Simpson Organization (TSO)8	728 Market Street	0		0	25	100	125	\$28,000,000	2017	2031
New Construction	1400 Chestnut	Mount Auburn, LLC	1400 Chestnut Street	0		0	40	160	200	\$23,000,000	2017	2030
Renovation/ Conversion	Maclellan Building	Heritage-Maclellan Apts, LLC	721 Broad Street	0		0	18	72	90	\$10,500,000	2016	2034
New Construction	Vue On 5th	Walk2Campus	500 Lindsay Street	0		0	13	51	64	\$7,500,000	2016	2030
New Construction	Shallowford Pointe	DGA	6402 Shallowford Rd			96			96	\$32,000,000	2024	2059
New Construction	Mai Bell II	Chattanooga Neighborhood Enterprise/CNE	1715 Union Avenue	0	2	7	26	12	47	\$5,700,000	2023	2032
New Construction	Bailey Ave	Chattanooga Neighborhood Enterprise/CNE	2003 Bailey Ave		2	5	25		32	\$5,900,000	2025	2044
New Construction	Lyerly Apartments	Chattanooga Neighborhood Enterprise/CNE	1805 S. Lyerly			4	12		16	\$3,888,500	2025	2044
New Construction	Milltown Apartments	Chattanooga Neighborhood Enterprise/CNE	2461 E. 18th Street		2	6	26		34	\$6,612,500	2025	2044
New Construction	AIM/Espero	Espero Chattanooga LP	1815 E. Main St.	19		41			60	\$21,532,500	2025	2055
	*Under development			370	6	884	369	395	2024	\$314,633,500		
				18%	0.3%	44%	18%	20%	100%			





## RESOLUTION: #32021

- PILOT framework ties tax-abatement directly to the affordable units being provided.
- Sets a per-unit abatement based on the difference between market-rate rent and the affordable rent.
- Market-rate rents are zip-code based, which allows the program to be tailored more closely to localized market conditions

**Adopted: March 26, 2024**





## **RESOLUTION: #28783**

**Fifty (50) percent of total units of the PILOT development must be affordable to households with incomes no greater than 80% of the Area Median Income (AMI) and located within Chattanooga City limits**

**Adopted: September 20, 2016**



# Milltown Apartments

- Information:
- Address: 2461 E. 18<sup>th</sup> Street
- Developer: Chattanooga Neighborhood Enterprise, Inc.
- Development Status: Under development

<b>\$6.6M</b>	<b>34</b>	<b>26</b>	<b>1/22/2024</b>	<b>12/2024</b>	<b>12/2026</b>	<b>PILOT Period</b>
Investment	Total Units	PILOT Units	HEB Approval	Construction Start	Construction Complete (Target)	2025-2044 + HOME – 20 Yrs.





# Lyerly Street Apts.

- Information:
- Address: 1805 S. Lyerly Street
- Developer: Chattanooga Neighborhood Enterprise, Inc.
- Development Status: Under development

<b>\$3.8M</b>	<b>16</b>	<b>12</b>	<b>3/18/2024</b>	<b>9/2024</b>	<b>12/2025</b>	<b>PILOT Period</b>
Investment	Total Units	PILOT Units	HEB Approval	Construction Start	Construction Complete (Target)	2025-2044 + HOME – 20 Yrs.



# Bailey Avenue

- Information:
- Address: 2003 Bailey Avenue
- Developer: Chattanooga Neighborhood Enterprise, Inc.
- Development Status: Under development

<b>\$5.9M</b>	<b>32</b>	<b>25</b>		<b>7/2024</b>	<b>12/2025</b>	<b>PILOT Period</b>
Investment	Total Units	PILOT Units	HEB Approval	Construction Start	Construction Complete (Target)	2025-2044 + HOME – 20 Yrs.



# Shallowford Pointe

- Information:
- Address: 6204 Shallowford Rd
- Developer: DGA Shallowford PL
- Development Status: Under development

<b>\$32M</b>	<b>96</b>	<b>96</b>	<b>2/19/2024</b>	<b>3/2024</b>	<b>12/2025</b>	<b>PILOT Period</b>
Investment	Total Units	PILOT Units	HEB Approval	Construction Start	Construction Complete (Target)	2024-2059





# AIM - Espero

- Information:
- Address: 1815 E. Main St.
- Developer: Espero Chattanooga, LP
- Development Status: Under development

<b>\$21.5M</b>	<b>60</b>	<b>60</b>	<b>6/17/2024</b>	<b>9/2024</b>	<b>12/2025</b>	<b>PILOT Period</b>
<b>Investment</b>	<b>Total Units</b>	<b>PILOT Units</b>	<b>HEB Approval</b>	<b>Construction Start</b>	<b>Construction Complete (Target)</b>	<b>2024-2055</b>



# Mai Bell II

- Information:
- Address: 1715 Union Avenue
- Developer: Chattanooga Neighborhood Enterprise, Inc.
- Development Status: **Completed and leasing**

<b>\$5.7M</b>	<b>47</b>	<b>26</b>	<b>2/2021</b>	<b>6/2021</b>	<b>12/2023</b>	<b>PILOT Period</b>
Investment	Total Units	PILOT Units	HEB Approval	Construction Start	Construction Complete (Target)	2022-2031 + HOME – 20 Yrs.





