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, September 18, 2018 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

 Melvin Black, Vice Chair

 Jimmy Granbery, Vice Chair

 Miniimah Basheer

 Charles Robert Bone

 Emily Thaden

 ABSENT: Antoinette Batts

 ALSO PRESENT: James Harbison, Executive Director

 Saul Solomon, Legal Counsel

 James Thiltgen, Deputy Executive Director

 David Dellinger, Chief Operating Officer

 Will Choppin, Legal Counsel

 Melinda Hatfield, Director of Finance

 Martha Gregory, Director of Administration

 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

 Treva Gilligan, Acting Director for Community Development

 Curtis Thomas, Urban Planning Manager for Recapitalization

 Kimmie Jackson, President, Neighborhood Housing Resident Association

 Joya Gray, Manager, Neighborhood Housing

 Zach Hunt, The Strategy Group

 Alan Richman, InnoVative Capital

 Pat Emery, OliverMcMillan, Spectrum & Emery

 Pat Alexander, Bradley Aarant Boult Cummings

 Bo Campbell, Waller Law

 Councilman John Cooper

 Chair Mosley called the meeting to order and requested approval of the Minutes of the Meeting of August 14, 2018. Commissioner Granbery moved adoption of the following resolution:

Resolution No. 50-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Minutes of the Meeting of August 14, 2018, as submitted.”

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

 Chair Mosley said that during his watch we had accomplished most of the things we set out when we began this journey. We thought RAD was a good idea and we are at the finish line. Another is Envision Cayce. When we began Cayce, we set out early to insure residents were afforded an opportunity to return to the new Cayce as we build a mixed income community. I am relinquishing my role as Board Chair. Chair Mosley received a standing ovation for his tireless service to the Board and MDHA.

 Vice Chair Black called for nominations for Chair. Commissioner Granbery nominated Commissioner Bone with a second by Commissioner Thaden. Upon vote, all voted “aye”. None voted “no”. Commissioner Bone was elected Chair. Commissioner Bone thanked Mr. Mosley for his service of 7 years as Board Chair and 11 years as a Commissioner. He said under Mr. Mosley’s leadership, MDHA has seen 18 properties converted to RAD and Envision Cayce, which is well underway, as well as the planning process for Envision Napier-Sudekum and Envision Edgehill. Chair Bone said on behalf of the Commissioners and community we serve, thank you.

 Chair Bone introduced Kimmie Jackson, President, Neighborhood Housing Resident Association; and, Joya Gray, Manager, Neighborhood Housing, who would be called on later in the meeting for comments. There were no public comments.

 Mr. Harbison reported on the recent Public Housing Authorities Directors Association meeting in Washington D.C. and updates on programs by HUD Secretary Carson. He said Boscobel I site work is going well and Boscobel II will be closing soon. .He also presented updates on projects underway in various departments. Mr. Harbison said that later in the meeting the Board will consider approval of the agency’s budget that includes a 3% across the board cost of living increase for all employees.

 Commissioner Granbery reported on the joint Finance & Audit and Development Committee meeting held prior to the Board meeting. He said the Commissioners reviewed the proposed budget for the period October 1, 2018 – September 30, 2019, as well as the items relating to the 5th & Broadway development and the Explore! Community School. Commission Granbery said that after questions and discussions, the committees voted to approve all items for presentation to the full Board.

 Mr. Harbison presented the first item requesting Board support and approval for an application under the Tennessee Housing Trust Fund due to the Tennessee Housing Development Agency (THDA) on September 27, 2018. He said THDA offers preference for new construction of rental projects that provide affordable housing units to homeless Veterans. Staff has selected the Victory Hall project to be located at 1125 12th Avenue South that proposes 39 mixed income units with 29 units set aside for homeless veterans. Mr. Harbison said MDHA will apply for the maximum award of $500,000 to supplement financing and expedite the redevelopment timeline. Commissioner Black moved adoption of the following resolution:

Resolution No. 51-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby supports and approves the submission of an application to the Tennessee Housing Development Agency under the 2019 Fall Round Tennessee Housing Trust Fund Competitive Grants Program the proposed Victory Hall development to be located at 1125 12th Avenue South, Nashville TN; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to undertake all steps necessary to execute any and all documents related to the application and implementation of the Tennessee Housing Trust Fund grant opportunity.”

