

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD MEETING MINUTES

Pursuant to the Governor's Executive Order No. 73 to protect the health and safety of citizens during the COVID-19 pandemic, the Board of Commissioners are allowed to meet electronically on February 25, 2021.

The meeting was called to order and a quorum declared present at 5:04 p.m.

Present:	Chair Robert Whetsel	Absent:
	Vice Chair Kimberly Henry	
	Treasurer Robyn McAdoo	
	Commissioner John Winemiller	
	Commissioner Kanika White	
	Commissioner Rosiland Hall	
	Commissioner Scott Broyles	

Approval to execute the meeting minutes of January 28, 2021. Commissioner McAdoo moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye."

REDEVELOPMENT/LEGAL SERVICES (Brad Peters)

Approval to convey 1508 Boyd Street (094FP013) to Marlow Properties, LLC, for new construction of a single family home in Mechanicsville in the amount of \$2,500. Commissioner Winemiller moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye."

Approval to convey 2407 Louise Avenue (082NA014) to RUDAS, LLC, for new construction of a single family home in Five Points in the amount of \$2,000. Commissioner Winemiller moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye."

Approval to convey 1541 Minnesota Avenue (081PE024) and 1543 Minnesota Avenue (081PE025) to Michael Haynes Construction, Inc., for new construction of a single family home on each lot in Lonsdale in the amount of \$3,000 each. Commissioner McAdoo moved to approve. Commissioner Winemiller seconded the motion. All other Commissioners present voted "Aye."

Resolution regarding organizational matters of Bell Street 2 Corporation and Bell Street 2 LP to reassign the general partnership interests in Bell Street 2 LP from Bell Street 2 GP 2, LLC back to Bell Street 2 Corporation. **Commissioner McAdoo moved to approve. Commissioner Broyles seconded the motion. All other Commissioners present voted "Aye."** Resolution No. 2021-04 is attached.

Approval to execute an amendment for an additional \$185,000 to the BarberMcMurry Contract C21005 for Western Heights master planning services. **Commissioner Henry moved to approve. Commissioner Broyles seconded the motion. All other Commissioners present voted "Aye."**

PUBLIC FORUM

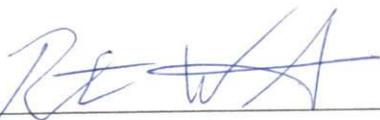
None

UNFINISHED BUSINESS

None

ADJOURNMENT

With no further business to come before the Board, the meeting adjourned by consent at 5:35 p.m.



Robert Whetsel, Chair

Approved: March 25, 2021

ATTEST:



Benjamin M. Bentley, Secretary

Approved: March 25, 2021

RESOLUTION NO. 2021-04

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION REGARDING ORGANIZATIONAL MATTERS OF BELL STREET 2 CORPORATION AND BELL STREET 2 LP

WHEREAS, Knoxville's Community Development Corporation ("KCDC") is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "Municipality") and is duly incorporated pursuant to Sections 13-20-101 *et seq.*, Tennessee Code Annotated; and

WHEREAS, pursuant to Tenn. Code Ann. § 13-20-104(a)(6), housing and redevelopment authorities in Tennessee are authorized to own, operate, assist, or otherwise participate in (directly or through a partnership, a limited liability company, or other entity in which the authority, or an entity affiliated with an authority, is a general partner, managing member, or otherwise participates in the activities of the entity) one (1) or more mixed-finance projects (including projects financially assisted by low-income housing tax credits); and

WHEREAS, KCDC has previously authorized master planning for the redevelopment of Austin Homes located in the Municipality; and

WHEREAS, for the purpose of facilitating financing and development of the second phase of the proposed redevelopment, KCDC previously formed a corporation known as Bell Street 2 Corporation (the "Corporation") and the Corporation previously formed a limited partnership known as Bell Street 2 LP (the "Limited Partnership"); and

WHEREAS, for the purpose of submitting an application for an allocation of low-income housing tax credits to the Tennessee Housing Development Agency to further the development of the Property, the Corporation previously assigned its general partnership interest in the Partnership to an affiliate of Southeastern Housing Foundation (the "Southeastern Housing Entity"); and

WHEREAS, now that the partnership with the Southeastern Housing Entity has concluded, the Southeastern Housing Entity desires to assign its general partnership interest in the Partnership back to the Corporation.

WHEREAS, the Board desires to approve and authorize such documentation as is necessary for the Corporation to reclaim its general partnership interest in the Partnership (the "Organizational Documents"), including, but not limited to, an Assignment of Partnership Interest and a Second Amended and Restated Limited Partnership Agreement, drafts of which have been submitted to KCDC and shall be filed with the records of KCDC; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION:

RESOLVED, that the Chairman, Vice Chairman, Secretary, Assistant Secretary and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is/are authorized and empowered to execute and cause to be filed or recorded, as applicable, the Organizational Documents; and, further

RESOLVED, that the Organizational Documents shall be in substantially the forms submitted, which are hereby approved, with such completions, omissions, insertions and changes as may be approved by the officers executing them, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes; and, further

RESOLVED, that the Chairman, Vice Chairman, Secretary, Assistant Secretary and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is/are authorized and empowered to execute and cause to be filed or recorded, as applicable, any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officers in order for the Corporation to reclaim its general partnership interest in the Partnership, all in the form approved by the Authorized Officers executing same, the execution of same by such Authorized Officers to constitute conclusive evidence of the approval of same; and, further

RESOLVED, that it is in the best interest of KCDC to enter into, file and/or record the Organizational Documents with respect to the fourth phase of redevelopment of the Austin Homes; and, further,

RESOLVED, that any and all other actions heretofore taken on behalf of KCDC by the Authorized Officers to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the other actions authorized by the foregoing resolutions, and all acts of the Authorized Officers that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Adopted this 25th day of February, 2021.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: 
Secretary

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

Date: February 18, 2021

To: Board of Commissioners

From: Benjamin M. Bentley, Secretary

Subject: **AGENDA**
Board Meeting of the Board of Commissioners
Thursday, February 25, 2021, 5 p.m.

PURSUANT TO THE GOVERNOR'S EXTENDED EXECUTIVE ORDER NO. 73 TO PROTECT THE HEALTH AND SAFETY OF CITIZENS DURING THE COVID-19 PANDEMIC, THE BOARD OF COMMISSIONERS WILL MEET ELECTRONICALLY

1. Call to Order.
2. Approval is requested to execute the minutes for the meeting held on January 28, 2021. [\(Item 2 Attachment\)](#)
3. Motion to add, delete or postpone agenda items.
4. Reports of officers and special presentations.

NEW BUSINESS

REDEVELOPMENT/LEGAL SERVICES (Brad Peters)

5. Approval is requested to convey 1508 Boyd Street (094FP013) to Marlow Properties, LLC, for new construction of a single family home in Mechanicsville in the amount of \$2,500. [\(Item 5 Attachment\)](#)
6. Approval is requested to convey 2407 Louise Avenue (082NA014) to RUDAS, LLC, for new construction of a single family home in Five Points in the amount of \$2,000. [\(Item 6 Attachment\)](#)
7. Approval is requested to convey 1541 Minnesota Avenue (081PE024) and 1543 Minnesota Avenue (081PE025) to Michael Haynes Construction, Inc., for new construction of a single family home on each lot in Lonsdale in the amount of \$3,000 each. [\(Item 7 Attachment\)](#)
8. Resolution regarding organizational matters of Bell Street 2 Corporation and Bell Street 2 LP. [\(Item 8 Attachment\)](#)

THIS MEETING AND ALL COMMUNICATIONS BETWEEN MEMBERS IS SUBJECT TO THE PROVISIONS OF THE TENNESSEE OPEN MEETINGS ACT, TENN. CODE ANN. §8-44-101, et seq.

9. Approval is requested to execute an amendment for an additional \$185,000 to the BarberMcMurry Contract C21005 for Western Heights master planning services. [\(Item 9 Attachment\)](#)

Unfinished Business

Public Forum

Adjournment

The next meeting of the KCDC Board of Commissioners will be
Thursday, March 25, 2021 @ 5 p.m.

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD MEETING MINUTES

Pursuant to the Governor's Executive Order No. 65 to protect the health and safety of citizens during the COVID-19 pandemic, the Board of Commissioners are allowed to meet electronically on January 28, 2021.

The meeting was called to order and a quorum declared present at 5:01 p.m.

Present: Chair Robert Whetsel
Vice Chair Kimberly Henry
Treasurer Robyn McAdoo
Commissioner John Winemiller
Commissioner Kanika White
Commissioner Rosiland Hall
Commissioner Scott Broyles

Absent:

Approval to execute the meeting minutes of December 17, 2020. Commissioner Henry moved to approve. Commissioner McAdoo seconded the motion. All other Commissioners present voted "Aye."

NEW BUSINESS

Approval to sell 0 Minnesota Av (081PF003); 1536 Minnesota Av (081PF002); 1537 Minnesota Av (081PE023); and 1502 Texas Av (081PE010) to Lafayette Properties, LLC for construction of a single-family home on each property in Lonsdale in the amount of \$5,000 each. Commissioner Winemiller moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye."

Resolution regarding the authorization to negotiate a change order for East Tennessee Turf and Landscape (C20006) for infrastructure services at Austin Homes up to \$600,000. Commissioner Winemiller moved to approve. Commissioner McAdoo seconded the motion. All other Commissioners present voted "Aye." Resolution No. 2021-01 is attached.

Resolution approving the submission of the Inventory Removal Application for Western Heights. Commissioner Broyles moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye." Resolution No. 2021-02 is attached.

FINANCE & ADMINISTRATION (Tracee Pross)

Resolution authorizing the amendment of the Lease for installation of energy efficient equipment at Northgate Terrace and Western Heights. Commissioner McAdoo moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye." Resolution No. 2021-03 is attached.

PUBLIC FORUM

None

UNFINISHED BUSINESS

None

ADJOURNMENT

With no further business to come before the Board, the meeting adjourned by consent at 5:39 p.m.

Robert Whetsel, Chair

Approved:

ATTEST:

Benjamin M. Bentley, Secretary

Approved:



BOARD ACTION FORM

MEETING DATE	February 25, 2021
AGENDA ITEM DESCRIPTION	Approval is requested to convey 1508 Boyd Street (094FP013) to Marlow Properties, LLC, for new construction of a single family home in Mechanicsville in the amount of \$2,500.
SUBMITTED BY	Name & Title: David Cook, Redevelopment Administrator (kde) Department: Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special
AGENDA CLASSIFICATION	<input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Regular
BUDGET / FINANCIAL IMPACT	Budgeted: <u>N.A.</u> Expenditure: <u>\$0.00</u> Source of Funds: <u>N.A.</u>
APPROVAL/REVIEWS	<input checked="" type="checkbox"/> Department Head /Vice President <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Legal Counsel Name of Reviewer: _____ <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Other - Name & Title: _____
STAFF RECOMMENDED ACTIONS	Approve: <input checked="" type="checkbox"/> Deny: <input type="checkbox"/> Defer: <input type="checkbox"/>
<u>BACKGROUND</u>	
<p>1. What's the objective of the requested action? Newly constructed single-family, one-story, 2BR/1.75BA home with approximately 792sf, which upon completion will be rented at market rate. Additionally, a four vehicle, concrete parking pad will be constructed in the rear, to be accessed via KCDC approved easement, supplying much needed parking for 1508, 1510 & 1512 Boyd Streets.</p> <p>2. Why is the action needed now? Title must be transferred for new owner to obtain permits and initiate build.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC is the property owner with the lot being sold through the City's Homemakers Program.</p> <p>4. What are the long term and short term exposures? Conveyance will be by Special Warranty Deed with reversionary language to insure compliance.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	
ATTACHMENTS	Site Map Special Warranty Deed Homemakers Agreement



0 aka 1508 Boyd Street

094-FP-013

43" x 105"



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This instrument prepared by:
Knoxville's Community Development Corporation
P.O. Box 3550
Knoxville, TN 37928

1508 Boyd Street
094FP013

SPECIAL WARRANTY DEED

THIS INDENTURE, made this 26th day of February, 2021, between KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION, a government body corporate and politic under the laws of the State of Tennessee, Grantor, and MARLOW PROPERTIES, LLC., a Tennessee limited liability corporation with headquarters in Knox County, Tennessee, Grantee.

WITNESSETH:

THAT said Grantor, for and in consideration of the sum of TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$2,500.00) to us in hand paid by Grantee, the receipt of which is hereby acknowledged, the Grantor has granted, bargained, sold and conveyed, and does hereby grant, bargain, sell and convey unto the said Grantee the following more fully described in "Exhibit A" attached hereto:

RESTRICTIONS COVENANTS AND CONDITIONS

THIS Deed is made, executed and delivered upon and is subject to eight express conditions and covenants set forth herein, said conditions and covenants being a part of the consideration for the property hereby conveyed and are to be taken and construed as running with the land. The Grantor and Grantee expressly intend to create a possibility of reverter conditions upon a material breach or default of the restrictions, covenants and conditions set forth herein, and it is further expressly agreed that the continued existence of the estate hereby granted shall depend on the compliance by the Grantee with all material provisions of the covenants and conditions set forth herein. If at any time prior to the written recorded release of the restrictions, covenants and conditions, the Grantee, its successors or assigns, shall default in or otherwise be in breach of the restrictions, covenants and conditions set forth herein, and if such default or breach has not been remedied or cured within one hundred eighty (180) days after written notice specifying such default or breach has been given to the Grantee and the Mortgagees, and their respective successors and assigns, then the estate in the real property conveyed herein, at the expiration of said one hundred eighty (180) day period, without the requirement of any further notice shall automatically revert back to the Grantor without the necessity of further action by either party. The Grantee hereby binds itself and its successors, assigns, grantees, and lessees forever to these covenants and conditions, which covenants and conditions are as follows:

SPECIAL COVENANT A: The Grantee shall devote the Property hereby conveyed only to the uses specified in the applicable provisions of the Redevelopment Plan or approved modifications thereof. In the event of a conflict between the terms and provisions of this Deed and the terms and provisions of the Redevelopment Plan, the terms and provisions of the Redevelopment Plan shall control;

SPECIAL COVENANT B: The construction of the improvements on the Property hereby conveyed, in accordance with the approved Final Plan, drawings, specifications, and the Homemakers Agreement dated February 5, 2021, as submitted by the Grantee, as heretofore approved by the Grantor on February 25, 2021, as being in compliance with the provisions of the Redevelopment Plan, has heretofore been commenced. The Grantee shall prosecute diligently the construction of said redevelopment to completion. Said completion occurring on or before February 26, 2022;

SPECIAL COVENANT C: Until the Grantor certifies that all improvements specified to be done by the Grantee have been completed, the Grantee shall have no power to convey the property herein described, or any part thereof, or any interest therein, without the prior written consent of the Grantor, except to a Mortgagee or Trustee under a Mortgage or Deed of Trust permitted by this Deed;

SPECIAL COVENANT D: The Grantee agrees for itself, its successors and assigns, to substantially adhere to all material provisions of the Redevelopment Plan as the same may from time to time be amended;

SPECIAL COVENANT E: The Grantee, its successors and assigns, shall never dispose of the unimproved property for a profit;

SPECIAL COVENANT F: The Grantee agrees not to substantially alter, revise or modify the final construction and/or development plans as heretofore approved by the Grantor, except with the prior written consent of the Grantor, which approval will not be unreasonably withheld or delayed so long as the proposed alteration, revision or modification complies with the Redevelopment Plan. Such approval(s) by the Grantor shall in no way be construed as approval of compliance with local codes and regulations, and will not relieve the developer of the responsibility of securing proper approvals and permits from appropriate public agencies;

SPECIAL COVENANT G: The Grantor shall be a beneficiary of all the restrictions, regulations and controls in this Deed and shall be entitled to represent or act on behalf of the City and community in enforcing the restrictions, regulations and controls provided for herein.

GENERAL COVENANTS AND RESTRICTIONS

This conveyance is made subject to the following general covenants and restrictions, each of which shall run with the land and shall be binding upon the Grantee and its successors and assigns:

1. The Grantee agrees, for itself and any successor in interest, not to discriminate upon the basis of race, creed, color or national origin in the sale, lease or rental, or in the use or occupancy of the property hereby conveyed, or any part thereof, or of any improvements erected, or to be erected thereon, or any part thereof;
2. The Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with and that all things necessary to constitute this Special Warranty Deed a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law;

3. Upon substantial completion of that portion of the improvements required by the Redevelopment Plan on the real property conveyed herein in accordance with the Redevelopment Plan and the construction and development plans for such improvements, as each of the same may be from time to time amended in writing by the Grantor, and certification of such substantial completion by the Grantee to the Grantor, the Grantor shall release in a document recorded in the Knox County Register of Deeds Office the property conveyed herein from the Restrictions, Covenants and Conditions set forth above, but until such Release is executed by the Grantor and recorded, the Restrictions, Covenants and Conditions set forth herein shall remain in full force and effect.

TO HAVE AND TO HOLD the said premises to the Grantee, its successors and assigns in FEE SIMPLE forever;

AND, the Grantor will specially warrant and forever defend the right and title thereof in the Purchaser against the claims of all persons claiming by, through or under the Grantor but no further or otherwise;

AND, the Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with and that all things necessary to constitute this Special Warranty Deed as a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law.

IN WITNESS WHEREOF, the Grantor has executed this instrument on the day and year first above written.

KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION

BY: _____
BENJAMIN M. BENTLEY
EXECUTIVE DIRECTOR/CEO

(Notary on Next Page)

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the aforesaid State and County, personally appeared Benjamin M. Bentley, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director/CEO of Knoxville’s Community Development Corporation, the within named bargainer, a public corporation, and that he as such Executive Director/CEO being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the public corporation by himself as Executive Director/CEO.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this 26th day of February, 2021.

Expiration of Commission

Notary Public

STATE OF TENNESSEE)
COUNTY OF KNOX)

I, or we, hereby swear or affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$2,000.00, which amount is equal to or greater than the amount which the property transferred would command at a fair, voluntary sale.

Subscribed and sworn to before me, this the 26th day of February, 2021.

