

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, May 15, at 11:30 a.m. in the Collaboration Room of the Gerald F. Nicely Building, 701 South Sixth Street, Nashville, Tennessee.

PRESENT: Ralph Mosley, Chair
 Jimmy Granbery, Vice Chair
 Miniimah Basheer
 Antoinette Batts
 Charles Robert Bone
 Emily Thaden

ABSENT: Melvin Black, Vice Chair

ALSO PRESENT: James Harbison, Executive Director
 Saul Solomon, Legal Counsel
 James Thiltgen, Deputy Executive Director
 David Dellinger, Chief Operating Officer
 Melinda Hatfield, Director of Finance
 Will Choppin, General Counsel
 Joe Cain, Director of Urban Development
 Will Biggs, Director of Affordable Housing
 Ed Shewmaker, Director of Construction
 Norman Deep, Director of Rental Assistance
 Mike Wegerson, Director of Recapitalization
 Jamie Berry, Director of Communications
 Pat Thicklin, Assistant Director for Human Services
 Treva Gilligan, Assistant Director for Community Development
 Connie Martin, Assistant Director of Asset Management
 Cheryl Jett, Chief Operating Officer for Affordable Housing
 Jeff Hall, Executive Program Manager for Recapitalization
 Curtis Thomas, Urban Planning Manager for Recapitalization
 Julia Moss, RAD Coordinator
 Jean Merkle, Administrative Assistant to the Board of Commissioners
 Agnes Scott, President, Gernert Studio Apartments Resident Association
 Loleta Whitfield, Duty Mechanic, Edgefield Manor
 DeReginald Braxton, MDHA Resident
 Alan Richman, InnoVative Capital

Keel Hunt, The Strategy Group
Zach Hunt, The Strategy Group
Councilman John Cooper
Mary Bradley, Parthenon Towers Resident
Steve Reiter

Chair Mosley called the meeting to order and requested approval of the Minutes of the Meeting of April 10, 2018. Commissioner Thaden moved adoption of the following resolution:

Resolution No. 26-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Minutes of the Meeting of April 10, 2018, as submitted.”

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

Chair Mosley introduced Agnes Scott, President, Gernert Studio Apartments Resident Association, who would be called on later in the meeting for comments.

Chair Mosley recognized Steve Reiter who presented comments regarding the Consolidated Plan for the Community Development Block Grant Program.

Mr. Harbison reported that there is strong movement with Secretary Carson to increase the minimum rent for public housing residents to \$150 with an increase to 35% of earned income. He then highlighted several programs and projects currently underway including the planning for a new 5—year Community Development Block Grant Consolidated Plan, the completion of the 10th and Jefferson apartments and updates on Boscobel I and II. He said that construction at Kirkpatrick Park is well underway. He said the application process will open in June for Andrew Jackson and Napier Homes. Mr. Harbison also presented an update on RAD conversions.

Commissioner Granbery reported on the joint meeting of the Finance and Development Committees held on May 11, 2018. He said the Commissioners were briefed on several items that would come before the Board later in the meeting as well as possible items for June. He said Mike Wegerson presented details for the Boscobel II GMP and said the development will include 88 apartments in two buildings along with 14 townhomes. Mr. Wegerson also presented the GMP for the Explore! School which will consist of 36 classrooms for grade levels K-8. Jeff Hall presented the final Transformation Plan for Envision Napier and Sudekum which is part of the Choice Neighborhoods Planning Grant and will be submitted to HUD after Board approval.

Commissioner Granbery said that Mr. Harbison presented details for a project with Operation Stand Down, a pilot project to evaluate the use of a communication consultant and the need for a SEC-registered municipal; financial advisor for an emergent project. Mr. Harbison outlined the project on property owned by Operation Stand Down to develop housing for homeless veterans. OSD has a 99-year lease with Giarratana, LLC for a portion of its property on 12th Avenue South to develop a 40 unit residential building with 30 set aside for veterans. MDHA discussions with the team include the use of VASH vouchers as well as potential collaboration on the project. Mr. Harbison next explained to the committee the need for a communication consultant to assist in development and implementing a public relations campaign focused on the Metro Capital Improvement Budget to provide funding for the recapitalization of traditional public housing sites such as Cayce Homes. This would be a 3 month pilot project. The last item Mr. Harbison presented was to engage an SEC-registered municipal financial advisor to assist with evaluation of an emergent project that includes a complex TIF and tax-exempt bond proposal. The committee members voted to present the three items to the Board for consideration.

