

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

Date: September 21, 2023

To: Board of Commissioners

From: Benjamin M. Bentley, Secretary

Subject: **AGENDA**
Board Meeting of the Board of Commissioners
Thursday, September 28, 2023, 5 p.m.
901 N. Broadway Street
Knoxville, TN 37917

1. Call to Order.
2. Motion to add, delete or postpone agenda items.
3. Reports of officers and special presentations.
4. Approval is requested to execute the minutes for the meeting held on August 31, 2023.
(Item 4 Attachment)

NEW BUSINESS

REDEVELOPMENT (Jim Hatfield)

5. Approval is requested to sell 2430 and 2436 Selma Avenue (082NPO06 and 082NP007) to East Tennessee Housing Development Corporation (ETHDC) for the construction of two single-family homes. (Item 5 Attachment)
6. Resolution authorizing necessary amendments to an existing payment-in-lieu-of-taxes (PILOT) agreement with Ridgebrook Housing I, LLC. (Item 6 Attachment)
7. Final bond resolution authorizing the issuance of an additional \$5,000,000 of bonds to facilitate a development owned by DGA Grosvenor Square LP, a subsidiary of DGA Residential. (Item 7 Attachment)
8. Final bond resolution authorizing the issuance of an additional \$5,000,000 of bonds to facilitate a development owned by DGA Holson Square LP, a subsidiary of DGA Residential. (Item 8 Attachment)

9. Resolution authorizing the negotiation and execution of a payment-in-lieu-of-tax (PILOT) transaction with Sutherland 1, LP. [\(Item 9 Attachment\)](#)
10. Resolution authorizing the negotiation and execution of a payment-in-lieu-of-tax (PILOT) transaction with Sutherland 2, LP. [\(Item 10 Attachment\)](#)

EXECUTIVE (Ben Bentley)

11. Resolution approving an amendment to E-181 Grievance Policy of the Policies of the Board of Commissioners. [\(Item 11 Attachment\)](#)

Unfinished Business

Public Forum

Adjournment

Next month's agenda review meeting will be held

Thursday, October 19, 2023 @ 5 p.m.

Next month's board meeting will be held

Thursday, October 26, 2023 @ 5 p.m.

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD MEETING MINUTES

The Board of Commissioners of the Knoxville's Community Development Corporation met on **September 28, 2023** at 901 N. Broadway, Knoxville, Tennessee.

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

Present: Chair Kimberly Henry
Vice Chair Scott Broyles
Treasurer Felix Harris
Commissioner Robert Whetsel
Commissioner Robyn McAdoo

Absent: Commissioner John Winemiller
Commissioner Kathy Hill

Approval to execute the minutes for the *regular* meeting held on August 31, 2023. **Commissioner McAdoo moved to approve. Commissioner Broyles seconded the motion. All other Commissioners present voted "Aye."**

REDEVELOPMENT (Jim Hatfield)

Approval to sell 2430 and 2438 Selma Avenue (082NP006 and 082NP007) to East Tennessee Housing Development Corporation (ETHDC) for the construction of two single-family homes. **Commissioner Broyles moved to approve. Commissioner McAdoo seconded the motion. All other Commissioners present voted "Aye."**

Resolution authorizing necessary amendments to an existing payment-in-lieu-of—taxes (PILOT) agreement with Ridgebrook Housing I, LLC. **Commissioner McAdoo moved to approve. Commissioner Harris seconded the motion. All other Commissioners present voted "Aye."** Resolution No. 2023-23 is attached.

Final bond resolution authorizing the issuance of an additional \$5,000,000 of bonds to facilitate a development owned by DGA Grosvenor Square LP, a subsidiary of DGA Residential. **Commissioner McAdoo moved to approve. Commissioner Henry was recused. Commissioner Broyles seconded the motion. All other Commissioners present voted "Aye."** Resolution No. 2023-24 is attached.

Final bond resolution authorizing the issuance of an additional \$5,000,000 of bonds to facilitate a development owned by DGA Holson Square LP, a subsidiary of DGA Residential. **Commissioner Broyles moved to approve. Commissioner Henry was recused. Commissioner McAdoo seconded the motion. All other Commissioners present voted "Aye."** Resolution No. 2023-25 is attached.

Resolution authorizing the negotiation and execution of a payment-in-lieu-of-tax (PILOT) transaction with Sutherland 1, LP. **Commissioner Harris moved to approve. Commissioner McAdoo seconded the motion. All other Commissioners present voted "Aye."** Resolution No. 2023-26 is attached.

Resolution authorizing the negotiation and execution of a payment-in-lieu-of-tax (PILOT) transaction with Sutherland 2, LP. **Commissioner Whetsel moved to approve. Commissioner Broyles seconded the motion. All other Commissioners present voted "Aye."** Resolution No. 2023-27 is attached.

EXECUTIVE (Ben Bentley)

Resolution approving an amendment to E-181 Grievance Policy of the Policies of the Board of Commissioners. **Commissioner Whetsel moved to approve. Commissioner McAdoo seconded the motion. After discussion with changes, Commissioner Broyles moved to approve. Commissioner Whetsel seconded the motion with changes. All other Commissioners present voted "Aye."** Resolution No. 2023-28 is attached.

PUBLIC FORUM

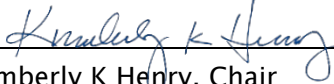
None

UNFINISHED BUSINESS

None

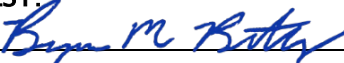
ADJOURNMENT

With no further business to come before the Board, the meeting adjourned by consent at 5:26 p.m.



Kimberly K Henry, Chair

Approved: October 26, 2023

ATTEST:


Benjamin M. Bentley, Secretary

Approved: October 26, 2023

RESOLUTION NO. 2023-23

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION REGARDING A FIRST AMENDMENT TO LEASE BETWEEN KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION AND RIDGEBROOK HOUSING I, LLC

WHEREAS, the Board of Commissioners of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

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

WHEREAS, to induce Ridgebrook Housing I, LLC, a Tennessee limited liability company (the "Lessee"), to acquire, rehabilitate and equip Ridgebrook Apartments, a 144 unit housing facility for low and moderate income citizens (the "Project"), KCDC and Lessee entered into a Lease, dated as of December 31, 2022 (the "Existing Lease"); and

WHEREAS, in connection with the closing of a mortgage loan for the Project, Lessee has requested the Board to agree to amend the Existing Lease by entering into a First Amendment to Lease (the "Amendment") between the Board and Lessee, a copy of which has been presented to the Board and shall be filed with the records of the Board; and

WHEREAS, the Board wishes to authorize its officers to take all steps necessary or appropriate to consummate the transactions contemplated by the Amendment.

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

1. The Chair or the Vice Chair of KCDC is hereby authorized and directed to execute, and, where requested, the Secretary or Assistant Secretary is authorized to attest, and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is (are) hereby authorized and empowered to execute the Amended and Restated Lease and deliver the Amendment to the Lessee.

2. KCDC is hereby authorized and directed to own the Project pursuant to the terms of the Amendment.

3. The Amendment shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the

officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such omissions, insertions and changes.

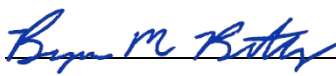
4. The officers of KCDC are hereby authorized and directed to execute, deliver and file such other certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the consummation of the transactions described above, including, without limitation, executing such documents as any lender of the Lessee may request in connection with its liens on the Project.

5. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

6. All other acts of the officers of KCDC which are in conformity with the purposes and intent of this resolution are hereby approved and confirmed.

Approved this 28th day of September, 2023.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: 
Secretary

36431913.1

RESOLUTION NO. 2023-24

FINAL RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED \$5,000,000 KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION COLLATERALIZED MULTIFAMILY HOUSING BONDS (GROSVENOR SQUARE PROJECT) SERIES 2023

WHEREAS, the Board of Directors of Knoxville's Community Development Corporation (the "Issuer"), has met pursuant to proper notice on September 28, 2023; and

WHEREAS, DGA Grosvenor Square LP, a Tennessee limited partnership (the "Borrower"), has requested the Issuer to finance the acquisition, construction, and equipping of a multifamily housing rental development consisting of approximately 184 apartment units to be known as Grosvenor Square to be located on certain property located southeast of the intersection of Merchant Drive and Wilkerson Road in Knoxville, Tennessee (the "Project"), which project is of the character and will accomplish the purposes of Part 20 of Title 13 of the Tennessee Code Annotated, as amended (the "Act"); and

WHEREAS, on December 13, 2022, the Issuer issued its \$27,000,000 Collateralized Multifamily Housing Bonds (Grosvenor Square Project) Series 2022 and loaned the proceeds thereof to the Borrower to finance a portion of the Project; and

WHEREAS, the Issuer proposes to issue and sale additional revenue bonds for the Project in an amount not to exceed \$5,000,000; and

WHEREAS, the Issuer previously held a public hearing with respect to the issuance of Bonds, as required under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, on June 29, 2023, the Issuer approved on a preliminary basis (the "Preliminary Resolution") the issuance of additional revenue bonds for the Project in the aggregate principal amount of not to exceed Five Million Dollars (\$5,000,000) and the Issuer desires to ratify and confirm such prior preliminary approval; and

WHEREAS, there have been submitted to the Issuer at the meeting on September 28, 2023, the forms of the following instruments which the Issuer proposes to execute to carry out the transactions described above, copies of which instruments shall be filed with the records of the Issuer:

(a) Bond Purchase Agreement (the "Purchase Agreement") by and among the Issuer, the Borrower, and the purchaser thereof (the "Bond Purchaser");

(b) Trust Indenture (the "Indenture") between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee");

(c) The form of the Issuer's Collateralized Multifamily Housing Bonds (Grosvenor Square Project), Series 2023 (the "Bonds");

(d) Loan Agreement (the "Loan Agreement") between the Issuer and the Borrower, to provide for the loan of the proceeds of the Bonds to the Borrower and for the repayment of such loan; and

(e) Land Use Restriction Agreement (the "Land Use Restriction Agreement") among the Issuer, the Trustee and the Borrower.

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

1. It is hereby found and determined that the financing of the Project will assist the Borrower in connection with its mission of providing safe, affordable housing to the citizens of the State of Tennessee, thereby improving their health and wellbeing and promoting the purposes of the Act.

2. It is hereby found to be most advantageous to sell the Bonds, upon the terms and conditions set forth in the Purchase Agreement.

3. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute and either is authorized to deliver the Purchase Agreement to the other parties thereto.

4. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized and directed to deliver the Indenture to the Trustee.

5. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized to deliver the Loan Agreement and the Land Use Restriction Agreement to the Borrower, the Trustee and the Lender.

6. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute by facsimile or manual signature, attested by the facsimile or manual signature of its Secretary or Assistant Secretary, and either is authorized and directed to deliver the Bonds to the Trustee for authentication and delivery to the Bond Purchaser thereof upon payment of the purchase price therefor.

7. The Purchase Agreement, the Indenture, the Loan Agreement and the Bonds 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 omissions, insertions and changes; provided, however, that the Bonds shall bear interest at a rate or rates not to exceed the maximum amount permitted by law and the Bonds shall mature on or before ten (10) years after the issuance thereof.

8. The Issuer hereby authorizes and approves the preparation, use and circulation of a Preliminary Official Statement and a Final Official Statement, which describes the Bonds and the financing documents related to the Bonds and which will be used to market and sell the Bonds.

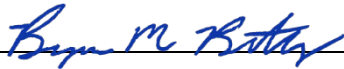
9. The officers of the Issuer are hereby authorized and directed to execute, deliver and file all certificates and instruments, including Internal Revenue Service Form 8038, financing statements to evidence security interests created under the Indenture, a Tax Exemption Certificate and Agreement, and an informational statement to be filed with the State of Tennessee, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the financing of the Project.

10. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

11. All other acts of the officers of the Issuer which are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the financing of the Project are hereby approved and confirmed.