Affiant

Notary Public

My Commission Expires: _____

New Owner & Responsible Tax Payer:
Marlow Properties, LLC
322 Douglas Avenue
Knoxville, TN 37921

EXHIBIT A

1508 Boyd Street / 094FP013

SITUATED in District No. One (1) of Knox County, Tennessee, and within the 9th Ward of the City of Knoxville, Tennessee, and fronting 43 feet on the Western side of Boyd Street and running back therefrom between parallel lines 105 feet to a private alley, and more particularly described as follows:

BEGINNING at a point Northwardly from the Northwestern corner of Douglass (formerly Crooked) Street and Boyd Street; thence Westwardly at right angles to Boyd Street 105 feet to said private alley; thence Southwardly with said private alley 43 feet to a stake; thence Eastwardly 105 feet to a stake on the Western line of Boyd Street 43 feet to the POINT OF BEGINNING, and formerly being improved with a dwelling known and designated at 1508 Boyd Street, Knoxville, Tennessee.

BEING the same property conveyed to Knoxville's Community Development Corporation by Warranty Deed from Paul Gillespie and wife, Norma J. Gillespie dated February 5, 1997, and said deed recorded in Instrument No. 199702060031115 in the Register's Office for Knox County, Tennessee.

HOMEMAKERS PROPERTY DISPOSITION PROGRAM

HOMEMAKER AGREEMENT

City of Knoxville – Community Development Department

THIS HOMEMAKER AGREEMENT (“Agreement”) is made by and between the City of Knoxville’s Community Development Department, a department of the City of Knoxville, Tennessee, a municipal corporation organized and existing under the laws of the State of Tennessee, 400 Main Street, Knoxville, TN 37902 (“Department”), and Marlow Properties, LLC, 322 Douglas Avenue, Knoxville, TN 37921 (“Homemaker”).

WITNESSETH:

WHEREAS, by Ordinance No. O-207-95, the City of Knoxville (“City”) has established a process called the Homemakers Program to dispose of properties acquired through the Blighted Property Ordinance and other properties acquired by or under control of the Department in order to meet the City’s housing and community development objectives; and

WHEREAS, under an agreement with the City, Knoxville’s Community Development Corporation (“KCDC”) conveys property acquired through the Mechanicsville Redevelopment Plan through the Homemakers Program; and

WHEREAS, KCDC owns property located at 0 aka 1508 Boyd Street, Parcel ID No. 094-FP-013 (“Property”), which is more specifically described in the Warranty Deed whereby KCDC acquired the Property, which is recorded as Instrument No. 199702060031115 in the Knox County Register’s Office, to which Instrument specific reference is made for a more particular description of the Property; and

WHEREAS, the Homemaker has been selected by the Homemakers Program Committee to purchase the Property and the Homemaker has agreed to purchase the Property, under the conditions set forth in this Agreement; and

WHEREAS, said conveyance shall be made only under the prescribed conditions of this Agreement;

NOW, THEREFORE, the City and the Homemaker, for the mutual considerations stated herein, agree as follows:

1. The total purchase price for the fee simple title to the Property is \$2,500.00. The Homemaker will deposit \$2,500.00 as earnest money. The City will hold said deposit in escrow until transfer of title. The Homemaker is responsible for any financing arrangements that must be made to pay any balance due.

2. **Final authorization for the transfer of title is subject to the approval of the Board of KCDC.**

3. The Homemaker agrees to assume full responsibility for payment of all taxes on the Property as of the date of delivery of the Deed, paying all property taxes when due, never allowing them to become delinquent.

4. The Homemaker agrees to assume full responsibility for obtaining and maintaining adequate hazard and/or builders' risk insurance as of the date of delivery of the Deed, and will provide certificates, endorsements, and policies evidencing such insurance upon the City's request.

5. The Homemaker agrees to accept title upon delivery of the Deed by KCDC.

6. The Homemaker agrees to use the Property as proposed in the Homemakers Program application submitted to and approved by the Department. The proposed use for this property is:

Newly constructed single-family, one-story, built on a crawl space, 2BR/1.75BA home with approximately 792sf. The home will be ADA VISIBLE, energy efficient and comply with Community Development's Infill Housing Design Guidelines. Upon the home's completion it will be rented at market rate. Additionally, a four (4) vehicle, concrete parking pad will be constructed in the rear, to be accessed via approved easement from KCDC, supplying much needed parking for 1508, 1510 & 1512 Boyd Street that currently only have one (1) on-street parking space per address. These newly constructed spaces will have signage and tenants will acknowledge assigned parking place via their lease.

(For definition of Knoxville, Tennessee's FY21 Fair Market Rents, refer to Department of Housing and Urban Development's Federal Register/Vol. 85, No. 158/August 14, 2020 "Final Fair Market Rents for Fiscal Year 2021." For FY20 Income Limits and Notice PDR-2020-02, refer to "Transmittal of Fiscal Year 2020 Income Limits" issued April 1, 2020). For your convenience, a consolidated form of this information is attached hereto as Exhibit A.

7. The Homemaker agrees to complete the rehabilitation and/or construction of the structure located on the Property **within one (1) year** of the date of delivery of the Deed. The Homemaker will begin the work necessary to rehabilitate the structure located on the Property **within 180 days** of the transfer of the Property to the Homemaker. All work shall comply with all applicable City codes, inspection and permitting rules, approved plans and specifications, and the applicable Infill Housing Guidelines for the proposed work.

8. The Homemaker agrees to submit all necessary plans **within 90 days (no later than May 6, 2021)** of the date of this Agreement for the rehabilitation and/or construction of the structure located on the Property. This Agreement is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 90 days of the date of this Agreement.

9. The Homemaker agrees to obtain a written commitment from any and all lenders for all necessary financing for the purchase, rehabilitation and/or construction required by this Agreement **within 120 days (no later than June 5, 2021)** of the date of this Agreement. The Homemaker will provide, or cause to be provided, to the City supportive documents from the lender(s) fully disclosing the financing terms. This Agreement is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 120 days of the date of this Agreement.

10. During the period beginning upon delivery of the Deed and continuing to the date KCDC issues a notice of completion of the rehabilitation, the Homemaker agrees to secure and maintain the Property.

11. The Homemaker agrees that if the Property is a contributing property within a potential Historic District, a National Register District, a Redevelopment Area, or an H-1 Historical Zoning Overlay, then all rehabilitation work, new construction or other alterations shall conform to the specific area requirements.

12. Time is of the essence with respect to all matters to be performed pursuant to this Agreement.

13. The Homemaker will permit inspections at reasonable times by the Department's staff and designated agents to determine compliance with the terms of this Agreement.

14. The Homemaker agrees to provide to the City the following information about the family or individual that initially occupies the structure located on the property: income, family size, race, sex of head of household, elderly and handicap status. The Homemaker will submit the information on the form attached hereto as Exhibit B.

15. The Homemaker agrees to comply with all applicable Federal requirements related to the construction, sale, rental, and financing of the housing units constructed and/or rehabilitated on the Property, including, but not limited to, lead-based paint hazard elimination regulations, the Civil Rights Act of 1964, and the Fair Housing Act, and related regulations.

16. The Homemaker agrees to maintain the Property in accordance with all applicable City codes and ordinances related to the maintenance of property standards, and shall not allow the Property to fall into disrepair or blight.

17. Notices shall be given between the parties in writing, and shall be delivered to the addresses of the parties set forth below their respective signatures. All notices shall be either personally delivered, or mailed through the U.S. Postal Service, postage prepaid, in a sealed envelope, certified mail, return receipt requested. Notices shall be deemed given when personally delivered, or the day following deposit in the U.S. Postal Service as aforesaid.

18. Transfer of title shall take place no later than 150 days from the date of execution of this Agreement. If transfer of title does not take place by said date, then this Agreement is subject to cancellation by the Department.

19. If the circumstances surrounding or the facts underlying the decision of the Department to transfer the Property through the Homemaker's Program have materially changed between the date of the execution of this Agreement and closing, and said changes are outside the control of the parties and could not have been avoided by the exercise of due care, then the Department, in its sole discretion, reserves the right to cancel this Agreement and shall return the earnest money deposit to the Homemaker.

20. If it becomes necessary to enforce this Agreement through an attorney, or by institution of litigation or other proceedings, the prevailing party, in addition to all other damages or remedies that may be awarded, shall be entitled to receive all costs, out-of-pocket expenditures, and reasonable attorneys' fees.

21. It is expressly understood and agreed that this Agreement contains the entire agreement between the Department and the Homemaker and that, except as otherwise provided herein, there are no oral or collateral conditions, agreements, or representations, all such having been incorporated and resolved into this Agreement. All conditions of this Agreement shall be satisfied at or before closing.

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned Homemaker on the 5th day of February, 2021.

By: 
R. Bentley Marlow, Chief Executive Manager
Marlow Properties, LLC
322 Douglas Avenue
Knoxville, TN 37921



STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared R. Bentley Marlow, with whom I am personally acquainted and who, acknowledged himself to be Chief Executive Manager, Marlow Properties, LLC, and being so authorized executed the foregoing instrument for the purposes contained therein

WITNESS my hand and seal at office in Knox County, Tennessee this the 5th day of February, 2021.


NOTARY PUBLIC – Kathy D. Ellis

My Commission Expires: August 1, 2021

Acceptance of Agreement

By acceptance of this Agreement, the undersigned representative of the Community Development Department agrees to recommend to KCDC that it authorize their Board to execute a Special Warranty Deed, conveying the Property to the Buyer in consideration of \$2,500.00 and compliance with all the provisions of this Homemaker Agreement.

By: Rebecca Wade
Rebecca Wade, Director
Community Development Department
City-County Building – 5th Floor
400 Main Street
Knoxville, TN 37902

Date: February 5, 2021



STATE OF TENNESSEE)
COUNTY OF KNOX)

Personally appeared before me, a Notary Public in and for the County and State aforesaid, Rebecca Wade, with whom I am personally acquainted and who, acknowledged herself to be Community Development Director of the City of Knoxville, a municipal corporation, and being so authorized executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and seal at office in Knox County, Tennessee this the 5th day of February, 2021.

Kathy D. Ellis
NOTARY PUBLIC – Kathy D. Ellis

My Commission Expires: August 1, 2021

Exhibit "A"

FY 2021 Knox County Fair Market Rents for All Bedroom Sizes

FY 2021 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2021 Fair Market Rent	\$624	\$729	\$896	\$1,182	\$1,421

Federal Register/ Vol, 85, No. 158/August 14, 2020
 Fair Market Rents Fiscal Year 2021
 Effective 10/01/2020

Revised 9/28/2020

FY 2020 Income Limits Summary

Knox County, Tennessee										
FY 2020 Income Limit Area	Median Income	FY 2020 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Knox County	\$73,900	<u>Very Low (50%) Income Limits</u>	\$25,900	\$29,600	\$33,300	\$36,950	\$39,950	\$42,900	\$45,850	\$48,800
		<u>Extremely Low (30%) Income Limits</u>	\$15,550	\$17,750	\$21,720	\$26,200	\$30,680	\$35,160	\$39,640	\$44,120
		<u>Low (80%) Income Limits</u>	\$41,400	\$47,300	\$53,200	\$59,100	\$63,850	\$68,600	\$73,300	\$78,050

NOTICE PDR-2020-02 / April 1, 2020
 Fiscal Year 2020 Income Limits
 Effective 4/01/20

NOTE: Knox County is part of the **Knoxville, TN MSA**. The **Knoxville, TN MSA** contains the following areas: Anderson County, TN; Blount County, TN; Knox County, TN; Loudon County, TN; and Union County, TN.

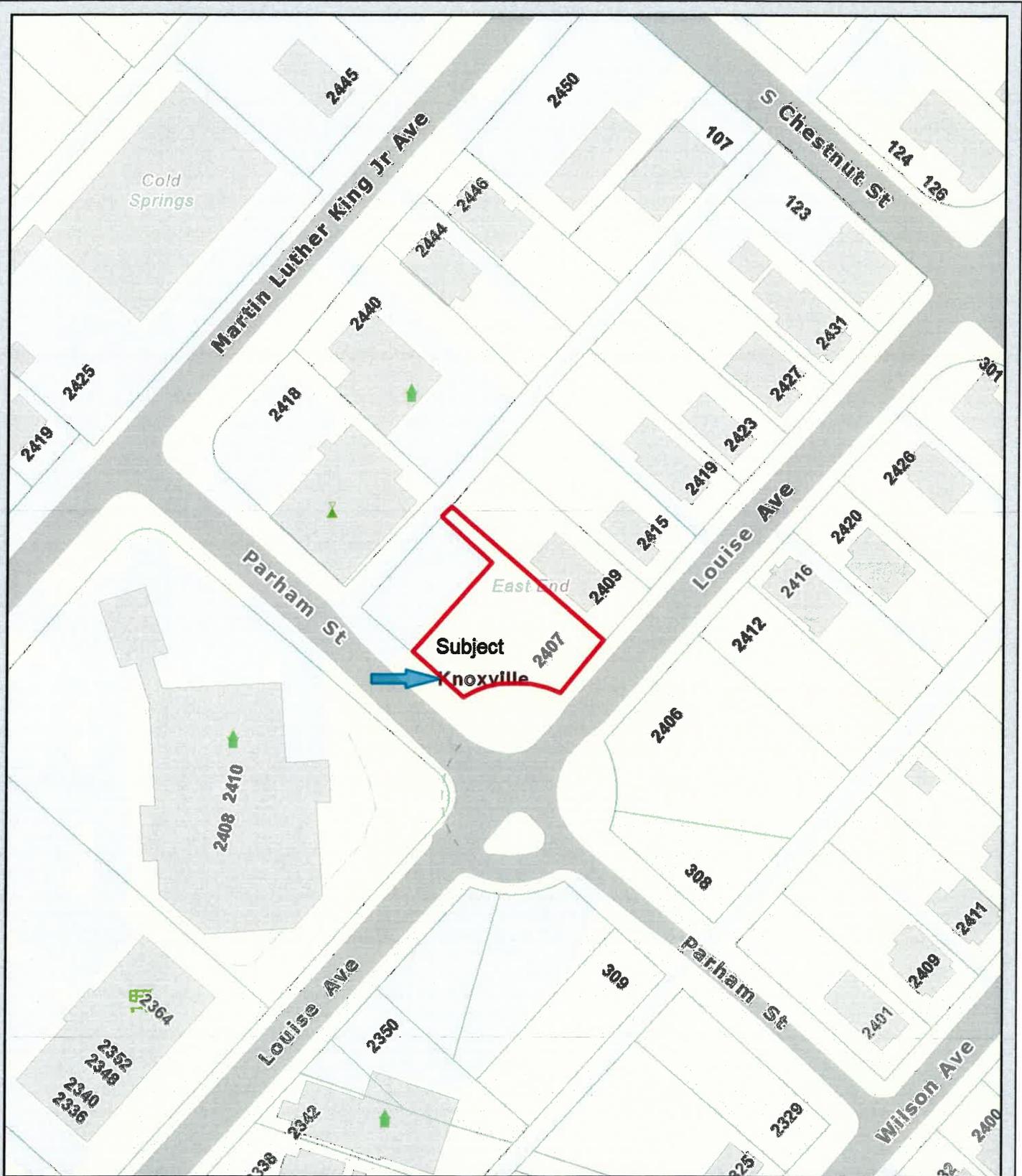
Rvsd: 9/28/20

K/Kathy/FairMarketRent FY2021 & IncomeLimits FY2020



BOARD ACTION FORM

MEETING DATE	February 25, 2021
AGENDA ITEM DESCRIPTION	Approval is requested to convey 2407 Louise Avenue (082NA014) to RUDAS, LLC, for new construction of a single family home in Five Points in the amount of \$2,000.
SUBMITTED BY	Name & Title: David Cook, Redevelopment Administrator (kde) Department: Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special
AGENDA CLASSIFICATION	<input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Regular
BUDGET / FINANCIAL IMPACT	Budgeted: <u>N.A.</u> Expenditure: <u>\$0.00</u> Source of Funds: <u>N.A.</u>
APPROVAL/REVIEWS	<input checked="" type="checkbox"/> Department Head /Vice President <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Legal Counsel Name of Reviewer: _____ <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Other - Name & Title: _____
STAFF RECOMMENDED ACTIONS	Approve: <input checked="" type="checkbox"/> Deny: <input type="checkbox"/> Defer: <input type="checkbox"/>
<u>BACKGROUND</u>	
<p>1. What's the objective of the requested action? Newly constructed single-family, one-story, 3BR/2BA home with approximately 1,315sf, which upon completion will be listed for sale for a minimum of three months, if not sold within that period it may be listed for rent at market rate.</p> <p>2. Why is the action needed now? Title must be transferred for new owner to obtain permits and initiate build.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC is the property owner with the lot being sold through the City's Homemakers Program.</p> <p>4. What are the long term and short term exposures? Conveyance will be by Special Warranty Deed with reversionary language to insure compliance.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	
ATTACHMENTS	Site Map Special Warranty Deed Homemakers Agreement



2407 Louise Avenue
082-NA-014



KGIS makes no representation or warranty as to the accuracy of this map and its information, nor to its fitness for use. Any user of this map product accepts the same AS IS, WITH ALL FAULTS, and assumes all responsibility for the use thereof, and further covenants and agrees to hold KGIS harmless from any and all damage, loss, or liability arising from any use of this map product.

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Printed: 1/12/2016 1:07:55 PM

This instrument prepared by:
Knoxville's Community Development Corporation
P.O. Box 3550
Knoxville, TN 37928

2407 Louise Avenue
082NA014

SPECIAL WARRANTY DEED

THIS INDENTURE, made this 26th day of February, 2021, between KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION, a government body corporate and politic under the laws of the State of Tennessee, Grantor, and RUDAS, LLC., a Tennessee limited liability corporation with headquarters in Knox County, Tennessee, Grantee.