Jim Thiltgen, Deputy Executive Director, presented the first item of business requesting Board approval of a resolution from Regions Capital Advantage, Inc. which authorizes amendments to the loan documents for the Omni Hotel, Country Music Hall of Fame, 505 Parking Garage and the 21c Hotel. Commissioner Granbery moved adoption of the following resolution:

Resolution No. 27-18

“RESOLUTION AUTHORIZING AND APPROVING ALL DOCUMENTS AND INSTRUMENTS TO BE EXECUTED AND DELIVERED BY THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY, AND ALL ACTIONS AND MATTERS NECESSARY OR APPROPRIATE FOR, OR PERTAINING TO, THE AMENDMENT OF CERTAIN DOCUMENTS EVIDENCING AND/OR SECURING CERTAIN TERM LOANS OBTAINED FROM REGIONS CAPITAL ADVANTAGE, INC.

WHEREAS, the Metropolitan Development and Housing Agency (“MDHA”), is a public body corporate and politic organized and existing under, and by virtue of, the provisions of Chapter 20, Title 13, Tennessee Code Annotated, as amended (the “Act”); and

WHEREAS, MDHA is authorized by the Act to, among other things, undertake “redevelopment projects,” as defined in the Act, and to borrow money upon its bonds, notes, debentures or other instruments evidencing indebtedness and to secure the same in accordance with the provisions of the Act, including, without limitation, those provisions of the Act permitting tax increment financing; and

WHEREAS, in order to finance or to refinance certain redevelopment projects, MDHA has obtained certain term loans from Regions Capital Advantage, Inc. (“RCA”), pursuant to (i) that certain Loan and Security Agreement dated as of October 4, 2013, as amended by that certain First

Amendment to Loan and Security Agreement (Capitol Mall) dated as of February 11, 2015, that certain Second Amendment to Loan and Security Agreement (Capitol Mall) dated as of June 10, 2015 and that certain Third Amendment to Loan and Security Agreement (Capitol Mall) dated as of May 19, 2016, all among MDHA, RCA as the sole lender thereunder, and RCA as administrative agent (collectively, the "Capitol Mall Loan Agreement"), and (ii) that certain Loan and Security Agreement dated as of February 11, 2015, among MDHA, RCA as the sole lender thereunder, and RCA as administrative agent (the "Phillips-Jackson Loan Agreement"); and

WHEREAS, such term loans obtained by MDHA from RCA (individually a "Loan" and collectively the "Loans") consist of (i) a loan in the original principal amount of \$53,850,000 evidenced by a Promissory Note dated as of October 4, 2013, as amended by an Amendment to Promissory Note dated February 21, 2014 and by a Second Amendment to Promissory Note dated June 10, 2015, (ii) a loan in the original principal amount of \$8,478,736 evidenced by a Promissory Note dated February 11, 2015, (iii) a loan in the original principal amount of \$1,048,000 evidenced by a Promissory Note dated June 10, 2015, and (iv) a loan in the original principal amount of \$2,038,000 evidenced by a Promissory Note dated May 19, 2016 (each a "Note" and collectively the "Notes") (the Loans described in (i), (iii) and (iv) having been made pursuant to the Capitol Mall Loan Agreement and the Loan described in (ii) having been made pursuant to the Phillips-Jackson Loan Agreement); and

WHEREAS, both the Capitol Mall Loan Agreement and the Phillips-Jackson Loan Agreement provide that the interest rate payable by MDHA on the Loans shall be adjusted if there should be any decline in the maximum marginal rate of federal income tax applicable to the taxable income of RCA as the sole lender thereunder; and