I hereby certify that attached hereto is a resolution of Knoxville's Community Development Corporation, duly and lawfully adopted by its Board of Directors on September 28, 2023, at a meeting at which a quorum was acting throughout and I furthermore certify that such resolution has not been amended or modified in any respect.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: 
Secretary

36413293.1

RESOLUTION NO. 2023-25

FINAL RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED \$5,000,000 KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION COLLATERALIZED MULTIFAMILY HOUSING BONDS (WILLOW PLACE PROJECT) SERIES 2023

WHEREAS, the Board of Directors of Knoxville's Community Development Corporation (the "Issuer"), has met pursuant to proper notice on September 28, 2023; and

WHEREAS, DGA Holston LP, a Tennessee limited partnership (the "Borrower"), has requested the Issuer to finance the acquisition, construction, and equipping of a multifamily housing rental development consisting of approximately 96 apartment units to be known as Riverside at Holston to be located on certain property located on the north side of Holston Hills Road, across the street from Holston River Park (which park is located at 3300 Holston Hills Road in Knoxville, Tennessee) (the "Project"), which project is of the character and will accomplish the purposes of Part 20 of Title 13 of the Tennessee Code Annotated, as amended (the "Act"); and

WHEREAS, on December 13, 2022, the Issuer issued its \$14,370,000 Collateralized Multifamily Housing Bonds (Willow Place Project) Series 2022 and loaned the proceeds thereof to the Borrower to finance a portion of the Project; and

WHEREAS, the Issuer proposes to issue and sale additional revenue bonds for the Project in an amount not to exceed \$5,000,000; and

WHEREAS, the Issuer previously held a public hearing with respect to the issuance of Bonds, as required under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, on May 26, 2022, the Issuer approved on a preliminary basis (the "Preliminary Resolution") the issuance of additional revenue bonds for the Project in the aggregate principal amount of not to exceed Twenty Million Dollars (\$20,000,000) and the Issuer desires to ratify and confirm such prior preliminary approval; and

WHEREAS, there have been submitted to the Issuer at the meeting on September 28, 2023, the forms of the following instruments which the Issuer proposes to execute to carry out the transactions described above, copies of which instruments shall be filed with the records of the Issuer:

(a) Bond Purchase Agreement (the "Purchase Agreement") by and among the Issuer, the Borrower, and the purchaser thereof (the "Bond Purchaser");

(b) Trust Indenture (the "Indenture") between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee");

(c) The form of the Issuer's Collateralized Multifamily Housing Bonds (Willow Place Project), Series 2023 (the "Bonds");

(d) Loan Agreement (the "Loan Agreement") between the Issuer and the Borrower, to provide for the loan of the proceeds of the Bonds to the Borrower and for the repayment of such loan; and

(e) Land Use Restriction Agreement (the "Land Use Restriction Agreement") among the Issuer, the Trustee and the Borrower.

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

1. It is hereby found and determined that the financing of the Project will assist the Borrower in connection with its mission of providing safe, affordable housing to the citizens of the State of Tennessee, thereby improving their health and wellbeing and promoting the purposes of the Act.

2. It is hereby found to be most advantageous to sell the Bonds, upon the terms and conditions set forth in the Purchase Agreement.

3. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute and either is authorized to deliver the Purchase Agreement to the other parties thereto.

4. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized and directed to deliver the Indenture to the Trustee.

5. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized to deliver the Loan Agreement and the Land Use Restriction Agreement to the Borrower, the Trustee and the Lender.

6. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute by facsimile or manual signature, attested by the facsimile or manual signature of its Secretary or Assistant Secretary, and either is authorized and directed to deliver the Bonds to the Trustee for authentication and delivery to the Bond Purchaser thereof upon payment of the purchase price therefor.

7. The Purchase Agreement, the Indenture, the Loan Agreement and the Bonds 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 omissions, insertions and changes; provided, however, that the Bonds shall bear interest at a rate or rates not to exceed the maximum amount permitted by law and the Bonds shall mature on or before ten (10) years after the issuance thereof.

8. The Issuer hereby authorizes and approves the preparation, use and circulation of a Preliminary Official Statement and a Final Official Statement, which describes the Bonds and the financing documents related to the Bonds and which will be used to market and sell the Bonds.

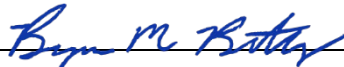
9. The officers of the Issuer are hereby authorized and directed to execute, deliver and file all certificates and instruments, including Internal Revenue Service Form 8038, financing statements to evidence security interests created under the Indenture, a Tax Exemption Certificate and Agreement, and an informational statement to be filed with the State of Tennessee, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the financing of the Project.

10. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

11. All other acts of the officers of the Issuer which are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the financing of the Project are hereby approved and confirmed.

I hereby certify that attached hereto is a resolution of Knoxville's Community Development Corporation, duly and lawfully adopted by its Board of Directors on September 28, 2023, at a meeting at which a quorum was acting throughout and I furthermore certify that such resolution has not been amended or modified in any respect.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: 
Secretary

36271600.1

RESOLUTION NO. 2023-26

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION REGARDING A PAYMENT IN LIEU OF TAX TRANSACTION WITH ECG SUTHERLAND 1, LP

WHEREAS, the Board of Commissioners of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

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

WHEREAS, to induce ECG Sutherland 1, LP, a Tennessee limited partnership (the "Applicant"), to acquire, rehabilitate and equip a multifamily housing rental development consisting of approximately 166 affordable housing units located at 610 Sutherland Way, 3220 Atchley Ridge Way, and 1036 Dunhill Way in the City (collectively, the "Project"), KCDC will acquire certain real and personal property related to the Project, and KCDC will lease said property to the Applicant on the terms and conditions set forth in the Lease referenced herein; and

WHEREAS, KCDC has received a letter from the Mayor of the City expressing her support for the Project pursuant to Tenn. Code Ann. § 48-101-312(b)(4)(C); and

WHEREAS, there has been submitted to KCDC a form of Lease (the "Lease"), between KCDC and the Applicant, which provides certain payments in lieu of tax as provided therein and which KCDC proposes to execute to carry out the transaction described above, a copy of which instrument shall be filed with the records of KCDC.

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

1. It is hereby found and determined that the acquisition and ownership of the Project will promote industry, trade, commerce and housing in the State of Tennessee and will increase the availability of affordable housing and employment in the City.

2. The Chairman or the Vice Chairman of KCDC is hereby authorized and directed to execute, and, where requested, the Secretary or Assistant Secretary is authorized to attest, and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is (are) hereby authorized and empowered to execute the Lease and deliver the Lease to the Applicant.

3. KCDC is hereby authorized and directed to own the Project pursuant to the terms of the Lease.

4. The Lease shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such omissions, insertions and changes.

5. The officers of KCDC are hereby authorized and directed to execute, deliver and file such other certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the consummation of the transactions described above, including, without limitation, executing such documents as any lender of the Applicant may request in connection with its liens on the Project.

6. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

7. All other acts of the officers of KCDC which are in conformity with the purposes and intent of this resolution are hereby approved and confirmed.

Approved this 28th day of September, 2023.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: 
Secretary

RESOLUTION NO. 2023-27

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION REGARDING A PAYMENT IN LIEU OF TAX TRANSACTION WITH ECG SUTHERLAND 2, LP

WHEREAS, the Board of Commissioners of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

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

WHEREAS, to induce ECG Sutherland 1, LP, a Tennessee limited partnership (the "Applicant"), to acquire, rehabilitate and equip a multifamily housing rental development consisting of approximately 120 apartment units known as Sutherland Park Apartments (the "Project"), KCDC will acquire certain real and personal property related to the Project, and KCDC will lease said property to the Applicant on the terms and conditions set forth in the Lease referenced herein; and

WHEREAS, KCDC has received a letter from the Mayor of the City expressing her support for the Project pursuant to Tenn. Code Ann. § 48-101-312(b)(4)(C); and

WHEREAS, there has been submitted to KCDC a form of Lease (the "Lease"), between KCDC and the Applicant, which provides certain payments in lieu of tax as provided therein and which KCDC proposes to execute to carry out the transaction described above, a copy of which instrument shall be filed with the records of KCDC.

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

1. It is hereby found and determined that the acquisition and ownership of the Project will promote industry, trade, commerce and housing in the State of Tennessee and will increase the availability of affordable housing and employment in the City.

2. The Chairman or the Vice Chairman of KCDC is hereby authorized and directed to execute, and, where requested, the Secretary or Assistant Secretary is authorized to attest, and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is (are) hereby authorized and empowered to execute the Lease and deliver the Lease to the Applicant.

3. KCDC is hereby authorized and directed to own the Project pursuant to the terms of the Lease.

4. The Lease shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such omissions, insertions and changes.

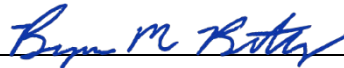
5. The officers of KCDC are hereby authorized and directed to execute, deliver and file such other certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the consummation of the transactions described above, including, without limitation, executing such documents as any lender of the Applicant may request in connection with its liens on the Project.

6. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

7. All other acts of the officers of KCDC which are in conformity with the purposes and intent of this resolution are hereby approved and confirmed.

Approved this 28th day of September, 2023.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: 
Secretary

36399884.1

RESOLUTION NO. 2023-28

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION APPROVING AN AMENDMENT TO THE POLICIES OF THE BOARD OF COMMISSIONERS' GRIEVANCE POLICY

WHEREAS, the Board of Commissioners (the "Board") of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

WHEREAS, the Board implements, reviews and amends its policies; and

WHEREAS, the Board now desires to amend the existing Grievance Policy and to adopt the revised Grievance Policy attached hereto as Exhibit A (the "Grievance Policy").

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, by the Board of Knoxville's Community Development Corporation as follows:

RESOLVED, that the revised Grievance Policy is hereby approved and adopted by the Board; and further

RESOLVED, that the Grievance Policy shall be applicable to all future instances where staff grievances may arise and shall be made available to the public on the Board's website; and further

RESOLVED, that any and all other actions heretofore taken on behalf of the Board consistent with the purpose and intent of this resolution are hereby approved, ratified and confirmed in all respects; and further

RESOLVED, that the commissioners of the Board are hereby authorized to take all appropriate action to implement the Grievance Policy at all future meetings of the Board.

Approved this 28th day of September, 2023.

KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION

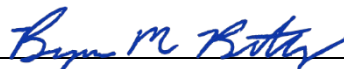
By: 
Secretary

EXHIBIT A

Section E: Human Resources	Knoxville's Community Development Corporation		
	Grievance Policy	E-181	
		Issued: 7/1/2006	Adopted: 12/12/19

Purpose: The purpose of the Grievance Policy is to create for employees an open channel of communication through which complaints will be considered rapidly, fairly, and without fear of reprisal. KCDC will handle grievances internally and informally through a management process designed to ensure that the employee's viewpoint is heard, respected and addressed.

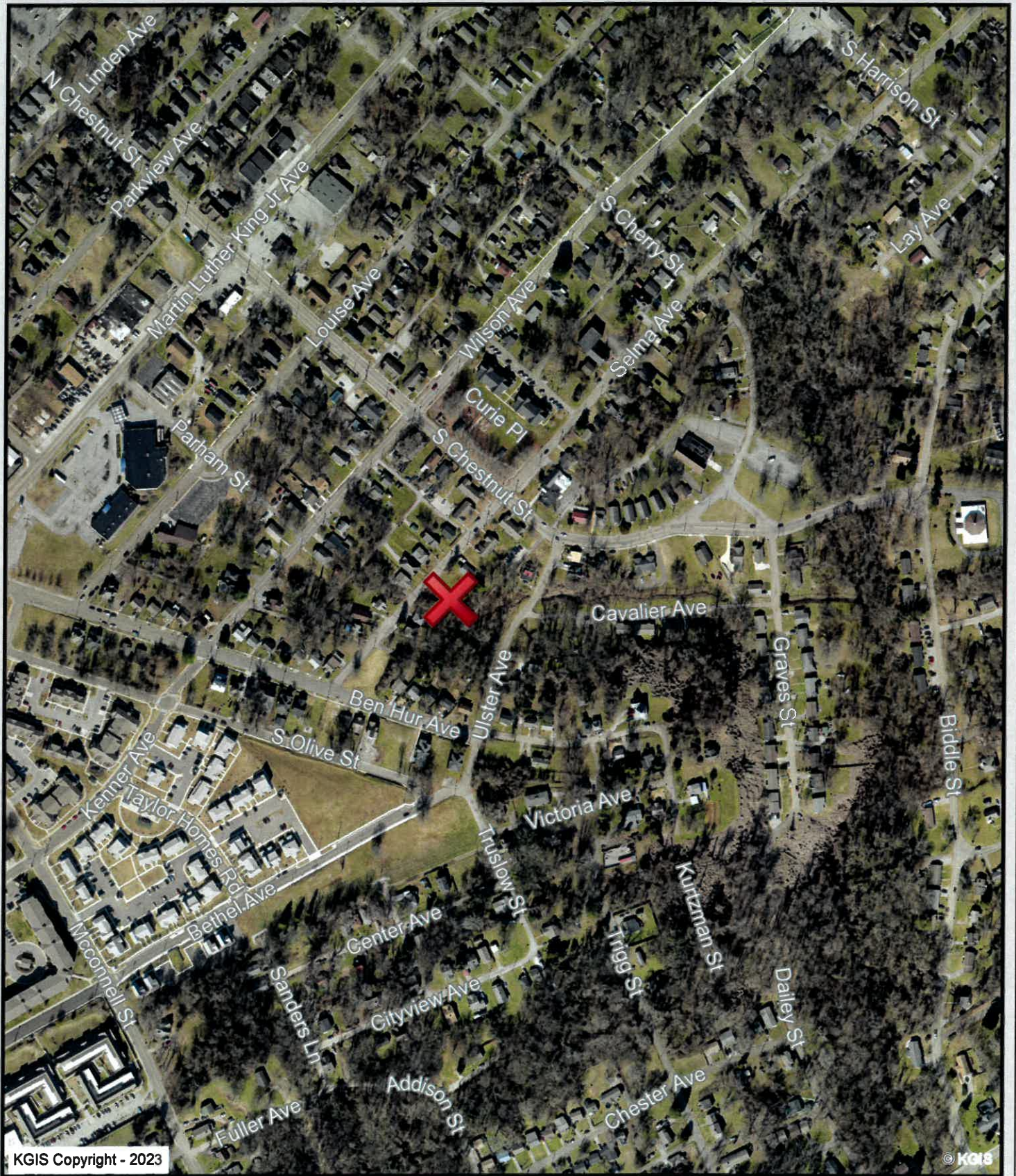
1. **Eligibility:** All regular employees shall be eligible to submit a grievance in accordance with established procedures.
2. **Definition of Grievance:** A grievance is a misunderstanding, a complaint, a point of view, or an opinion pertaining to employment conditions, relationships between an employee and a supervisor, or relationships with other employees. Such misunderstandings, complaints, points of view, and opinions will be considered a grievance, except in cases where they relate to KCDC's Discipline Policy.
3. **The Grievance Process:** Management will design procedures appropriate to carrying out the policy for the KCDC organization.

