Date: February 21 2020

To: Board of Directors

From: Tracee B. Pross, Secretary/Treasurer

Subject: SPECIAL AGENDA
Board Meeting of the Board of Directors
Thursday, February 27, 2020, 5p.m.
KCDC Main Office, 901 N. Broadway
Knoxville, Tennessee 37917

1. Call to Order.

2. Approval is requested for minutes of the meeting held on January 30, 2020. (Attached)

REDEVELOPMENT/LEGAL SERVICES (Brad Peters)
3. Resolution regarding organizational matters of Bell Street 2 LP. (Attached)

4. Adjourn
INITIAL MEETING MINUTES

The Board of Directors of the Bell Street Corporation met in the Initial Session on January 30, 2020 at 901 N. Broadway, Knoxville, Tennessee 37917.

The meeting was called to order and a quorum declared at 5:42 p.m. Those Directors present and absent were:

Present: Director John Winemiller
Director Bob Whetsel
Director Robyn McAdoo

Absent:

Resolution regarding formation and approval of organizational matters. Director McAdoo made a motion to approve. Director Whetsel seconded the motion. All Directors present voted "Aye." Resolution 2020-01 attached.

With no further business to come before the Board, the meeting adjourned at 5:44 p.m.

_________________________________________  Approved:
Benjamin M. Bentley, President

ATTEST:

_________________________________________  Approved:
Tracee B. Pross, Secretary
# BOARD ACTION FORM

<table>
<thead>
<tr>
<th>MEETING DATE</th>
<th>February 27, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>AGENDA ITEM DESCRIPTION</td>
<td>Resolution regarding the actions of Bell Street 2 Corporation.</td>
</tr>
</tbody>
</table>
| SUBMITTED BY    | Name & Title: Brad Peters, VP Redevelopment/Legal Services  
                  Department: Redevelopment |
| MEETING TYPE    | ☒ Special  
                  ☐ Regular |
| AGENDA CLASSIFICATION | ☒ Resolution  
                  ☐ Regular |
| BUDGET / FINANCIAL IMPACT | Budgeted: N/A  
                  Expenditure: N/A  
                  Source of Funds: KHDC |
| APPROVAL/REVIEWS | ☒ Department Head/Vice President  
                  ☐ Budget/Finance  
                  ☒ Legal Counsel  
                  Name of Reviewer: Jordana Nelson  
                  ☐ Other - Name & Title: |
| STAFF RECOMMENDED ACTIONS | Approve: ☒  
                  Deny: ☐  
                  Defer: ☐ |

## BACKGROUND

1. **What's the objective of the requested action?**
   Authorization of the officers of the Corporation to take all actions necessary to facilitate the submission of an application to THDA for an allocation of low income housing tax credits to fund in part the construction of 83 units of affordable housing under a different structure than previously contemplated, and execute a development agreement stating that the Nonprofit would be entitled to share in 10% of the developer fee and ongoing cash flow.

2. **Why is the action needed now?**
   KCDC's partner, Southeastern Housing, a 501c3 corporation (the "Nonprofit"), would work with the Corporation on a tax credit application to THDA to be filed in the beginning of March.

3. **Who are the parties involved and what are their roles (if appropriate)?**
   The Nonprofit is the 501c3 General Partner. The Corporation is an instrumentality of KCDC, and would continue to control the transaction and would be responsible for financing and development.

4. **What are the long term and short term exposures?**
   The changed structure would not effect KCDC, other than the sharing of development fees and ongoing cash flow.

## HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)
Southeastern Housing has experience with tax credits on several properties, most notably Flenniken in South Knoxville. Southeastern Housing's related entity, the Knoxville Leadership Foundation is partnering with KCDC to provide supportive services at Western Heights.

## ATTACHMENTS
Resolution
RESOLUTION NO. 2020-____

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 has formed the Corporation; and

WHEREAS, the Corporation previously formed Bell Street 2 LP, a limited partnership (the "Partnership"); and

WHEREAS, the Corporation is the general partner of the Partnership and KCDC is the limited 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 intends to partner with an affiliate of Southeastern Housing Foundation (the "Southeastern Housing Entity"); and
WHEREAS, the Corporation desires to assign its general partnership interest in the Partnership to the Southeastern Housing Entity and become a special limited partner of the partnership; and

WHEREAS, in exchange for the Southeastern Entity's assistance in planning and implementing the development of affordable housing on the Property (the "Project"), the Corporation has proposed to pay ten percent (10%) of the development fee and cash flow resulting from the development of the Project to the Southeastern Entity; and

WHEREAS, the Corporation and the Southeastern Housing Entity intend to enter into a Development Agreement (the "Development Agreement") memorializing the terms described above and such other terms as are deemed necessary and appropriate by the officers of the Corporation and counsel to the Corporation,

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 Corporation to the Southeastern Entity and the admission of the Corporation as a special limited partner in the Partnership (the "Organizational Documents"); and, further

RESOLVED, that the Authorized Officers, is/are authorized and empowered to execute the Development Agreement; and, further

RESOLVED, that the Organizational Documents and the Development Agreement 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 or the Development Agreement; and, further

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

Approved this ____ day of February, 2020.

BELL STREET 2 CORPORATION

By: ____________________________

Secretary

27857294.1