WHEREAS, the maximum marginal rate of federal income tax applicable to the taxable income of RCA as the sole lender under the Capitol Mall Loan Agreement and under the Phillips-Jackson Loan Agreement declined as a consequence of the tax reform bill passed by Congress and signed into law on December 22, 2017; and

WHEREAS, MDHA and RCA have agreed to certain modifications to the terms and provisions of the Capitol Mall Loan Agreement and the Phillips-Jackson Loan Agreement to prevent the interest rate payable by MDHA from increasing due to the decline in the maximum marginal rate of federal income tax applicable to the taxable income of RCA as the sole lender under the Capitol Mall Loan Agreement and under the Phillips-Jackson Loan Agreement; and

WHEREAS, the Board of Commissioners of MDHA hereby finds and determines that amending the Capitol Mall Loan Agreement and the Phillips-Jackson Loan Agreement to prevent the interest rate payable by MDHA on the Loans from increasing will be in accordance with the provisions, and will further the purposes and the policies, of the Act.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of MDHA, and it is hereby resolved, as follows:

1. Findings. The Board of Commissioners of MDHA hereby finds and determines that amending the Capitol Mall Loan Agreement and the Phillips-Jackson Loan Agreement to prevent the interest rate payable by MDHA on the Loans from increasing as described herein will be necessary and advantageous to MDHA in furthering the purposes of the Act.
2. Authorization of Amendments to Loan Agreements. Under and pursuant to the provisions of the Act, and in accordance with the terms and provisions set forth in that certain proposed Fourth Amendment to Loan and Security Agreement (Capitol Mall) (herein the "Capitol Mall Amendment") and in that certain proposed Amendment to Loan and Security Agreement (herein the "Phillips-Jackson Amendment" and together with the Capitol Mall Amendment collectively the "Amendment Documents"), the Executive Director, the Deputy Executive Director and the Chairman of MDHA, or any one of them, acting alone, for and on behalf of MDHA, are hereby authorized, empowered and directed to execute and to deliver the Capitol Mall Amendment and the Phillips-Jackson Amendment on behalf of and in the name of MDHA, the Capitol Mall Amendment and the Phillips-Jackson Amendment to contain such terms and provisions as shall be approved by the representative of MDHA executing and delivering the same, the execution and delivery thereof to constitute conclusive evidence of such approval.
3. Tax Covenant. MDHA hereby covenants and agrees with RCA to comply with each applicable requirement of the Internal Revenue Code of 1986, as amended (the "Code"), necessary to maintain the exclusion of interest on the Loans, as amended by the Amendment Documents, from gross income for federal income tax purposes. In furtherance of the covenant contained in the preceding sentence, MDHA agrees to comply with the provisions of the Tax and Arbitrage Certificate prepared by Bond Counsel and executed and delivered by MDHA at the time of the execution and delivery of each Note, each as supplemented by that certain proposed Supplement to Tax and Arbitrage Certificates (the "Supplement to Tax Certificates") and as each may be amended or further supplemented from time to time, as a source of guidance for achieving compliance with the Code, and the

Executive Director, the Deputy Executive Director and the Chairman of MDHA, or any one of them, acting alone, for and on behalf of MDHA, are hereby authorized, empowered and directed to execute and to deliver the Supplement to Tax Certificates on behalf of and in the name of MDHA, the Supplement to Tax Certificates to contain such terms and provisions as shall be approved by the representative of MDHA executing and delivering the same, the execution and delivery thereof to constitute conclusive evidence of such approval.

4. Miscellaneous Acts. The Executive Director, the Deputy Executive Director and the Chairman of MDHA, or any one of them, acting alone, for and on behalf of MDHA, are hereby authorized, empowered and directed to do any and all such acts and things, and to execute, acknowledge, deliver and, if applicable, file or record, or cause to be filed or recorded, in any appropriate public offices, all such documents, instruments and certifications as may, in the discretion of such representative of MDHA, be necessary or desirable to implement or comply with the intent of this Resolution or any of the documents herein authorized and approved.
5. Ratification. Any and all acts previously taken by the Executive Director, the Deputy Executive Director and the Chairman of MDHA, or any of them, acting alone, for and on behalf of MDHA, in connection with the foregoing are hereby ratified and affirmed.
6. Captions. The captions or headings in this Resolution are for convenience only and shall in no way define, limit or describe the scope or intent of any provision hereof.
7. Partial Invalidity. If any one or more of the provisions of this Resolution shall be held invalid, illegal or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Resolution shall be construed the same as if such invalid, illegal or unenforceable provision had never been contained herein.
8. Repealing Clause. All resolutions or parts thereof of MDHA in conflict with the provisions herein contained are, to the extent of such conflict, hereby suspended and repealed.
9. Effective Date. This Resolution shall take effect immediately upon its adoption.”