Amended per Res 2023-28 9/28/2023

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 5

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Approval is requested to sell 2430 & 2436 Selma Avenue (Tax ID #082NP006 & Tax ID #082NP007) to East TN Housing Development Corporation for construction of two single-family homes.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ _____ Expenditure: \$ _____ Source of Funds: _____
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input type="checkbox"/> Legal Counsel: _____ Other – Name/Title: _____
<u>BACKGROUND</u>	
<p>1. What is the objective of this action? New construction of two, a 1-story, 3-bedroom, 2-bath homes measuring approximately 1,180 square feet. Both homes will be Energy Star certified and ADA VISIBLE. Both homes will be sold to persons at or below 80% of the area median income for a price of approximately \$200,000.</p> <p>2. Why is the action needed now? Building permits</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? City - Homemaker program KCDC - titled land owner ETHDC - builder</p> <p>4. What are the long-term and short-term exposures? none</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	
ATTACHMENTS	Map Deed



2430 & 2436 Selma Avenue

Knoxville - Knox County - KUB Geographic Information System



Printed: 9/18/2023 at 11:27:50 AM



KGIS makes no representation or warranty as to the accuracy of his 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.

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

Tax ID 082NP006
Tax ID 082NP007

SPECIAL WARRANTY DEED

THIS INDENTURE, made this ____ day of _____, 2023, between
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION, a government body
corporate and politic under the laws of the State of Tennessee, Grantor, and East Tennessee
Housing Development Corporation, TIB, LLC, a Tennessee not-for-profit corporation, Grantee.

WITNESSETH:

THAT said Grantor, for and in consideration of the sum of TWELVE THOUSAND AND
NO/100 DOLLARS (\$12,000.00) 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 two parcels of land more
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 Homemakers Agreement dated September 7, 2023 as submitted by the Grantee, as heretofore approved by the Grantor on September 28, 2023, 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 _____, 2024;

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 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 corporation by himself as Executive Director/CEO.

WITNESS my hand and seal, at office in Knoxville, Tennessee, this ____ day of _____, 2023.

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 \$12,000.00, 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 ____ day of _____, 2023.

Affiant

Notary Public

My Commission Expires: _____

New Owner & Responsible Tax Payer:
East TN Housing Development Corporation
10414 Jackson Oaks Way, Ste 202
Knoxville, TN 37922

EXHIBIT A

2436 Selma Avenue Tax ID 082NP007

SITUATED in the Second Civil District of Knox County, Tennessee, within the 14th Ward of the City of Knoxville, Tennessee, and being known and designated as Lot 88R, Resubdivision of Lots 86 – 88 Strong & Thompson's East End Addition, as shown on map of record as Instrument No. 200711210041339, in the Register's Office for Knox County Tennessee, said lot being more particularly bounded and described as shown on map of record aforesaid, to which map specific reference is hereby made for a more particular description.

BEING part of the same property conveyed to Knoxville's Community Development Corporation by Order Quieting Title by and between Knoxville's Community Development Corporation and Tennessee Conference of the AME Zion Church, Community Development Corporation, filed June 30, 2023, as Instrument No. 202306300069957, in the Register's Office for Knox County, Tennessee.

2430 Selma Avenue Tax ID 082NP006

SITUATED in the Second Civil District of Knox County, Tennessee, within the 14th Ward of the City of Knoxville, Tennessee, and being known and designated as Lot 87R, Resubdivision of Lots 86 – 88 Strong & Thompson's East End Addition, as shown on map of record as Instrument No. 200711210041339, in the Register's Office for Knox County Tennessee, said lot being more particularly bounded and described as shown on map of record aforesaid, to which map specific reference is hereby made for a more particular description.

BEING part of the same property conveyed to Knoxville's Community Development Corporation by Order Quieting Title by and between Knoxville's Community Development Corporation and Tennessee Conference of the AME Zion Church, Community Development Corporation, filed June 30, 2023, as Instrument No. 202306300069957, in the Register's Office for Knox County, Tennessee.

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 6

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Resolution authorizing necessary amendments to an existing payment-in-lieu-of-taxes (PILOT) agreement with Ridgebrook Housing I, LLC.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS</u> Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action?</p> <p>The objective of this action is to obtain authorization to amend an existing PILOT agreement with Ridgebrook Housing I, LLC that were requested by the project's lender. The changes to the PILOT are with respect to cure rights and do not impact KCDC - the changes only affect the priority of rights between the lender, lessee and tax credit investor.</p> <p>2. Why is the action needed now?</p> <p>This amendment was requested by the project's lender and does not impact KCDC.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)?</p> <p>Ridgebrook Housing I, LLC as project owner and lessee under the PILOT lease. KCDC as housing authority and lessor under the PILOT lease.</p> <p>4. What are the long-term and short-term exposures?</p> <p>This amendment does not impact KCDC's position under the existing PILOT lease.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In September 2022, KCDC authorized a PILOT for Ridgebrook Housing I, LLC and subsequently entered into a PILOT lease with Ridgebrook Housing I, LLC.
ATTACHMENTS	Resolution, draft amendment

RESOLUTION NO. 2023--

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION REGARDING A FIRST AMENDMENT TO LEASE BETWEEN KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION AND RIDGEBROOK HOUSING I, LLC

WHEREAS, the Board of Commissioners of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

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

WHEREAS, to induce Ridgebrook Housing I, LLC, a Tennessee limited liability company (the "Lessee"), to acquire, rehabilitate and equip Ridgebrook Apartments, a 144 unit housing facility for low and moderate income citizens (the "Project"), KCDC and Lessee entered into a Lease, dated as of December 31, 2022 (the "Existing Lease"); and

WHEREAS, in connection with the closing of a mortgage loan for the Project, Lessee has requested the Board to agree to amend the Existing Lease by entering into a First Amendment to Lease (the "Amendment") between the Board and Lessee, a copy of which has been presented to the Board and shall be filed with the records of the Board; and

WHEREAS, the Board wishes to authorize its officers to take all steps necessary or appropriate to consummate the transactions contemplated by the Amendment.

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

1. The Chair or the Vice Chair of KCDC is hereby authorized and directed to execute, and, where requested, the Secretary or Assistant Secretary is authorized to attest, and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is (are) hereby authorized and empowered to execute the Amended and Restated Lease and deliver the Amendment to the Lessee.

2. KCDC is hereby authorized and directed to own the Project pursuant to the terms of the Amendment.

3. The Amendment shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the

officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such omissions, insertions and changes.

4. The officers of KCDC are hereby authorized and directed to execute, deliver and file such other certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the consummation of the transactions described above, including, without limitation, executing such documents as any lender of the Lessee may request in connection with its liens on the Project.

5. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

6. All other acts of the officers of KCDC which are in conformity with the purposes and intent of this resolution are hereby approved and confirmed.

Approved this 28th day of September, 2023.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 7

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Final bond resolution authorizing the issuance of an additional \$5,000,000 of bonds to facilitate a development owned by DGA Grosvenor Square LP, a subsidiary of DGA Residential.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: BBS - Jay Moneyhun Other – Name/Title:
<u>BACKGROUND</u>	
<p>1 What is the objective of this action?</p> <p>Final bond resolution would allow KCDC to increase the amount of bonds issued for DGA Grovesnor Square LP by an \$5,000,000 that would be in addition to the \$27,000,000 previously issued by KCDC. The project is a 184-unit affordable housing development located at 2400 Merchant Drive.</p> <p>2 Why is the action needed now?</p> <p>Closing for this project is scheduled next month and the additional bonds are needed in order to facilitate the financing for this project. DGA has already secured the additional bond volume cap from THDA.</p> <p>3 Who are the parties involved and what are their roles (if appropriate)?</p> <p>Grovesnor Square LP as borrower and project owner. DGA Residential as developer and sponsor of the project. KCDC as bond issuer.</p> <p>4 What are the long-term and short-term exposures?</p> <p>None. These bonds will not become a general obligation of KCDC.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In June 2022, KCDC authorized a bond issuance in the amount of \$27,000,000 for this project.
ATTACHMENTS	Resolution

RESOLUTION NO. 2023--

**FINAL RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED
\$5,000,000 KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
COLLATERALIZED MULTIFAMILY HOUSING BONDS
(GROSVENOR SQUARE PROJECT) SERIES 2023**

WHEREAS, the Board of Directors of Knoxville's Community Development Corporation (the "Issuer"), has met pursuant to proper notice on September 28, 2023; and

WHEREAS, DGA Grosvenor Square LP, a Tennessee limited partnership (the "Borrower"), has requested the Issuer to finance the acquisition, construction, and equipping of a multifamily housing rental development consisting of approximately 184 apartment units to be known as Grosvenor Square to be located on certain property located southeast of the intersection of Merchant Drive and Wilkerson Road in Knoxville, Tennessee (the "Project"), which project is of the character and will accomplish the purposes of Part 20 of Title 13 of the Tennessee Code Annotated, as amended (the "Act"); and

WHEREAS, on December 13, 2022, the Issuer issued its \$27,000,000 Collateralized Multifamily Housing Bonds (Grosvenor Square Project) Series 2022 and loaned the proceeds thereof to the Borrower to finance a portion of the Project; and

WHEREAS, the Issuer proposes to issue and sale additional revenue bonds for the Project in an amount not to exceed \$5,000,000; and

WHEREAS, the Issuer previously held a public hearing with respect to the issuance of Bonds, as required under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, on June 29, 2023, the Issuer approved on a preliminary basis (the "Preliminary Resolution") the issuance of additional revenue bonds for the Project in the aggregate principal amount of not to exceed Five Million Dollars (\$5,000,000) and the Issuer desires to ratify and confirm such prior preliminary approval; and

WHEREAS, there have been submitted to the Issuer at the meeting on September 28, 2023, the forms of the following instruments which the Issuer proposes to execute to carry out the transactions described above, copies of which instruments shall be filed with the records of the Issuer:

(a) Bond Purchase Agreement (the "Purchase Agreement") by and among the Issuer, the Borrower, and the purchaser thereof (the "Bond Purchaser");

(b) Trust Indenture (the "Indenture") between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee");

(c) The form of the Issuer's Collateralized Multifamily Housing Bonds (Grosvenor Square Project), Series 2023 (the "Bonds");

(d) Loan Agreement (the "Loan Agreement") between the Issuer and the Borrower, to provide for the loan of the proceeds of the Bonds to the Borrower and for the repayment of such loan; and

(e) Land Use Restriction Agreement (the "Land Use Restriction Agreement") among the Issuer, the Trustee and the Borrower.

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

1. It is hereby found and determined that the financing of the Project will assist the Borrower in connection with its mission of providing safe, affordable housing to the citizens of the State of Tennessee, thereby improving their health and wellbeing and promoting the purposes of the Act.

