

## MINUTES OF MEETING

OF

### THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

The Annual Meeting of the Board of Commissioners of the Metropolitan Development and Housing Agency was held on Tuesday, December 13, 2016, at 11:30 a.m. in the Collaboration Room of the Gerald F. Nicely Building, 701 South Sixth Street, Nashville, TN.

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

ABSENT:           None

ALSO PRESENT:  James Harbison, Secretary-Treasurer and Executive Director  
                      James Thiltgen, Deputy Executive Director  
                      Margaret Behm, Legal Counsel  
                      Ben Bentley, Chief Operating Officer  
                      Tremecca Doss, General Counsel  
                      Melinda Hatfield, Director of Finance  
                      Will Biggs, Director of Affordable Housing  
                      Joe Cain, Director of Urban Development  
                      Martha Gregory, Director of Administrative Services  
                      Angie Hubbard, Director of Community Development  
                      Norman Deep, Director for Rental Assistance  
                      Ed Shewmaker, Director of Construction  
                      Aaron Darden, Director of Recapitalization  
                      Jamie Berry, Director of Communications  
                      Jean Merkle, Administrative Assistant to the Executive Director  
                      Mike Green, Resident Association Coordinator  
                      Barrington Moore, President, Sudekum Apartments Resident Association  
                      Arlene Cummings, Manager, Sudekum Apartments

The Chair called the meeting to order and requested approval of the Minutes of the Meeting of November 8, 2016. Commissioner Basheer moved adoption of the following resolution:

Resolution No. 60-16

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Minutes of the Meeting of November 8, 2016, as submitted.”

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

The Chair introduced Barrington Moore, President, Sudekum Apartments Resident Association, and Arlene Cummings, Manager, Sudekum Apartments, who would be called on later in the meeting for comments.

Commissioner Black assumed the chair and called for nominations for the office of Chair. Commissioner Thornton moved that the current Chair, Vice Chair for Housing and the Vice Chair for Development continue in their role for the coming year of 2016-2017. Commissioner Bone seconded the motion and Commissioners Mosley, Black and Granbery were elected by unanimous vote. Commissioner Mosley will continue in his role as Board Chair. Commissioners Black and Granbery will continue in their respective roles as Vice Chair for Housing and Vice Chair for Development.

The appointment of Secretary/Treasurer and Executive Director was in order, and Commissioner Thornton moved adoption of the following resolution appointing James Harbison to serve as the Secretary/Treasurer and Executive Director:

Resolution No. 61-16

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby appoints James Harbison to serve as the Executive Director and Secretary/Treasurer for the 2016-2017 year.”

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

Mr. Harbison said the agency has received a 100 percent score for the Section 8 Management Assessment Program and has been designated a High Performer for the program. He thanked Norman Deep and the Rental Assistance Department staff for their continued High Performer status. Mr. Harbison announced the Final Use and Occupancy letter had been received for the parking garage on 5<sup>th</sup> Avenue and thanked Ed Shewmaker, Director of Construction, and his staff for their oversight in the construction of the garage. Commissioner Thornton inquired about the recent announcement that the new administration offices for the Sheriff’s Department would be located on South 5<sup>th</sup> Street across from Cayce Place Apartments. Questions and discussion centered on how this facility fits into the overall Envision Cayce Plan. Mr. Harbison said he would like to entertain the idea of staff space in the new facility. He said since the facility will be located in the Cayce Redevelopment Area, the design would be presented to the Design Review Committee for approval.

Jim Thiltgen, Deputy Executive Director, presented the first item by stating that T.C.A. Section 9-21-151 requires submission of State Form CT-0253 Report on Debt Obligation when a public entity incurs debt. At its meeting on March 17, 2016, the Board authorized a tax increment loan for the Dream Hotel to finance eligible TIF costs. Mr. Thiltgen said the \$6.5 million loan closed on November 18, 2016 with First Farmers & Merchants Bank at a fixed rate of 3.5% for two years during the construction period; then resets at a fixed rate of 4.6% for the following eight years. Statement of this information, together with distribution of the State form to the members of the Board, meets the public disclosure requirements.