Approved and adopted this 15th day of May, 2018.

METROPOLITAN DEVELOPMENT AND HOUSING
AGENCY

By: _____
Title: Chairman

By: _____
Title: Executive Director "

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

Mr. Thiltgen presented the second item requesting approval of a construction and term loan with First Advantage Bank in the amount of \$5,400,000 to complete the financing for the 40-unit Bordeaux Townhomes project. He presented the terms of the loan and answered questions from Commissioner Bone. Commissioner Batts moved adoption of the following resolution:

Resolution No. 28-18

"RESOLUTION AUTHORIZING AND APPROVING ALL DOCUMENTS, INSTRUMENTS, ACTIONS AND MATTERS NECESSARY OR APPROPRIATE FOR, OR PERTAINING TO, THE DELIVERY BY THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY OF ITS NOTE, DEEDS OF TRUST, DEBENTURES OR OTHER INSTRUMENTS EVIDENCING AND/OR SECURING A CONSTRUCTION LOAN TO FINANCE CERTAIN COSTS INCURRED IN CONNECTION WITH THE CONSTRUCTION OF A FORTY UNIT TOWNHOME PROJECT AT 1010 CAMILLA CALDWELL LANE.

WHEREAS, the Metropolitan Development and Housing Agency ("MDHA"), is a public body corporate and politic organized and existing under, and by virtue of, the provisions of Chapter 20, Title 13, Tennessee Code Annotated, as amended (the "Act"); and

WHEREAS, MDHA is authorized by the Act to, among other things, undertake "redevelopment projects," as defined in the Act, and to borrow money upon its notes, deeds of trust, debentures or other instruments evidencing indebtedness and to secure the same in accordance with the provisions of the Act, including, without limitation, those provisions of the Act permitting tax increment financing; and

WHEREAS, to eliminate slum and blighting conditions and to provide for the redevelopment of a certain area of Nashville, Tennessee, described in the Bordeaux Redevelopment Project Plan, of the Metropolitan Council of The Metropolitan Government of Nashville and Davidson County (the "Bordeaux Plan"), MDHA has determined to provide assistance for the construction of a forty (40) unit Townhome Project on real property known as 1010 Camilla Caldwell Lane (herein the "Project"), the Project being necessary to support the continued stabilization and improvement of the area within the Bordeaux Plan and surrounding areas; and

WHEREAS, First Advantage Bank ("FABK") has agreed to loan funds for the Project in an amount not to exceed \$5,400,000.00 pursuant to a Construction Loan Agreement substantially in the form attached as Exhibit A, all among MDHA and FABK as sole Lender thereunder (the "Loan Agreement"); and

WHEREAS, MDHA has determined to obtain a construction loan from FABK in the principal amount of not exceeding \$5,400,000.00, the proceeds of such construction loan to be used (i) to pay certain costs incurred in connection with the Project, and (ii) to pay certain closing costs incurred in connection with the construction loan; and

WHEREAS, the Board of Commissioners of MDHA hereby finds and determines that obtaining such new construction loan from FABK will be in accordance with the provisions, and will further the purposes and the policies, of the Act.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of MDHA, and it is hereby resolved, as follows:

1. Findings. The Board of Commissioners of MDHA hereby finds and determines that obtaining a construction loan from FABK in the principal amount of not exceeding \$5,400,000.00 to finance the Project as described herein will be necessary and advantageous to MDHA in furthering the purposes of the Act.