2. It is hereby found to be most advantageous to sell the Bonds, upon the terms and conditions set forth in the Purchase Agreement.

3. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute and either is authorized to deliver the Purchase Agreement to the other parties thereto.

4. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized and directed to deliver the Indenture to the Trustee.

5. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized to deliver the Loan Agreement and the Land Use Restriction Agreement to the Borrower, the Trustee and the Lender.

6. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute by facsimile or manual signature, attested by the facsimile or manual signature of its Secretary or Assistant Secretary, and either is authorized and directed to deliver the Bonds to the Trustee for authentication and delivery to the Bond Purchaser thereof upon payment of the purchase price therefor.

7. The Purchase Agreement, the Indenture, the Loan Agreement and the Bonds 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 omissions, insertions and changes; provided, however, that the Bonds shall bear interest at a rate or rates not to exceed the maximum amount permitted by law and the Bonds shall mature on or before ten (10) years after the issuance thereof.

8. The Issuer hereby authorizes and approves the preparation, use and circulation of a Preliminary Official Statement and a Final Official Statement, which describes the Bonds and the financing documents related to the Bonds and which will be used to market and sell the Bonds.

9. The officers of the Issuer are hereby authorized and directed to execute, deliver and file all certificates and instruments, including Internal Revenue Service Form 8038, financing statements to evidence security interests created under the Indenture, a Tax Exemption Certificate and Agreement, and an informational statement to be filed with the State of Tennessee, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the financing of the Project.

10. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

11. All other acts of the officers of the Issuer which are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the financing of the Project are hereby approved and confirmed.

I hereby certify that attached hereto is a resolution of Knoxville's Community Development Corporation, duly and lawfully adopted by its Board of Directors on September 28, 2023, at a meeting at which a quorum was acting throughout and I furthermore certify that such resolution has not been amended or modified in any respect.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 8

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Final bond resolution authorizing the issuance of an additional \$5,000,000 of bonds to facilitate a development owned by DGA Holson Square LP, a subsidiary of DGA Residential.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS - Jay Moneyhun</u> Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action? Final bond resolution would allow KCDC to increase the amount of bonds issued for DGA Holston LP by an \$5,000,000 that would be in addition to the \$14,370,000 previously issued by KCDC. The project is a 96-unit affordable housing development located at near Holston River Park on Holston Hills Road.</p> <p>2. Why is the action needed now? Closing for this project is scheduled next month and the additional bonds are needed in order to facilitate the financing for this project. DGA has already secured the additional bond volume cap from THDA.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? DGA Holston LP as borrower and project owner. DGA Residential as developer and sponsor of the project. KCDC as bond issuer.</p> <p>4. What are the long-term and short-term exposures? None. These bonds will not become a general obligation of KCDC.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In December 2022, KCDC previously authorized a bond issuance in the amount of \$14,370,000 for this project.
ATTACHMENTS	Resolution

RESOLUTION NO. 2023-__

**FINAL RESOLUTION AUTHORIZING ISSUANCE OF NOT TO EXCEED
\$5,000,000 KNOXVILLE'S COMMUNITY DEVELOPMENT
CORPORATION COLLATERALIZED MULTIFAMILY HOUSING BONDS
(WILLOW PLACE PROJECT) SERIES 2023**

WHEREAS, the Board of Directors of Knoxville's Community Development Corporation (the "Issuer"), has met pursuant to proper notice on September 28, 2023; and

WHEREAS, DGA Holston LP, a Tennessee limited partnership (the "Borrower"), has requested the Issuer to finance the acquisition, construction, and equipping of a multifamily housing rental development consisting of approximately 96 apartment units to be known as Riverside at Holston to be located on certain property located on the north side of Holston Hills Road, across the street from Holston River Park (which park is located at 3300 Holston Hills Road in Knoxville, Tennessee) (the "Project"), which project is of the character and will accomplish the purposes of Part 20 of Title 13 of the Tennessee Code Annotated, as amended (the "Act"); and

WHEREAS, on December 13, 2022, the Issuer issued its \$14,370,000 Collateralized Multifamily Housing Bonds (Willow Place Project) Series 2022 and loaned the proceeds thereof to the Borrower to finance a portion of the Project; and

WHEREAS, the Issuer proposes to issue and sale additional revenue bonds for the Project in an amount not to exceed \$5,000,000; and

WHEREAS, the Issuer previously held a public hearing with respect to the issuance of Bonds, as required under Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, on May 26, 2022, the Issuer approved on a preliminary basis (the "Preliminary Resolution") the issuance of additional revenue bonds for the Project in the aggregate principal amount of not to exceed Twenty Million Dollars (\$20,000,000) and the Issuer desires to ratify and confirm such prior preliminary approval; and

WHEREAS, there have been submitted to the Issuer at the meeting on September 28, 2023, the forms of the following instruments which the Issuer proposes to execute to carry out the transactions described above, copies of which instruments shall be filed with the records of the Issuer:

(a) Bond Purchase Agreement (the "Purchase Agreement") by and among the Issuer, the Borrower, and the purchaser thereof (the "Bond Purchaser");

(b) Trust Indenture (the "Indenture") between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee");

(c) The form of the Issuer's Collateralized Multifamily Housing Bonds (Willow Place Project), Series 2023 (the "Bonds");

(d) Loan Agreement (the "Loan Agreement") between the Issuer and the Borrower, to provide for the loan of the proceeds of the Bonds to the Borrower and for the repayment of such loan; and

(e) Land Use Restriction Agreement (the "Land Use Restriction Agreement") among the Issuer, the Trustee and the Borrower.

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

1. It is hereby found and determined that the financing of the Project will assist the Borrower in connection with its mission of providing safe, affordable housing to the citizens of the State of Tennessee, thereby improving their health and wellbeing and promoting the purposes of the Act.

2. It is hereby found to be most advantageous to sell the Bonds, upon the terms and conditions set forth in the Purchase Agreement.

3. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute and either is authorized to deliver the Purchase Agreement to the other parties thereto.

4. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized and directed to deliver the Indenture to the Trustee.

5. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Issuer is authorized to attest, and either is authorized to deliver the Loan Agreement and the Land Use Restriction Agreement to the Borrower, the Trustee and the Lender.

6. The Chair or Vice Chair of the Issuer is hereby authorized and directed to execute by facsimile or manual signature, attested by the facsimile or manual signature of its Secretary or Assistant Secretary, and either is authorized and directed to deliver the Bonds to the Trustee for authentication and delivery to the Bond Purchaser thereof upon payment of the purchase price therefor.

7. The Purchase Agreement, the Indenture, the Loan Agreement and the Bonds 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 omissions, insertions and changes; provided, however, that the Bonds shall bear interest at a rate or rates not to exceed the maximum amount permitted by law and the Bonds shall mature on or before ten (10) years after the issuance thereof.

8. The Issuer hereby authorizes and approves the preparation, use and circulation of a Preliminary Official Statement and a Final Official Statement, which describes the Bonds and the financing documents related to the Bonds and which will be used to market and sell the Bonds.

9. The officers of the Issuer are hereby authorized and directed to execute, deliver and file all certificates and instruments, including Internal Revenue Service Form 8038, financing statements to evidence security interests created under the Indenture, a Tax Exemption Certificate and Agreement, and an informational statement to be filed with the State of Tennessee, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Bonds and the financing of the Project.

10. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

11. All other acts of the officers of the Issuer which are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the Bonds and the financing of the Project are hereby approved and confirmed.

I hereby certify that attached hereto is a resolution of Knoxville's Community Development Corporation, duly and lawfully adopted by its Board of Directors on September 28, 2023, at a meeting at which a quorum was acting throughout and I furthermore certify that such resolution has not been amended or modified in any respect.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

36271600.1

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 9

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Resolution authorizing the negotiation and execution of a payment-in-lieu-of-tax (PILOT) transaction with Sutherland 1, LP.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: BBS Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action?</p> <p>The objective of this action is to obtain authorization to execute documents to provide a PILOT in connection with the acquisition and renovation of the Dunhill and Sutherland View apartments located at 1036 Dunhill Way and 3200 Sutherland View Way. The 144 units that make up these two projects will be recapitalized using LIHTCs and will serve low and moderate income residents.</p> <p>2. Why is the action needed now?</p> <p>Closing for this project is scheduled next month and KCDC has already received a letter of support for this PILOT transaction from the Mayor of Knoxville.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)?</p> <p>Sutherland 1, LP as project owner and lessee under the eventual PILOT lease. KCDC as housing authority and lessor under the eventual PILOT lease.</p> <p>4. What are the long-term and short-term exposures?</p> <p>KCDC will have very minimal exposure under this PILOT transaction.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In 2015, Tenn. Code Ann. 48-101-312 was amended to permit housing authorities, in certain circumstances, to provide property tax abatements for low-income housing tax credit projects upon the receipt of a letter of support from the Mayor.
ATTACHMENTS	Resolution

RESOLUTION NO. 2023--

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION REGARDING A PAYMENT IN LIEU OF TAX TRANSACTION WITH ECG SUTHERLAND 1, LP

WHEREAS, the Board of Commissioners of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

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

WHEREAS, to induce ECG Sutherland 1, LP, a Tennessee limited partnership (the "Applicant"), to acquire, rehabilitate and equip a multifamily housing rental development consisting of approximately 166 affordable housing units located at 610 Sutherland Way, 3220 Atchley Ridge Way, and 1036 Dunhill Way in the City (collectively, the "Project"), KCDC will acquire certain real and personal property related to the Project, and KCDC will lease said property to the Applicant on the terms and conditions set forth in the Lease referenced herein; and

WHEREAS, KCDC has received a letter from the Mayor of the City expressing her support for the Project pursuant to Tenn. Code Ann. § 48-101-312(b)(4)(C); and

WHEREAS, there has been submitted to KCDC a form of Lease (the "Lease"), between KCDC and the Applicant, which provides certain payments in lieu of tax as provided therein and which KCDC proposes to execute to carry out the transaction described above, a copy of which instrument shall be filed with the records of KCDC.

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

1. It is hereby found and determined that the acquisition and ownership of the Project will promote industry, trade, commerce and housing in the State of Tennessee and will increase the availability of affordable housing and employment in the City.

2. The Chairman or the Vice Chairman of KCDC is hereby authorized and directed to execute, and, where requested, the Secretary or Assistant Secretary is authorized to attest, and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is (are) hereby authorized and empowered to execute the Lease and deliver the Lease to the Applicant.

3. KCDC is hereby authorized and directed to own the Project pursuant to the terms of the Lease.

4. The Lease shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such omissions, insertions and changes.

5. The officers of KCDC are hereby authorized and directed to execute, deliver and file such other certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the consummation of the transactions described above, including, without limitation, executing such documents as any lender of the Applicant may request in connection with its liens on the Project.

6. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

7. All other acts of the officers of KCDC which are in conformity with the purposes and intent of this resolution are hereby approved and confirmed.

Approved this 28th day of September, 2023.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 10

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Resolution authorizing the negotiation and execution of a payment-in-lieu-of-tax (PILOT) transaction with Sutherland 2, LP.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS</u> Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action? The objective of this action is to obtain authorization to execute documents to provide a PILOT in connection with the acquisition and renovation of the Sutherland Park apartments located at 510 Vista Glenn Way. The 120 units located at this property will be recapitalized using LIHTCs and will serve low and moderate income residents.</p> <p>2. Why is the action needed now? Closing for this project is scheduled next month and KCDC has already received a letter of support for this PILOT transaction from the Mayor of Knoxville.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? Sutherland 2, LP as project owner and lessee under the eventual PILOT lease. KCDC as housing authority and lessor under the eventual PILOT lease.</p> <p>4. What are the long-term and short-term exposures? KCDC will have very minimal exposure under this PILOT transaction.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In 2015, Tenn. Code Ann. 48-101-312 was amended to permit housing authorities, in certain circumstances, to provide property tax abatements for low-income housing tax credit projects upon the receipt of a letter of support from the Mayor.
ATTACHMENTS	Resolution

RESOLUTION NO. 2023-___

RESOLUTION OF THE BOARD OF COMMISSIONERS OF KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION REGARDING A PAYMENT IN LIEU OF TAX TRANSACTION WITH ECG SUTHERLAND 2, LP

WHEREAS, the Board of Commissioners of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

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

WHEREAS, to induce ECG Sutherland 1, LP, a Tennessee limited partnership (the "Applicant"), to acquire, rehabilitate and equip a multifamily housing rental development consisting of approximately 120 apartment units known as Sutherland Park Apartments (the "Project"), KCDC will acquire certain real and personal property related to the Project, and KCDC will lease said property to the Applicant on the terms and conditions set forth in the Lease referenced herein; and

WHEREAS, KCDC has received a letter from the Mayor of the City expressing her support for the Project pursuant to Tenn. Code Ann. § 48-101-312(b)(4)(C); and

WHEREAS, there has been submitted to KCDC a form of Lease (the "Lease"), between KCDC and the Applicant, which provides certain payments in lieu of tax as provided therein and which KCDC proposes to execute to carry out the transaction described above, a copy of which instrument shall be filed with the records of KCDC.