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

 Mr. Harbison presented the second item requesting approval of the First Amendment to the Development Agreement with OliverMcMillian Spectrum Emery, LLC for the development of the old convention center site at 5th & Broadway. He said in June 2015, the Board approved the Development Agreement pledging up to $25 million in tax increment financing. The developer entity proposes to have the tax increment financing provided through the issuance of tax exempt bonds. The Amendment will remove Section 3(m) and any reference to Section 3(m). After discussion, Commissioner Granbery moved adoption of a resolution approving the revised Plan.

Resolution No. 52-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the First Amendment to the Development Agreement by and between the Metropolitan Development and Housing Agency and OliverMcMillan Spectrum Emery, LL, substantially in the form submitted and authorizes the Board Chair and Executive Director to execute same.”

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

 The next item presented by Mr. Harbison was the bond resolution referenced in the previous item. Although the resolution approving the Development Agreement in June 2015 authorized the Executive Director to execute all documents necessary to carry out the tax increment financing, the structure of the bond issue requires the Board adopt a specific bond resolution. Providing information to the Board were Pat Alexander with the Bradley law firm, gave an overview of the structure of the proposed tax exempt bonds. Alan Richman with Innovative Capital representing MDHA as bond consultant gave his analysis of the requested bond issuance and concurred in the request for MDHA Board approval. Pat Emery represented the development team and highlighted the benefits of the fiscal impact that the renovated property with all its components will bring to the city of Nashville. After questions and discussion, Commissioner Black moved adoption of Bond Resolution.

Resolution No. 53-18

“RESOLVED AUTHORIZING AND APPROVING AN AMENDMENT TO THE DEVELOPMENT AGREEMENT PROVDING FOR THE REDEVELOPMENT OF THE OLD CONVENTION CENTER AND APPROVING ALL DOCUMENTS, INSTRUMENTS, ACTIONS AND MATTERS NECESSARY OR APPROPRIATE FOR, OR PERTAINING TO, THE ISSUANCE, SALE AND DELIVERY BY THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY OF ITS BONDS, NOTES, DEBENTURES OR OTHER INSTRUMENTS IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING $25,000,000 TO FINANCE CERTAIN COSTS INCURRED IN CONNECTION WITH SUCH REDEVELOPMENT OF THE OLD CONVENTION CENTER

This Resolution is made a part of these minutes herein by reference on file with other documents from this meeting of the Board of Commissioners on September 18, 2018 substantially in the form submitted and authorizing the Board Chair and Executive Director to execute same.”

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

 Jim Thiltgen, Deputy Executive Director, requested the Board formally approve the documentation required for the final closing of the financing for the Explore! Community School. He stated the basic parameters of the financing were approved by the Board in December 2017. At its meeting on May 15, 2018, the Board approved the Program Budget and the initial GMP for the construction of the school authorizing the Executive Director to take any and all actions as may be required to implement the school project. Mr. Thiltgen said for several months staff has been working with multiple Community Development Entities and Community Development Financial Institutions to structure the financing using New Market Tax Credits. After discussion and questions, Commissioner Granbery moved adoption of the following resolution:

Resolution No. 54-18

“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 THE FINANCING DOCUMENTS (AS HEREINAFTER DEFINED) AND CERTAIN OTHER ANCILLARY DOCUMENTS, MEMORANDA AND CERTIFICATES RELATED HERE TO; AND FOR RELATED PURPOSES

This Resolution is made a part of these minutes herein by reference on file with other documents from this meeting of the Board of Commissioners on September 18, 2018 substantially in the form submitted and authorizing the Board Chair and Executive Director to execute same.”

 The motion was seconded by Commissioner Basheer, and upon vote Commissioners Thaden, Granbery, Basheer and Bone all voted “aye”. Chair Mosley recused himself from the vote citing his relationship with the Martha O’ Bryan Center. Commissioner Black voted “no”.

 Mr. Thiltgen said that as part of the Explore! Community School financing approved in the preceding Board action, MDHA will open bank accounts with SunTrust Bank as the lead institution for the Community Development Entities providing the New Market Tax Credit equity; and Hope Credit Union of Jackson, Mississippi will participate with the Reinvestment Fund – one of the Community Development Financial Institutions. Commissioner Granbery moved adoption of the following resolutions:

Resolution No. 55-18

“Deposit Account Resolution and Authorization for Business Entities (“DARA”)

This Resolution is made a part of these minutes herein by reference on file with other documents from this meeting of the Board of Commissioners on September 18, 2018 substantially in the form submitted and authorizing the Executive Director, Director of Finance, and Assistant Director of Finance to execute same.”