WITNESSETH:

THAT said Grantor, for and in consideration of the sum of TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00) to us in hand paid by Grantee, the receipt of which is hereby acknowledged, the Grantor has granted, bargained, sold and conveyed, and does hereby grant, bargain, sell and convey unto the said Grantee the following more fully described in "Exhibit A" attached hereto:

RESTRICTIONS COVENANTS AND CONDITIONS

THIS Deed is made, executed and delivered upon and is subject to eight express conditions and covenants set forth herein, said conditions and covenants being a part of the consideration for the property hereby conveyed and are to be taken and construed as running with the land. The Grantor and Grantee expressly intend to create a possibility of reverter conditions upon a material breach or default of the restrictions, covenants and conditions set forth herein, and it is further expressly agreed that the continued existence of the estate hereby granted shall depend on the compliance by the Grantee with all material provisions of the covenants and conditions set forth herein. If at any time prior to the written recorded release of the restrictions, covenants and conditions, the Grantee, its successors or assigns, shall default in or otherwise be in breach of the restrictions, covenants and conditions set forth herein, and if such default or breach has not been remedied or cured within one hundred eighty (180) days after written notice specifying such default or breach has been given to the Grantee and the Mortgagees, and their respective successors and assigns, then the estate in the real property conveyed herein, at the expiration of said one hundred eighty (180) day period, without the requirement of any further notice shall automatically revert back to the Grantor without the necessity of further action by either party. The Grantee hereby binds itself and its successors, assigns, grantees, and lessees forever to these covenants and conditions, which covenants and conditions are as follows:

SPECIAL COVENANT A: The Grantee shall devote the Property hereby conveyed only to the uses specified in the applicable provisions of the Redevelopment Plan or approved modifications thereof. In the event of a conflict between the terms and provisions of this Deed and the terms and provisions of the Redevelopment Plan, the terms and provisions of the Redevelopment Plan shall control;

SPECIAL COVENANT B: The construction of the improvements on the Property hereby conveyed, in accordance with the approved Final Plan, drawings, specifications, and the Homemakers Agreement dated January 15, 2021, as submitted by the Grantee, as heretofore approved by the Grantor on February 25, 2021, as being in compliance with the provisions of the Redevelopment Plan, has heretofore been commenced. The Grantee shall prosecute diligently the construction of said redevelopment to completion. Said completion occurring on or before February 26, 2022;

SPECIAL COVENANT C: Until the Grantor certifies that all improvements specified to be done by the Grantee have been completed, the Grantee shall have no power to convey the property herein described, or any part thereof, or any interest therein, without the prior written consent of the Grantor, except to a Mortgagee or Trustee under a Mortgage or Deed of Trust permitted by this Deed;

SPECIAL COVENANT D: The Grantee agrees for itself, its successors and assigns, to substantially adhere to all material provisions of the Redevelopment Plan as the same may from time to time be amended;

SPECIAL COVENANT E: The Grantee, its successors and assigns, shall never dispose of the unimproved property for a profit;

SPECIAL COVENANT F: The Grantee agrees not to substantially alter, revise or modify the final construction and/or development plans as heretofore approved by the Grantor, except with the prior written consent of the Grantor, which approval will not be unreasonably withheld or delayed so long as the proposed alteration, revision or modification complies with the Redevelopment Plan. Such approval(s) by the Grantor shall in no way be construed as approval of compliance with local codes and regulations, and will not relieve the developer of the responsibility of securing proper approvals and permits from appropriate public agencies;

SPECIAL COVENANT G: The Grantor shall be a beneficiary of all the restrictions, regulations and controls in this Deed and shall be entitled to represent or act on behalf of the City and community in enforcing the restrictions, regulations and controls provided for herein.

GENERAL COVENANTS AND RESTRICTIONS

This conveyance is made subject to the following general covenants and restrictions, each of which shall run with the land and shall be binding upon the Grantee and its successors and assigns:

1. The Grantee agrees, for itself and any successor in interest, not to discriminate upon the basis of race, creed, color or national origin in the sale, lease or rental, or in the use or occupancy of the property hereby conveyed, or any part thereof, or of any improvements erected, or to be erected thereon, or any part thereof;
2. The Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with and that all things necessary to constitute this Special Warranty Deed a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law;

3. Upon substantial completion of that portion of the improvements required by the Redevelopment Plan on the real property conveyed herein in accordance with the Redevelopment Plan and the construction and development plans for such improvements, as each of the same may be from time to time amended in writing by the Grantor, and certification of such substantial completion by the Grantee to the Grantor, the Grantor shall release in a document recorded in the Knox County Register of Deeds Office the property conveyed herein from the Restrictions, Covenants and Conditions set forth above, but until such Release is executed by the Grantor and recorded, the Restrictions, Covenants and Conditions set forth herein shall remain in full force and effect.

TO HAVE AND TO HOLD the said premises to the Grantee, its successors and assigns in FEE SIMPLE forever;

AND, the Grantor will specially warrant and forever defend the right and title thereof in the Purchaser against the claims of all persons claiming by, through or under the Grantor but no further or otherwise;

AND, the Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with and that all things necessary to constitute this Special Warranty Deed as a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law.

IN WITNESS WHEREOF, the Grantor has executed this instrument on the day and year first above written.

KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION

BY: _____
BENJAMIN M. BENTLEY
EXECUTIVE DIRECTOR/CEO

(Notary on Next Page)

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the aforesaid State and County, personally appeared Benjamin M. Bentley, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director/CEO of Knoxville’s Community Development Corporation, the within named bargainor, a public corporation, and that he as such Executive Director/CEO being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the public corporation by himself as Executive Director/CEO.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this 26th day of February, 2021.

Expiration of Commission

Notary Public

STATE OF TENNESSEE)
COUNTY OF KNOX)

I, or we, hereby swear or affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$2,000.00, which amount is equal to or greater than the amount which the property transferred would command at a fair, voluntary sale.

Subscribed and sworn to before me, this the 26th day of February, 2021.

Affiant

Notary Public

My Commission Expires: _____

New Owner & Responsible Tax Payer:
RUDAS, LLC
2740 Silent Springs Lane
Knoxville, TN 37931

EXHIBIT A

2407 Louise Avenue / 082NA014

SITUATED in District One of Knox County, Tennessee, within the 14th Ward of the City of Knoxville, Tennessee, being part of Lots 24, 25 and 26, in Strong and Thompson's East End Addition to said City, and being more particularly described as follows:

BEGINNING at a stake in the northerly side of Louise Avenue 50 feet from the southwest corner of Lot 23 in the aforesaid addition; thence in a westerly direction along Louise Avenue, 50 feet, more or less, to a point, the intersection of Louise Avenue and Neilson's Circle; thence northwesterly with the circular boundary of Neilson's Circle, 75 feet, more or less, to the intersection of Neilson's Circle and Race Street; thence northerly with the east line of Race Street, 50 feet, more or less, to a point which point is 50 feet south of the south line of an alley; thence easterly along a line parallel to an alley and 50 feet south of said alley its entire length, 90 feet to a point; thence northerly and parallel to Race Street, 50 feet to the south line of said alley, 10 feet to a point; thence southerly with the old Morton line, 150 feet to the line of Louise Avenue, the point of BEGINNING.

BEING the same property conveyed to Knoxville's Community Development Corporation by Warranty Deed from Kimberly Cannon and husband, Perry M. Atkinson, dated May __, 2008, with a notary acknowledgement, dated May 21, 2008, from the grantee for real estate transfer tax exemption, and said deed recorded June 13, 2008, in Instrument No. 200806130093947 in the Register's Office for Knox County, Tennessee.

HOMEMAKERS PROPERTY DISPOSITION PROGRAM

HOMEMAKER AGREEMENT

City of Knoxville – Community Development Department

THIS HOMEMAKER AGREEMENT (“Agreement”) is made by and between the City of Knoxville’s Community Development Department, a department of the City of Knoxville, Tennessee, a municipal corporation organized and existing under the laws of the State of Tennessee, 400 Main Street, Knoxville, TN 37902 (“Department”), and Rudas, LLC, 2740 Silent Springs Lane, Knoxville, TN 37931 (“Homemaker”).

WITNESSETH:

WHEREAS, by Ordinance No. O-207-95, the City of Knoxville (“City”) has established a process called the Homemakers Program to dispose of properties acquired through the Blighted Property Ordinance and other properties acquired by or under control of the Department in order to meet the City’s housing and community development objectives; and

WHEREAS, under an agreement with the City, Knoxville’s Community Development Corporation (“KCDC”) conveys property acquired through the Five Points Redevelopment Plan through the Homemakers Program; and

WHEREAS, KCDC owns property located at **2407 Louise Avenue, Parcel ID No. 082-NA-014** (“Property”), which is more specifically described in the **Warranty Deed** whereby KCDC acquired the Property, which is recorded as **Instrument No. 200806130093947** in the Knox County Register’s Office, to which Instrument specific reference is made for a more particular description of the Property; and

WHEREAS, the Homemaker has been selected by the Homemakers Program Committee to purchase the Property and the Homemaker has agreed to purchase the Property, under the conditions set forth in this Agreement; and

WHEREAS, said conveyance shall be made only under the prescribed conditions of this Agreement;

NOW, THEREFORE, the City and the Homemaker, for the mutual considerations stated herein, agree as follows:

1. The total purchase price for the fee simple title to the Property is \$2,000.00. The Homemaker will deposit \$200.00 as earnest money. The City will hold said deposit in escrow until transfer of title. The Homemaker is responsible for any financing arrangements that must be made to pay any balance due.

2. **Final authorization for the transfer of title is subject to the approval of the Board of KCDC.**

3. The Homemaker agrees to assume full responsibility for payment of all taxes on the Property as of the date of delivery of the Deed, paying all property taxes when due, never allowing them to become delinquent.

4. The Homemaker agrees to assume full responsibility for obtaining and maintaining adequate hazard and/or builders' risk insurance as of the date of delivery of the Deed, and will provide certificates, endorsements, and policies evidencing such insurance upon the City's request.

5. The Homemaker agrees to accept title upon delivery of the Deed by KCDC.

6. The Homemaker agrees to use the Property as proposed in the Homemakers Program application submitted to and approved by the Department. The proposed use for this property is:

Newly constructed single-family, Ranch style, one-story, 3BR/2BA home with approximately 1,315sf built on a crawl space. The home will be ADA Visitable, energy efficient and comply with Community Development's Infill Housing Design Guidelines. Upon the home's completion it will be listed for sale for a period of at least three (3) months, if not sold within that period it may be listed for rent.

(For definition of Knoxville, Tennessee's FY21 Fair Market Rents, refer to Department of Housing and Urban Development's Federal Register/Vol. 85, No. 158/August 14, 2020 "Final Fair Market Rents for Fiscal Year 2021." For FY20 Income Limits and Notice PDR-2020-02, refer to "Transmittal of Fiscal Year 2020 Income Limits" issued April 1, 2020). For your convenience, a consolidated form of this information is attached hereto as Exhibit A.

7. The Homemaker agrees to complete the rehabilitation and/or construction of the structure located on the Property **within one (1) year** of the date of delivery of the Deed. The Homemaker will begin the work necessary to rehabilitate the structure located on the Property **within 180 days** of the transfer of the Property to the Homemaker. All work shall comply with all applicable City codes, inspection and permitting rules, approved plans and specifications, and the applicable Infill Housing Guidelines for the proposed work.

8. The Homemaker agrees to submit all necessary plans **within 90 days (no later than April 15, 2021)** of the date of this Agreement for the rehabilitation and/or construction of the structure located on the Property. This Agreement is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 90 days of the date of this Agreement.

9. The Homemaker agrees to obtain a written commitment from any and all lenders for all necessary financing for the purchase, rehabilitation and/or construction required by this Agreement **within 120 days (no later than May 15, 2021)** of the date of this Agreement. The Homemaker will provide, or cause to be provided, to the City supportive documents from the lender(s) fully disclosing the financing terms. This Agreement is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 120 days of the date of this Agreement.

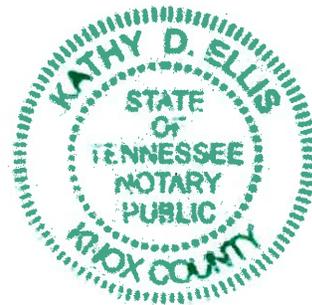
10. During the period beginning upon delivery of the Deed and continuing to the date KCDC issues a notice of completion of the rehabilitation, the Homemaker agrees to secure and maintain the Property.
11. The Homemaker agrees that if the Property is a contributing property within a potential Historic District, a National Register District, a Redevelopment Area, or an H-1 Historical Zoning Overlay, then all rehabilitation work, new construction or other alterations shall conform to the specific area requirements.
12. Time is of the essence with respect to all matters to be performed pursuant to this Agreement.
13. The Homemaker will permit inspections at reasonable times by the Department's staff and designated agents to determine compliance with the terms of this Agreement.
14. The Homemaker agrees to provide to the City the following information about the family or individual that initially occupies the structure located on the property: income, family size, race, sex of head of household, elderly and handicap status. The Homemaker will submit the information on the form attached hereto as Exhibit B.
15. The Homemaker agrees to comply with all applicable Federal requirements related to the construction, sale, rental, and financing of the housing units constructed and/or rehabilitated on the Property, including, but not limited to, lead-based paint hazard elimination regulations, the Civil Rights Act of 1964, and the Fair Housing Act, and related regulations.
16. The Homemaker agrees to maintain the Property in accordance with all applicable City codes and ordinances related to the maintenance of property standards, and shall not allow the Property to fall into disrepair or blight.
17. Notices shall be given between the parties in writing, and shall be delivered to the addresses of the parties set forth below their respective signatures. All notices shall be either personally delivered, or mailed through the U.S. Postal Service, postage prepaid, in a sealed envelope, certified mail, return receipt requested. Notices shall be deemed given when personally delivered, or the day following deposit in the U.S. Postal Service as aforesaid.
18. Transfer of title shall take place no later than 150 days from the date of execution of this Agreement. If transfer of title does not take place by said date, then this Agreement is subject to cancellation by the Department.
19. If the circumstances surrounding or the facts underlying the decision of the Department to transfer the Property through the Homemaker's Program have materially changed between the date of the execution of this Agreement and closing, and said changes are outside the control of the parties and could not have been avoided by the exercise of due care, then the Department, in its sole discretion, reserves the right to cancel this Agreement and shall return the earnest money deposit to the Homemaker.

20. If it becomes necessary to enforce this Agreement through an attorney, or by institution of litigation or other proceedings, the prevailing party, in addition to all other damages or remedies that may be awarded, shall be entitled to receive all costs, out-of-pocket expenditures, and reasonable attorneys' fees.

21. It is expressly understood and agreed that this Agreement contains the entire agreement between the Department and the Homemaker and that, except as otherwise provided herein, there are no oral or collateral conditions, agreements, or representations, all such having been incorporated and resolved into this Agreement. All conditions of this Agreement shall be satisfied at or before closing.

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned Homemaker on the 15th day of January, 2021.

By: 
Innocent Rudasingwa, CEO
Rudas, LLC
2740 Silent Springs Lane
Knoxville, TN 37931



STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared Innocent Rudasingwa, with whom I am personally acquainted and who, acknowledged himself to be CEO, of Rudas, LLC, and being so authorized executed the foregoing instrument for the purposes contained therein

WITNESS my hand and seal at office in Knox County, Tennessee this the 15th day of January, 2021.


NOTARY PUBLIC – Kathy D. Ellis

My Commission Expires: August 1, 2021

Acceptance of Agreement

By acceptance of this Agreement, the undersigned representative of the Community Development Department agrees to recommend to KCDC that it authorize their Board to execute a Special Warranty Deed, conveying the Property to the Buyer in consideration of \$2,000.00 and compliance with all the provisions of this Homemaker Agreement.

By: Rebecca Wade
Rebecca Wade, Director
Community Development Department
City-County Building – 5th Floor
400 Main Street
Knoxville, TN 37902

Date: January 15, 2021



STATE OF TENNESSEE)
COUNTY OF KNOX)

Personally appeared before me, a Notary Public in and for the County and State aforesaid, Rebecca Wade, with whom I am personally acquainted and who, acknowledged herself to be Community Development Director of the City of Knoxville, a municipal corporation, and being so authorized executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and seal at office in Knox County, Tennessee this the 15th day of January, 2021.

Kathy D. Ellis
NOTARY PUBLIC – Kathy D. Ellis

My Commission Expires: August 1, 2021

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Fair Market Rents Fiscal Year 2021
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Revised 9/28/2020

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		<u>Extremely Low (30%) Income Limits</u>	\$15,550	\$17,750	\$21,720	\$26,200	\$30,680	\$35,160	\$39,640	\$44,120
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NOTICE PDR-2020-02 / April 1, 2020
Fiscal Year 2020 Income Limits
Effective 4/01/20

NOTE: Knox County is part of the Knoxville, TN MSA. The Knoxville, TN MSA contains the following areas: Anderson County, TN; Blount County, TN; Knox County, TN; Loudon County, TN; and Union County, TN.