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

1. It is hereby found and determined that the acquisition and ownership of the Project will promote industry, trade, commerce and housing in the State of Tennessee and will increase the availability of affordable housing and employment in the City.

2. The Chairman or the Vice Chairman of KCDC is hereby authorized and directed to execute, and, where requested, the Secretary or Assistant Secretary is authorized to attest, and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is (are) hereby authorized and empowered to execute the Lease and deliver the Lease to the Applicant.

3. KCDC is hereby authorized and directed to own the Project pursuant to the terms of the Lease.

4. The Lease shall be in substantially the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by the officer executing it, his or her execution to constitute conclusive evidence of his or her approval of any such omissions, insertions and changes.

5. The officers of KCDC are hereby authorized and directed to execute, deliver and file such other certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the consummation of the transactions described above, including, without limitation, executing such documents as any lender of the Applicant may request in connection with its liens on the Project.

6. Any authorization herein to execute any document shall include authorization to record such document where appropriate.

7. All other acts of the officers of KCDC which are in conformity with the purposes and intent of this resolution are hereby approved and confirmed.

Approved this 28th day of September, 2023.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD ACTION FORM - ITEM 11

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Resolution authorizing the amendment to the Policies of the Board of Commissioners' Grievance Policy (E-181).
SUBMITTED BY	Name, Title / Department: Ben Bentley, Secretary
MEETING TYPE	<input checked="" type="checkbox"/> Regular <input type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>Wimberly Lawson</u> Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action? This modification is designed to enhance unity and collaboration among staff and within the chains of command. Management believes that disagreements are most effectively managed in-house. This action enhances conformity to standard practice.</p> <p>2. Why is the action needed now? This action is part of an ongoing effort to ensure that policies affecting management align to best practices.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? This policy has the potential to impact all KCDC staff, however, grievances are not common within the Agency.</p> <p>4. What are the long-term and short-term exposures? This policy amendment minimizes utilization of legal resources, removing the suggestion that any disagreement with management may be considered a cause for legal action.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	This recommendation to the Board is proactive, resulting from a recommendation of legal counsel and an external HR consultant to amend the policy in this manner.
ATTACHMENTS	Resolution Amended Grievance Policy

RESOLUTION NO. 2023-__

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
APPROVING AN AMENDMENT TO THE POLICIES OF THE
BOARD OF COMMISSIONERS' GRIEVANCE POLICY**

WHEREAS, the Board of Commissioners (the "Board") of Knoxville's Community Development Corporation ("KCDC") has met pursuant to proper notice; and

WHEREAS, the Board implements, reviews and amends its policies; and

WHEREAS, the Board now desires to amend the existing Grievance Policy and to adopt the revised Grievance Policy attached hereto as Exhibit A (the "Grievance Policy").

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, by the Board of Knoxville's Community Development Corporation as follows:

RESOLVED, that the revised Grievance Policy is hereby approved and adopted by the Board; and further

RESOLVED, that the Grievance Policy shall be applicable to all future instances where staff grievances may arise and shall be made available to the public on the Board's website; and further

RESOLVED, that any and all other actions heretofore taken on behalf of the Board consistent with the purpose and intent of this resolution are hereby approved, ratified and confirmed in all respects; and further

RESOLVED, that the commissioners of the Board are hereby authorized to take all appropriate action to implement the Grievance Policy at all future meetings of the Board.

Approved at a meeting of the Board of Commissioners held this ___ day of September, 2023.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

Section E: Human Resources	Knoxville's Community Development Corporation		
	Grievance Policy	E-181	
		Issued: 7/1/2006	Adopted: 12/12/19

Purpose: The purpose of the Grievance Resolution Policy is to create for employees an open channel of communication through which complaints will be considered rapidly, fairly, and without fear of reprisal. KCDC ~~will~~ desires to handle grievances internally. However, it is recognized some grievances will only be resolved after review by an impartial third party ~~and informally through a management process designed to ensure that the employee's viewpoint is heard, respected and addressed~~

1. Eligibility: All regular employees shall be eligible to submit a grievance in accordance with ~~procedures~~ established procedures ~~by management.~~
2. Definition of Grievance: A grievance is a misunderstanding, a complaint, a point of view, or an opinion pertaining to employment conditions, relationships between an employee and a supervisor, or relationships with other employees. Such misunderstandings, complaints, points of view, and opinions will be considered a grievance, except in cases where they relate to KCDC's Discipline Policy.
3. The Grievance Process: Management shall establish and maintain grievance procedures that conform to industry best practice.

GROSVENOR SQUARE GP CORPORATION

Date: September 21, 2023

To: Board of Directors

From: Nancy White, Secretary/Treasurer

Subject: **SPECIAL AGENDA**
Special Meeting of the Board of Directors
Thursday, September 28, 2023, 5 p.m.
901 N. Broadway
Knoxville, Tennessee 37917

1. Call to Order.
2. Approval is requested to execute the *annual* minutes for the meeting held on May 25, 2023. **(Item 2 Attachment)**

REDEVELOPMENT (Jim Hatfield)

3. Resolution authorizing Grosvenor Square GP Corporation to negotiate and execute all documents required to effectuate the closing of Grosvenor Square apartments, a 184-unit, new construction affordable housing development. **(Item 3 Attachment)**
4. Adjourn.

GROSVENOR SQUARE GP CORPORATION

ANNUAL MEETING MINUTES

The Board of Directors of the Grosvenor Square GP Corporation met on **May 25, 2023** at 901 N. Broadway, Knoxville, Tennessee 37917.

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

Present: Director Kimberly Henry
Director Scott Broyles
Director Felix Harris

Approval to execute the minutes of the meeting held on December 6, 2022. **DRAFT** Director Broyles made a motion to approve. Director Harris seconded the motion. All Directors present voted "Aye."

Approval to elect officers. Director Harris made a motion to elect the following slate of officers. Director Broyles seconded the motion. All Directors present voted "Aye."

President: Ben Bentley
Vice President: Jim Hatfield
Secretary-Treasurer: Nancy White

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

Benjamin M. Bentley, President

Approved:

ATTEST:

Nancy White, Secretary

Approved:

GROVESNOR SQUARE GP CORPORATION

BOARD ACTION FORM - ITEM 3

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Resolution authorizing Grosvenor Square GP Corporation to negotiate and execute all documents required to effectuate the closing of Grosvenor Square apartments, a 184-unit, new construction affordable housing development.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input type="checkbox"/> Regular <input checked="" type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS - Russell Stair</u> Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action? Grovesnor Square GP Corporation, general partner of the project's owner entity, DGA Grovesnor Square LP, needs to enter into various customary agreements in order for the project to close on its financing and begin construction. Such documents include but are not limited to an amended partnership agreement, loan documents, management agreement, assignments, and other related agreements.</p> <p>2. Why is the action needed now? Closing for this project is scheduled next month and board approval is needed in advance of closing.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)? KCDC as owner of Grovesnor Square GP Corporation, the general partner of the project. DGA Residential as project sponsor and developer.</p> <p>4. What are the long-term and short-term exposures? There is minimal exposure to KCDC under the development agreement terms with DGA residential for this project.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In 2022, KCDC previously authorized the formation the GP corporation and the execution of the development agreement with DGA for this project.
ATTACHMENTS	Resolution

RESOLUTION NO. 2023-__

RESOLUTION OF THE BOARD OF DIRECTORS OF GROSVENOR SQUARE GP CORPORATION REGARDING THE DEVELOPMENT AND FINANCING OF GROSVENOR SQUARE APARTMENTS AND THE EXECUTION OF DOCUMENTS RELATING THERETO

WHEREAS, the Board of Directors of Grosvenor Square GP 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 ("KCDC"); and

WHEREAS, KCDC is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "City") 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 and redevelopment authorities in Tennessee are authorized through their respective governing bodies to finance and/or refinance housing and redevelopment projects; and

WHEREAS, to further the development of a 184-unit low-income housing development known as Grosvenor Square Apartments on real property located at approximately 2400 Merchant Drive in the City (the "Project"), the Corporation as the sole general partner, DGA Grosvenor Square GP, LLC, as the special limited partner and Craig Cobb, as the limited partner, formed DGA Grosvenor Square LP, a Tennessee limited partnership (the "Partnership"); and

WHEREAS, to assist the Partnership in the financing of the development of the Project, KCDC, as issuer (the "Issuer"), previously issued its Collateralized Multifamily Housing Bonds (Grosvenor Square Project) Series 2022 in an aggregate principal amount of \$27,000,000 (the "Series 2022 Bonds"); and

WHEREAS, contemporaneously with the issuance of the Series 2022 Bonds, KCDC and the Partnership entered into a Loan Agreement dated as of December 1, 2022 specifying the terms and conditions pursuant to which KCDC will loan the proceeds of the sale of the Series 2022 Bonds to the Partnership for the purposes set forth above; and

WHEREAS, the Series 2022 Bonds were sold to Raymond James & Associates, Inc. (the "Underwriter") under the terms of a Bond Purchase Agreement dated as of December 7, 2022 (the "Series 2022 Bond Purchase Agreement"); and

WHEREAS, the Partnership has directed that the Series 2022 Bonds be remarketed (the "Remarketing") by Raymond James & Associates, Inc. (in such capacity, the "Remarketing Agent"); and

WHEREAS, the Issuer now proposes to further assist the Partnership with the financing and development of the Project by issuing its Collateralized Multifamily Housing Bonds (Grosvenor Square Project) Series 2023 in an aggregate principal amount not to exceed \$5,000,000 (the "Series 2023 Bonds"), and loaning the proceeds to the Partnership; and

WHEREAS, the Corporation, on its own behalf and as sole general partner acting on behalf of the Partnership, desires to authorize certain documents in connection with the Series 2023 Bonds, including but not limited to the following (collectively, the "Series 2023 Bond Documents"):

1. Loan Agreement by and among the Issuer and the Partnership relative to the Series 2023 Bonds;
2. Bond Purchase Agreement among the Issuer, the Partnership and Raymond James & Associates, Inc., relating to the Series 2023 Bonds;
3. Land Use Restriction Agreement among the Issuer, the Partnership and U.S. Bank National Association, as Trustee; and
4. Preliminary Official Statement, Official Statement and/or Private Placement Memorandum describing the Series 2023 Bonds, as well as any Remarketing Circular or similar offering document which describes the Series 2023 Bonds and the financing documents relating to the Series 2023 Bonds and which will be used in connection with any remarketing of the Series 2023 Bonds;

Copies of the Series 2023 Bond Documents shall be filed with the records of the Corporation; and

WHEREAS, furthermore, to proceed with the development and financing of the Project and to utilize low-income housing tax credits available pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, for said development, the Corporation, on its own behalf and as sole general partner acting on behalf of the Partnership, desires to:

- (i) authorize the transactions contemplated by that certain Second Amended and Restated Agreement of Limited Partnership of DGA Grosvenor Square LP (the "Partnership Agreement") among the Corporation, First Horizon Community Investment Group, Inc. (the "Limited Partner"), CC Community Development Holdings, Inc. (the "Special Limited Partner"), Craig Cobb (the "Withdrawing Limited Partner") and DGA Grosvenor Square GP, LLC (the "Class B Limited Partner") (the Partnership Agreement, together with all documents required to be executed in connection therewith, the "Partnership Documents");

- (ii) authorize a mortgage loan from Walker & Dunlop, LLC ("Walker & Dunlop") to the Partnership in an amount not exceeding \$28,000,000 (the "Walker & Dunlop Loan"), such loan to be insured by the Secretary of Housing and Urban Development, the proceeds of which are to be used for the benefit of the Project and the terms of which are substantially similar to those set forth in that certain draft Building Loan Agreement provided by Walker & Dunlop and available for review at this meeting (together with all documents, regulatory agreements and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto, the "Walker & Dunlop Loan Documents");
- (iii) authorize a loan from the City of Knoxville to the Partnership in an amount not to exceed \$1,750,000, the proceeds of which will be used to develop the Project, and to enter into a Promissory Note, Restrictive Covenant, Compliance Agreement, Leasehold Deed of Trust, and Affordable Rental Development Program Agreement (together with all other documents, agreements and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto, the "City Loan Documents"); and
- (iv) Authorize an equity bridge loan from First Horizon Bank or an affiliate thereof in an amount not to exceed \$18,000,000, the proceeds of which will be used to develop the Project, and to enter into a promissory note and bridge loan agreement (together with all other documents, agreements and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto, the "Equity Bridge Loan Documents");

Copies of the Partnership Documents, the Walker & Dunlop Loan Documents, the City Loan Documents and the Equity Bridge Loan Documents shall be filed with the records of the Corporation; and

WHEREAS, the Board of Directors of the Corporation desires to authorize the officers of the Corporation, for and on behalf of the Corporation on its own behalf and, as the sole general partner, on behalf of the Partnership, as applicable, to execute such documents as they, individually or collectively, determine is necessary, desirable or appropriate to carry out the transactions contemplated in and to ratify such officers' prior actions related to the Remarketing, the Series 2023 Bond Documents, the Partnership Documents, the Walker & Dunlop Loan Documents, the City Loan Documents, and the Equity Bridge Loan Documents.

