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Metropolitan Development and Housing Agency

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James E. Harbison
Executive Director

April 1, 2019

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FDIC Atlanta Regional Office
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Dear Federal Regulators:

We wish to comment on the proposed merger of SunTrust Bank and BB&T which is under review by your office.

Our agency has undertaken a major recapitalization of our legacy public housing properties, transforming them into modern mixed-income, mixed-use communities at a projected cost in excess of a billion dollars. Realization of our initiatives requires a massive infusion of financing, including Low Income Housing Tax Credits, New Market Tax Credits, construction and permanent loans, and a variety of other financial products. As part of our initial community transformation, we needed to finance the construction of a new charter school to serve as a critical magnet to attract workforce and market-rate residents to an area that has been known for decades as a troubled concentration of poverty. We elected to utilize New Market Tax Credits as the financing vehicle for this school, the first time that our agency has ventured into this structure. SunTrust Bank assumed the lead role for the several other Community Development Entities (CDEs) and Community Development Financial Institutions (CDFIs) that were needed to provide the full amount of the financing that was required for this project. Their representatives helped guide us through the complex closing, the construction draw procedures, and the periodic impact reporting for this financing structure.

In earlier years, when HUD was incentivizing the recapitalization through the HOPE VI program, we were able to secure the private financing for one of our mixed-income projects (J. Henry Hale Homes) through a conventional loan from SunTrust Bank.

Going back even further, to the early 1990s, when our agency was just starting to venture into tax increment financing - and when downtown Nashville was a poster-child for disinvestment - our first significant TIF commitment was a \$13.5 million TIF loan for the new headquarters building for Bell South in the heart of downtown Nashville. SunTrust assumed the lead role in assembling a consortium of banks to provide this financing. The Bell South ("Batman") building has become a unique feature in the skyline of downtown Nashville and, together with the contemporaneous renovation of the Ryman Auditorium, is credited with the beginning of significant reinvestment in Nashville's downtown.

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ATLANTA REGIONAL OFFICE

FDIC Atlanta Regional Office
Page 2
April 1, 2019

So we feel that SunTrust Bank has been an invaluable partner in several of the pioneering initiatives we have undertaken over the years. We think that its merger with BB&T would only enhance their ability to participate in our initiatives going forward. MDHA fully supports the proposed merger.

Sincerely,



James E. Harbison
Executive Director