2. Authorization of Construction Loan. Under and pursuant to the provisions of the Act, and in accordance with the terms and provisions set forth in that certain proposal from FABK addressed to MDHA dated January 17, 2018 entitled "Offer to Commit Credit" (the "Term Sheet"), and in accordance with the terms and provisions set forth in the Loan Agreement, among MDHA and FABK as sole Lender, and as expressly authorized by the Bordeaux Plan, the Executive Director, the Deputy Executive Director and the Chairman of MDHA, or any one of them, acting alone, for and on behalf of MDHA, are hereby authorized, empowered and directed to execute and to deliver the Loan Agreement, and to execute and to deliver, in consideration of payment therefor, in the name, and on behalf of MDHA, such notes, deeds of trust, debentures or other instruments evidencing and/or securing the construction loan, and to execute and to deliver such other agreements to further evidence and/or to secure the construction loan, in each case as shall be consistent with the terms and provisions set forth in the Term Sheet and the Loan Agreement (provided the provisions of the Loan Agreement shall govern in the event of any inconsistency between the Term Sheet and the Loan Agreement) and as shall be approved by the representative of MDHA executing and delivering the same, the execution and delivery thereof to constitute conclusive evidence of such approval.

3. Miscellaneous Acts. The Executive Director, the Deputy Executive Director and the Chairman of MDHA, or any one of them, acting alone, for and on behalf of MDHA, are hereby authorized, empowered and directed to do any and all such acts and things, and to execute, acknowledge, deliver and, if applicable, file or record, or cause to be filed or recorded, in any appropriate public offices, all such documents, instruments and certifications as may, in the discretion of such representative of MDHA, be necessary or desirable to implement or comply with the intent of this Resolution or any of the documents herein authorized and approved.

4. Balloon Indebtedness. The Board of Commissioners of MDHA hereby (i) acknowledges that the loan described herein shall mature in full on or about May 25, 2030, (ii) finds that

such repayment structure is in the public interest, and (iii) states that it is aware of the risks and benefits associated with the proposed transaction, that it is willing to pay any additional costs associated with subsequently required refunding debt, that it understands its obligation, if required by applicable law, to submit a plan of refunding to the comptroller of the treasury with respect to such refunding debt, and that it acknowledges that FABK does not owe a fiduciary duty to MDHA, that FABK is acting for its own business and commercial interests, and that the Board of Commissioners has consulted with such advisors and experts as it deems appropriate before entering into this Resolution. The provisions of this Section 4 are intended to satisfy the requirements to qualify for a blanket exemption from the requirement to obtain approval from the comptroller of the treasury of balloon indebtedness under Tennessee Code Annotated Section 9-21-134.

5. Authority. FABK is authorized and directed, without limitation or inquiry, irrespective of the circumstances, to honor and carry out all orders, directions or instructions of the Executive Director, the Deputy Executive Director and the Chairman of MDHA, or any one of them, acting alone, for and on behalf of MDHA, as to the disposition of any amounts borrowed or credit obtained on behalf of MDHA hereunder, and FABK shall be under no obligation or liability for the use or disposition of any amounts borrowed or credit obtained.

6. Ratification. Any and all acts previously taken by the Executive Director, the Deputy Executive Director and the Chairman of MDHA, or any of them, acting alone, for and on behalf of MDHA, in connection with the foregoing, including, without limitation, in negotiating the Term Sheet, the Loan Agreement and the instrument evidencing the construction loan contemplated herein, are hereby ratified and affirmed.

7. Captions. The captions or headings in this Resolution are for convenience only and shall in no way define, limit or describe the scope or intent of any provision hereof.

8. Partial Invalidity. If any one or more of the provisions of this Resolution shall be held invalid, illegal or unenforceable in any respect, by final decree of any court of lawful jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Resolution shall be construed the same as if such invalid, illegal or unenforceable provision had never been contained herein.

9. Repealing Clause. All resolutions or parts thereof of MDHA in conflict with the provisions herein contained are, to the extent of such conflict, hereby suspended and repealed.

10. Effective Date. This Resolution shall take effect immediately upon its adoption.

Approved and adopted this ____ day of May, 2018.

