Date: August 23, 2019

To: Board of Commissioners

From: Benjamin M. Bentley, Secretary

Subject: AGENDA
Board Meeting of the Board of Commissioners
Thursday, August 29, 2019, 5:00 p.m.
KCDC Main Office, 901 N. Broadway
Knoxville, Tennessee 37917

1. Call to Order.

2. Approval is requested of minutes for the regular meeting held on July 25, 2019. (Item 2 Attachment)

3. Motion to add, delete or postpone agenda items.

4. Reports of officers and special presentations.

NEW BUSINESS

REDEVELOPMENT/LEGAL ISSUES (Brad Peters)
5. Resolution authorizing the formation of Cagle Terrace Corporation. (Item 5 Attachment)

HOUSING (Sean Gilbert)
6. Approval is requested to award Contract C20003 for renovations at Passport Properties to Shuler Crew Construction, Inc. (Item 6 Attachment)

7. Approval is requested to award Contract C20008 for architectural and engineering services for renovations (RAD) for Love Towers and Isabella Towers to Studio Four Design, Inc. (Item 7 Attachment)

Unfinished Business
Public Forum
Adjournment

The next meeting of the KCDC Board of Commissioners will be Thursday, September 26, 2019 @ 5:00 p.m.

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.
BOARD MEETING MINUTES

The Board of Commissioners of Knoxville's Community Development Corporation met on July 25, 2019, at 901 N. Broadway, Knoxville, Tennessee.

Present: Chair John Winemiller  
Vice Chair Bob Whetsel  
Treasurer Robyn McAdoo  
Commissioner Bruce Anderson  
Commissioner Kim Henry  
Commissioner Sylvia Cook

Absent: Commissioner Gloria Garner

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

Approval of the minutes for the regular meeting held on June 27, 2019. Commissioner Anderson moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye."

NEW BUSINESS

REDEVELOPMENT/LEGAL MATTERS (Brad Peters)
Resolution authorizing the execution of documents relating to certain public improvements on the Knoxville South Waterfront. Commissioner Henry moved to approve. Commissioner Cook seconded the motion. All other Commissioners present voted "Aye." Resolution No. 2019-18 is attached.

HOUSING (Sean Gilbert)
Resolution approving the submission of the Section 8 Management Assessment Program (SEMAP) for the Fiscal Year July 1, 2018–June 30, 2019. Commissioner Whetsel moved to approve. Commissioner Anderson seconded the motion. All other Commissioners present voted "Aye." Resolution No. 2019-19 is attached.

FINANCE AND ACCOUNTING (Tracee Pross)
Resolution approving the collection loss of delinquent accounts for Public Housing, Multi-Family Housing, Section 8 and The Manor. Commissioner McAdoo moved to approve. Commissioner Henry seconded the motion. All other Commissioners present voted "Aye." Resolution No. 2019-20 is attached.
PUBLIC FORUM
None

UNFINISHED BUSINESS
None

ADJOURNMENT
With no further business to come before the Board, the meeting adjourned at 5:23 p.m.

_________________________________________  Approved:
John T. Winemiller, Chair

ATTEST:

_________________________________________  Approved:
Benjamin M. Bentley, Secretary

DRAFT
# BOARD ACTION FORM

<table>
<thead>
<tr>
<th>MEETING DATE</th>
<th>August 29, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGENDA ITEM DESCRIPTION</td>
<td>Resolution authorizing the formation of Cagle Terrace Corporation.</td>
</tr>
<tr>
<td>SUBMITTED BY</td>
<td>Name &amp; Title: Brad Peters, VP of Redevelopment/Legal Services</td>
</tr>
<tr>
<td></td>
<td>Department: Executive Management</td>
</tr>
<tr>
<td>MEETING TYPE</td>
<td>☑ Regular ☐ Special</td>
</tr>
<tr>
<td>AGENDA CLASSIFICATION</td>
<td>☑ Resolution ☐ Regular</td>
</tr>
<tr>
<td>BUDGET / FINANCIAL IMPACT</td>
<td>Budgeted: n/a Expenditure: filing fees</td>
</tr>
<tr>
<td></td>
<td>Source of Funds:</td>
</tr>
<tr>
<td></td>
<td>☑ Department Head / Vice President ☑ Budget/Finance</td>
</tr>
<tr>
<td></td>
<td>☑ Legal Counsel Name of Reviewer: ____________________</td>
</tr>
<tr>
<td></td>
<td>☑ Executive Director/CEO ☐ Other - Name &amp; Title: ____________________</td>
</tr>
<tr>
<td>STAFF RECOMMENDED ACTIONS</td>
<td>Approve: ☑ Deny: ☐ Defer: ☐</td>
</tr>
</tbody>
</table>

## BACKGROUND

1. **What's the objective of the requested action?**
   In order to facilitate the rehabilitation of Cagle Terrace through an FHA loan, KCDC is forming Cagle Terrace Corporation.

2. **Why is the action needed now?**
   The formation of a bankruptcy remote entity is a requirement to be able to close an FHA loan.

