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, October 9, 2018, at 11:30 a.m. in the Collaboration Room of the Gerald F. Nicely Building, 701 South Sixth Street, Nashville, Tennessee.

 PRESENT: Charles Robert Bone, Chair

 Melvin Black, Vice Chair

 Jimmy Granbery, Vice Chair

 Ralph Mosley

 Miniimah Basheer

 Antoinette Batts

 Emily Thaden

 ABSENT: None

 ALSO PRESENT: James Harbison, Executive Director

 Saul Solomon, Legal Counsel

 James Thiltgen, Deputy Executive Director

 David Dellinger, Chief Operating Officer

 Will Choppin, General Counsel

 Melinda Hatfield, Director of Finance

 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 Resources

 Treva Gilligan, Acting Director of Community Development

 Matt Loftis, Urban Development Analyst

 Tamara Burnett, Human Resources Assistant

 Curtis Thomas, Urban Planning Manager

 Jean Merkle, Administrative Assistant to the Board of Commissioners

 Angela Wesson, President, Cumberland View Resident Association

 Arthur Ford, Property Manager, Cumberland View

 Mary Bradley, Resident, Parthenon Towers

 Zach Hunt, TSG

 Kathy Quinn, United Health Care

 Steve Reiter

 Chair Bone called the meeting to order and requested approval of the Minutes of the Meeting of September 18, 2018. Commissioner Basheer moved adoption of the following resolution:

Resolution No. 60-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves the Minutes of the Meeting of September 18, 2018, as submitted.”

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

 Chair Bone introduced Angela Wesson, President, Cumberland View Resident Association, and Arthur Ford, Property Manager, Cumberland View, who would be called on later in the meeting for comments.

 The Chair introduced Steve Reiter for public comments. Mr. Reiter said he would just be listening today.

 Mr. Harbison presented the Executive Director’s report providing an update on current projects. He shared a recent letter from the HUD Knoxville Office regarding the Annual Performance Assessment Report for the Community Development Block Grant 2017 Program Year. He said the report determined the “overall process is excellent” and thanked Ms. Gilligan and the Community Development staff for their dedicated and hard work. Mr. Harbison said he has presented Charles Robert and Bert Mathews as MDHA’s representatives to the Tax Increment Financing Study and Formulating Committee established by the Metro Council in Ordinance No. BL2018-1315. He said Joe Cain and Matt Loftis will provide any support as needed from MDHA.

 Commissioner Black reported on the meeting of the joint Human Resources and Finance & Audit Committee prior to the Board meeting. He said the committees reviewed and approved the staff recommendation to join the State of Tennessee Group Health Insurance Program for agency employees. Commissioner Black said the item will be presented to the full Board later in the meeting.

 Commissioner Black also reported on the Housing and Community Resources Committee meeting held prior to the Board meeting as well. He said the committee reviewed and approved a request from Norman Deep, Director of Rental Assistance to amend the Payment Standards for the Section 8 Housing Choice Voucher Program effective January 1, 2019. The full Board will also consider this item later in the meeting.

 Commissioner Granbery said the Development Committee also met prior to the Board meeting. He said the committee was given information updates on the proposed Victory Hall development for homeless veterans; and Envision Edgehill.

 Pat Thicklin, Assistant Director for Administrative Services, requested Board approval of the State of Tennessee Group Health Insurance Program as the agency’s insurance provider for medical, dental and vision plans beginning January 1, 2019 – December 31, 2020. Ms. Thicklin detailed the process taken by staff in making the determination to join the State’s plan which includes multiple options for coverage. The total insurance cost to the agency for employees will be determined by the options selected with an estimated savings of $400,000 from the agency’s current plan. This item was approved by both the Human Resources Committee and the Finance & Audit Committee prior to the meeting. Commissioner Black moved adoption of the following resolution:

Resolution No. 61-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves entering into a contract with the State of Tennessee Group Health Insurance Plan for employee medical, dental and vision benefits, effective January 1, 2019, as presented and detailed in a memorandum to the Board of Commissioners from Martha Gregory, Director of Administrative Services, dated October 9, 2018, herein referred to and made a part of these minutes by reference.”

