

MINUTES OF MEETING
OF
THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

The regular meeting of the Board of Commissioners of the Metropolitan Development and Housing Agency was held on Tuesday, July 12, 2016, at 11:30 a.m. in the Collaboration Room at the Gerald F. Nicely Building, 701 South Sixth Street, Nashville, Tennessee.

PRESENT: Ralph Mosley, Chair
 Melvin Black, Vice Chair
 Jimmy Granbery, Vice Chair
 Gif Thornton
 Charles Robert Bone

ABSENT: Miniimah Basheer
 Antoinette Batts

ALSO PRESENT: James Harbison, Secretary-Treasurer and Executive Director
 James Thiltgen, Deputy Executive Director
 Margaret Behm, Legal Counsel
 Tremecca Doss, General Counsel
 Melinda Hatfield, Director of Finance
 Will Biggs, Director of Affordable Housing
 Angie Hubbard, Director of Community Development
 Norman Deep, Director of Rental Assistance
 Ed Shewmaker, Director of Construction
 Joe Cain, Director of Urban Development
 Steve Adams, Assistant Director for Human Resources
 Connie Martin, Assistant Director for Affordable Housing
 Julia Moss, RAD Coordinator
 Vanessa Melius, Grant Writer Coordinator
 Jamie Berry, Director of Communications
 Steve Rutland, Senior Project Manager
 Jean Merkle, Administrative Assistant to the Board of Commissioners
 Miriam Smith, President, Hadley Park Towers
 Audrey Abbott, Manager, Hadley Park Towers
 John Eakin, Eakin Partners
 William Hastings, Hastings Architecture
 Nat King Cole, SEIU
 Steve Reiter

Chair Mosley called the meeting to order and requested approval of the Minutes of the Meeting of June 14, 2016. Commissioner Black moved adoption of the following resolution:

Resolution No. 42-16

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Minutes of the Meeting of June 14, 2016, as submitted.”

The motion was seconded by Commissioner Thornton, and upon vote all voted “aye”. None voted “no”.

Chair Mosley introduced Miriam Smith, President, Hadley Park Towers Resident Association, and Audrey Abbott, Manager, Hadley Park Towers Resident Association. He said both will have an opportunity to speak later in the meeting.

Mr. Harbison said MDHA’s annual employee awards day was held on July 8. He said Norman Deep, Director of Rental Assistance, was presented the Executive Director’s Award. Mr. Harbison also announced with staff that were honored: William Brown, Employee of the Year; Plumbing Crew, Team of the Year; and Vanessa Melius, Rising Star.

Commissioner Black reported on the Human Resources Committee held on June 14, 2016. He said Steve Adams, Assistant Director for Human Resources, requested the committee’s approval to add Veterans Day to the official holidays for the agency in Section 3.5 of the Personnel Policy. The committee voted unanimously to recommend the change to the Board of Commissioners.

Chair Mosley moved the item ahead and Commissioner Granbery moved adoption of the following resolution:

Resolution No. 43-16

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the proposed change to Section 3.5 of the Personnel Policy to add Veterans Day as an official holiday for agency employees.”

The motion was seconded by Commissioner Thornton, and upon vote all voted “aye”. None voted “no”.

Jim Thiltgen, Deputy Executive Director, provided a detailed summary of the next item regarding financial arrangements for utilizing the 9% Low Income Housing Tax Credits awarded in 2015 for

Levy Place. After questions and discussions, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 44-16

“RESOLUTION BY THE BOARD OF COMMISSIONERS OF METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

The undersigned, being a quorum of the Board of Commissioners of Metropolitan Development and Housing Agency (“MDHA”), at a duly called meeting on July 12, 2016, acting in accordance with the applicable provisions of the T.C.A. § 13-20-101, et. seq., and its Charter and Bylaws, do hereby adopt, the following resolutions to be effective as of the date hereof:

WHEREAS, MDHA, was organized to acquire, construct, develop, lease, manage, operate, sell, and otherwise deal with safe, decent and affordable housing in the City of Nashville, Tennessee;

WHEREAS, Levy Place, L.P., a Tennessee limited partnership (“Partnership”), intends to enter into a payment in lieu of taxes (“PILOT”) lease with MDHA for certain real property in order to construct improvements to Levy Place Apartments, a 226-unit apartment complex located in Nashville, Davidson County, Tennessee (“Project”);

WHEREAS, MDHA Levy Place, Inc. (the “Company”) is the General Partner of the Partnership, created for the purposes of implementing the Project;

WHEREAS, Levy Place MDHA, LLC (“Developer”) is the developer of the Project;

WHEREAS, MDHA is a member of the Developer;

WHEREAS, Pinnacle Bank, a Tennessee banking corporation (the “Bank”), is making a renovation and term loan to the Partnership in the approximate principal amount of \$5,585,000 (the “Term Loan”) evidenced by a note and all instruments and documents securing the Term Loan. MDHA shall serve as guarantor and execute a Completion Guaranty in conjunction with the Term Loan;

WHEREAS, the Bank is also making a bridge loan to the Partnership in the approximate principal amount of \$10,000,000 (the “Bridge Loan”) evidenced by a note and all instruments and documents securing the Bridge Loan. MDHA shall serve as guarantor and execute a Bridge Loan Guaranty in conjunction with the Term Loan. The Completion Guaranty and the Bridge Loan Guaranty are collectively referred to herein as the “Debt Guaranties”;