METROPOLITAN DEVELOPMENT AND HOUSING
AGENCY

By: _____
Title: Chairman

By: _____
Title: Executive Director

EXHIBIT A

Construction Loan Agreement

[to be attached]"

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

Mr. Thiltgen's last item was to request Board approval of the proposed financial for Boscobel I with Pinnacle Bank. He outlined the terms of the financing and after discussion, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 29-18

"INCUMBENCY CERTIFICATE OF

METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

1. The undersigned is the duly elected, qualified and acting Secretary/Treasurer of Metropolitan Development and Housing Agency ("MDHA").

2. Attached hereto as Exhibit "A" is a true, correct and complete copy of certain resolutions adopted by the Board of Commissioners of MDHA on May 15, 2018 (the "Resolutions"). The Resolutions have not been amended or revoked and are now in full force and effect.

3. Attached hereto as collective Exhibit "B" is a true, correct, and complete copy of each of the following: The (original) Certificate of Incorporation of MDHA filed with the Tennessee Secretary of State on November 9, 1938, including all Amendments thereto (the "Charter"). The Charter has not been amended or supplemented in any respect since August 16, 1984, and is in full force and effect on the date hereof.

4. Attached hereto as Exhibit "C" is a true, correct, and complete copy of the Bylaws of MDHA, as now in full force and effect.

5. The following persons are duly elected officers of MDHA, holding the office as shown below, and the signature set forth opposite the name of such officers is his true and actual signature:

<u>Incumbent</u>	<u>Office</u>	<u>Signature</u>
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Ralph Mosley	Chairman	
Jimmy Granbery	Vice Chairman	
James E. Harbison	Secretary/Treasurer and Executive Director	

6. This certificate is delivered to Pinnacle Bank ("Bank"), Pinnacle Community Development, Inc. ("Investor"), Pinnacle Community Development SLP, Inc. ("SLP"), Barnes & Thornburg, LLP ("Barnes") and Reno & Cavanaugh, PLLC ("R&C"). Each of the Bank, the Investor, SLP, Barnes and R&C, their respective members, managers, successors and assigns, are entitled to rely on this certificate until canceled or amended by delivery to such entity of a further certificate of the Secretary or other officer of the MDHA.

Date Effective: [_____]

IN WITNESS WHEREOF, the undersigned has signed this Certificate.

James E. Harbison, Secretary/Treasurer and Executive Director

Dated: _____, 2018

I, Ralph Mosley, a duly elected officer of MDHA, do hereby certify that James E. Harbison is the duly elected and acting Secretary/Treasurer and Executive Director of MDHA, and that the above is his signature.

Dated: _____, 2018

Ralph Mosley, Chairman

EXHIBIT "A"

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 May 15, 2018, 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 provide and address matters concerning, decent and affordable housing in the City of Nashville, Tennessee;

WHEREAS, Boscobel I, L.P., a Tennessee limited partnership ("Partnership") was created to construct improvements known as Boscobel I, consisting of 50 low-income housing units on a site located at 980 South 6th Street, in Nashville, Davidson County, Tennessee ("Project");

WHEREAS, MDHA Boscobel, Inc. (the "General Partner") is the General Partner of the Partnership, created for the purposes of implementing the Project;

WHEREAS, MDHA will execute a special warranty deed to transfer its fee simple interest in the Project to the Partnership (the "Deed");

WHEREAS, MDHA and the Partnership will enter into a Payment in Lieu of Taxes ("PILOT") Agreement evidenced by a deed transferring the Partnership's interest in the property back to MDHA, a PILOT lease agreement, note and deed of trust (the "PILOT Documents");

WHEREAS, MDHA is the developer of the Project;

WHEREAS, MDHA shall execute a fee joinder agreement to the leasehold deed of trust to be executed by the Company in conjunction with the Construction Loan (the "Construction Loan Joinder");

WHEREAS, Pinnacle Bank (the "Bank") is making a construction to permanent loan to MDHA in the approximate principal amount of \$7,000,000.00 utilizing the Community Investment Tax Credit ("CITC") program (the "CITC Construction Loan"), evidenced by a note and all instruments and documents securing the CITC Construction Loan (the "CITC Construction Loan Documents"). The proceeds of the CITC Construction Loan will be loaned by MDHA to the Partnership to finance the Project;