Mr. Thiltgen's next item was to request Board approval for the dissolution of Vine Hill Homes, LLC. He stated the 15-year Low Income Housing Tax Credit compliance period has expired for Vine Hill Homes and it is the intent of the parties involved to dissolve the LLC and return ownership of the property to MDHA. Mr. Thiltgen outlined the actions to affect the dissolution of the LLC and requested Board approval to implement the transactions as presented. Commissioner Black moved adoption of the following resolution:

Resolution No. 62-16

“Whereas, the Metropolitan Development and Housing Agency entered into a Regulatory and Operating Agreement in November of 1998 with Vine Hill Homes LLC (the ‘Corporation’) for the redevelopment of the Vine Hill Homes property (the ‘Property’) with the use of HOPE VI funds and Low Income Housing Tax Credits (‘LIHTC’); and

Whereas, the current Investor and Special Members of Vine Hill Homes LLC are Centerline Corporate Partners XI LP and Related Corporate XI SLP, LP; and

Whereas, the IRS compliance period for the LIHTC has expired and the parties wish to dissolve the Corporation and return ownership of the property to MDHA; and

Whereas, the current Investor and Special Members wish to convey their interests in the Company to MDHA for the consideration of \$350,000;

Now, Therefore Be It Resolved by the Board of Commissioners of the Metropolitan Development and Housing Agency that it approves the Agency entering into a Purchase and Sale Agreement with the current Investor and Special Members of Vine Hill Homes LLC for the consideration of \$350,000; and

Resolved, that it approves the purchase by the Agency of the Vine Hill Homes property and all related assets from the Company in consideration of its outstanding debt to MDHA of approximately \$13,723,289; and

Resolved that it approves the full dissolution of the Company after the liquidation of its assets; and

Resolved that the Executive Director is authorized to execute any agreements or other documents which may be necessary to implement these approvals on behalf of the Agency.”

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

Angie Hubbard, Director of Community Development, said an open application cycle began in July making HOME funds and property available to nonprofit developers for new affordable rental and homeownership housing. She stated that in October, Habitat for Humanity of Greater Nashville submitted a proposal requesting HOME funds in the amount of \$434,684 to be utilized in the construction of 14 units of affordable housing for homeownership on Woodmore Drive in the Park at Priest Lake subdivision. Ms. Hubbard said the review process has been completed and requested Board approval to award HOME funds in the amount of \$434,684 to Habitat for Humanity of Greater Nashville, after which Commissioner Batts moved adoption of the following resolution:

Resolution No. 63-16

“WHEREAS, The Metropolitan Development and Housing Agency is responsible for administering the U.S. Department of Housing and Urban Development’s HOME Investment Partnerships Program (HOME) for the Metropolitan Government of Nashville and Davidson County; and

WHEREAS, the funding has been set aside for the development of affordable homeownership housing; and

WHEREAS, in furtherance of the Annual Action Plans, MDHA made HOME funds available for gap financing for affordable homeownership housing through an open application cycle; and

WHEREAS, MDHA has received a proposal from Habitat for Humanity of Greater Nashville for the purpose of developing affordable homeownership housing; and

WHEREAS, the Evaluation Committee reviewed the proposal in accordance with the criteria set forth:

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency that HOME funds be allocated to Habitat for Humanity of Greater Nashville in the amount of \$434,684 to be utilized in the construction of 14 units of affordable housing for homeownership in the Park at Priest Lake; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to execute any and all required documents as may be required.”

The motion was seconded by Commissioner Basheer, and upon vote all voted "aye". None voted "no".

Mr. Harbison invited the Commissioners to attend the ribbon cutting ceremony for the Sanderling Dialysis Clinic at 10:30 a.m. on December 15, 2016. He said this innovative and collaborative public-private partnership will improve the quality of life for MDHA resident through health care and career opportunities. Mr. Harbison said he would be attending the Public Housing Authorities Commissioners Conference in early January and Ms. Basheer and Ms. Batts would also be attending.

The Chairman called on Mr. Moore who thanked the Board for the invitation to attend the meeting. Mr. Moore said he was looking forward to serving the Sudekum community.

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

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Secretary

APPROVED:

This \_\_\_\_\_ day of \_\_\_\_\_, 2017.

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Chair