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, that the Corporation, acting on its own behalf and on behalf of the Partnership, as applicable, be and hereby is authorized to approve and to close those certain transactions contemplated in the Series 2023 Bond Documents, the Partnership Documents, the Walker & Dunlop Loan Documents, the City Loan Documents and the Equity Bridge Loan Documents; and, further

RESOLVED, that each of the President, the Vice President and any other officer of the Corporation (each, an "Authorized Officer"), or any one of them acting alone, be and hereby is authorized and directed, on behalf of the Corporation, acting on its own behalf and as sole general partner of the Partnership, as applicable, without the necessity of the joinder by any other officer of the Corporation, to (i) execute and deliver (a) any and all instruments, documents and agreements deemed necessary or desirable by the Authorized Officer to evidence and secure the Series 2023 Bonds, including but not limited to the Series 2023 Bond Documents and any other documents requiring the approval or consent of the Partnership or the Corporation; (b) any and all instruments, documents and agreements deemed necessary or desirable by the Authorized Officer relating to the Remarketing; (c) the Partnership Documents, (d) any and all instruments, documents and agreements deemed necessary or desirable by the Authorized Officer to evidence and secure the Walker & Dunlop Loan, including, but not limited to, the Walker & Dunlop Loan Documents; (e) any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officer to evidence and secure the City Loan, including, but not limited to, the City Loan Documents, (f) any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officer to evidence and secure the Equity Bridge Loan, including, but not limited to, the Equity Bridge Loan Documents; and (g) any and all other instruments, documents and agreements deemed necessary or advisable by an Authorized Officer to carry out the transactions described herein; all in the form approved by the Authorized Officer executing same, the execution of same by such Authorized Officer to constitute conclusive evidence of the approval of same; and further (ii) take all such further action as they may consider necessary or desirable in connection with the transactions described herein and to take from time to time any actions deemed necessary or desirable by such officer to effectuate and comply with the terms of such agreements as are executed on behalf of the Corporation (on its own behalf and/or in its capacity as the sole general partner of the Partnership, as applicable) pursuant to the authorization contained herein; and, further

RESOLVED, that any and all other actions heretofore taken on behalf of the Corporation (on its own behalf and on behalf of the Partnership, in its capacity as the sole general partner of the Partnership) by the officers of the Corporation 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 officers of the Corporation that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Approved at a meeting of the Board of Directors held this 28th day of September, 2023.

GROSVENOR SQUARE GP CORPORATION

By: _____
President

HOLSTON GP CORPORATION

Date: September 21, 2023

To: Board of Directors

From: Nancy White, Secretary/Treasurer

Subject: **SPECIAL AGENDA**
Special Meeting of the Board of Directors
Thursday, September 28, 2023, 5 p.m.
901 N. Broadway
Knoxville, Tennessee 37917

1. Call to Order.
2. Approval is requested to execute the *annual* minutes for the meeting held on May 25, 2023. **(Item 2 Attachment)**

REDEVELOPMENT (Jim Hatfield)

3. Resolution authorizing Holston GP Corporation to negotiate and execute all documents required to effectuate the closing of Holston River apartments, a 96-unit, new construction affordable housing development. **(Item 3 Attachment)**
4. Adjourn.

HOLSTON GP CORPORATION

ANNUAL MEETING MINUTES

The Board of Directors of the Holston GP Corporation met on **May 25, 2023** at 901 N. Broadway, Knoxville, Tennessee 37917.

The meeting was called to order and a quorum declared at 5:47 p.m. Those Directors present and absent were:

Present: Director Kimberly Henry
 Director Scott Broyles
 Director Felix Harris

Approval to execute the minutes of the *special* meeting held on December 6, 2022. **Director Broyles made a motion to approve. Director Harris seconded the motion. All Directors present voted "Aye."**

Approval to elect officers. **Director Harris made a motion to elect the following slate of officers. Director Broyles seconded the motion. All Directors present voted "Aye."**

President: Ben Bentley
Vice President: Jim Hatfield
Secretary-Treasurer: Nancy White

With no further business to come before the Board, the meeting adjourned by consent at 5:48 p.m.

Benjamin M. Bentley, President

Approved:

ATTEST:

Nancy White, Secretary

Approved:

HOLSTON GP CORPORATION

BOARD ACTION FORM - ITEM 3

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Resolution authorizing Holston GP Corporation to negotiate and execute all documents required to effectuate the closing of Holston River apartments, a 96-unit, new construction affordable housing development.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input type="checkbox"/> Regular <input checked="" type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS - Russell Stair</u> Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action?</p> <p>Holston GP Corporation, as general partner of the project's owner entity, DGA Holston LP, needs to enter into various customary agreements required in order for the project to close on its financing and begin construction. Such documents include but are not limited to an amended partnership agreement, loan documents, management agreement, assignments, and other related agreements.</p> <p>2. Why is the action needed now?</p> <p>Closing for this project is scheduled next month and board approval is needed in advance of closing.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)?</p> <p>KCDC as owner of Holston GP Corporation, the general partner of the project. DGA Residential as project sponsor and developer.</p> <p>4. What are the long-term and short-term exposures?</p> <p>There is minimal exposure to KCDC under the development agreement terms with DGA residential for this project.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In 2022, KCDC previously authorized the formation the GP corporation and the execution of the development agreement with DGA for this project.
ATTACHMENTS	Resolution

RESOLUTION NO. 2023-____

RESOLUTION OF THE BOARD OF DIRECTORS OF HOLSTON GP CORPORATION REGARDING THE DEVELOPMENT AND FINANCING OF RIVERSIDE AT HOLSTON APARTMENTS AND THE EXECUTION OF DOCUMENTS RELATING THERETO

WHEREAS, the Board of Directors of Holston GP 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 ("KCDC"); and

WHEREAS, KCDC is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "City") 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 and redevelopment authorities in Tennessee are authorized through their respective governing bodies to finance and/or refinance housing and redevelopment projects; and

WHEREAS, to further the development of a 96-unit low-income housing development known as Riverside at Holston Apartments on real property located at approximately 2120 River Willow Way in the City (the "Project"), the Corporation as the sole general partner, DGA Holston GP, LLC, as the special limited partner and Craig Cobb, as the limited partner, formed DGA Holston LP, a Tennessee limited partnership (the "Partnership"); and

WHEREAS, to assist the Partnership in the financing of the development of the Project, KCDC, as issuer (the "Issuer"), previously issued its Collateralized Multifamily Housing Bonds (Willow Place Project) Series 2022 in an aggregate principal amount of \$14,370,000 (the "Series 2022 Bonds"); and

WHEREAS, contemporaneously with the issuance of the Series 2022 Bonds, KCDC and the Partnership entered into a Loan Agreement dated as of December 1, 2022 specifying the terms and conditions pursuant to which KCDC will loan the proceeds of the sale of the Series 2022 Bonds to the Partnership for the purposes set forth above; and

WHEREAS, the Series 2022 Bonds were sold to Raymond James & Associates, Inc. (the "Underwriter") under the terms of a Bond Purchase Agreement dated as of December 7, 2022 (the "Series 2022 Bond Purchase Agreement"); and

WHEREAS, the Partnership has directed that the Series 2022 Bonds be remarketed (the "Remarketing") by Raymond James & Associates, Inc. (in such capacity, the "Remarketing Agent"); and

WHEREAS, the Issuer now proposes to further assist the Partnership with the financing and development of the Project by issuing its Collateralized Multifamily Housing Bonds (Willow Place Project) Series 2023 in an aggregate principal amount not to exceed \$4,630,000 (the "Series 2023 Bonds"), and loaning the proceeds to the Partnership; and

WHEREAS, the Corporation, on its own behalf and as sole general partner acting on behalf of the Partnership, desires to authorize certain documents in connection with the Series 2023 Bonds, including but not limited to the following (collectively, the "Series 2023 Bond Documents"):

1. Loan Agreement by and among the Issuer and the Partnership relative to the Series 2023 Bonds;
2. Bond Purchase Agreement among the Issuer, the Partnership and Raymond James & Associates, Inc., relating to the Series 2023 Bonds;
3. Land Use Restriction Agreement among the Issuer, the Partnership and U.S. Bank National Association, as Trustee; and
4. Preliminary Official Statement, Official Statement and/or Private Placement Memorandum describing the Series 2023 Bonds, as well as any Remarketing Circular or similar offering document which describes the Series 2023 Bonds and the financing documents relating to the Series 2023 Bonds and which will be used in connection with any remarketing of the Series 2023 Bonds;

Copies of the Series 2023 Bond Documents shall be filed with the records of the Corporation; and

WHEREAS, furthermore, to proceed with the development and financing of the Project and to utilize low-income housing tax credits available pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, for said development, the Corporation, on its own behalf and as sole general partner acting on behalf of the Partnership, desires to:

- (i) authorize the transactions contemplated by that certain Second Amended and Restated Agreement of Limited Partnership of DGA Holston LP (the "Partnership Agreement") among the Corporation, Southeast Bank (the "Limited Partner"), Craig Cobb (the "Withdrawing Limited Partner"), and DGA Holston GP, LLC (the "Class B Limited Partner") (the Partnership Agreement, together with all documents required to be executed in connection therewith, the "Partnership Documents");

- (ii) authorize a mortgage loan from Walker & Dunlop, LLC ("Walker & Dunlop") to the Partnership in an amount not exceeding \$16,000,000 (the "Walker & Dunlop Loan"), with such loan to be insured by the Secretary of Housing and Urban Development, the proceeds of which are to be used for the benefit of the Project and the terms of which are substantially similar to those set forth in that certain draft Building Loan Agreement provided by Walker & Dunlop and available for review at this meeting (together with all documents, regulatory agreements and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto, the "Walker & Dunlop Loan Documents"); and
- (iii) authorize a loan from the Class B Limited Partner of funds loaned to the Class B Limited Partner from the City of Knoxville, in an amount not to exceed \$750,000, the proceeds of which will be used to develop the Project, and to enter into a Developer Promissory Note, Restrictive Covenant, Compliance Agreement, and Affordable Rental Development Program Agreement (together with all other documents, agreements and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto, the "City Loan Documents").

Copies of the Partnership Documents, the Walker & Dunlop Loan Documents and the City Loan Documents shall be filed with the records of the Corporation; and

WHEREAS, the Board of Directors of the Corporation desires to authorize the officers of the Corporation, for and on behalf of the Corporation on its own behalf and, as the sole general partner, on behalf of the Partnership, as applicable, to execute such documents as they, individually or collectively, determine is necessary, desirable or appropriate to carry out the transactions contemplated in and to ratify such officers' prior actions related to the Remarketing, the Series 2023 Bond Documents, the Partnership Documents, the Walker & Dunlop Loan Documents and the City Loan Documents.