Rvsd. 9/28/20

K/Kathy/FairMarketRent FY2021 & IncomeLimits FY2020

Homemaker Application - Exhibit "B"

HOMEMAKERS PROGRAM TOTAL COST AND DEMOGRAPHICS

Address of Property: 2407 Louise Avenue
Knoxville, TN 37914

CLT: 082-NA-014

OWNER: Cost of Lot and/or Structure \$2,000
 Construction and/or Rehab Costs \$ _____
 Soft Costs \$ _____
 (Examples: taxes, insurance, utilities, mowing, closing costs, construction payments, etc.)
TOTAL COSTS \$ _____

BUYER:
 Sales Price: \$ _____ Date Sold _____ or _____

TENANT:
 Monthly Rent: \$ _____ Date Rented or Leased: _____ Sec 8? Yes No

Head of Household	Race ** (Choose from List Below)	Hispanic <input type="checkbox"/> Yes <input type="checkbox"/> No

* Head of Household - Choose From:

- | | |
|------------------|--------------------|
| 1 Married Couple | 3 Single Male |
| 2 Single Female | 4 Unmarried Couple |

** Race - Choose From:

- | | |
|--|---|
| 1 White | 6 American Indian/Alaskan & White |
| 2 Black/African American | 7 Asian & White |
| 3 American | 8 Black/African American & White |
| 4 American Indian/Alaskan Native | 9 Amer. Indian/Alaskan Native & Black/African Amer. |
| 5 Native Hawaiian/Other Pacific Islander | 10 Other multi-racial |

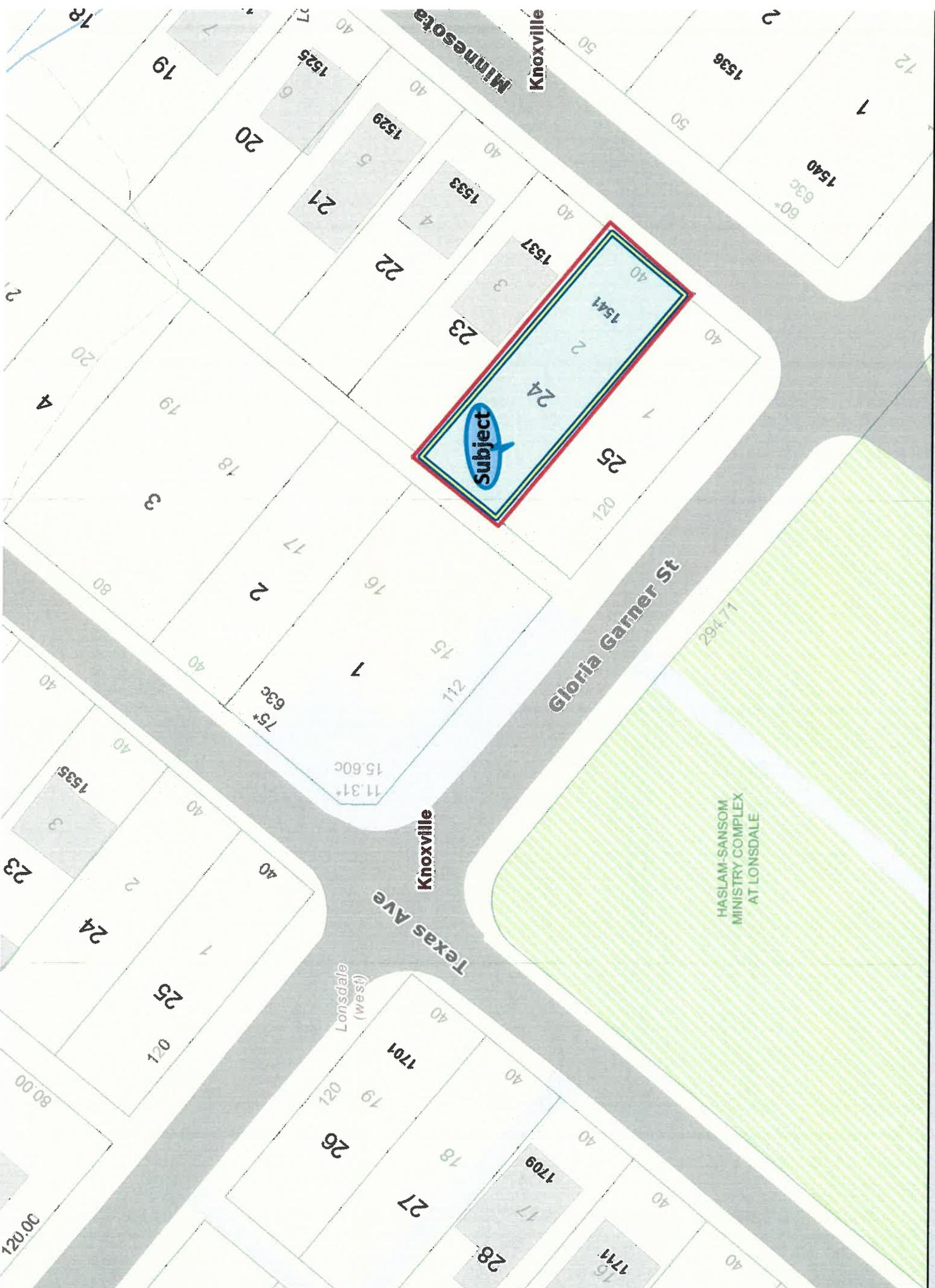
Total Annual Family Income: \$0 - \$24,999 \$25,000 - \$49,999
 \$50,000 - \$74,999 \$75,000 +

Number in household: _____
 Occupied by Elderly (65 or older)? Yes No
 Occupied by Disabled? Yes No
 Is head of household male or female? Male Female
 Unit(s) Qualified for Energy Star? Yes No
 Brought into Compliance with Lead Safety Rules? Yes No
 Multi-Unit Housing? Yes No

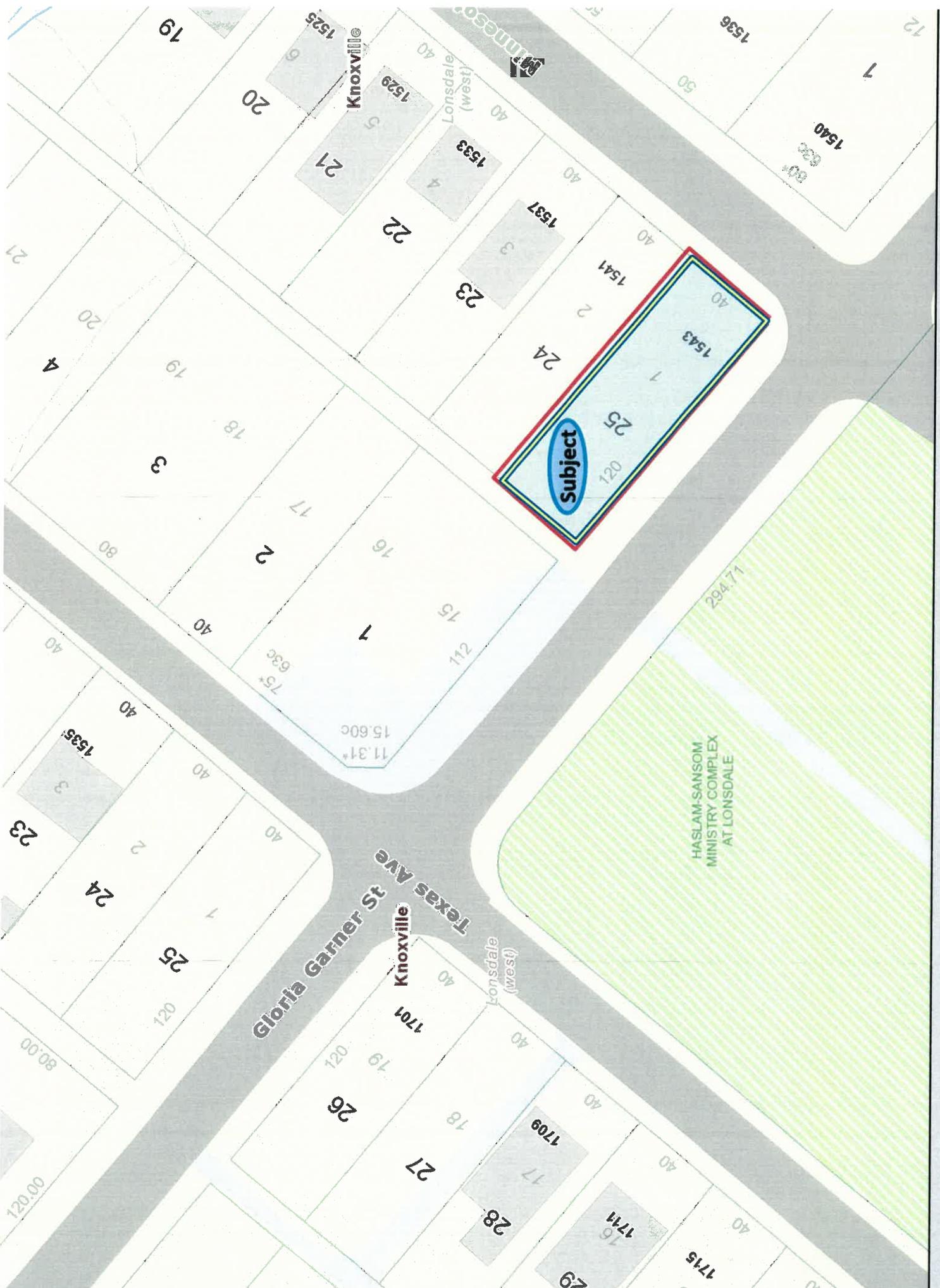


BOARD ACTION FORM

MEETING DATE	February 25, 2021
AGENDA ITEM DESCRIPTION	Approval is requested to convey 1541 Minnesota Avenue (081PE024) and 1543 Minnesota Avenue (081PE025) to Michael Haynes Construction, Inc., for new construction single-family homes in Lonsdale in the amount of \$3,000 each.
SUBMITTED BY	Name & Title: David Cook, Redevelopment Administrator (kde) Department: Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special
AGENDA CLASSIFICATION	<input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Regular
BUDGET / FINANCIAL IMPACT	Budgeted: <u>N.A.</u> Expenditure: <u>\$0.00</u> Source of Funds: <u>N.A.</u>
APPROVAL/REVIEWS	<input checked="" type="checkbox"/> Department Head /Vice President <input type="checkbox"/> Budget/Finance <input type="checkbox"/> Legal Counsel Name of Reviewer: _____ <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Other - Name & Title: _____
STAFF RECOMMENDED ACTIONS	Approve: <input checked="" type="checkbox"/> Deny: <input type="checkbox"/> Defer: <input type="checkbox"/>
<u>BACKGROUND</u>	
<p>1. What's the objective of the requested action? Newly constructed single-family, one-story, 3BR/2BA home with approximately 1,200sf, which upon completion will be rented to a low-moderate income household.</p> <p>2. Why is the action needed now? Title must be transferred for new owner to obtain permits and initiate build.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC is the property owner with the lot being sold through the City's Homemakers Program.</p> <p>4. What are the long term and short term exposures? Conveyance will be by Special Warranty Deed with reversionary language to insure compliance.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	
ATTACHMENTS	Site Maps Special Warranty Deed Homemakers Agreement



1541 Minnesota Avenue



1543 Minnesota Avenue

This instrument prepared by:
Knoxville's Community Development Corporation
P.O. Box 3550
Knoxville, TN 37928

1541 Minnesota Avenue
081PE024

SPECIAL WARRANTY DEED

THIS INDENTURE, made this 26th day of February, 2021, between KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION, a government body corporate and politic under the laws of the State of Tennessee, Grantor, and MICHAEL HAYNES CONSTRUCTION, INC., a Tennessee corporation with headquarters in Knox County, Tennessee, Grantee.

WITNESSETH:

THAT said Grantor, for and in consideration of the sum of THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00) to us in hand paid by Grantee, the receipt of which is hereby acknowledged, the Grantor has granted, bargained, sold and conveyed, and does hereby grant, bargain, sell and convey unto the said Grantee the following more fully described in "Exhibit A" attached hereto:

RESTRICTIONS COVENANTS AND CONDITIONS

THIS Deed is made, executed and delivered upon and is subject to eight express conditions and covenants set forth herein, said conditions and covenants being a part of the consideration for the property hereby conveyed and are to be taken and construed as running with the land. The Grantor and Grantee expressly intend to create a possibility of reverter conditions upon a material breach or default of the restrictions, covenants and conditions set forth herein, and it is further expressly agreed that the continued existence of the estate hereby granted shall depend on the compliance by the Grantee with all material provisions of the covenants and conditions set forth herein. If at any time prior to the written recorded release of the restrictions, covenants and conditions, the Grantee, its successors or assigns, shall default in or otherwise be in breach of the restrictions, covenants and conditions set forth herein, and if such default or breach has not been remedied or cured within one hundred eighty (180) days after written notice specifying such default or breach has been given to the Grantee and the Mortgagees, and their respective successors and assigns, then the estate in the real property conveyed herein, at the expiration of said one hundred eighty (180) day period, without the requirement of any further notice shall automatically revert back to the Grantor without the necessity of further action by either party. The Grantee hereby binds itself and its successors, assigns, grantees, and lessees forever to these covenants and conditions, which covenants and conditions are as follows:

SPECIAL COVENANT A: The Grantee shall devote the Property hereby conveyed only to the uses specified in the applicable provisions of the Redevelopment Plan or approved modifications thereof. In the event of a conflict between the terms and provisions of this Deed and the terms and provisions of the Redevelopment Plan, the terms and provisions of the Redevelopment Plan shall control;

SPECIAL COVENANT B: The construction of the improvements on the Property hereby conveyed, in accordance with the approved Final Plan, drawings, specifications, and the Homemakers Agreement dated November 23, 2020, as submitted by the Grantee, as heretofore approved by the Grantor on February 25, 2021, as being in compliance with the provisions of the Redevelopment Plan, has heretofore been commenced. The Grantee shall prosecute diligently the construction of said redevelopment to completion. Said completion occurring on or before February 26, 2022;

SPECIAL COVENANT C: Until the Grantor certifies that all improvements specified to be done by the Grantee have been completed, the Grantee shall have no power to convey the property herein described, or any part thereof, or any interest therein, without the prior written consent of the Grantor, except to a Mortgagee or Trustee under a Mortgage or Deed of Trust permitted by this Deed;

SPECIAL COVENANT D: The Grantee agrees for itself, its successors and assigns, to substantially adhere to all material provisions of the Redevelopment Plan as the same may from time to time be amended;

SPECIAL COVENANT E: The Grantee, its successors and assigns, shall never dispose of the unimproved property for a profit;

SPECIAL COVENANT F: The Grantee agrees not to substantially alter, revise or modify the final construction and/or development plans as heretofore approved by the Grantor, except with the prior written consent of the Grantor, which approval will not be unreasonably withheld or delayed so long as the proposed alteration, revision or modification complies with the Redevelopment Plan. Such approval(s) by the Grantor shall in no way be construed as approval of compliance with local codes and regulations, and will not relieve the developer of the responsibility of securing proper approvals and permits from appropriate public agencies;

SPECIAL COVENANT G: The Grantor shall be a beneficiary of all the restrictions, regulations and controls in this Deed and shall be entitled to represent or act on behalf of the City and community in enforcing the restrictions, regulations and controls provided for herein.

GENERAL COVENANTS AND RESTRICTIONS

This conveyance is made subject to the following general covenants and restrictions, each of which shall run with the land and shall be binding upon the Grantee and its successors and assigns:

1. The Grantee agrees, for itself and any successor in interest, not to discriminate upon the basis of race, creed, color or national origin in the sale, lease or rental, or in the use or occupancy of the property hereby conveyed, or any part thereof, or of any improvements erected, or to be erected thereon, or any part thereof;
2. The Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with and that all things necessary to constitute this Special Warranty Deed a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law;

3. Upon substantial completion of that portion of the improvements required by the Redevelopment Plan on the real property conveyed herein in accordance with the Redevelopment Plan and the construction and development plans for such improvements, as each of the same may be from time to time amended in writing by the Grantor, and certification of such substantial completion by the Grantee to the Grantor, the Grantor shall release in a document recorded in the Knox County Register of Deeds Office the property conveyed herein from the Restrictions, Covenants and Conditions set forth above, but until such Release is executed by the Grantor and recorded, the Restrictions, Covenants and Conditions set forth herein shall remain in full force and effect.

TO HAVE AND TO HOLD the said premises to the Grantee, its successors and assigns in FEE SIMPLE forever;

AND, the Grantor will specially warrant and forever defend the right and title thereof in the Purchaser against the claims of all persons claiming by, through or under the Grantor but no further or otherwise;

AND, the Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with and that all things necessary to constitute this Special Warranty Deed as a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law.

IN WITNESS WHEREOF, the Grantor has executed this instrument on the day and year first above written.

KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION

BY: _____

BENJAMIN M. BENTLEY
EXECUTIVE DIRECTOR/CEO

(Notary on Next Page)

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the aforesaid State and County, personally appeared Benjamin M. Bentley, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director/CEO of Knoxville’s Community Development Corporation, the within named bargainor, a public corporation, and that he as such Executive Director/CEO being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the public corporation by himself as Executive Director/CEO.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this 26th day of February, 2021.

Expiration of Commission

Notary Public

STATE OF TENNESSEE)
COUNTY OF KNOX)

I, or we, hereby swear or affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$3,000.00, which amount is equal to or greater than the amount which the property transferred would command at a fair, voluntary sale.

Subscribed and sworn to before me, this the 26th day of February, 2021.

Affiant

Notary Public
My Commission Expires: _____

New Owner & Responsible Tax Payer:
Michael Haynes Construction, Inc.
8207 Weaver Hollow Way
Powell, TN 37849

EXHIBIT A

1541 Minnesota Avenue / 081PE024

SITUATED in District No. Five (formerly Eight) of Knox County, Tennessee, and within the 19th Ward of the City of Knoxville, Tennessee, and being known and designated as Lot No. 2 in Block 12, in the Lonsdale Land Company's Addition.

BEING part of the same property conveyed to Knoxville's Community Development Corporation by Order of Possession, Vesting Title Requiring Payment of Taxes entered in the Circuit Court of Knox County, Tennessee and filed of record in Instrument No. 202003060059028, in the Register's Office for Knox County, Tennessee.

This instrument prepared by:
Knoxville's Community Development Corporation
P.O. Box 3550
Knoxville, TN 37928

1543 Minnesota Avenue
081PE025

SPECIAL WARRANTY DEED

THIS INDENTURE, made this 26th day of February, 2021, between KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION, a government body corporate and politic under the laws of the State of Tennessee, Grantor, and MICHAEL HAYNES CONSTRUCTION, INC., a Tennessee corporation with headquarters in Knox County, Tennessee, Grantee.