WHEREAS, the Bank is also making a bridge loan to MDHA in the approximate principal amount of \$9,701.030.00 utilizing the CITC program (the "CITC Bridge Loan", together with the CITC Construction Loan the "CITC Loans"), evidenced by a note and all instruments and documents securing the CITC Bridge Loan (the "CITC Bridge Loan Documents, together with the CITC Construction Loan Documents, the "CITC

Loan Documents”). The proceeds of the CITC Bridge Loan will be loaned by MDHA to the Partnership to finance the Project; and

WHEREAS, The Partnership intends to enter into an Amended and Restated Agreement of Limited Partnership with Pinnacle Community Development, Inc. (the “Investor”), and Pinnacle Community Development SLP, Inc. (the “SLP”) (together, the Investor and SLP are referred to herein as the “Investors”), and the General Partner whereby MDHA shall serve as guarantor and execute and a Guaranty Agreement (the “Equity Guaranty”), Purchase Option Agreement (the “Option”), and a 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, on its own behalf, is hereby authorized and directed to execute and deliver the Deed and all other documents, agreements, instruments and agreements necessary to convey its fee simple ownership of the Project to the Partnership;

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 Documents;

FURTHER RESOLVED, that MDHA, on its own behalf, is hereby authorized and directed to negotiate, execute, deliver and perform the Debt Guaranty, as well as any and all other documents, instruments and agreements contemplated thereunder or required for purposes of entering into the Debt Guaranty or for the purposes of entering into any such debt guaranty or funding any reserve agreement as may be required by Lender to consummate the transactions contemplated in this Resolution;

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

FURTHER RESOLVED, that MDHA is hereby authorized and directed to loan the proceeds of the CITC Loans to the Partnership and to execute, deliver and perform any and all other documents, agreements, instruments and agreements required for purpose of loaning the proceeds of the CITC Loans to the Partnership;

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 or for the purposes of entering into any equity guaranty or funding any reserve agreements as may be required by Lender to consummate the transactions contemplated in this Resolution;

FURTHER RESOLVED, that the form, terms and provisions of the Deed, the PILOT Lease Documents, the Debt Guaranty, the Construction Joinder Agreement, the CITC 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 Guaranty, the Construction Loan Joinder, the CITC 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 Ralph Mosley, the Chairman, Jimmy Granbery, the Vice Chairman, James E. Harbison, acting as either the Secretary/Treasurer or Executive Director, and James L. Thiltgen, acting as Deputy Executive Director in the absence of the Executive Director, 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 Deed, the PILOT Lease Documents, the Debt Guaranty, the Construction Joinder Agreement, the CITC 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, Secretary/Treasurer, Executive Director and/or Deputy Executive Director 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.”

CERTIFICATE

I, James E. Harbison, do hereby certify that I am the duly elected Secretary/Treasurer of MDHA and the keeper of records of MDHA. These resolutions were duly adopted at the meeting of the Board of Commissioners of MDHA, held in accordance with the Charter and Bylaws of MDHA, at the office of the MDHA at 701 South 6th Street, Nashville, Tennessee, on the ___ day of _____, 2018.

By: _____

James E. Harbison,
Secretary/Treasurer

EXHIBIT “B”

Charter of the Company

EXHIBIT “C”

Bylaws of the Company”

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

Mr. Harbison presented a request to retain Alan Richman with InnoVative Capital LLC as municipal advisor for the purpose of reviewing a bond issuance proposal for the 5th and Broadway project. He explained this was an unusual proposal and considered an exigency exists for requesting to contract with Mr. Richman. Mr. Harbison stated this request was explained in detail at the joint meeting of the Finance and Development Committees prior to the Board meeting and received approval. Mr. Richman was in attendance and spoke briefly to the Board. After questions by Commissioners and discussion, Commissioner Bone moved adoption of the following resolution:

Resolution No. 30-18

RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, that it hereby retains Alan Richman, InnoVative Capital LLC, as Municipal Advisor, for the purpose of reviewing the bond issuance proposal for the 5th and Broadway Project; and

BE IT FURTHER RESOLVED that the Executive Director is authored to sign any document as may be required for this purpose.”