Resolution 56-18

WHEREAS, the Metropolitan Development and Housing Agency will be securing financing for the construction of the Explore! Community School; and

WHEREAS, the Hope Credit Union of Jackson, Mississippi is one of the financial institutions which will provide a portion of such financing; and

WHEREAS, the Hope Credit Union requires recipients of its loans to be members of the Credit Union, now, therefore

RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it authorizes the Agency to become a member of the Hope Credit Union; and

BE IT FURTHER RESOLVED, That the authorized signers on this account shall be any two of the following: James E. Harbison (Executive Director), Melinda Hatfield (Director of Finance), Deana Raby (Assistant Director of Finance), or any successor in office to these positions; and

BE ITFURTHER RESOLVED, That staff is authorized to undertake all steps necessary to execute all documents related to the application for membership and the making of a monetary deposit.”

 The motion was seconded by Commissioner Basheer, and upon vote Commissioners Thaden, Granbery, Basheer and Bone all voted “aye”. Chair Mosley recused himself from the vote citing his relationship with the Martha O’ Bryan Center. Commissioner Black voted “no”.

 Melinda Hatfield, Director of Finance, requested Board approval of the agency’s Operating Budgets for Fiscal Year beginning October 1, 2018. Ms. Hatfield presented the budgets to the Finance Committee for approval at its meeting prior to the Board meeting. After discussion, Commissioner Black moved adoption of the following resolution:

Resolution No. 57-18

“WHEREAS, The Metropolitan Development and Housing Agency has committed to the proper management of funds it receives; and

WHEREAS, The agency has prepared a realistic estimate of operating receipts and expenditures for the fiscal year beginning October 1, 2018; now, therefore, be it

RESOLVED, That the Operating Budget for each of the Low Rent Housing Asset Management Properties, the Central Office Cost Center, the Project Based Rental Assistance Properties, the Community Development Department, the Urban Development Department, the Recapitalization Department and the Rental Assistance Department for the fiscal year beginning October 1, 2018 are hereby adopted and approved.

BE IT FURTHER RESOLVED, That the Executive Director will initiate the actions to implement this budget.”

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

 Michael Wegerson, Director of Recapitalization, said at its meeting in June 2018, the Board approved an initial estimate for the Guaranteed Maximum Price provided by Hardaway Construction Corp. for the construction of Boscobel II. With the completion of the design development, the Board is requested to approve the revised GMP estimated at $27,197,435 with an overall projected budget of $34,230,000. After questions and discussion, Commissioner Mosley moved adoption of the following resolution:

Resolution No. 58-18

“RESOLVED, That the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the revised, estimated Guaranteed Maximum Price of $27,197,435 provided by Hardaway Construction Corp. for the construction of Boscobel II with an overall project budget of $34,230,000; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to execute the final Guaranteed Maximum Price so long as it does not exceed $27,197,435.”

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

 Joe Cain, Director of Development, said he had received a request from a representative of Charlotte Avenue Lodging, LLC to purchase an abandoned alley owned by MDHA at John Henry Hale Homes. Mr. Cain requested Board approval to sell the alley consisting of 1,855 square feet at the considered fair value of $92,782.50. After discussion, Commissioner Mosley moved adoption of the following resolution:

Resolution No. 59-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the sale of an abandoned alley at John Henry Hale Homes consisting of 1,855 square feet to Charlotte Avenue Lodging, LLC in the amount $92,782.50; and

BE IT FURTHER RESOLVED, That the Executive Director is authorized to execute any and all necessary documents to effectuate the sale of the said alley.”

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

 Mr. Bone called on Ms. Jackson who thanked the Board for the opportunity to attend the meeting and said Neighborhood Housing residents had a successful Family Day recently with a great turnout. She thanked Ms. Gray and Mr. Green for all they do to assist residents. Ms. Gray said the residents are working on a community garden and she reported Neighborhood Housing has a good occupancy rate.

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

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Secretary

APPROVED:

This \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2018.

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 Chair