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

 Norman Deep, Director of Rental Assistance, requested Board approval to amend the Payment Standards for the Housing Choice Voucher Program to 95% of the HUD-published Fair Market Rents for 2019 in an effort to provide additional assistance and expand housing opportunities for participants, as well as the potential to serve more families. This request was discussed and approved at the Housing & Community Resources Committee meeting prior to the Board meeting. Commissioner Mosley moved adoption of the following resolution:

Resolution No. 62-18

“RESOLVED by the Board of Commissioners of the Metropolitan Development and Housing Agency, That it hereby approves increasing the Housing Choice Voucher Payment Standards, effective January 1, 2019, to 95% of the HUD-published Fair Market Rents as follows for zero, one, two, three, four and five bedrooms to $789, $865, $1048, $1382, $1651 and $1899, respectively. ”

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

 Jim Thiltgen, Deputy Executive Director, presented a resolution detailing the structure of the financing for the Boscobel II development. He said the development will consist of 45 Project Based Rental Assistance units and 56 workforce and market-rate units. After discussion of the details of the financing, Commission Black moved adoption of the following resolution:

Resolution No. 63-18

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

**Effective Date: October 9, 2018**

The undersigned, being a quorum of the Board of Commissioners of Metropolitan Development and Housing Agency (“MDHA”), at a duly called meeting on October 9, 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, CP II, L.P., a Tennessee limited partnership (“Partnership”) was created to construct improvements known as Boscobel I, consisting of 45 low-income housing units and 56 market-rate units on a site located at 891 South 6th Street, in Nashville, Davidson County, Tennessee (“Project”);

 WHEREAS, MDHA CP II, 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, the Project qualifies for the Payment Lieu of Taxes (“PILOT”) program pursuant to the Cooperation Agreement between MDHA and the Metropolitan Government of Nashville and Davidson County dated as of July 10, 2017 (the “Cooperation Agreement”);

WHEREAS, MDHA is the developer of the Project and will enter provide its development services pursuant to the terms of a development agreement between MDHA and the Partnership (“Development Agreement”);

WHEREAS, Pinnacle Bank (the “Bank”) is making a construction to permanent loan to the Partnership in the approximate principal amount of $7,000,000 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”);

WHEREAS, the Bank is making a bridge loan to the Partnership in the approximate principal amount of $1,700,000 utilizing 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”);

WHEREAS, the Bank is also making a market rate bridge loan to the Partnership in the approximate principal amount of $8,700,000 (the “Market Rate Loan”, together with the “CITC Loans” the “Pinnacle Loans”), evidenced by a note and all instruments and documents securing the Market Rate Loan (the “Market Rate Loan Documents”, together with the CITC Loan Documents (the “Pinnacle Loan Documents”);

 WHEREAS, MDHA will execute certain guaranty agreements in favor of Pinnacle Bank in conjunction with the CITC Loans and the Market Rate Loan (the “Debt Guaranty”)

WHEREAS, MDHA is making a loan to the Partnership in the approximate principal amount of $15,870,354, or such amount as an authorized officer may deem necessary to consummate the transactions contemplated in this Resolution (the “MDHA Loan”), evidenced by a note and all instruments and documents securing the MDHA Loan (collectively, the “MDHA Loan Documents”);

WHEREAS, The Partnership intends to enter into an Amended and Restated Agreement of Limited Partnership with Pinnacle Bank (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 the Development Agreement (collectively, the Equity Guaranty, Option, and Development Agreement are referred to herein as the “Equity Documents”);

NOW BE IT THEREFORE RESOLVED, that the 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 negotiate, execute, deliver and perform any documents, instruments and agreements required for the purpose of effectuating a PILOT as may be required by the Cooperation Agreement (collectively, the “PILOT Documents”);

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

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

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 documents, instruments and agreements contemplated thereunder or required for purposes of the Partnership entering into the Pinnacle Loan 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 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 Documents, the Debt Guaranty, 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 Deed, PILOT Loan Documents, the Debt Guaranty, 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 Charles Robert Bone, 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 (each, an “Authorized Officer”), 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 Documents, the Debt Guaranty, the 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, 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.”

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

 The Chair called on Ms. Wesson who said residents recently participated in a Strong Family Day and she is planning for an upcoming Fall Festival. Mr. Ford said he was proud to announce that Cumberland View was 100% occupied at the close of the year end. He said the 200 Man Stand recently held a job placement and health screening at the property.

 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