WITNESSETH:

THAT said Grantor, for and in consideration of the sum of THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00) to us in hand paid by Grantee, the receipt of which is hereby acknowledged, the Grantor has granted, bargained, sold and conveyed, and does hereby grant, bargain, sell and convey unto the said Grantee the following more fully described in "Exhibit A" attached hereto:

RESTRICTIONS COVENANTS AND CONDITIONS

THIS Deed is made, executed and delivered upon and is subject to eight express conditions and covenants set forth herein, said conditions and covenants being a part of the consideration for the property hereby conveyed and are to be taken and construed as running with the land. The Grantor and Grantee expressly intend to create a possibility of reverter conditions upon a material breach or default of the restrictions, covenants and conditions set forth herein, and it is further expressly agreed that the continued existence of the estate hereby granted shall depend on the compliance by the Grantee with all material provisions of the covenants and conditions set forth herein. If at any time prior to the written recorded release of the restrictions, covenants and conditions, the Grantee, its successors or assigns, shall default in or otherwise be in breach of the restrictions, covenants and conditions set forth herein, and if such default or breach has not been remedied or cured within one hundred eighty (180) days after written notice specifying such default or breach has been given to the Grantee and the Mortgagees, and their respective successors and assigns, then the estate in the real property conveyed herein, at the expiration of said one hundred eighty (180) day period, without the requirement of any further notice shall automatically revert back to the Grantor without the necessity of further action by either party. The Grantee hereby binds itself and its successors, assigns, grantees, and lessees forever to these covenants and conditions, which covenants and conditions are as follows:

SPECIAL COVENANT A: The Grantee shall devote the Property hereby conveyed only to the uses specified in the applicable provisions of the Redevelopment Plan or approved modifications thereof. In the event of a conflict between the terms and provisions of this Deed and the terms and provisions of the Redevelopment Plan, the terms and provisions of the Redevelopment Plan shall control;

SPECIAL COVENANT B: The construction of the improvements on the Property hereby conveyed, in accordance with the approved Final Plan, drawings, specifications, and the Homemakers Agreement dated November 23, 2020, as submitted by the Grantee, as heretofore approved by the Grantor on February 25, 2021, as being in compliance with the provisions of the Redevelopment Plan, has heretofore been commenced. The Grantee shall prosecute diligently the construction of said redevelopment to completion. Said completion occurring on or before February 26, 2022;

SPECIAL COVENANT C: Until the Grantor certifies that all improvements specified to be done by the Grantee have been completed, the Grantee shall have no power to convey the property herein described, or any part thereof, or any interest therein, without the prior written consent of the Grantor, except to a Mortgagee or Trustee under a Mortgage or Deed of Trust permitted by this Deed;

SPECIAL COVENANT D: The Grantee agrees for itself, its successors and assigns, to substantially adhere to all material provisions of the Redevelopment Plan as the same may from time to time be amended;

SPECIAL COVENANT E: The Grantee, its successors and assigns, shall never dispose of the unimproved property for a profit;

SPECIAL COVENANT F: The Grantee agrees not to substantially alter, revise or modify the final construction and/or development plans as heretofore approved by the Grantor, except with the prior written consent of the Grantor, which approval will not be unreasonably withheld or delayed so long as the proposed alteration, revision or modification complies with the Redevelopment Plan. Such approval(s) by the Grantor shall in no way be construed as approval of compliance with local codes and regulations, and will not relieve the developer of the responsibility of securing proper approvals and permits from appropriate public agencies;

SPECIAL COVENANT G: The Grantor shall be a beneficiary of all the restrictions, regulations and controls in this Deed and shall be entitled to represent or act on behalf of the City and community in enforcing the restrictions, regulations and controls provided for herein.

GENERAL COVENANTS AND RESTRICTIONS

This conveyance is made subject to the following general covenants and restrictions, each of which shall run with the land and shall be binding upon the Grantee and its successors and assigns:

1. The Grantee agrees, for itself and any successor in interest, not to discriminate upon the basis of race, creed, color or national origin in the sale, lease or rental, or in the use or occupancy of the property hereby conveyed, or any part thereof, or of any improvements erected, or to be erected thereon, or any part thereof;
2. The Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with and that all things necessary to constitute this Special Warranty Deed a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law;

3. Upon substantial completion of that portion of the improvements required by the Redevelopment Plan on the real property conveyed herein in accordance with the Redevelopment Plan and the construction and development plans for such improvements, as each of the same may be from time to time amended in writing by the Grantor, and certification of such substantial completion by the Grantee to the Grantor, the Grantor shall release in a document recorded in the Knox County Register of Deeds Office the property conveyed herein from the Restrictions, Covenants and Conditions set forth above, but until such Release is executed by the Grantor and recorded, the Restrictions, Covenants and Conditions set forth herein shall remain in full force and effect.

TO HAVE AND TO HOLD the said premises to the Grantee, its successors and assigns in FEE SIMPLE forever;

AND, the Grantor will specially warrant and forever defend the right and title thereof in the Purchaser against the claims of all persons claiming by, through or under the Grantor but no further or otherwise;

AND, the Grantor certifies that all conditions precedent to the valid execution and delivery of this Special Warranty Deed on its part have been complied with and that all things necessary to constitute this Special Warranty Deed as a valid, binding, and legal agreement on the terms and conditions and for the purposes set forth herein have been done and performed and have happened, and that the execution and delivery of this Special Warranty Deed on its part have been and are in all respects authorized in accordance with law.

IN WITNESS WHEREOF, the Grantor has executed this instrument on the day and year first above written.

KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION

BY: _____
BENJAMIN M. BENTLEY
EXECUTIVE DIRECTOR/CEO

(Notary on Next Page)

STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the aforesaid State and County, personally appeared Benjamin M. Bentley, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Executive Director/CEO of Knoxville’s Community Development Corporation, the within named bargainor, a public corporation, and that he as such Executive Director/CEO being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the public corporation by himself as Executive Director/CEO.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this 26th day of February, 2021.

Expiration of Commission

Notary Public

STATE OF TENNESSEE)
COUNTY OF KNOX)

I, or we, hereby swear or affirm that the actual consideration for this transfer or value of the property transferred, whichever is greater, is \$3,000.00, which amount is equal to or greater than the amount which the property transferred would command at a fair, voluntary sale.

Subscribed and sworn to before me, this the 26th day of February, 2021.

Affiant

Notary Public

My Commission Expires: _____

New Owner & Responsible Tax Payer:
Michael Haynes Construction, Inc.
8207 Weaver Hollow Way
Powell, TN 37849

EXHIBIT A

1543 Minnesota Avenue / 081PE025

SITUATED in District No. Five (formerly Eight) of Knox County, Tennessee, and within the 19th Ward of the City of Knoxville, Tennessee, and being known and designated as Lot No. 1 in Block 12, in the Lonsdale Land Company's Addition to the City of Knoxville, Tennessee, said lot is located on the corner of Minnesota Avenue and Stonewall Street, and having a frontage on Minnesota Avenue of 40 feet, and extending northwestward between parallel lines 120 feet to a ten foot alley.

BEING part of the same property conveyed to Knoxville's Community Development Corporation by Order of Possession, Vesting Title Requiring Payment of Taxes entered in the Circuit Court of Knox County, Tennessee and filed of record in Instrument No. 202003060059028, in the Register's Office for Knox County, Tennessee.

HOMEMAKERS PROPERTY DISPOSITION PROGRAM

HOMEMAKER AGREEMENT

City of Knoxville – Community Development Department

THIS HOMEMAKER AGREEMENT (“Agreement”) is made by and between the **City of Knoxville’s Community Development Department**, a department of the City of Knoxville, Tennessee, a municipal corporation organized and existing under the laws of the State of Tennessee, 400 Main Street, Knoxville, TN 37902 (“**Department**”), and **Michael Haynes Construction, Inc.**, 8207 Weaver Hollow Way, Powell, TN 37849 (“**Homemaker**”).

WITNESSETH:

WHEREAS, by Ordinance No. O-207-95, the City of Knoxville (“**City**”) has established a process called the Homemakers Program to dispose of properties acquired through the Blighted Property Ordinance and other properties acquired by or under control of the **Department** in order to meet the City’s housing and community development objectives; and

WHEREAS, under an agreement with the City, Knoxville’s Community Development Corporation (“**KCDC**”) conveys property acquired through the Lonsdale Redevelopment Plan through the Homemakers Program; and

WHEREAS, **KCDC** owns property located at **1541 Minnesota Avenue, Parcel ID No. 081-PE-024** (“**Property**”), which is more specifically described in the **Order of Possession, Vesting Title Requiring Payment of Taxes** whereby **KCDC** acquired the **Property**, which is recorded as **Instrument No. 2020030600590028** in the Knox County Register’s Office, to which Instrument specific reference is made for a more particular description of the **Property**; and

WHEREAS, the **Homemaker** has been selected by the Homemakers Program Committee to purchase the **Property** and the **Homemaker** has agreed to purchase the **Property**, under the conditions set forth in this Agreement; and

WHEREAS, said conveyance shall be made only under the prescribed conditions of this Agreement;

NOW, THEREFORE, the City and the **Homemaker**, for the mutual considerations stated herein, agree as follows:

1. The total purchase price for the fee simple title to the **Property** is **\$3,000.00**. The **Homemaker** will deposit **\$300.00** as earnest money. The City will hold said deposit in escrow until transfer of title. The **Homemaker** is responsible for any financing arrangements that must be made to pay any balance due.

2. **Final authorization for the transfer of title is subject to the approval of the Board of KCDC.**

3. The Homemaker agrees to assume full responsibility for payment of all taxes on the Property as of the date of delivery of the Deed, paying all property taxes when due, never allowing them to become delinquent.

4. The Homemaker agrees to assume full responsibility for obtaining and maintaining adequate hazard and/or builders' risk insurance as of the date of delivery of the Deed, and will provide certificates, endorsements, and policies evidencing such insurance upon the City's request.

5. The Homemaker agrees to accept title upon delivery of the Deed by KCDC..

6. The Homemaker agrees to use the Property as proposed in the Homemakers Program application submitted to and approved by the Department. The proposed use for this property is:

Newly constructed single-family, one-story, Craftsman style, 2BR/2BA home with approximately 1,000sf. The home will be energy efficient, ADA VISIBLE, and comply with Knoxville-Knox County Planning's Infill Housing Design Guidelines. Upon the home's completion it will be rented to a low-moderate income household.

(For definition of Knoxville, Tennessee's FY21 Fair Market Rents, refer to Department of Housing and Urban Development's Federal Register/Vol. 85, No. 158/August 14, 2020 "Final Fair Market Rents for Fiscal Year 2021." For FY20 Income Limits and Notice PDR-2020-02, refer to "Transmittal of Fiscal Year 2020 Income Limits" issued April 1, 2020). For your convenience, a consolidated form of this information is attached hereto as Exhibit A.

7. The Homemaker agrees to complete the rehabilitation and/or construction of the structure located on the Property **within one (1) year** of the date of delivery of the Deed. The Homemaker will begin the work necessary to rehabilitate the structure located on the Property **within 180 days** of the transfer of the Property to the Homemaker. All work shall comply with all applicable City codes, inspection and permitting rules, approved plans and specifications, and the applicable Infill Housing Guidelines for the proposed work.

8. The Homemaker agrees to submit all necessary plans **within 90 days (no later than February 21, 2021)** of the date of this Agreement for the rehabilitation and/or construction of the structure located on the Property. This Agreement is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 90 days of the date of this Agreement.

9. The Homemaker agrees to obtain a written commitment from any and all lenders for all necessary financing for the purchase, rehabilitation and/or construction required by this Agreement **within 120 days (no later than March 23, 2021)** of the date of this Agreement. The Homemaker will provide, or cause to be provided, to the City supportive documents from the lender(s) fully disclosing the financing terms. This Agreement is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 120 days of the date of this Agreement.

10. During the period beginning upon delivery of the Deed and continuing to the date KCDC issues a notice of completion of the rehabilitation, the Homemaker agrees to secure and maintain the Property.
11. The Homemaker agrees that if the Property is a contributing property within a potential Historic District, a National Register District, a Redevelopment Area, or an H-1 Historical Zoning Overlay, then all rehabilitation work, new construction or other alterations shall conform to the specific area requirements.
12. Time is of the essence with respect to all matters to be performed pursuant to this Agreement.
13. The Homemaker will permit inspections at reasonable times by the Department's staff and designated agents to determine compliance with the terms of this Agreement.
14. The Homemaker agrees to provide to the City the following information about the family or individual that initially occupies the structure located on the property: income, family size, race, sex of head of household, elderly and handicap status. The Homemaker will submit the information on the form attached hereto as Exhibit B.
15. The Homemaker agrees to comply with all applicable Federal requirements related to the construction, sale, rental, and financing of the housing units constructed and/or rehabilitated on the Property, including, but not limited to, lead-based paint hazard elimination regulations, the Civil Rights Act of 1964, and the Fair Housing Act, and related regulations.
16. The Homemaker agrees to maintain the Property in accordance with all applicable City codes and ordinances related to the maintenance of property standards, and shall not allow the Property to fall into disrepair or blight.
17. Notices shall be given between the parties in writing, and shall be delivered to the addresses of the parties set forth below their respective signatures. All notices shall be either personally delivered, or mailed through the U.S. Postal Service, postage prepaid, in a sealed envelope, certified mail, return receipt requested. Notices shall be deemed given when personally delivered, or the day following deposit in the U.S. Postal Service as aforesaid.
18. Transfer of title shall take place no later than 150 days from the date of execution of this Agreement. If transfer of title does not take place by said date, then this Agreement is subject to cancellation by the Department.
19. If the circumstances surrounding or the facts underlying the decision of the Department to transfer the Property through the Homemaker's Program have materially changed between the date of the execution of this Agreement and closing, and said changes are outside the control of the parties and could not have been avoided by the exercise of due care, then the Department, in its sole discretion, reserves the right to cancel this Agreement and shall return the earnest money deposit to the Homemaker.

20. If it becomes necessary to enforce this Agreement through an attorney, or by institution of litigation or other proceedings, the prevailing party, in addition to all other damages or remedies that may be awarded, shall be entitled to receive all costs, out-of-pocket expenditures, and reasonable attorneys' fees.

21. It is expressly understood and agreed that this Agreement contains the entire agreement between the Department and the Homemaker and that, except as otherwise provided herein, there are no oral or collateral conditions, agreements, or representations, all such having been incorporated and resolved into this Agreement. All conditions of this Agreement shall be satisfied at or before closing.

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned Homemaker on the 23rd day of November, 2020.

By: Michael Haynes
Michael Haynes, Owner
Michael Haynes Construction, Inc.
8207 Weaver Hollow Way
Powell, TN 37849



STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared Michael Haynes, with whom I am personally acquainted and who, acknowledged himself to be Owner, of Michael Haynes Construction, Inc., and being so authorized executed the foregoing instrument for the purposes contained therein

WITNESS my hand and seal at office in Knox County, Tennessee this the 23rd day of November, 2020.

Kathy D. Ellis
NOTARY PUBLIC – Kathy D. Ellis

My Commission Expires: August 1, 2021

Acceptance of Agreement

By acceptance of this Agreement, the undersigned representative of the Community Development Department agrees to recommend to KCDC that it authorize their Board to execute a Special Warranty Deed, conveying the Property to the Buyer in consideration of \$3,000.00 and compliance with all the provisions of this Homemaker Agreement.

By: Rebecca Wade
Rebecca Wade, Director
Community Development Department
City-County Building – 5th Floor
400 Main Street
Knoxville, TN 37902

Date: November 23, 2020



STATE OF TENNESSEE)
COUNTY OF KNOX)

Personally appeared before me, a Notary Public in and for the County and State aforesaid, Rebecca Wade, with whom I am personally acquainted and who, acknowledged herself to be Community Development Director of the City of Knoxville, a municipal corporation, and being so authorized executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and seal at office in Knox County, Tennessee this the 23rd day of November, 2020.

Kathy D. Ellis
NOTARY PUBLIC – Kathy D. Ellis

My Commission Expires: August 1, 2021

Exhibit "A"

FY 2021 Knox County Fair Market Rents for All Bedroom Sizes

FY 2021 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2021 Fair Market Rent	\$624	\$729	\$896	\$1,182	\$1,421

Federal Register/ Vol. 85, No. 158/August 14, 2020
Fair Market Rents Fiscal Year 2021
Effective 10/01/2020

Revised 9/28/2020

FY 2020 Income Limits Summary

Knox County, Tennessee										
FY 2020 Income Limit Area	Median Income	FY 2020 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Knox County	\$73,900	<u>Very Low (50%) Income Limits</u>	\$25,900	\$29,600	\$33,300	\$36,950	\$39,950	\$42,900	\$45,850	\$48,800
		<u>Extremely Low (30%) Income Limits</u>	\$15,550	\$17,750	\$21,720	\$26,200	\$30,680	\$35,160	\$39,640	\$44,120
		<u>Low (80%) Income Limits</u>	\$41,400	\$47,300	\$53,200	\$59,100	\$63,850	\$68,600	\$73,300	\$78,050

NOTICE PDR-2020-02 / April 1, 2020
Fiscal Year 2020 Income Limits
Effective 4/01/20

NOTE: Knox County is part of the **Knoxville, TN MSA**. The **Knoxville, TN MSA** contains the following areas: Anderson County, TN; Blount County, TN; Knox County, TN; Loudon County, TN; and Union County, TN.

Rvsd. 9/28/20

K/Kathy/FairMarketRent FY2021 & IncomeLimits FY2020

HOMEMAKERS PROPERTY DISPOSITION PROGRAM

HOMEMAKER AGREEMENT

City of Knoxville – Community Development Department

THIS HOMEMAKER AGREEMENT (“Agreement”) is made by and between the **City of Knoxville’s Community Development Department**, a department of the City of Knoxville, Tennessee, a municipal corporation organized and existing under the laws of the State of Tennessee, 400 Main Street, Knoxville, TN 37902 (“**Department**”), and **Michael Haynes Construction, Inc.**, 8207 Weaver Hollow Way, Powell, TN 37849 (“**Homemaker**”).