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

Mr. Harbison next request Board approval of a Communication Consultant Pilot Program. He said the agency currently needs assistance in communicating with Metro Council the need for funding assistance with MDHA capital needs and support of MDHA’s envisioning strategies. Mr. Harbison introduced Zach Hunt with The Strategy Group who was present at the meeting. After discussion, Commissioner Thaden moved adoption of the following resolution:

Resolution No. 31-18

RESOLVED by the Board of Commissioners of the Metropolitan Development Agency, that it hereby approves a Communication Consultant Pilot Program with The Strategy Group for a 90-day period in the fixed amount of \$45,000, and authorizes the Executive Director to sign any document as may be necessary to effectuate the Pilot Program.”

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

Ed Shewmaker, Director of Construction, requested Board approval to enter into a contract with R.G. Anderson Company Inc. in the amount of \$8,377,000 for the new construction of 40 townhomes the Bordeaux area which will include a new public road, sidewalks and a parking area on a 5 acre site southeast of the intersection of Dolan Drive and Hospital Lane. After questions, Commissioner Basheer moved adoption of the following resolution:

Resolution No. 32-18

“RESOLVED, by the Board of Commissioners of the Metropolitan Development and Housing Agency that it hereby awards a contract to R.G. Anderson Company, Inc. in the amount of \$8,377,000 for the new

construction of 40 townhomes the Bordeaux area which will include a new public road, sidewalks and a parking area on a 5 acre site southeast of the intersection of Dolan Drive and Hospital Lane to be funded through Disaster Recovery Funds and a bank loan.”

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

Michael Wegerson, Director of Recapitalization, requested Board approval of the Envision Napier Sudekum Transformation Plan and its submittal to HUD. The plan is a requirement of the Choice Neighborhood Planning Grant the agency received from HUD and provides for the development of the phasing plan and relocation plan; recommendations for neighborhood improvements; and targeted goals to address crime, economic self-sufficiency, healthcare and education. This final plan was reviewed and approved by the joint Finance and Development committees on May 11, 2018. After discussion, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 33-18

“BE IT RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, that it hereby approves the Envision Napier Sudekum Transformation Plan as presented and dated May 11, 2018; and as required submittal to the U.S. Department of Housing and Urban Development for its review and approval.”

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

Mr. Wegerson next requested Board approval of the Program Budget and Construction Manager GMP for Explore! School. R.G. Anderson has provided a Guaranteed Maximum Price proposal of \$20,211,644 for construction of Explore! School. After questions and discussion, Commissioner Thaden moved adoption of the following resolution:

Resolution No. 34-18

“RESOLVED, That the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the following Program Budget and Guaranteed Maximum Price for the construction of Explore! School:

Architect & Engineering Fees	\$ 1,862,261
Guaranteed Maximum Price	\$20,211,644
MDHA Developer Fee	\$ 405,347

Furnishing, Equipment & Telecommunication	\$ 676,640
Other soft costs	\$ 329,493
Owner Contingency	\$ 1,514,615

and;

BE IT FURTHER RESOLVED, That the Executive Director is authorized to take any and all actions as may be required to implement the Explore! School project.”

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

Mr. Mosley called on Ms. Scott who gave a detailed report of activities and projects being undertaken by the residents at Gernert Studio Apartments.

Mr. Harbison introduced Loleta Whitfield, Duty Mechanic, Edgefield Manor, who had recently received the On the Spot Bonus. Edgefield Manor residents had signed and sent a note recognizing Ms. Whitfield for her hard work and dedication to Edgefield Manor and its residents.

Mr., Harbison next introduced DeReginald Braxton, MDHA resident, who was recently honored by receiving the 2018 Mutual of America Life Insurance Company Scholarship at the Public Housing Authorities Directors Association Annual Meeting. Mr. Braxton is a recent 4.0 graduate of Stratford STEM Magnet High School, and will be attending the University of Tennessee at Knoxville,

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

Secretary

APPROVED:

This _____ day of _____, 2018.

Chair