# Reserve at Mountain Pass

## Information:

- Address: 4905 Central Ave
- Developer: LDG Development
- Development Status: First units leased January 2024, 61%

\$52M	240	240	2/2021	6/2022	Spring 2023	December 2023	PILOT Period
Investment	Total	PILOT	HEB	Construction	First Building	Construction	2024 - 2040





# Battery Heights Apartments now Campbell Ridge Apartments Information:

- Addresses: 3401 Campbell Street
- Developer: Alco Properties, Inc.
- Development Status: **Renovations completed June 2023, name changed to Campbell Ridge Apartments**
- Compliance Status: **Compliant, per THDA/LIHTC**

## **Filing**

\$5.5 M	142	142	12/2020	9/2021	October 2022	PILOT Period
Investment	Total Units	PILOT Units	HEB Approval	Renovation Start	Renovation Complete (Target)	2022 - 2035





# Bayberry Apartments

## Information:

- Addresses: 2300 Windsor Street, 2330 Wilson Street, 1101 Arlington Avenue
- Developer: Alco Properties, Inc.
- Development Status: Completed Renovation
- Compliance Status: **Compliant, per THDA/LIHTC Filing**

\$12.2 M	163	163	10/2017	1/2017	12/2017	PILOT Period
Investment	Total Units	PILOT Units	HEB Approval	Renovation Start	Renovation Complete	2018-2032





# Chestnut Flats

## Information:

- Address: 2108 Chestnut Street
- Developer: Elmington Chestnut Group, LP  
2019 transferred to Mount Auburn  
March 2022 transferred to Starwood Realty
- Development Status: Completed New Construction
- Compliance Status: **Compliant, per 2024 Annual THDA/LIHTC Filing**

\$22 M	199	199	10/2016	6/2021	October 2019	PILOT Period
Investment	Total Units	PILOT Units	HEB Approval	Construction Start	Construction Complete	2019 - 2033





# Patten Towers

## Information:

- Address: 1 East 11<sup>th</sup> Street
- Developer: Elmington/Patten Affordable Partners, LP
- Development Status: Renovation Complete
- Compliance Status: **Compliant per 2024 THDA/LIHTC Filing**

<b>\$34 M</b>	<b>240</b>	<b>240</b>	<b>12/2018</b>	<b>2/2019</b>	<b>March 2021</b>	<b>PILOT Period</b>
Investment	Total Units	PILOT Units	HEB Approval	Renovation Start	Renovation Complete	2020 - 2044
					Extended by March 2021 fire	