WITNESSETH:

WHEREAS, by Ordinance No. O-207-95, the City of Knoxville (“**City**”) has established a process called the Homemakers Program to dispose of properties acquired through the Blighted Property Ordinance and other properties acquired by or under control of the Department in order to meet the City’s housing and community development objectives; and

WHEREAS, under an agreement with the City, Knoxville’s Community Development Corporation (“**KCDC**”) conveys property acquired through the Lonsdale Redevelopment Plan through the Homemakers Program; and

WHEREAS, **KCDC** owns property located at **1543 Minnesota Avenue, Parcel ID No. 081-PE-025** (“**Property**”), which is more specifically described in the **Order of Possession, Vesting Title Requiring Payment of Taxes** whereby **KCDC** acquired the Property, which is recorded as **Instrument No. 2020030600590028** in the Knox County Register’s Office, to which Instrument specific reference is made for a more particular description of the Property; and

WHEREAS, the Homemaker has been selected by the Homemakers Program Committee to purchase the Property and the Homemaker has agreed to purchase the Property, under the conditions set forth in this Agreement; and

WHEREAS, said conveyance shall be made only under the prescribed conditions of this Agreement;

NOW, THEREFORE, the City and the Homemaker, for the mutual considerations stated herein, agree as follows:

1. The total purchase price for the fee simple title to the Property is \$3,000.00. The Homemaker will deposit \$300.00 as earnest money. The City will hold said deposit in escrow until transfer of title. The Homemaker is responsible for any financing arrangements that must be made to pay any balance due.

2. **Final authorization for the transfer of title is subject to the approval of the Board of KCDC.**

3. The Homemaker agrees to assume full responsibility for payment of all taxes on the Property as of the date of delivery of the Deed, paying all property taxes when due, never allowing them to become delinquent.

4. The Homemaker agrees to assume full responsibility for obtaining and maintaining adequate hazard and/or builders' risk insurance as of the date of delivery of the Deed, and will provide certificates, endorsements, and policies evidencing such insurance upon the City's request.

5. The Homemaker agrees to accept title upon delivery of the Deed by KCDC..

6. The Homemaker agrees to use the Property as proposed in the Homemakers Program application submitted to and approved by the Department. The proposed use for this property is:

Newly constructed single-family, one-story, Craftsman style, 3BR/2BA home with approximately 1,200sf. The home will be energy efficient, ADA VISIBLE, and comply with Knoxville-Knox County Planning's Infill Housing Design Guidelines. Upon the home's completion it will be rented to a low-moderate income household.

(For definition of Knoxville, Tennessee's FY21 Fair Market Rents, refer to Department of Housing and Urban Development's Federal Register/Vol. 85, No. 158/August 14, 2020 "Final Fair Market Rents for Fiscal Year 2021." For FY20 Income Limits and Notice PDR-2020-02, refer to "Transmittal of Fiscal Year 2020 Income Limits" issued April 1, 2020). For your convenience, a consolidated form of this information is attached hereto as Exhibit A.

7. The Homemaker agrees to complete the rehabilitation and/or construction of the structure located on the Property **within one (1) year** of the date of delivery of the Deed. The Homemaker will begin the work necessary to rehabilitate the structure located on the Property **within 180 days** of the transfer of the Property to the Homemaker. All work shall comply with all applicable City codes, inspection and permitting rules, approved plans and specifications, and the applicable Infill Housing Guidelines for the proposed work.

8. The Homemaker agrees to submit all necessary plans **within 90 days (no later than February 21, 2021)** of the date of this Agreement for the rehabilitation and/or construction of the structure located on the Property. This Agreement is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 90 days of the date of this Agreement.

9. The Homemaker agrees to obtain a written commitment from any and all lenders for all necessary financing for the purchase, rehabilitation and/or construction required by this Agreement **within 120 days (no later than March 23, 2021)** of the date of this Agreement. The Homemaker will provide, or cause to be provided, to the City supportive documents from the lender(s) fully disclosing the financing terms. This Agreement is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 120 days of the date of this Agreement.

10. During the period beginning upon delivery of the Deed and continuing to the date KCDC issues a notice of completion of the rehabilitation, the Homemaker agrees to secure and maintain the Property.
11. The Homemaker agrees that if the Property is a contributing property within a potential Historic District, a National Register District, a Redevelopment Area, or an H-1 Historical Zoning Overlay, then all rehabilitation work, new construction or other alterations shall conform to the specific area requirements.
12. Time is of the essence with respect to all matters to be performed pursuant to this Agreement.
13. The Homemaker will permit inspections at reasonable times by the Department's staff and designated agents to determine compliance with the terms of this Agreement.
14. The Homemaker agrees to provide to the City the following information about the family or individual that initially occupies the structure located on the property: income, family size, race, sex of head of household, elderly and handicap status. The Homemaker will submit the information on the form attached hereto as Exhibit B.
15. The Homemaker agrees to comply with all applicable Federal requirements related to the construction, sale, rental, and financing of the housing units constructed and/or rehabilitated on the Property, including, but not limited to, lead-based paint hazard elimination regulations, the Civil Rights Act of 1964, and the Fair Housing Act, and related regulations.
16. The Homemaker agrees to maintain the Property in accordance with all applicable City codes and ordinances related to the maintenance of property standards, and shall not allow the Property to fall into disrepair or blight.
17. Notices shall be given between the parties in writing, and shall be delivered to the addresses of the parties set forth below their respective signatures. All notices shall be either personally delivered, or mailed through the U.S. Postal Service, postage prepaid, in a sealed envelope, certified mail, return receipt requested. Notices shall be deemed given when personally delivered, or the day following deposit in the U.S. Postal Service as aforesaid.
18. Transfer of title shall take place no later than 150 days from the date of execution of this Agreement. If transfer of title does not take place by said date, then this Agreement is subject to cancellation by the Department.
19. If the circumstances surrounding or the facts underlying the decision of the Department to transfer the Property through the Homemaker's Program have materially changed between the date of the execution of this Agreement and closing, and said changes are outside the control of the parties and could not have been avoided by the exercise of due care, then the Department, in its sole discretion, reserves the right to cancel this Agreement and shall return the earnest money deposit to the Homemaker.

20. If it becomes necessary to enforce this Agreement through an attorney, or by institution of litigation or other proceedings, the prevailing party, in addition to all other damages or remedies that may be awarded, shall be entitled to receive all costs, out-of-pocket expenditures, and reasonable attorneys' fees.

21. It is expressly understood and agreed that this Agreement contains the entire agreement between the Department and the Homemaker and that, except as otherwise provided herein, there are no oral or collateral conditions, agreements, or representations, all such having been incorporated and resolved into this Agreement. All conditions of this Agreement shall be satisfied at or before closing.

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned Homemaker on the 23rd day of November, 2020.

By: *Michael Haynes*
Michael Haynes, Owner
Michael Haynes Construction, Inc.
8207 Weaver Hollow Way
Powell, TN 37849



STATE OF TENNESSEE)
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared Michael Haynes, with whom I am personally acquainted and who, acknowledged himself to be Owner, of Michael Haynes Construction, Inc., and being so authorized executed the foregoing instrument for the purposes contained therein

WITNESS my hand and seal at office in Knox County, Tennessee this the 23rd day of November, 2020.

Kathy D. Ellis
NOTARY PUBLIC – Kathy D. Ellis

My Commission Expires: August 1, 2021

Acceptance of Agreement

By acceptance of this Agreement, the undersigned representative of the Community Development Department agrees to recommend to KCDC that it authorize their Board to execute a Special Warranty Deed, conveying the Property to the Buyer in consideration of **\$3,000.00** and compliance with all the provisions of this Homemaker Agreement.

By: *Rebecca Wade*
Rebecca Wade, Director
Community Development Department
City-County Building – 5th Floor
400 Main Street
Knoxville, TN 37902

Date: November 23, 2020



STATE OF TENNESSEE)
COUNTY OF KNOX)

Personally appeared before me, a Notary Public in and for the County and State aforesaid, Rebecca Wade, with whom I am personally acquainted and who, acknowledged herself to be Community Development Director of the City of Knoxville, a municipal corporation, and being so authorized executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and seal at office in Knox County, Tennessee this the 23rd day of November, 2020.

Kathy D. Ellis
NOTARY PUBLIC – Kathy D. Ellis

My Commission Expires: August 1, 2021

Exhibit "A"

FY 2021 Knox County Fair Market Rents for All Bedroom Sizes

FY 2021 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2021 Fair Market Rent	\$624	\$729	\$896	\$1,182	\$1,421

Federal Register/ Vol. 85, No. 158/August 14, 2020
Fair Market Rents Fiscal Year 2021
Effective 10/01/2020

Revised 9/28/2020

FY 2020 Income Limits Summary

Knox County, Tennessee										
FY 2020 Income Limit Area	Median Income	FY 2020 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Knox County	\$73,900	<u>Very Low (50%) Income Limits</u>	\$25,900	\$29,600	\$33,300	\$36,950	\$39,950	\$42,900	\$45,850	\$48,800
		<u>Extremely Low (30%) Income Limits</u>	\$15,550	\$17,750	\$21,720	\$26,200	\$30,680	\$35,160	\$39,640	\$44,120
		<u>Low (80%) Income Limits</u>	\$41,400	\$47,300	\$53,200	\$59,100	\$63,850	\$68,600	\$73,300	\$78,050

NOTICE PDR-2020-02 / April 1, 2020
Fiscal Year 2020 Income Limits
Effective 4/01/20

NOTE: Knox County is part of the Knoxville, TN MSA. The Knoxville, TN MSA contains the following areas: Anderson County, TN; Blount County, TN; Knox County, TN; Loudon County, TN; and Union County, TN.

Rvsd. 9/28/20

K/Kathy/FairMarketRent FY2021 & IncomeLimits FY2020



BOARD ACTION FORM

MEETING DATE	February 25, 2021
AGENDA ITEM DESCRIPTION	Resolution regarding the organizational documents of Bell Street 2 Corporation and Bell Street 2 LP.
SUBMITTED BY	Name & Title: Brad Peters, VP Redevelopment/Legal Services Department: Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special
AGENDA CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Regular
BUDGET / FINANCIAL IMPACT	Budgeted: <u>n/a</u> Expenditure: <u>n/a</u> Source of Funds: <u>n/a</u>
APPROVAL/REVIEWS	<input checked="" type="checkbox"/> Department Head /Vice President <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Legal Counsel Name of Reviewer: <u>Jordana Nelson, Bass Bern</u> <input type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Other - Name & Title: _____
STAFF RECOMMENDED ACTIONS	Approve: <input checked="" type="checkbox"/> Deny: <input type="checkbox"/> Defer: <input type="checkbox"/>
<u>BACKGROUND</u>	
<p>1. What's the objective of the requested action? Seeking board approval to permit the authorization to execute documents in connection with the re-assignment of the general partnership interests in Bell Street 2 LP from Bell Street 2 GP 2, LLC (a Southeastern Housing Foundation entity) back to Bell Street 2 Corporation (KCDC instrumentality).</p> <p>2. Why is the action needed now? The restructuring of the organizational documents is needed prior to staff submitting a new 9% LIHTC application to THDA on March 3, 2021.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC (sole shareholder of Bell Street 2 Corporation), Bell Street 2 Corporation (being reinstated as the general partner), Bell Street 2 GP, LLC (a SHF entity that is assigning the general partner interests back to Bell Street 2 Corporation) and Bell Street 2 LP (the limited partnership owner entity).</p> <p>4. What are the long term and short term exposures? None</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	Bell Street 2 Corporation assigned its general partnership interests in Bell Street 2 LP to Bell Street 2 GP LLC in connection with the 2020 9% LIHTC application. That application was ultimately unsuccessful.
ATTACHMENTS	Resolution Second amendment to the LPA Amendment to the Certificate of LP

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
REGARDING ORGANIZATIONAL MATTERS OF BELL STREET 2
CORPORATION AND BELL STREET 2 LP**

WHEREAS, Knoxville's Community Development Corporation ("KCDC") is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "Municipality") and is duly incorporated pursuant to Sections 13-20-101 *et seq.*, Tennessee Code Annotated; and

WHEREAS, pursuant to Tenn. Code Ann. § 13-20-104(a)(6), housing and redevelopment authorities in Tennessee are authorized to own, operate, assist, or otherwise participate in (directly or through a partnership, a limited liability company, or other entity in which the authority, or an entity affiliated with an authority, is a general partner, managing member, or otherwise participates in the activities of the entity) one (1) or more mixed-finance projects (including projects financially assisted by low-income housing tax credits); and

WHEREAS, KCDC has previously authorized master planning for the redevelopment of Austin Homes located in the Municipality; and

WHEREAS, for the purpose of facilitating financing and development of the second phase of the proposed redevelopment, KCDC previously formed a corporation known as Bell Street 2 Corporation (the "Corporation") and the Corporation previously formed a limited partnership known as Bell Street 2 LP (the "Limited Partnership"); and

WHEREAS, for the purpose of submitting an application for an allocation of low-income housing tax credits to the Tennessee Housing Development Agency to further the development of the Property, the Corporation previously assigned its general partnership interest in the Partnership to an affiliate of Southeastern Housing Foundation (the "Southeastern Housing Entity"); and

WHEREAS, now that the partnership with the Southeastern Housing Entity has concluded, the Southeastern Housing Entity desires to assign its general partnership interest in the Partnership back to the Corporation.

WHEREAS, the Board desires to approve and authorize such documentation as is necessary for the Corporation to reclaim its general partnership interest in the Partnership (the "Organizational Documents"), including, but not limited to, an Assignment of Partnership Interest and a Second Amended and Restated Limited Partnership Agreement, drafts of which have been submitted to KCDC and shall be filed with the records of KCDC; and

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION:

RESOLVED, that the Chairman, Vice Chairman, Secretary, Assistant Secretary and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is/are authorized and empowered to execute and cause to be filed or recorded, as applicable, the Organizational Documents; and, further

RESOLVED, that the Organizational Documents shall be in substantially the forms submitted, which are hereby approved, with such completions, omissions, insertions and changes as may be approved by the officers executing them, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes; and, further

RESOLVED, that the Chairman, Vice Chairman, Secretary, Assistant Secretary and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is/are authorized and empowered to execute and cause to be filed or recorded, as applicable, any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officers in order for the Corporation to reclaim its general partnership interest in the Partnership, all in the form approved by the Authorized Officers executing same, the execution of same by such Authorized Officers to constitute conclusive evidence of the approval of same; and, further

RESOLVED, that it is in the best interest of KCDC to enter into, file and/or record the Organizational Documents with respect to the fourth phase of redevelopment of the Austin Homes; and, further,

RESOLVED, that any and all other actions heretofore taken on behalf of KCDC by the Authorized Officers to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the other actions authorized by the foregoing resolutions, and all acts of the Authorized Officers that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Adopted this ____ day of _____, 2021.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

SECOND AMENDED AND RESTATED

LIMITED PARTNERSHIP AGREEMENT

This Second Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") is made and entered into effective _____, 2021, by and between Bell Street 2 Corporation, an instrumentality of Knoxville's Community Development Corporation organized pursuant to Tenn. Code Ann. § 13-20-104(b) (the "General Partner"), and Knoxville's Community Development Corporation, a housing and redevelopment authority of the City of Knoxville, Tennessee organized under the Tennessee Housing Authorities Law, Tenn. Code Ann. §§ 13-20-101, et seq. (the "Limited Partner"; the General Partner, the Limited Partner and any other partners who execute this Partnership Agreement from time to time being referred to hereafter collectively as the "Partners").

FOR AND IN CONSIDERATION of the mutual covenants hereinafter set forth, and for other good and valuable consideration, the Partners do hereby agree as follows:

1. Formation.

- (a) Adoption of Partnership Agreement; Certificate is Controlling. The General Partner, acting as the sole general partner, previously formed a limited partnership known as Bell Street 2 LP (the "Partnership"), which shall be governed under the provisions of the Tennessee Revised Uniform Limited Partnership Act of 2017 (the "Act"). The General Partner, acting as the sole general partner, then conducted the business of the Partnership until February 27, 2020, when the General Partner assigned all its general partner interests in the Partnership to Bell Street 2 GP, LLC, a Tennessee nonprofit limited liability company (the "Former Partner") and the Former Partner accepted that assignment until the date hereof, when the Former Partner assigned all its general partner interests in the Partnership back to the General Partner. The Partners hereby adopt this Partnership Agreement and agree to govern the business of the Partnership among themselves according to the terms of the Act and this Agreement. By executing this Partnership Agreement, the Partners hereby adopt and ratify the Certificate of Limited Partnership dated as of February 18, 2020, as amended on February 27, 2020 and as amended on _____, 2021 (collectively, the "Certificate"). If there is any conflict between the terms of this Partnership Agreement and the Certificate, the Certificate shall control.
- (b) Name of Partnership. The name of the Partnership shall be "Bell Street 2 LP", and the business and activities of the Partnership shall be conducted under either that name or any other name chosen by the General Partner.
- (c) Registered Office and Address. The Partnership shall maintain a registered office in Tennessee at c/o Benjamin M. Bentley, 901 North Broadway, Knoxville, Knox County, Tennessee 37917. The initial registered agent of the Partnership shall be Benjamin M. Bentley.

- (d) Principal Place of Business. The principal place of business of the Partnership shall be 901 North Broadway, Knoxville, Knox County, Tennessee 37917. The Partnership may maintain such other offices and places of business as the General Partner may deem advisable for the benefit of the Partnership.
- (e) Names and Addresses of Partners. Any Partner who changes his or her address shall give written notice thereof to the Partnership.
- (f) Purposes. The purposes and business of the Partnership are as follows:
 - (1) Certain Specific Business Purposes. To facilitate the development of a low-income housing facility at 260 S. Bell Street, Knoxville, Tennessee 37917 for residents of the City of Knoxville, Tennessee; and
 - (2) Broad Business Purpose. To engage in any lawful business or activity permitted under the Act.
- (g) Powers of the Partnership. The Partnership is authorized:
 - (1) Acquire Assets. To construct, purchase, lease, receive or otherwise acquire any real or personal property;
 - (2) Manage, Operate, Convey and Encumber Assets. To operate, maintain, improve, sell, option, convey, assign, pledge, mortgage, lease or otherwise manage, transfer or encumber any assets owned by the Partnership;
 - (3) Borrow Funds. To borrow money and issue evidences of indebtedness in furtherance of the Partnership business, whether secured or unsecured;
 - (4) Refinancings. To prepay, in whole or in part, refinance, recast, increase, modify and extend any Partnership indebtedness;
 - (5) Enter into Contracts. To execute, deliver and perform such agreements, documents and instruments as may be advisable in connection with the conduct of the Partnership business; and
 - (6) Broad Power to Act. To do any and all other acts of any kind whatsoever in connection with the accomplishment of the purposes of the Partnership.
- (h) Term. The term of the Partnership shall commence upon the filing of the Certificate in the office of the Tennessee Secretary of State and shall continue until the dissolution and liquidation of the Partnership have been completed as hereinafter provided.