3. **Who are the parties involved and what are their roles (if appropriate)?**
   Cagle Terrace Corporation is an instrumentality of KCDC. KCDC will be the party responsible for rehab and management of the units.

4. **What are the long term and short term exposures to KCDC?**
   There are no short term exposures except normal construction risks. The long term exposures relate to the ability of the corporation to have positive cash flow through the loan term.

## HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)

- The original RAD Chap was received from HUD on November 8, 2018.

## ATTACHMENTS

- Resolution
RESOLUTION NO. 2019-____

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
AUTHORIZING THE FORMATION OF CAGLE TERRACE
CORPORATION

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(b), housing and
redevelopment authorities in Tennessee are authorized to cause the formation of
corporations; and

WHEREAS, for the purpose of facilitating financing related to the Cagle Terrace
Apartments, KCDC desires to form a corporation known as Cagle Terrace Corporation
(the "Corporation"); and

WHEREAS, the Board desires to approve and authorize such documentation as is
necessary for KCDC to form the Corporation (the "Corporate Documents"), including,
but not limited to, the charter (the "Charter") and bylaws (the "Bylaws") of the
Corporation, drafts of which have been submitted to KCDC and shall be filed with the
records of KCDC; and

WHEREAS, as set forth in draft of the Charter submitted to KCDC, KCDC desires
to appoint its Chairman, Vice-Chairman and Treasurer as the initial Board of Directors
of the Corporation.

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 Charter
and the Bylaws; and, further
RESOLVED, that the Charter and the Bylaws 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 to form the Corporation, 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 Corporate Documents; 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 August, 2019.

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

By:____________________________________
Secretary

24323936.1
## BOARD ACTION FORM

<table>
<thead>
<tr>
<th>MEETING DATE</th>
<th>August 29, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGENDA ITEM DESCRIPTION</td>
<td>Approval is requested to award contract C20003 for renovations at Passport Properties to Shuler Crew Construction, Inc.</td>
</tr>
<tr>
<td>SUBMITTED BY</td>
<td>Name &amp; Title: Sean Gilbert, Senior Vice President of Housing</td>
</tr>
<tr>
<td></td>
<td>Department: Housing</td>
</tr>
<tr>
<td>MEETING TYPE</td>
<td>☒ Regular</td>
</tr>
<tr>
<td>AGENDA CLASSIFICATION</td>
<td>☐ Resolution</td>
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<tr>
<td></td>
<td>☒ Regular</td>
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<tr>
<td>BUDGET / FINANCIAL IMPACT</td>
<td>Budgeted: $243,000</td>
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<tr>
<td></td>
<td>Expenditure: $206,425</td>
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<tr>
<td>Source of Funds</td>
<td>RAD Capital</td>
</tr>
<tr>
<td>APPROVAL/REVIEWS</td>
<td>☒ Department Head / Vice President</td>
</tr>
<tr>
<td></td>
<td>☒ Budget/Finance</td>
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<td></td>
<td>☐ Legal Counsel</td>
</tr>
<tr>
<td></td>
<td>☒ Executive Director/CEO</td>
</tr>
<tr>
<td></td>
<td>☒ Other - Name &amp; Title: Procurement Dir.</td>
</tr>
<tr>
<td>STAFF RECOMMENDED ACTIONS</td>
<td>Approve: ☒</td>
</tr>
<tr>
<td></td>
<td>Deny: ☐</td>
</tr>
<tr>
<td></td>
<td>Defer: ☐</td>
</tr>
</tbody>
</table>

### BACKGROUND

1. **What's the objective of the requested action?**
   This award allows KCDC staff to select Shuler Crew Construction Inc. to replace existing deteriorated or antiquated floor coverings, HVAC and locks to ready the property for RAD conversion. These renovations are required for RAD conversion.

2. **Why is the action needed now?**
   KCDC is preparing to convert this property through the RAD conversion process and the capital funds for these projects go away with the conversion. Thus this work must occur very soon.

3. **Who are the parties involved and what are their roles (if appropriate)?**
   Shuler Crew Construction Inc. will perform the work and KCDC's staff will oversee the administrative portion of the work.

4. **What are the long term and short term exposures to KCDC?**
   The short and long term exposures to KCDC are paying the contractor. There are no on-going costs associated with this project.

### HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)

The existing items have been in place for at least 20 years and it is worn and some outdated. This expenditure will replace the flooring and increase the visual appeal of the property.

### ATTACHMENTS

Bid tabulation form
TO: The KCDC Board

FROM: Benjamin M. Bentley, Secretary

DATE: August 21, 2019

SUBJECT: Authorization to award Contract C20003 for renovations at Passport Properties to Shuler Crew Construction, Inc.

KCDC’s Procurement Policy requires written formal solicitations (publicly advertised and opened) in all cases where the aggregate cost of the item(s) or service(s) requested is $25,000 or more. Staff requests Board approval of the following recommendation.