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, that the Corporation, acting on its own behalf and on behalf of the Partnership, as applicable, be and hereby is authorized to approve and to close those certain transactions contemplated in the Series 2023 Bond Documents, the Partnership Documents, the Walker & Dunlop Loan Documents and the City Loan Documents; and, further

RESOLVED, that each of the President, the Vice President and any other officer of the Corporation (each, an "Authorized Officer"), or any one of them acting alone, be and hereby is authorized and directed, on behalf of the Corporation, acting on its own behalf and as sole general partner of the Partnership, as applicable, without the necessity of the joinder by any other officer of the Corporation, to (i) execute and deliver (a) any and all instruments, documents and

agreements deemed necessary or desirable by the Authorized Officer to evidence and secure the Series 2023 Bonds, including but not limited to the Series 2023 Bond Documents and any other documents requiring the approval or consent of the Partnership or the Corporation; (b) any and all instruments, documents and agreements deemed necessary or desirable by the Authorized Officer relating to the Remarketing; (c) the Partnership Documents, (d) any and all instruments, documents and agreements deemed necessary or desirable by the Authorized Officer to evidence and secure the Walker & Dunlop Loan, including, but not limited to, the Walker & Dunlop Loan Documents, (e) any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officer to evidence and secure the City Loan, including, but not limited to, the City Loan Documents, and (f) any and all other instruments, documents and agreements deemed necessary or advisable by an Authorized Officer to carry out the transactions described herein; all in the form approved by the Authorized Officer executing same, the execution of same by such Authorized Officer to constitute conclusive evidence of the approval of same; and further (ii) take all such further action as they may consider necessary or desirable in connection with the transactions described herein and to take from time to time any actions deemed necessary or desirable by such officer to effectuate and comply with the terms of such agreements as are executed on behalf of the Corporation (on its own behalf and/or in its capacity as the sole general partner of the Partnership, as applicable) pursuant to the authorization contained herein; and, further

RESOLVED, that any and all other actions heretofore taken on behalf of the Corporation (on its own behalf and on behalf of the Partnership, in its capacity as the sole general partner of the Partnership) by the officers of the Corporation 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 officers of the Corporation that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Approved at a meeting of the Board of Directors held this 28th day of September, 2023.

HOLSTON GP CORPORATION

By: _____
President

SUTHERLAND 1 GP CORPORATION

Date: September 21, 2023

To: Board of Directors

From: Nancy White, Secretary

Subject: **SPECIAL AGENDA**

Special Meeting of the Board of Directors

Thursday, September 28, 2023, 5 p.m.

901 N. Broadway Street

Knoxville, TN 37917

1. Call to Order.
2. Approval is requested to execute the *annual* minutes for the meeting held on May 25, 2023. [\(Item 2 Attachment\)](#)

REDEVELOPMENT (Jim Hatfield)

3. Resolution authorizing Sutherland 1 GP Corporation to negotiate and execute all documents required to effectuate the closing of the acquisition and renovation of Dunhill and Sutherland View Apartments, having a combined 166 units of existing affordable housing units. [\(Item 3 Attachment\)](#)
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.*

ITEM 2 ATTACHMENT

SUTHERLAND 1 GP CORPORATION

ANNUAL MEETING MINUTES

The Board of Directors of the Sutherland 1 GP Corporation met on **May 25, 2023** at 901 N. Broadway, Knoxville, Tennessee 37917.

The meeting was called to order and a quorum declared at 5:53 p.m. Those Directors present and absent were:

Present: Director Kimberly Henry
 Director Scott Broyles
 Director Felix Harris

Approval to execute the minutes of the meeting held on March 30, 2023. **Director Broyles made a motion to approve. Director Harris seconded the motion. All Directors present voted "Aye."**

Approval to elect officers. **Director Harris made a motion to elect the following slate of officers. Director Broyles seconded the motion. All Directors present voted "Aye."**

President: Ben Bentley
Vice President: Jim Hatfield
Secretary-Treasurer: Nancy White

With no further business to come before the Board, the meeting adjourned by consent at 5:55 p.m.

Benjamin M. Bentley, President

Approved:

ATTEST:

Nancy White, Secretary

Approved:

SUTHERLAND 1 GP CORPORATION

BOARD ACTION FORM - ITEM 3

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Resolution authorizing Sutherland 1 GP Corporation to negotiate and execute all documents required to effectuate the closing of the acquisition and renovation of Dunhill and Sutherland View Apartments, having a combined 166 units of existing affordable housing units.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input type="checkbox"/> Regular <input checked="" type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ <u>n/a</u> Expenditure: \$ <u>n/a</u> Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: <u>BBS - Russell Stair</u> Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action?</p> <p>Sutherland 1 GP Corporation, as general partner of the project's owner entity, Sutherland 1, LP, needs to enter into various customary agreements required in order for the project to close on its financing and begin construction. Such documents include but are not limited to an amended partnership agreement, loan documents, management agreement, assignments, and other related agreements.</p> <p>2. Why is the action needed now?</p> <p>Closing for this project is scheduled next month and board approval is needed in advance of closing.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)?</p> <p>KCDC as owner of Sutherland 1 GP Corporation, the general partner of the project. Elmington Capital as project sponsor and developer.</p> <p>4. What are the long-term and short-term exposures?</p> <p>There is minimal exposure to KCDC under the development agreement terms with Elmington Capital for this project.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In March 2023, KCDC previously authorized the formation the GP corporation and the execution of the development agreement with Elmington Capital for this project.
ATTACHMENTS	Resolution

RESOLUTION NO. 2023-__

RESOLUTION OF THE BOARD OF DIRECTORS OF SUTHERLAND 1 GP CORPORATION REGARDING THE DEVELOPMENT AND FINANCING OF SUTHERLAND VIEW APARTMENTS AND THE UTILIZATION OF LOW-INCOME HOUSING TAX CREDITS AND THE EXECUTION OF DOCUMENTATION RELATING THERETO

WHEREAS, the Board of Directors of Sutherland 1 GP 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 (the "KCDC"); and

WHEREAS, KCDC is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "City") 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 and redevelopment authorities in Tennessee are authorized through their respective governing bodies to finance and/or refinance housing and redevelopment projects; and

WHEREAS, to further the rehabilitation of a 166 unit affordable housing development located at 610 Sutherland Way, 3220 Atchley Ridge Way, and 1036 Dunhill Way in the City (collectively, the "Project"), KCDC and Elmington Capital Group, LLC ("Elmington") previously entered into a Development Agreement regarding the joint development of the Project (the "Master Development Agreement"); and

WHEREAS, in anticipation of entering into a partnership with the Corporation under the Master Development Agreement, ECG Sutherland 1 SLP, LLC and C. Hunter Nelson formed ECG Sutherland 1, LP, a Tennessee limited partnership (the "Partnership") and entered into a Limited Partnership Agreement delineating the rights and obligations of the original partners of the Partnership (the "Original Partnership Agreement"); and

WHEREAS, pursuant to the Master Development Agreement, the Corporation and ECG Sutherland 1 Developer, LLC have formed Sutherland 1 Developer, LLC, a Tennessee limited liability company (the "Developer") for the purpose of developing the Project; and

WHEREAS, The Health, Educational and Housing Facility Board of the County of Knox (the "Issuer") proposes to assist the Partnership in the financing of the development of the Project by

issuing its Multifamily Housing Revenue Bonds (Sutherland 1 Apartments) Series 2023 in an aggregate principal amount not to exceed \$25,000,000 (the "Bonds"), and loaning the proceeds to the Partnership; and

WHEREAS, the Corporation, on its own behalf and as sole general partner on behalf of the Partnership, desires to authorize certain documents in connection with the Bonds, including but not limited (i) a Loan Agreement by and among the Issuer and the Partnership relative to the Bonds, (ii) a Bond Purchase Agreement among the Issuer, the Partnership and Stifel, Nicolaus & Company, Incorporated, relating to the Bonds; (iii) a Land Use Restriction Agreement among the Issuer, the Partnership and Truist Bank, as Trustee; and (iv) a Preliminary Official Statement, Official Statement and/or Private Placement Memorandum describing the Bonds, as well as any Remarketing Circular or similar offering document which describes the Bonds and which will be used in connection with any remarketing of the Bonds (collectively, together with all other documents required to be executed in connection with the issuance of the Bonds and the loan of the proceeds to the Partnership, the "Bond Documents"); and

WHEREAS, to proceed with the development and financing of the Project and to utilize low-income housing tax credits available pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, for said development, the Corporation, on its own behalf and as sole general partner acting on behalf of the Partnership, desires to:

(i) authorize the transactions contemplated by that certain Amended and Restated Limited Partnership Agreement for the Partnership (the "Partnership Agreement") among the Corporation, TCC Sutherland 1, LLC, a Georgia limited liability company (the "Limited Partner"), CDC Special Limited Partner, L.L.C., a Georgia limited liability company (the "Special Limited Partner"), ECG Sutherland 1 SLP, LLC, a Tennessee limited liability company (the "Class B Partner") and Clayton Hunter Nelson, an individual, as the original (and withdrawing) limited partner, including, but not limited to that certain Development Agreement between the Partnership and the Developer (the "Development Agreement"), that certain Guaranty Agreement by Scott Sohr, C. Hunter Nelson, Ben Brewer, Cary Rosenblum, Ryan Seibels, and Elmington Affordable, LLC, a Tennessee limited liability company in favor of the Limited Partner and Special Limited Partner (the "Guaranty Agreement"), and that certain Supervisory Management Agreement between the Partnership and the Class B Limited Partner (the "Supervisory Management Agreement and together with the Partnership Agreement, the Development Agreement, the Guaranty Agreement, and the Supervisory Management Agreement, the "Equity Documents");

(ii) authorize the transactions contemplated by a Lease from KCDC to the Partnership providing for certain payments in lieu of taxes (the "PILOT Lease");

(iii) authorize the transactions contemplated by the Bond Documents;

(iv) authorize a construction loan from Truist Bank (the "Bank") to the Partnership in an amount not exceeding \$27,000,000.00 (the "Bank Loan"), the proceeds of which are to be used for the benefit of the Project and the terms of which are substantially similar to those set forth in that draft Construction Loan Agreement provided by the Bank and available for review at this meeting, together with all documents, agreements, and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto (the "Bank Loan Documents"); and

(v) authorize a loan from the Issuer to the Partnership of the proceeds of a loan to be made to the Issuer by Grandbridge Real Estate Capital LLC or an affiliate thereof (the "Initial Funding Lender"), pursuant to a tax exempt note, in an amount not to exceed \$20,000,000 (the "Funding Loan"), the proceeds of which are to be used refinance the Bank Loan and the terms of which are substantially similar to those set forth in that certain draft Multifamily Loan and Security Agreement (Non-Recourse) provided by the Initial Funding Lender and available for review at this meeting, together with all documents, agreements, and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto (the "Permanent Loan Documents").

Copies of the Equity Documents, the Development Agreement and the agreements related thereto, the PILOT Lease, the Bond Documents, the Bank Loan Documents and the Permanent Loan Documents shall be filed with the records of the Corporation; and

WHEREAS, the Board of Directors of the Corporation desires to authorize the officers of the Corporation, for and on behalf of the Corporation on its own behalf and, as the sole general partner, on behalf of the Partnership, as applicable, to execute such documents as they, individually or collectively, determine is necessary, desirable or appropriate to carry out the transactions contemplated in and to ratify such officers' prior actions related to the Equity Documents and the agreements related thereto, the PILOT Lease, the Bond Documents, the Bank Loan Documents and the Permanent Loan Documents.

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, that the Corporation, acting on its own behalf or as the sole general partner of the Partnership, as applicable, be and hereby is authorized to approve and to close those certain transactions contemplated in the Equity Documents and the agreements related thereto, the PILOT Lease, the Bond Documents, the Bank Loan Documents and the Permanent Loan Documents; and, further

RESOLVED, that each of the President, the Vice President and any other officer of the Corporation (each, an "Authorized Officer"), or any one of them acting alone, be and hereby is authorized and directed, on behalf of the Corporation, acting on its own behalf or as sole general partner of the Partnership, as applicable, without the necessity of the joinder by any other officer

of the Corporation, to (i) execute and deliver (a) the Equity Documents, (b) the PILOT Lease, (c) any and all instruments, documents and agreements deemed necessary or desirable by the Authorized Officer in connection with the Bonds and the loan of the proceeds of the Bonds to the Partnership, including but not limited to the Bond Documents and any other documents requiring the approval or consent of the Partnership or the Corporation; (d) any and all instruments, documents and agreements deemed necessary or desirable by the Bank or the Authorized Officer to evidence and secure the Bank Loan, including, but not limited to the Bank Loan Documents, (e) any and all instruments, documents and agreements deemed necessary or desirable by the Permanent Lender or the Authorized Officer to evidence and secure the Permanent Loan, including, but not limited to the Permanent Loan Documents, and (f) any and all other instruments, documents and agreements deemed necessary or desirable by an Authorized Officer to carry out the transactions described herein; all in the form approved by the Authorized Officer executing same, the execution of same by such Authorized Officer to constitute conclusive evidence of the approval of same; and further (ii) take all such further action as they may consider necessary or desirable in connection with the transactions described herein and to take from time to time any actions deemed necessary or desirable by such officer to effectuate and comply with the terms of such agreements as are executed on behalf of the Corporation (on its own behalf and/or in its capacity as the sole general partner of the Partnership, as applicable) pursuant to the authorization contained herein; and, further

RESOLVED, that any and all other actions heretofore taken on behalf of the Corporation (on its own behalf and on behalf of the Partnership, in its capacity as the sole general partner of the Partnership) by the officers of the Corporation 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 officers of the Corporation that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Approved at a meeting of the Board of Directors held this 28th day of September, 2023.