2. Capital.

(a) Capital Contributions.

- (1) Initial Capital Contributions. The Partners agree to contribute assets to the capital of the Partnership as shown on Exhibit A.
- (2) No Additional Capital Contributions Required. No additional capital contributions shall be required of any Partner.
- (3) Additional Capital Contributions with Consent of General Partner. No partner may contribute additional capital to the Partnership without the prior written consent of the General Partner.

(b) Capital Accounts. A capital account shall be established on the books of the Partnership for each Partner (the "Capital Accounts"). The General Partnership interest of a General Partner will be maintained separately from any limited partnership interest owned by a General Partner. Such capital accounts will be maintained in accordance with § 704(b) of the Internal Revenue Code of 1986, as amended (the "Code") and the Treasury Regulations promulgated thereunder.

(c) Transfers of Partnership Interests. Upon the transfer by any Partner of any part or all of his or her Partnership Interest as hereinafter provided, the proportionate amount of his or her respective Capital Account shall be transferred to the transferee.

(d) Limitation on Withdrawals of Capital by Partners Prior to the liquidation of the Partnership:

- (1) Withdrawals Limited. No Partner shall have the right to withdraw or reduce such Partner's contribution to the capital of the Partnership or to require the Partnership to make any distribution to the Partners (other than distributions required by the specific terms of this Agreement). No Partner shall be entitled to any interest on his or her contributions to the capital of the Partnership.
- (2) No Priority among Partners. No Partner shall have the right to demand to have distributed, or to receive, any specific class or item of property, and no Partner shall have any priority over any other Partner, either as to contributions of capital or otherwise.

3. Allocation of Profits and Losses.

(a) Partners' Partnership Interests in Profits and Losses. All Partnership net profits and net losses from whatever source derived (except profits and losses incurred with respect to property contributed to the Partnership by a Partner, which shall be allocated pursuant to § 704(c) of the Code and regulations thereunder), shall

be allocated to the Partners pro rata based upon their respective Partnership Interests. The term "Partnership Interest", with respect to any Partner, shall mean the interest of such Partner in the profits and losses of the Partnership. The initial Partnership Interests of the Partners are set forth on Exhibit A attached hereto. The General Partner shall keep accurate records to reflect any and all changes which may occur in the Partnership Interests.

- (b) Transfers of Partnership Interests. If a Partner transfers all or part of such Partner's Partnership Interest, or in the event of any increase or decrease in the Interest of any Partner, whether arising out of the entry of a new Partner, the liquidation (partial or whole) of any Partner's Interest, or otherwise, the share of the profits and losses of the respective Partners, and each item of income and expense related thereto, shall be determined by reference to the income and expense reflected on the books and records of the Partnership as of the day on which any such event occurs, as if such books and records were closed on such day.

4. Distributions to Partners.

- (a) Non-liquidating Distributions.

- (1) In General. Distributions (in cash or in kind) may be made from the Partnership to the Partners in such amounts and at such times as the General Partner shall determine.
- (2) Intention of Partners with Respect to Operating Distributions. In setting a distribution policy for the Partnership from time to time, the General Partner is directed to take into consideration the fact that the Partners intend that they will always each possess a substantial present economic and financial benefit from their ownership of interests in the Partnership. Accordingly, while it is not required that the Partnership will elect to distribute its net income for any given period, it is anticipated that the General Partner will choose to authorize distributions from the Partnership from time to time, after setting aside such reserves to meet the Partnership's investment, reinvestment and operating needs and goals as the General Partner deems proper under all of the circumstances.
- (3) Allocation of Distributions Among Partners. All distributions shall be made in accordance with the Partnership Interests of the Partners, except for distributions upon the liquidation of the Partnership which shall be made in the manner provided in subparagraph 4(b) below.

- (b) Liquidation Distributions. Distributions made upon liquidation of the Partnership shall be apportioned among the Partners in accordance with the provisions of subparagraph 12 hereof.

5. Management of Partnership Business.

(a) Partnership Managed by General Partner.

(1) In General. The management of the Partnership's business shall be vested solely in the General Partner who shall devote such time and attention to the business of the Partnership as may be appropriate. The General Partner shall manage the affairs of the Partnership to the best of the General Partner's ability and shall use the General Partner's best efforts to carry out the General Partner's responsibilities as set forth herein and as provided in the Act. The General Partner shall have full power to carry out the purposes and objectives of the Partnership through the exercise of the authority conferred upon the Partnership under the terms of this Agreement, including without limitation the power to incur debt or other obligations without approval of the Limited Partners, and the General Partner shall possess and may enjoy and exercise all of the rights and powers of general partners as more particularly provided by the Act, except to the extent any of such rights may be limited or restricted by the express provisions of this Agreement.

(2) Fiduciary Obligation to Limited Partners. In all matters pertaining to the Partnership, the General Partner shall owe a fiduciary obligation to the Limited Partners.

(b) Compensation of General Partner. The Partnership may compensate the General Partner for any services that such General Partner renders to the Partnership in an amount commensurate with the value of the services rendered, provided that such compensation must be approved by the holders of a majority of the Partnership Interests, excluding for this purpose any Limited or General Partnership Interest held by the General Partner receiving the compensation.

(c) Reimbursement for Expenses. The General Partner shall be entitled to be reimbursed for all reasonable costs and expenses incurred by the General Partner in carrying out the General Partner's duties hereunder or in carrying on the business and activities of the Partnership.

(d) Tax Matters Partner. The General Partner shall be the "tax matters partner" (as defined in § 6231(a)(7) of the Code) for all administrative and judicial proceedings for the assessment and collection of tax deficiencies and for the refund of tax overpayments arising out of a Partner's distributive share of Partnership income, losses and credits.

6. Rights of Limited Partners.

(a) No Liability for Partnership Obligations.

(1) In General. No Limited Partner shall be subject to assessment nor shall any Limited Partner be personally liable for any of the debts or obligations of the Partnership or for any of the losses of the Partnership beyond such Limited Partner's obligation to contribute to the capital of the Partnership as specified in this Agreement unless an election described in subparagraph 6(a)(2) herein is in force with respect to said Limited Partner.

(2) Election to Waive Limited Liability. Any Limited Partner may elect at any time to waive the liability protection offered in subparagraph 6(a)(1) of this Agreement. All Limited Partners making such election will be jointly and severally liable for the debts, obligations, and liabilities of the Partnership however arising (contract, tort, or otherwise) and for the actions of the General Partner acting in furtherance of the Partnership's business or other activity. A Limited Partner may revoke at any time such Limited Partner's election to have joint and several unlimited liability and remain a Limited Partner subject to the liability protection of subparagraph 6(a)(1). The certificate of limited partnership shall be amended to reflect such election or revocation by a Limited Partner.

(b) No Right to Participate in Management. No Limited Partner, as such, shall take part in the management of the Partnership's business, or have any power, right or authority to enter into any agreement, execute or sign documents for, make representations on behalf of, or to otherwise act so as to bind the Partnership in any manner.

(c) Right to Information and Accountings. Each Limited Partner shall have the right to true and full information of all things affecting the Partnership and to a formal accounting of Partnership affairs whenever circumstances render it just and reasonable.

7. Restrictions on Transfers of Partnership Interests. Any transfer or encumbrance by a Partner of all or any portion of such Partner's interest in the Partnership which is not in compliance with this paragraph 7 shall be void and of no effect.

(a) Transfers by General Partner. The General Partner may not sell, assign, pledge or otherwise transfer or encumber all or any portion of such General Partner's general partnership interest without the prior written consent of Partners holding a majority of the Partnership Interests, excluding for this purpose all General and Limited Partnership Interests held by the General Partner.

- (b) Transfers by Limited Partner. The Limited Partner may not sell, assign, pledge or otherwise transfer or encumber all or any portion of such Limited Partner's limited partnership interest without the prior written consent of Partners holding a majority of the Partnership Interests, excluding for this purpose all General and Limited Partnership Interests held by the Limited Partner.

- 8. Conditions on Transferee's Admission to Partnership as a Limited Partner. No person to whom an interest in the Partnership has been transferred shall become a Limited Partner unless:
 - (a) Execution of Partnership Agreement. The transferee signs this Partnership Agreement and agrees to be bound by the terms hereof (unless such transferee is already a Limited Partner); and
 - (b) Payment of Expenses. Such transferee pays all reasonable expenses connected with such admission.

- 9. Books, Records, Accounts, and Reports.
 - (a) Maintenance of Accurate Records. At all times during the existence of the Partnership, the General Partner shall keep, or cause to be kept, full and true books of account, in which all transactions of the Partnership shall be entered fully and accurately. Such books of account, together with a copy of this Agreement and all amendments hereto, shall at all times be maintained at the principal office of the Partnership and shall be open to reasonable inspection and examination by the Partners or their duly authorized representatives.
 - (b) Tax Returns. The General Partner shall have income tax returns prepared for the Partnership; and a report indicating the respective Partners' shares of the net income or losses, capital gains or losses, and other items required under the Code to be separately allocated to each Partner, shall be distributed to the Partners within a reasonable time after the close of the taxable year or the period of the Partnership for which such return was prepared.
 - (c) Partnership Accounts. All funds of the Partnership shall be deposited in a separate account or accounts, and only the General Partner, and such persons as may be designated by the General Partner, may sign checks and draw upon such account or accounts.

- 10. Withdrawal or Dissolution of General Partner. The General Partner covenants that it will not voluntarily withdraw from the Partnership prior to the Partnership's dissolution.

- 11. Dissolution. The Partnership shall be dissolved upon the earlier of:
 - (a) Election to Terminate. The election to terminate the Partnership made in writing by the General Partner; or

(b) Lack of General Partners. At any time there shall be no General Partner.

12. Liquidation. Following the dissolution of the Partnership for any reason, the General Partner, or the person required by law to wind up its affairs, shall liquidate the Partnership and shall apply the proceeds of such liquidation and distribute the remaining assets of the Partnership in the following order:

(a) Payment of Creditors other than Partners. To the repayment of creditors of the Partnership other than Partners;

(b) Payment of Partner-Creditors. To the repayment of Partners to the extent of loans made to the Partnership;

(c) Reserves. To the setting up of any reserves deemed reasonably necessary by the person liquidating the Partnership for any contingent or unforeseen liabilities or obligations of the Partnership arising out of or in connection with the conduct of the business and affairs of the Partnership; and

(d) Remainder to Partners. The remainder to the Partners in the following manner:

(1) Cash Liquidation. In the event of a complete liquidation in cash, then to the Partners in accordance with their capital accounts.

(2) Liquidation Wholly or Partially in Kind. In the event of a liquidation in kind (in whole or in part), the net fair market values of the properties to be distributed in kind shall be determined by the General Partner (or the person required by law to wind up the affairs of the Partnership), in such manner as the General Partner (or such other person) deems best in their reasonable discretion. Each Partner shall then receive an undivided interest in the asset or assets of the Partnership equal in value to the proceeds to which such Partner would have been entitled if such asset or assets had been sold or otherwise converted to cash at such fair market values and the liquidation of the Partnership had been made solely in cash.

(e) Reasonable Period to Complete Liquidation. A reasonable time (not to exceed eighteen (18) months) shall be allowed for the orderly liquidation of the assets of the Partnership and the discharge of all liabilities to its creditors so as to enable any losses attendant upon liquidation to be minimized. Each of the Partners shall be furnished by the General Partner (or the person required by law to wind up the affairs of the Partnership) with a statement setting forth the assets and liabilities of the Partnership as of the date of complete liquidation and the manner in which the assets of the Partnership are to be or have been distributed.

(f) Termination of Legal Status of Partnership. Upon complying with the foregoing distribution plan, the liquidating Partner shall execute, acknowledge, and cause to be filed a certificate of cancellation of the Partnership as provided by the Act,

and all the Partners agree to join in executing such document if such joinder is requested by the General Partner (or the person required by law to wind up the affairs of the Partnership). Upon the filing of a certificate of cancellation of the Partnership in the appropriate public office as required under the Act, the Partnership shall be terminated.

13. Amendments to Partnership Agreement. This Agreement may only be amended upon the unanimous written consent of all of the Partners.
14. Miscellaneous.
 - (a) Notices. Each Partner's address for all purposes shall be the address set forth in Exhibit A to this Agreement or such other address of which the General Partner has received written notice. Any notice, demand, or request required or permitted to be given or made hereunder shall be in writing and shall be deemed given or made when delivered or when deposited in the U.S. Mails, postage prepaid, certified or registered, return receipt requested, to such Partner at such address.
 - (b) Paragraph Titles for Convenience Only. All titles and captions in this Agreement are for convenience only and shall not be deemed or construed to define, limit, extend, or describe the scope of interest of this Agreement or any part hereof.
 - (c) Tennessee Law Controls. The construction and validity of this Agreement shall be determined in all respects in accordance with and shall be governed by the laws of the State of Tennessee.
 - (d) Binding Agreement. This Agreement shall be binding upon and shall inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives and assigns.
 - (e) Severability. In the event that any provision of this Agreement shall be held to be invalid, the same shall not affect the validity of the remainder or any other provision of this Agreement in any respect whatsoever.
 - (f) Execution in Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original Agreement and all of which shall constitute but one Agreement, by each of the parties hereto on the dates respectively indicated. In the event the General Partner deems it desirable, a counterpart of this Agreement or a copy hereof may, when attached to a sworn verification and certificate of the General Partner, be filed for record and serve as a Certificate of Limited Partnership or for any other lawful purpose.
 - (g) Amended and Restated. This Second Amended and Restated Limited Partnership Agreement is an amendment and restatement, in its entirety, of that certain Amended and Restated Limited Partnership Agreement dated as of February 27,

2020, by and between the Former Partner, the General Partner and the Limited Partner.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first appearing above.

GENERAL PARTNER:

BELL STREET 2 CORPORATION

By: _____
Benjamin M. Bentley, President

LIMITED PARTNER:

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

By: _____
Bob Whetsel, Chairman

EXHIBIT A

<u>Partner's Name and Address</u>	<u>General Partnership Interest</u>	<u>Limited Partnership Interest</u>	<u>Capital Contribution</u>
Bell Street Corporation c/o Benjamin M. Bentley 901 N. Broadway, Knoxville, Knox County, Tennessee 37917	51%	0%	\$51
Knoxville's Community Development Corporation c/o Benjamin M. Bentley 901 N. Broadway, Knoxville, Knox County, Tennessee 37917	0%	49%	\$49
Totals	51%	49%	\$100

29912345.1



BOARD ACTION FORM

MEETING DATE	February 25, 2021
AGENDA ITEM DESCRIPTION	Approval is requested to execute an amendment for an additional \$185,000 to the BarberMcMurry Contract C21005 for Western Heights master planning services.
SUBMITTED BY	Name & Title: Rachel Maples, Project Manager Real Estate Department: Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special
AGENDA CLASSIFICATION	<input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Regular
BUDGET / FINANCIAL IMPACT	Budgeted: <u>approx \$185,000</u> Expenditure: <u>\$185,000</u> Source of Funds: KCDC non-federal funds
APPROVAL/REVIEWS	<input checked="" type="checkbox"/> Department Head /Vice President <input checked="" type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Legal Counsel Name of Reviewer: <u>Brad Peters</u> <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Other - Name & Title: _____
STAFF RECOMMENDED ACTIONS	Approve: <input checked="" type="checkbox"/> Deny: <input type="checkbox"/> Defer: <input type="checkbox"/>
<u>BACKGROUND</u>	
<p>1. What's the objective of the requested action? Due to changes in scope related to the unsuccessful planning grant application, staff request the Board to approve an additional \$185,000 to BarberMcMurry for master planning services.</p> <p>2. Why is the action needed now? In order to proceed with the master planning and redevelopment of the Western Heights area, this action is required.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC BarberMcMurry Architects (BMA), along with their contractor Urban Design Associates (UDA) (master planning services for the Western Heights site)</p> <p>4. What are the long term and short term exposures to KCDC? N/A</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	On August 21, 2020, the Board approved Contract C21005 for master planning services in the amount of \$425,000 to BMA and UDA. The City of Knoxville recently awarded \$450,000 to KCDC to assist in the master planning effort.
ATTACHMENTS	

BELL STREET 2 CORPORATION

Date: February 18, 2021

To: Board of Directors

From: Tracee Pross, Secretary/Treasurer

Subject: **AGENDA**
Meeting of the Board of Directors
Thursday, February 25, 2021, 5 p.m.

PURSUANT TO THE GOVERNOR'S EXTENDED EXECUTIVE ORDER NO. 73 TO PROTECT THE HEALTH AND SAFETY OF CITIZENS DURING THE COVID-19 PANDEMIC, THE BOARD OF DIRECTORS WILL MEET ELECTRONICALLY

1. Call to Order.
2. Approval is requested to execute the minutes of the meeting held on May 28, 2020. [\(Attached\)](#)

REDEVELOPMENT/LEGAL SERVICES (Brad Peters)

3. Resolution regarding organizational matters of Bell Street 2 LP. [\(Attached\)](#)
4. Adjourn.

THIS MEETING AND ALL COMMUNICATIONS BETWEEN MEMBERS IS SUBJECT TO THE PROVISIONS OF THE TENNESSEE OPEN MEETINGS ACT, TENN. CODE ANN. §8-44-101, *et seq.*

BELL STREET 2 CORPORATION

ANNUAL MEETING MINUTES

Pursuant to the Governor's Executive Order No. 34 to protect the health and safety of citizens during the COVID-19 pandemic, the Board of Directors of Bell Street 2 Corporation met via teleconference on May 28, 2020.

The Chair called the meeting to order and declared a quorum present at 5:37 p.m. Those Directors present and absent were:

Present: Director Robert Whetsel **Absent:** Director Robyn McAdoo
Director Kim Henry

Approval to execute the minutes of the special meeting held on February 27, 2020. Director Whetsel made a motion to approve. Director Henry seconded the motion. All Directors present voted "Aye."