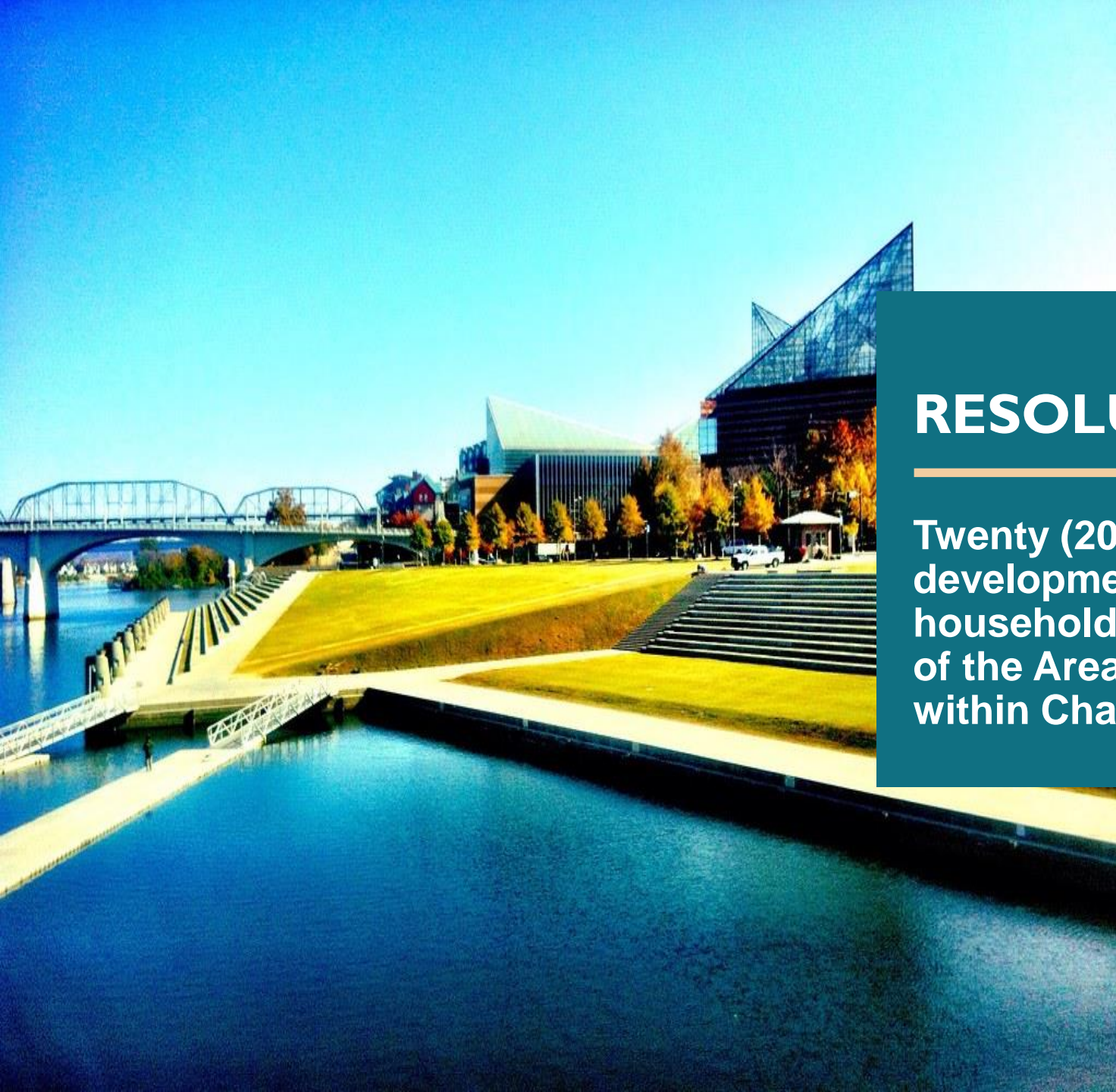
# Ridgeway Apartments

## Information:

- Address: 1230 Poplar Street
- Developer: VITUS Group
- Development Status: Completed Renovation
- Compliance Status: **Compliant per 2023 THDA/LIHTC Filing**

<b>\$16 M</b>	<b>120</b>	<b>120</b>	<b>9/2018</b>	<b>12/2018</b>	<b>12/2019</b>	<b>PILOT Period</b>
Investment	Total Units	PILOT Units	HEB Approval	Renovation Start	Renovation Complete	2019 - 2033





## **RESOLUTION: #27968**

**Twenty (20) percent of total units of the PILOT development must be affordable to households with incomes no greater than 80% of the Area Median Income (AMI) and located within Chattanooga City limits**

**Adopted: August 5, 2014**





# Market City Center

## Information:

- Address: 728 Market Street
- Developer: The Simpson Organization
- Development Status: Completed New Construction
- Compliance Status: **Compliant, per review of annual report**

<b>\$28 M</b>	<b>125</b>	<b>25</b>	<b>7/2015</b>	<b>9/2015</b>	<b>9/2017</b>	<b>PILOT Period</b>
Investment	Total Units	PILOT Units	HEB Approval	Construction Start	Construction Complete	2017 - 2031





# 1400 Chestnut

## Information:

- Address: 1400 Chestnut Street
- Developer: Mount Auburn
- Development Status: Completed New Construction
- Compliance Status: **Compliant, per HCI staff review of annual report**

\$25 M	200	40	4/2015	11/2016	8/2019	PILOT Period
Investment	Total Units	PILOT Units	HEB Approval	Construction Start	Construction Complete	2017 - 2030





# Maclellan Building

## Information:

- Address: 721 Broad Street
- Developer: Heritage-Maclellan
- Status: Completed Renovation
- Compliance Status: **Compliant, per HCI staff review**  
**August 7, 2023**

<b>\$10 M</b>	<b>89</b>	<b>18</b>	<b>4/2015</b>	<b>6/2015</b>	<b>7/2017</b>	<b>PILOT Period</b>
<b>Investment</b>	<b>Total Units</b>	<b>PILOT Units</b>	<b>HEB Approval</b>	<b>Renovation Start</b>	<b>Renovation Complete</b>	<b>2016 - 2034</b>