<table>
<thead>
<tr>
<th>Scope of Work</th>
<th>Renovations to flooring, HVAC and locks at Passport Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding Source</td>
<td>RAD Capital</td>
</tr>
<tr>
<td>Total Award Amount</td>
<td>$206,425.00</td>
</tr>
<tr>
<td>Review Committee</td>
<td>Jack Canada, Supportive Maintenance Manager</td>
</tr>
<tr>
<td></td>
<td>Terry McKee, IT and Procurement Director</td>
</tr>
<tr>
<td>Nature of Solicitation</td>
<td>Formal Sealed Bids</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Company</th>
<th>Cost</th>
<th>Recommended for Approval</th>
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</thead>
<tbody>
<tr>
<td>Shuler Crew Construction</td>
<td>$206,425.00</td>
<td>Yes</td>
</tr>
</tbody>
</table>

This solicitation was distributed to:

- KCDC’s Web Page
- Associated Construction Women*
- Black Contractors Association+
- Dodge Data & Analytics
- Knox County’s Supplier Diversity Office+
- Knoxville Builder’s Exchange
- Knoxville’s EBOP Office+
- SCORE
- SERC
- Tennessee Minority Supplier Development Council+
- U.S. Department of Commerce Minority Business Development Agency+
- KCDC’s Registered Vendors
- Associated General Contractors of Tennessee
- Construction Market Data
- Hispanic Chamber of Commerce+
- Knoxville Area Urban League+
- Knoxville Chamber Partnership
- Small Business Administration*

* Denotes an organization promoting/assisting Woman Owned Businesses
+ Denotes an organization promoting/assisting Disadvantaged or Minority Owned Businesses
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<td>AGENDA ITEM DESCRIPTION</td>
<td>Approval is requested to award Contract C20008 for architectural and engineering services for renovations (RAD) at Love Towers and Isabella Towers with Studio Four Design, Inc.</td>
</tr>
<tr>
<td>SUBMITTED BY</td>
<td>Name &amp; Title: Sean Gilbert, Senior Vice President Housing</td>
</tr>
<tr>
<td></td>
<td>Department: Housing</td>
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<td>☑ Resolution ☑ Regular</td>
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<tr>
<td>BUDGET / FINANCIAL IMPACT</td>
<td>Budgeted: n/a Expenditure: $300,000.00</td>
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<td></td>
<td>Source of Funds:</td>
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<td></td>
<td>☑ Department Head / Vice President ☑ Budget/Finance</td>
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<td>SUPPORT / REVIEWS</td>
<td>☐ Legal Counsel ☑ Name of Reviewer: ____________________</td>
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<td></td>
<td>☑ Executive Director/CEO ☑ Other - Name &amp; Title: Procurement Dir.</td>
</tr>
</tbody>
</table>

#### STAFF RECOMMENDED ACTIONS

- Approve: ☑
- Deny: ☐
- Defer: ☐

### BACKGROUND

1. **What’s the objective of the requested action?**
   This award allows KCDC staff to select Studio Four to perform the required architectural and engineering services to prepare an invitation for bids for general contractors to perform work required at Isabella Towers and Love Towers to align these sites for RAD conversion.

2. **Why is the action needed now?**
   This work is necessary to have the work done in the time for the RAD conversion activities to occur.

3. **Who are the parties involved and what are their roles (if appropriate)?**
   Studio Four will prepare the drawings and specifications so that KCDC may "bid out" the needed work. Once this is completed, Studio Four will assist KCDC in evaluating the responses and then oversee the work performed by the general contractor.

4. **What are the long term and short term exposures to KCDC?**
   The cost is $300,000 out of a $4,563,248 estimated project. Due to the very short time line for this architectural work, the fees are a bit higher than normal but not out of the normal range.

#### HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)

- KCDC plans to convert both Isabella Towers and Love Towers to PBRA status through the RAD conversion process. This physical work must be completed for the conversion to occur. Under state law, an architect must prepare the plans.

#### ATTACHMENTS

- Bid tabulation form
TO: The KCDC Board

FROM: Benjamin M. Bentley, Executive Director/CEO

DATE: August 21, 2019

SUBJECT: Authorization to award Contract C20008 for architectural and engineering services for renovations (RAD) for Love Towers and Isabella Towers with Studio Four Design, Inc.

KCDC’s Procurement Policy requires written formal solicitations (publicly advertised and opened) in all cases where the aggregate cost of the item(s) or service(s) requested is $100,000 or more. Staff requests Board approval of the following recommendation.

<table>
<thead>
<tr>
<th>Scope of Work</th>
<th>Architectural and engineering services for renovations (RAD) for Love Towers and Isabella Towers with Studio Four Design, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding Source</td>
<td>Operational funds and non-federal funds.</td>
</tr>
<tr>
<td>Total Award Amount</td>
<td>$300,000.00</td>
</tr>
</tbody>
</table>
| Review Committee                             | Jack Canada, Supportive Maintenance Manager  
Sean Gilbert, Senior Vice President of Housing  
Terry McKee, IT and Procurement Director |
| Nature of Solicitation                       | KCDC offered this work to several of the architectural firms on the award list from the previously approved coopted Public Building Authority (PBA) award.  
Based upon the capabilities, experience, current work capacities of the firms, and KCDC’s tight time constraints, Studio Four Design, Inc. was selected. |