Approval to elect officers. Director Whetsel made a motion to elect the following slate of officers with amendment to title of Assistant VP Development as shown. Director Henry seconded the motion. All Directors present voted "Aye."

President:	Benjamin Bentley
Vice President:	Brad Peters
Assistant VP Development:	Jim Hatfield
Secretary/Treasurer:	Tracee Pross

With no further business to come before the Board, the meeting adjourned by consent at 5:40 p.m.

Benjamin M. Bentley, President

Approved:

ATTEST:

Tracee B. Pross, Secretary

Approved:



BOARD ACTION FORM

MEETING DATE	February 25, 2021
AGENDA ITEM DESCRIPTION	Resolution regarding organizational matters of Bell Street 2 LP.
SUBMITTED BY	Name & Title: Brad Peters, VP Redevelopment/Legal Matters Department: Redevelopment
MEETING TYPE	<input type="checkbox"/> Regular <input checked="" type="checkbox"/> Special
AGENDA CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Regular
BUDGET / FINANCIAL IMPACT	Budgeted: <u>n/a</u> Expenditure: <u>n/a</u> Source of Funds: <u>n/a</u>
APPROVAL/REVIEWS	<input checked="" type="checkbox"/> Department Head /Vice President <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Legal Counsel Name of Reviewer: <u>Jordana Nelson, Bass Berry</u> <input type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Other - Name & Title: _____
STAFF RECOMMENDED ACTIONS	Approve: <input checked="" type="checkbox"/> Deny: <input type="checkbox"/> Defer: <input type="checkbox"/>
<u>BACKGROUND</u>	
<p>1. What's the objective of the requested action? In February 2020, staff elected to partner with Southeastern Housing Foundation (SHF) for the purposes of submitting a 9% LIHTC application to THDA for phase 2a at Austin Homes. That application was unsuccessful. In connection with that application, however, the Bell Street 2 Corporation (KCDC instrumentality) had to assign its general partnership interest to a SHF's subsidiary, Bell Street 2 GP, LLC. Staff is now intending to re-apply for 9% credits to THDA in 2021 but without SHF as a partner in the application. Therefore, it is necessary that SHF's entity assign its general partnership interests back to Bell Street 2 Corporation (KCDC's instrumentality).</p> <p>2. Why is the action needed now? 9% applications are due on March 3, 2021 and this transfer is required prior to application submission.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? Bell Street 2 Corporation (new general partner) and Bell Street 2 GP, LLC (previous general partner)</p> <p>4. What are the long term and short term exposures? None.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	Bell Street 2 Corporation was formed for the purpose of facilitating the development of Phase 2A at Austin Homes.
ATTACHMENTS	Resolution Assignment

RESOLUTION NO. 2021-___

**A RESOLUTION OF THE BOARD OF DIRECTORS OF BELL STREET 2 CORPORATION
REGARDING ORGANIZATIONAL MATTERS OF BELL STREET 2 LP**

WHEREAS, the Board of Directors of Bell Street 2 Corporation (the "Corporation") has met pursuant to proper notice; and

WHEREAS, the Corporation has been organized pursuant to Sections 13-20-101 *et seq.*, Tennessee Code Annotated, as an instrumentality of Knoxville's Community Development Corporation; and

WHEREAS, Knoxville's Community Development Corporation ("KCDC") is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "Municipality") and is duly incorporated pursuant to Sections 13-20-101 *et seq.*, Tennessee Code Annotated; and

WHEREAS, pursuant to Tenn. Code Ann. § 13-20-104(a)(6), housing and redevelopment authorities in Tennessee are authorized to own, operate, assist, or otherwise participate in (directly or through a partnership, a limited liability company, or other entity in which the authority, or an entity affiliated with an authority, is a general partner, managing member, or otherwise participates in the activities of the entity) one (1) or more mixed-finance projects (including projects financially assisted by low-income housing tax credits); and

WHEREAS, KCDC has previously authorized master planning for the redevelopment of Austin Homes located in the Municipality; and

WHEREAS, for the purpose of facilitating financing and development of the second phase of the proposed redevelopment, KCDC previously formed the Corporation; and

WHEREAS, the Corporation previously formed Bell Street 2 LP, a limited partnership (the "Partnership"), and the Corporation was originally the general partner of the Partnership; and

WHEREAS, for the purpose of submitting an application for an allocation of low-income housing tax credits to the Tennessee Housing Development Agency to further the development of the Property, the Corporation previously assigned its general partnership interest in the Partnership to an affiliate of Southeastern Housing Foundation known as Bell Street 2 GP, LLC, a Tennessee nonprofit limited liability company (the "Southeastern Housing Entity") and the Corporation became a special limited partner of the Partnership; and

WHEREAS, now that the partnership with the Southeastern Housing Entity has concluded, the Southeastern Housing Entity desires to assign its general partnership interest in the Partnership back to the Corporation; and

WHEREAS, the Corporation will become the general partner of the Partnership and there will no longer be a special limited partner in the Partnership.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BELL STREET 2 CORPORATION:

RESOLVED, that the President, Vice President, Secretary and Treasurer and/or any other officer of the Corporation, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is/are authorized and empowered to execute all documents necessary to effect the assignment of the general partnership interest in the Partnership from the Southeastern Entity to the Corporation, including an amendment to the certificate of limited partnership, and to amend and restate the limited partnership Agreement of the Partnership to reflect the Corporation as the general partner and the elimination of the special limited partner (the "Organizational Documents"); and, further

RESOLVED, that the Organizational Documents shall reflect the terms described herein and shall be in such form as may be approved by counsel to the Corporation and the Authorized Officers, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes; and, further

RESOLVED, that the Authorized Officers, is/are authorized and empowered to execute and cause to be filed or recorded, as applicable, any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officers in order to carry out the Corporation's obligations under the Organizational Documents; and, further

RESOLVED, that it is in the best interest of the Corporation to enter into the Organizational Documents; and, further,

RESOLVED, that any and all other actions heretofore taken on behalf of the Corporation by the Authorized Officers to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the other actions authorized by the foregoing resolutions, and all acts of the Authorized Officers that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Adopted and approved this ___ day of _____, 2021.

President

29914141.1

ASSIGNMENT OF PARTNERSHIP INTEREST

THIS ASSIGNMENT OF PARTNERSHIP INTEREST (the "Assignment") is made as of _____, 2021, by and between Bell Street 2 GP, LLC, a Tennessee nonprofit limited liability company ("Assignor"), and Bell Street 2 Corporation, an instrumentality of Knoxville's Community Development Corporation organized pursuant to Tenn. Code Ann. § 13-20-104(b) ("Assignee").

RECITALS

WHEREAS, Bell Street 2 LP, a Tennessee limited partnership (the "Partnership") was formed as pursuant to that certain Certificate of Limited Partnership referenced on Schedule A attached hereto.

WHEREAS, Assignor wishes to assign its interest in the Partnership to Assignee.

ASSIGNMENT AND ASSUMPTION

NOW, THEREFORE, in consideration of the mutual promises, covenant and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Assignor hereby assigns to Assignee all of Assignor's right, title and interest as a general partner in the Partnership, effective as of the date hereof (the "Assigned Interest").
2. Assignee hereby accepts the assignment of the Assigned Interest and agrees to be bound by all of the terms and conditions set forth in that certain Amended and Restated Limited Partnership Agreement dated as of the date hereof.
3. This Assignment shall be binding upon, enforceable by and shall inure to the benefit of the successors and assigns of the parties.
4. This Assignment may be signed in multiple counterparts which, taken together and signed by all parties and delivered to any other party hereto, shall constitute a binding Assignment between the parties.
5. This Assignment shall be governed by and construed in accordance with the laws of the state adopted under the Partnership Agreement as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this instrument as of the date set forth above.

ASSIGNOR:

BELL STREET 2 GP, LLC

By: _____
Christopher L. Martin, President

ASSIGNEE:

BELL STREET 2 CORPORATION

By: _____
Benjamin M. Bentley, President

The undersigned hereby consents to the foregoing assignment and acknowledges that the Assignee has been admitted to the Partnership as a substitute general partner.

LIMITED PARTNER:

KNOXVILLE'S COMMUNITY DEVELOPMENT
CORPORATION

By: _____
Bob Whetsel, Chairman

Schedule A

Certificate of Limited Partnership dated as of February 18, 2020, of Bell Street 2 LP, a Tennessee limited partnership, as amended on February 27, 2020 and as amended on _____, 2021.

29914078.1

MONTGOMERY VILLAGE CORPORATION

Date: February 18, 2021

To: Board of Directors

From: Tracee Pross, Secretary/Treasurer

Subject: **AGENDA**
Meeting of the Board of Directors
Thursday, February 25, 2021, 5 p.m.

PURSUANT TO THE GOVERNOR'S EXTENDED EXECUTIVE ORDER NO. 73 TO PROTECT THE HEALTH AND SAFETY OF CITIZENS DURING THE COVID-19 PANDEMIC, THE BOARD OF DIRECTORS WILL MEET ELECTRONICALLY

1. Call to Order.
2. Approval is requested to execute the minutes of the meeting held on June 25, 2020. **(Attached)**

FINANCE & ADMINISTRATION (Tracee Pross)

3. Resolution authorizing a modification to the HUD 223(f) FHA loan with Walker & Dunlop, LLC. **(Attached)**
4. Adjourn.

MONTGOMERY VILLAGE CORPORATION

SPECIAL MEETING MINUTES

Pursuant to the Governor's Executive Order No. 34 to protect the health and safety of citizens during the COVID-19 pandemic, the Board of Directors met via teleconference on June 25, 2020.

The meeting was called to order and a quorum declared present at 5:45 p.m. Those Directors present and absent were:

Present: Director Kim Henry
Director Robyn McAdoo

Absent: Director Bob Whetsel

Approval of the minutes for the annual meeting held on May 28, 2020. **Director Henry made the motion to approve. Director McAdoo seconded the motion and all Directors present voted "Aye."**

Resolution approving Revision No. 1 to the Operating Budget for fiscal year 2020 (July 1, 2019–June 30, 2020). **Director Henry made the motion to approve. Director McAdoo seconded the motion and all Directors present voted "Aye." Resolution No. 2020-02 is attached.**

With no more business to come before the Board, the meeting adjourned at 5:47 p.m.

Benjamin M. Bentley, President

Approved:

ATTEST:

Tracee B. Pross, Secretary/Treasurer

Approved:



BOARD ACTION FORM

MEETING DATE	February 25, 2021
AGENDA ITEM DESCRIPTION	Resolution authorizing a modification to the HUD 223 (f) FHA Loan with Walker Dunlop for Montgomery Village Corporation.
SUBMITTED BY	Name & Title: Tracee B. Pross, Chief Financial Officer Department: Executive Management
MEETING TYPE	<input type="checkbox"/> Regular <input checked="" type="checkbox"/> Special
AGENDA CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Regular
BUDGET / FINANCIAL IMPACT	Budgeted: <u>NA</u> Expenditure: <u>NA</u> Source of Funds: Operation funds for 3,500 legal fees
APPROVAL/REVIEWS	<input checked="" type="checkbox"/> Department Head /Vice President <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Legal Counsel Name of Reviewer: <u>Jordana Nelson</u> <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Other - Name & Title: _____
STAFF RECOMMENDED ACTIONS	Approve: <input checked="" type="checkbox"/> Deny: <input type="checkbox"/> Defer: <input type="checkbox"/>
<u>BACKGROUND</u>	
<p>1. What's the objective of the requested action? This modification action is requested to lower the interest rate on the HUD 223 (f) FHA loan from 4.1% to approximately 3.45% to generate an estimated 49,282 in annual savings.</p> <p>2. Why is the action needed now? The action is requested to take advantage of lower interest rates at this point in time.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? Montgomery Village Corporation (Borrower), Walker Dunlop(Lender), and HUD</p> <p>4. What are the long term and short term exposures? NA cost savings to be generated from the reduced interest. No change in principal or note terms.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	On November 27, 2018 as part of a RAD conversion and closing, Montgomery Village Corporation borrowed \$11,128,000 through a HUD 223 (f) FHA Loan with Walker Dunlop LLC. The proceeds of the loan are being used for the rehabilitation work at Montgomery Village and other affordable housing purposes.
ATTACHMENTS	Resolution IRR Summary

RESOLUTION NO. 2021-_____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
MONTGOMERY VILLAGE CORPORATION RELATING TO THE
SECOND MODIFICATION OF A LOAN BY WALKER & DUNLOP,
LLC TO THE CORPORATION**

WHEREAS, Knoxville's Community Development Corporation ("KCDC") is the housing authority of the City of Knoxville, Tennessee (the "Municipality") and is duly incorporated pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated; and

WHEREAS, by Sections 13-20-101 et seq., Tennessee Code Annotated, housing authorities in Tennessee are authorized through their respective governing bodies to finance and/or refinance housing projects; and

WHEREAS, to further the redevelopment of a low-income housing development known as Montgomery Village (the "Property"), KCDC formed Montgomery Village Corporation (the "Corporation"), a Tennessee nonprofit corporation, pursuant to Sections 13-20-101 et seq., Tennessee Code Annotated, as an instrumentality of KCDC;

WHEREAS, the Corporation acquired a leasehold interest in the Property from KCDC pursuant to that certain Lease Agreement dated as of November 27, 2019 by and between KCDC and the Corporation (the "Lease"); and

WHEREAS, to finance renovations to the Property, the Board of Directors (the "Board") of the Corporation borrowed \$11,128,000 (the "Loan") from Walker & Dunlop, LLC (the "Lender"), for the purpose of financing certain improvements to the Property, known as FHA Project No. 087-11117 and such loan is insured by the United States Department of Housing and Urban Development ("HUD") under Section 223(f) of the National Housing Act, as amended; and

WHEREAS, the Board previously authorized an Allonge and Modification of the Note evidencing the Loan dated as of February 1, 2020 pursuant to which the then-existing interest rate was reduced, monthly principal and interest payments were modified, and prepayment restrictions were modified (the "First Loan Modification"); and

WHEREAS, the Board desires to authorize the Corporation to modify the Loan to reduce the existing interest rate, monthly principal and interest payment, and prepayment restrictions (the "Second Loan Modification");

WHEREAS, the Board desires to authorize the officers of the Corporation, for and on behalf of the Corporation to enter into an Allonge and Modification of Note and Mortgage Modification, the form of which will be filed with the records of the Corporation, and any other documents as are necessary to provide for the Second Loan Modification (collectively, the "Documents").

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Montgomery Village Corporation, as follows:

RESOLVED, that Benjamin M. Bentley, the President or Tracee B. Pross, the Secretary and Treasurer or Brad Peters, the Assistant Vice President of Legal Services of the Corporation (individually and collectively the "Authorized Officers"), for and on behalf of the Corporation, is (are) hereby authorized and directed to execute, and, where requested, Tracee B. Pross, the Secretary and Treasurer of the Corporation is authorized to attest, and/or any other officer of the Corporation, acting alone or in combination with one another, is (are) hereby authorized and empowered to (i) execute and deliver the Documents, on substantially the terms described at the meeting with such changes as are approved by the officer(s) executing same, (ii) execute, in the name of and on behalf of the Corporation, and to deliver to the Lender, any and all other instruments, documents, certificates and agreements deemed necessary or desirable by the Lender in order to evidence and secure the Second Loan Modification and the Loan properly in accordance with the requirements of the Lender, including without limitation, certificates, affidavits, and any other instruments of any kind or nature whatsoever, all in the form required by the Lender and approved by the Authorized Officers executing same, the execution of same by such Authorized Officers to constitute conclusive evidence of the approval of same, and (iii) take from time to time any other actions deemed necessary or desirable by the Authorized Officers to effect the transactions described above and to evidence the Second Loan Modification and the Loan properly in accordance with the requirements of the Lender; and, further

RESOLVED, that it is in the best interest of the Corporation to enter into the Second Loan Modification; and, further

RESOLVED; that any and all other actions heretofore taken on behalf of the Corporation by the Authorized Officers to execute and deliver any of the agreements, documents or instruments authorized by the foregoing resolutions, or to take any of the other actions authorized by the foregoing resolutions, and all acts of the Authorized Officers that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects; and, further

RESOLVED, that the foregoing resolutions shall remain effect until revoked.

Approved this ____ day of February 2021.

MONTGOMERY VILLAGE CORPORATION

By: _____
Secretary and Treasurer

Loan Analysis
Interest Rate Reduction - Loan Modification
Montgomery Village
4530 Joe Lewis Road, Knoxville, TN

WALKER & DUNLOP

PROPERTY INFORMATION			
Property Type	Affordable	Total Units	380
FHA Project #	087-11117	Year Built	1970

PRESENTED BY	
Name	Keith Melton David Strange, Senior Managing Director
Telephone	(615) 435-1950 (615) 435-1951
Email	kmelton@walkerdunlop.com dstrange@walkerdunlop.com

LOAN DETERMINATE		
	Total	\$ / Unit
Current Mortgage Balance	\$ 10,749,100	\$28,287
balance as of 6/1/2021		

SUMMARY OF UNDERWRITTEN OPERATIONS			
	Current	Proposed	Savings
Interest Rate	4.100%	3.450%	
Monthly DS (with MIP)	\$ 52,224	\$ 48,118	\$ 4,107
Annual DS (with MIP)	\$ 626,693	\$ 577,410	\$ 49,282

PROPOSED LOAN TERMS & FEES			
Mortgage Term	390 Months	32.50 Years	
Interest Rate		3.450%	
Mortgage Insurance Premium		0.250%	
Loan Constant		5.3717%	
Minimum DSCR (post loan modification)		1.05	

NOTES

- 1 - Mortgage amount is rounded down to the nearest \$100, this is the difference between actual payoff and the new mortgage.**
- 2 - 10% 3/1/2020-2/28/2022; 9% in 2024; 6% in 2025; 1% stepdown thereafter.**
- 3 - Included in the new GNMA note rate: Prepayment penalty of \$1,076,231, Lender Legal of \$6,500, Title & Recording of \$5,500, and GNMA Fee of \$2,500.**
- 4 - Borrower responsible for: Borrower Legal of \$3,500**