SUTHERLAND 1 GP CORPORATION

By: _____
President

SUTHERLAND 2 GP CORPORATION

Date: September 21, 2023

To: Board of Directors

From: Nancy White, Secretary

Subject: **SPECIAL AGENDA**

Special Meeting of the Board of Directors

Thursday, September 28, 2023, 5 p.m.

901 N. Broadway Street

Knoxville, TN 37917

1. Call to Order.
2. Approval is requested to execute the *annual* minutes for the meeting held on May 25, 2023. [\(Item 2 Attachment\)](#)

REDEVELOPMENT (Jim Hatfield)

3. Resolution authorizing Sutherland 2 GP Corporation to negotiate and execute all documents required to effectuate the closing of the acquisition and renovation of Sutherland Park Apartments, a 120-unit existing affordable housing development. [\(Item 3 Attachment\)](#)
4. Adjourn.

SUTHERLAND 2 GP CORPORATION

ANNUAL MEETING MINUTES

The Board of Directors of the Sutherland 2 GP Corporation met on **May 25, 2023** at 901 N. Broadway, Knoxville, Tennessee 37917.

The meeting was called to order and a quorum declared at 5:55 p.m. Those Directors present and absent were:

Present: Director Kimberly Henry
 Director Scott Broyles
 Director Felix Harris

Approval to execute the minutes of the *initial* meeting held on March 30, 2023.
Director Broyles made a motion to approve. Director Harris seconded the motion. All Directors present voted "Aye."

DRAFT

Approval to elect officers. Director Harris made a motion to elect the following slate of officers. Director Broyles seconded the motion. All Directors present voted "Aye."

President: Ben Bentley
Vice President: Jim Hatfield
Secretary-Treasurer: Nancy White

With no further business to come before the Board, the meeting adjourned by consent at 5:56 p.m.

Benjamin M. Bentley, President

Approved:

ATTEST:

Nancy White, Secretary

Approved:

SUTHERLAND 2 GP CORPORATION

BOARD ACTION FORM - ITEM 3

MEETING DATE	September 28, 2023
AGENDA ITEM DESCRIPTION	Resolution authorizing Sutherland 2 GP Corporation to negotiate and execute all documents required to effectuate the closing of the acquisition and renovation of Sutherland Park Apartments, a 120-unit existing affordable housing development.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, VP of Redevelopment
MEETING TYPE	<input type="checkbox"/> Regular <input checked="" type="checkbox"/> Special <input type="checkbox"/> Annual
CLASSIFICATION	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Approval
BUDGET / FINANCIAL IMPACT	Budgeted: \$ n/a Expenditure: \$ n/a Source of Funds:
APPROVAL / REVIEWS	<input checked="" type="checkbox"/> Department Head /VP <input type="checkbox"/> Budget/Finance <input checked="" type="checkbox"/> Executive Director/CEO <input checked="" type="checkbox"/> Legal Counsel: BBS - Russell Stair Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action?</p> <p>Sutherland 2 GP Corporation, as general partner of the project's owner entity, Sutherland 2, LP, needs to enter into various customary agreements required in order for the project to close on its financing and begin construction. Such documents include but are not limited to an amended partnership agreement, loan documents, management agreement, assignments, and other related agreements.</p> <p>2. Why is the action needed now?</p> <p>Closing for this project is scheduled next month and board approval is needed in advance of closing.</p> <p>3. Who are the parties involved and what are their roles (if appropriate)?</p> <p>KCDC as owner of Sutherland 2 GP Corporation, the general partner of the project. Elmington Capital as project sponsor and developer.</p> <p>4. What are the long-term and short-term exposures?</p> <p>There is minimal exposure to KCDC under the development agreement terms with Elmington Capital for this project.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	In March 2023, KCDC previously authorized the formation the GP corporation and the execution of the development agreement with Elmington Capital for this project.
ATTACHMENTS	Resolution

RESOLUTION NO. 2023-__

RESOLUTION OF THE BOARD OF DIRECTORS OF SUTHERLAND 2 GP CORPORATION REGARDING THE DEVELOPMENT AND FINANCING OF SUTHERLAND VIEW APARTMENTS AND THE UTILIZATION OF LOW-INCOME HOUSING TAX CREDITS AND THE EXECUTION OF DOCUMENTATION RELATING THERETO

WHEREAS, the Board of Directors of Sutherland 2 GP 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 (the "KCDC"); and

WHEREAS, KCDC is the housing, redevelopment and urban renewal authority of the City of Knoxville, Tennessee (the "City") 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 and redevelopment authorities in Tennessee are authorized through their respective governing bodies to finance and/or refinance housing and redevelopment projects; and

WHEREAS, to further the rehabilitation of a 120 unit affordable housing development known as Sutherland Park Apartments located at 510 Vista Glen Way in the City (collectively, the "Project"), KCDC and Elmington Capital Group, LLC ("Elmington") previously entered into a Development Agreement regarding the joint development of the Project (the "Master Development Agreement"); and

WHEREAS, in anticipation of entering into a partnership with the Corporation under the Master Development Agreement, ECG Sutherland 2 SLP, LLC and C. Hunter Nelson formed ECG Sutherland 2, LP, a Tennessee limited partnership (the "Partnership") and entered into a Limited Partnership Agreement delineating the rights and obligations of the original partners of the Partnership (the "Original Partnership Agreement"); and

WHEREAS, pursuant to the Master Development Agreement, the Corporation and ECG Sutherland 2 Developer, LLC have formed Sutherland 2 Developer, LLC, a Tennessee limited liability company (the "Developer") for the purpose of developing the Project; and

WHEREAS, The Health, Educational and Housing Facility Board of the County of Knox (the "Issuer") proposes to assist the Partnership in the financing of the development of the Project by

issuing its Multifamily Housing Revenue Bonds (Sutherland 2 Apartments) Series 2023 in an aggregate principal amount not to exceed \$19,000,000 (the "Bonds"), and loaning the proceeds to the Partnership; and

WHEREAS, the Corporation, on its own behalf and as sole general partner on behalf of the Partnership, desires to authorize certain documents in connection with the Bonds, including but not limited (i) a Loan Agreement by and among the Issuer and the Partnership relative to the Bonds, (ii) a Bond Purchase Agreement among the Issuer, the Partnership and Stifel, Nicolaus & Company, Incorporated, relating to the Bonds; (iii) a Land Use Restriction Agreement among the Issuer, the Partnership and Truist Bank, as Trustee; and (iv) a Preliminary Official Statement, Official Statement and/or Private Placement Memorandum describing the Bonds, as well as any Remarketing Circular or similar offering document which describes the Bonds and which will be used in connection with any remarketing of the Bonds (collectively, together with all other documents required to be executed in connection with the issuance of the Bonds and the loan of the proceeds to the Partnership, the "Bond Documents"); and

WHEREAS, to proceed with the development and financing of the Project and to utilize low-income housing tax credits available pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, for said development, the Corporation, on its own behalf and as sole general partner acting on behalf of the Partnership, desires to:

(i) authorize the transactions contemplated by that certain Amended and Restated Limited Partnership Agreement for the Partnership (the "Partnership Agreement") among the Corporation, TCC Sutherland 2, LLC, a Georgia limited liability company (the "Limited Partner"), CDC Special Limited Partner, L.L.C., a Georgia limited liability company (the "Special Limited Partner") ECG Sutherland 2 SLP, LLC, a Tennessee limited liability company (the "Class B Partner") and Clayton Hunter Nelson, an individual, as the original (and withdrawing) limited partner, including, but not limited to that certain Development Agreement between the Partnership and the Developer (the "Development Agreement"), that certain Guaranty Agreement executed by Scott Sohr, C. Hunter Nelson, Ben Brewer, Cary Rosenblum, Ryan Seibels, and Elmington Affordable, LLC, a Tennessee limited liability company in favor of the Limited Partner and Special Limited Partner (the "Guaranty Agreement"), and that certain Supervisory Management Agreement between the Partnership and the Class B Limited Partner (the "Supervisory Management Agreement" and together with the Partnership Agreement, the Development Agreement, the Guaranty Agreement, and the Supervisory Management Agreement, the "Equity Documents");

(ii) authorize the transactions contemplated by a Lease from KCDC to the Partnership providing for certain payments in lieu of taxes (the "PILOT Lease");

(iii) authorize the transactions contemplated by the Bond Documents;

(iv) authorize a construction loan from Truist Bank (the "Bank") to the Partnership in an amount not exceeding \$22,000,000.00 (the "Bank Loan"), the proceeds of which are to be used for the benefit of the Project and the terms of which are substantially similar to those set forth in that draft Construction Loan Agreement provided by the Bank and available for review at this meeting, together with all documents, agreements, and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto (the "Bank Loan Documents"); and

(v) authorize a loan from the Issuer to the Partnership of the proceeds of a loan to be made to the Issuer by Grandbridge Real Estate Capital LLC or an affiliate thereof (the "Initial Funding Lender"), pursuant to a tax exempt note, in an amount not to exceed \$16,000,000 (the "Funding Loan"), the proceeds of which are to be used refinance the Bank Loan and the terms of which are substantially similar to those set forth in that certain draft Multifamily Loan and Security Agreement (Non-Recourse) provided by the Initial Funding Lender and available for review at this meeting, together with all documents, agreements, and security instruments referred to therein and/or required to be executed in connection therewith, with such modifications agreed to by the parties thereto (the "Permanent Loan Documents").

Copies of the Equity Documents and the agreements related thereto, the PILOT Lease, the Bond Documents, the Bank Loan Documents and the Permanent Loan Documents shall be filed with the records of the Corporation; and

WHEREAS, the Board of Directors of the Corporation desires to authorize the officers of the Corporation, for and on behalf of the Corporation on its own behalf and, as the sole general partner, on behalf of the Partnership, as applicable, to execute such documents as they, individually or collectively, determine is necessary, desirable or appropriate to carry out the transactions contemplated in and to ratify such officers' prior actions related to the Equity Documents and the agreements related thereto, the PILOT Lease, the Bond Documents, the Bank Loan Documents and the Permanent Loan Documents.

NOW, THEREFORE, BE, AND IT IS HEREBY, RESOLVED, that the Corporation, acting on its own behalf or as the sole general partner of the Partnership, as applicable, be and hereby is authorized to approve and to close those certain transactions contemplated in the Equity Documents and the agreements related thereto, the PILOT Lease, the Bond Documents, the Bank Loan Documents and the Permanent Loan Documents; and, further

RESOLVED, that each of the President, the Vice President and any other officer of the Corporation (each, an "Authorized Officer"), or any one of them acting alone, be and hereby is authorized and directed, on behalf of the Corporation, acting on its own behalf or as sole general partner of the Partnership, as applicable, without the necessity of the joinder by any other officer

of the Corporation, to (i) execute and deliver (a) the Equity Documents, (b) the PILOT Lease, (c) any and all instruments, documents and agreements deemed necessary or desirable by the Authorized Officer in connection with the Bonds and the loan of the proceeds of the Bonds to the Partnership, including but not limited to the Bond Documents and any other documents requiring the approval or consent of the Partnership or the Corporation; (d) any and all instruments, documents and agreements deemed necessary or desirable by the Bank or the Authorized Officer to evidence and secure the Bank Loan, including, but not limited to the Bank Loan Documents, (e) any and all instruments, documents and agreements deemed necessary or desirable by the Permanent Lender or the Authorized Officer to evidence and secure the Permanent Loan, including, but not limited to the Permanent Loan Documents, and (f) any and all other instruments, documents and agreements deemed necessary or desirable by an Authorized Officer to carry out the transactions described herein; all in the form approved by the Authorized Officer executing same, the execution of same by such Authorized Officer to constitute conclusive evidence of the approval of same; and further (ii) take all such further action as they may consider necessary or desirable in connection with the transactions described herein and to take from time to time any actions deemed necessary or desirable by such officer to effectuate and comply with the terms of such agreements as are executed on behalf of the Corporation (on its own behalf and/or in its capacity as the sole general partner of the Partnership, as applicable) pursuant to the authorization contained herein; and, further

RESOLVED, that any and all other actions heretofore taken on behalf of the Corporation (on its own behalf and on behalf of the Partnership, in its capacity as the sole general partner of the Partnership) by the officers of the Corporation 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 officers of the Corporation that are in conformity with the purposes and intent of these resolutions, are hereby approved, ratified and confirmed in all respects.

Approved at a meeting of the Board of Directors held this 28th day of September, 2023.

SUTHERLAND 2 GP CORPORATION

By: _____
President