# Vue On 5<sup>th</sup>

## Information:

- Address: 500 Lindsey Street
- Developer: Walk2Campus
- Development Status: Completed New Construction
- Compliance Status: **Compliant with 11 units, 2 over income, per HCl staff review July 2023.**

\$7 M	64	13	2/2015	6/2015	9/2019	PILOT Period
Investment	Total Units	PILOT Units	HEB Approval	Renovations Start	Renovations Complete	2016 - 2030





# \* Passenger Flats

## Information:

- Address: 1351 Passenger Street
- Developer: Choo-Choo Partners, LP
- Status: Completed Renovation
- Compliance Review: February 2018

## Updates:

- \* PILOT terminated on project by developer in 2018 due to their desire to have an all market-rate property

2015

Start Year

\$4M

Investment

97

Total Units

20

PILOT Units

2018

End Year





## **RESOLUTION: #23253**

**PILOT project must be located within downtown footprint**

**Adopted: January 8, 2002**



# PILOT Projects: RESOLUTION: #23253, Adopted 2002

## Information:

- Bread Factory Lofts
  - 1615 Cowart Street
  - End Year: 2018
- MK
  - 1419 Market Street
  - End Year: 2021
- St. John's Apartments
  - 1280 Market Street
  - End Year: 2020
- UTC 2
  - 615 Lindsay Street
  - End Year: 2024
- UTC 3
  - 863 McCallie Avenue
  - End Year: 2024
- Walnut Commons
  - 212 Walnut Street
  - End Year: 2025
- Frazier Place
  - 330 Frazier Avenue
  - End Year: 2018





# Jaycee Towers

## Information:

- **Address: 500 West M.L.K Boulevard**
- **Developer: Wishrock Group/ PILOT via State of TN**
- **PHA Statue**
- **Development Status: Completed Renovation**
- **Compliance Status: Project through the Chattanooga Housing Authority (CHA)**

**2017**

Start Year

**\$16M**

Investment

**175**

Total Units

**175**

PILOT Units

**2057**

End Year



# City Of Chattanooga: Affordable Housing Fund

The Chattanooga Affordable Housing Fund (CAHF) leverages Federal, State, and private dollars to incentivize expanded availability of and access to affordable rental and homeownership for households in Chattanooga, earning up to 120% of area median income (AMI).

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Funding is made available for:

- Creating or preserving affordable rental units and housing for homeownership
- Increasing access to homeownership through collaborative homebuyer programs,
- Providing resources to assist vulnerable households in accessing and or retaining housing
- Leveraging funding by working with for-profit and nonprofit entities - home builders, Realtors, foundations, financial institutions, etc., and
- Exploring various tools to achieve the desired outcomes, including but not limited to: policy changes, providing access to resources to assist with wealth building and retention, reducing, and eliminating barriers to producing/preserving/ or accessing affordable housing.

# City Of Chattanooga Affordable Housing Fund (CAHF) Funded Activities



<b>APPLICANT</b>	<b>Amount</b>	<b>PROJECT</b>	<b>PURPOSE</b>	<b>APPROVAL DATE</b>	<b>STATUS</b>
<b>Chattanooga Housing Authority</b>	<b>\$400,000</b>	<b>Emerald Village Renovation</b>	<b>Preserve 44 units of affordable housing</b>	<b>8/28/2019</b>	<b>Complete 2020</b>
<b>Habitat for Humanity</b>	<b>\$196,546</b>	<b>Sites for Development of Homeowner Housing</b>	<b>Acquisition of 15 lots in Village at Alton Park</b>	<b>8/28/2019</b>	<b>Acquisitions complete 9 homes constructed</b>
<b>CALEB</b>	<b>\$25,000</b>	<b>Study</b>	<b>Exploring potential for community land trusts</b>	<b>1/22/2020</b>	<b>Complete</b>
<b>Adamson Developers</b>	<b>\$240,000</b>	<b>Affordable Rental Development</b>	<b>Construction of 12 rental units in E. Chattanooga</b>	<b>5/6/2022</b>	<b>Project stalled, funding rescinded</b>
<b>Chattanooga Neighborhood Ent.</b>	<b>\$55,000</b>	<b>Study</b>	<b>Housing Affordability Analysis</b>	<b>6/27/2022</b>	<b>Complete</b>
<b>Chattanooga Neighborhood Ent.</b>	<b>\$500,000</b>	<b>Affordable Rental Development</b>	<b>Construction of 24 units at 621 E. ML King</b>	<b>5/6/2022</b>	<b>Under construction</b>
<b>Total</b>	<b>\$1,416,546</b>				

# Thank You

**Department of Economic Development  
Housing & Community Investment Division**