WHEREAS, MDHA is making a certain loan to the Partnership in the approximate principal amount of \$5,859,296.00 (the “MDHA Loan”) evidenced by a note and all instruments and documents securing the Bank Loan (collectively, the “MDHA Loan Documents”) (together, the Bank Loan Documents and the MDHA Loan Documents are referred to collectively as the “Loan Documents”);

WHEREAS, The Company intends to enter into an Amended and Restated Agreement of Limited Partnership between CREA Levy Place, LLC (the “Investor Limited Partner”), and CREA SLP, LLC (the “SLP”) (together, the Investor Limited Partner and SLP are referred to herein as the “Investors”), and the Company whereby MDHA shall serve as guarantor and execute a Guaranty Agreement (the “Equity

Guaranty”), Purchase Option Agreement (the “Option”), and the Developer shall execute and deliver the Development Agreement (the “Development Agreement”) (collectively, the Equity Guaranty, Option, and Development Agreement are referred to herein as the “Equity Documents”).

NOW, THEREFORE, BE IT RESOLVED, that MDHA hereby ratifies and approves that certain Resolution by the Board of Directors of MDHA Ryman Lofts, Inc. attached hereto as Exhibit “A”;

FURTHER RESOLVED, that MDHA, on its own behalf, is hereby authorized and directed to enter into the PILOT Lease with the Partnership, execute, deliver and perform any and all other documents, agreements, instruments and agreements contemplated under the PILOT Lease, or otherwise required for purposes of the PILOT Lease (“PILOT Lease Documents”);

FURTHER RESOLVED, that MDHA, on its own behalf, is hereby authorized and directed to negotiate, execute, deliver and perform the Debt Guaranties, as well as any and all documents, instruments and agreements contemplated thereunder or required for purposes of entering into the Debt Guaranties;

THEREFORE, BE IT RESOLVED, that MDHA is hereby authorized and directed to make the MDHA Loan to the Partnership, execute, deliver and perform any and all other documents, agreements, instruments and agreements contemplated under the MDHA Loan Documents, or otherwise required for purposes of the MDHA Loan;

FURTHER RESOLVED, that MDHA, on its own behalf, is hereby authorized and directed to negotiate, execute, deliver and perform the Equity Documents, as well as any and all documents, instruments and agreements contemplated thereunder or required for purposes of entering into the Equity Documents;

FURTHER RESOLVED, that the form, terms and provisions of the PILOT Lease Documents, the Debt Guaranties, the MDHA Loan Documents and the Equity Documents, are hereby in each and every respect approved, ratified and confirmed, and each and every transaction effected or to be effected pursuant to, and in substantial accordance with, the terms of the PILOT Lease Documents, the Debt Guaranties, the MDHA Loan Documents and the Equity Documents and each and every document contemplated therein, are hereby in each and every respect authorized, approved, ratified and confirmed;

FURTHER RESOLVED, that the Chairman, Vice Chairman and Secretary/Treasurer, respectively, of MDHA, be, and they hereby are, or either one of them, acting alone, be, and he hereby is, authorized and empowered, on behalf of MDHA, to execute and deliver the PILOT Lease Documents, the Debt Guaranties, MDHA Loan Documents and the Equity Documents, and all documents contemplated therein, and that any and all documents previously executed and delivered by the Chairman, Vice Chairman and/or Secretary/Treasurer of MDHA with respect to the Project are hereby ratified and approved; and

FURTHER RESOLVED, that any and all acts heretofore taken by any officer of MDHA in connection with the matters authorized by the foregoing resolutions are hereby ratified, confirmed, adopted and approved by the Board of Commissioners of MDHA.”

The motion was seconded by Commissioner Black, and upon vote all voted “aye”. None voted “no”.

Mr. Harbison presented the next item requesting Board approval of the developers for Lots I and K at Rolling Mill Hill. Commissioner Granbery was Chair of the Review Committee and stated the review of the proposals was very thorough and included two rounds of interviews. Joe Cain, Director of Urban Development, said the committee is recommending Eakin Partners, LLC as developer of Lot I; and Hensler Developer Group as developer of Lot K. John Eakin was in attendance and addressed the Board regarding his proposal. After discussion by Commissioners and staff, Commissioner Thornton moved adoption of the following resolution:

Resolution No. 45-16

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the selection of Eakin Partners, LLC as the developer of Lot I, 0 Peabody Street; and Stiles & Hensler Development Group, LLC as the developer of Lot K, 30 Peabody Street, at Rolling Mill Hill in the Rutledge Hill Redevelopment District; and

BE IT FURTHER RESOLVED, That the Executive Director and staff are authorized to enter into negotiations with each developer; and the Executive Director is authorized to sign any and all documents necessary to accomplish the development of said Lots I and K.”

The motion was seconded by Commissioner Black, and upon vote Commissioners Mosley, Granbery, Thornton and Black voted “aye”. None voted “no”. Commissioner Bone disclosed an indirect conflict and abstained from voting.

Steve Reiter entered the meeting after the public comment period and was allowed to speak. He said he attended a Jefferson Street Planning meeting at Meharry Medical College the day before and also mentioned that Jamie Berry, Director of Communications was also present. Mr. Reiter said residents of the area are concerned about eminent domain.

Chair Mosley called on Ms. Smith who thanked the Board for the invitation to attend the meeting. Ms. Abbott said things were going well at Hadley Park.

There being no further business to come before the Board, the Chair declared the meeting adjourned.

Secretary

APPROVED:

This _____ day of _____, 2016.

Chair