

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

Date: January 23, 2025

To: Board of Commissioners

From: Benjamin M. Bentley, Secretary

Subject: **AGENDA**
Board Meeting of the Board of Commissioners
Thursday, January 30, 2025, 5 p.m.
901 N. Broadway Street
Knoxville, TN 37917

1. Call to Order.
2. Approval is requested to execute the minutes for the meeting held on December 5, 2024. [\(Item 2 Attachment\)](#)
3. Motion to add, delete or postpone agenda items.
4. Reports of officers and special presentations.

NEW BUSINESS

REDEVELOPMENT (Jim Hatfield)

5. Approval is requested to sell 0 Texas Avenue (Tax ID #081-PE-005) to RUDAS, LLC for construction of a single-family home. [\(Item 5 Attachment\)](#)
6. Resolution authorizing KCDC to execute an amendment to the Bond Purchase and Loan Agreement to extend the maturity date of the Series 2022B Bond previously issued in connection with the Western Heights renovation project. [\(Item 6 Attachment\)](#)
7. Resolution authorizing the execution of a development agreement with DGA Residential and the formation of Hillwood GP Corporation and DGA Hillwood LP in connection with potential development of a new affordable housing project at 0 Hillwood Drive in Knoxville, TN. [\(Item 7 Attachment\)](#)
8. Preliminary bond resolution authorizing KCDC to issue up to \$25.0M of revenue bonds to support the financing of a new affordable housing development project consisting of approximately 102 units and located at 0 Hillwood Drive in Knoxville, TN. [\(Item 8 Attachment\)](#)

9. Resolution authorizing the execution of a development agreement with DGA Residential and the formation of St. Mary's GP Corporation and DGA St. Mary's LP in connection with potential development of a new affordable housing project at 0 St. Mary's Street and 1914 Huron Street in Knoxville, TN. [\(Item 9 Attachment\)](#)

10. Preliminary bond resolution authorizing KCDC to issue up to \$45.0M of revenue bonds to support the financing of a new affordable housing development project consisting of approximately 160-190 units and located at 0 St. Mary's Street and 1914 Huron Street in Knoxville, TN. [\(Item 10 Attachment\)](#)

Unfinished Business

Public Forum

Adjournment

The next agenda review meeting will be on **February 20, 2025**

The next board meeting will be held on **February 27, 2025**

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

BOARD MEETING MINUTES

The Board of Commissioners of the Knoxville's Community Development Corporation met on **December 5, 2024** at 901 N. Broadway, Knoxville, Tennessee.

The meeting was called to order and a quorum declared at 5:02 p.m. Those Commissioners present and absent were:

Present: Chair Kimberly Henry
Vice Chair Scott Broyles
Treasurer Felix Harris
Commissioner Robert Whetsel
Commissioner Becky Wade
Commissioner Nadim Jubran

Absent:

Approval to execute the minutes for the *regular* meeting held on October 31, 2024.
Commissioner Broyles made the motion to approve the minutes. Commissioner Wade seconded the motion and all other Commissioners present voted "Aye."

REDEVELOPMENT (Jim Hatfield)

Resolution authorizing the negotiation and execution of documents relating to the sale and development of certain real property located at 625 N Broadway and 750 Stone Street.
Commissioner Broyles made a motion to approve. Commissioner Harris seconded the motion and all other Commissioners present voted "Aye." Resolution No. 2024-31 is attached.

Resolution authorizing the execution of a development agreement with Elmington Capital Group, LLC with respect to the development of a project at 303 N Peters Road and authorizing the formation of N Peters GP Corporation and ECG N Peters, LP. **Commissioner Harris made a motion to approve. Commissioner Wade seconded the motion and all other Commissioners present voted "Aye." Resolution No. 2024-32 is attached.**

Resolution regarding American Rescue Plan Act (ARPA) funds to be received from the City of Knoxville. **Commissioner Whetsel made a motion to approve. Commissioner Harris seconded the motion and all other Commissioners present voted "Aye." Resolution No. 2024-33 is attached.**

Resolution taking official action toward the issuance of multifamily tax-exempt bonds (MBS-secured) (The Peter Apartments) Series 2024A and multifamily housing revenue bonds (The Peter Apartments) Series 2024B in a total aggregate principal amount not to exceed fifty-five million dollars (\$55,000,000); and authorizing and approving all documents, instrument, actions, and matters necessary or appropriate for, or pertaining to, the issuance, sale and

delivery of such bonds. **Commissioner Henry recused herself. Commissioner Harris made a motion to approve. Commissioner Jubran seconded the motion and all other Commissioners present voted "Aye." Resolution No. 2024-34 is attached.**

Final bond resolution authorizing KCDC to issue up to \$35,000,000 of revenue bonds to support the financing of approximately 121 units of new affordable housing located at 521 and 525 W Fifth Avenue in Knoxville. **Commissioner Henry recused herself. Commissioner Harris made a motion to approve. Commissioner Wade seconded the motion and all other Commissioners present voted "Aye." Resolution No. 2024-35 is attached.**

Final bond resolution authorizing KCDC to issue up to \$30,000,000 of revenue bonds to support the financing of approximately 84 units of new affordable housing located at the intersection of Hardin valley Road and Willow Point Way in Knoxville. **Commissioner Henry recused herself. Commissioner Whetsel made a motion to approve. Commissioner Harris seconded the motion and all other Commissioners present voted "Aye." Resolution No. 2024-36 is attached.**

Approval to sell several lots on Texas Avenue to Emerald Youth Foundation for construction of facilities consistent with their mission. **Commissioner Whetsel made a motion to approve. Commissioner Harris seconded the motion and all other Commissioners present voted "Aye."**

EXECUTIVE (Ben Bentley)

Resolution authorizing tax increment financing of \$17 Million in the South Waterfront Redevelopment Area to support the planning and construction of a Pedestrian Bridge. **Commissioner Jubran made a motion to approve. Commissioner Harris seconded the motion and all other Commissioners present voted "Aye." Resolution No. 2024-37 is attached.**

PUBLIC FORUM

None

With no further business to come before the Board, the meeting adjourned by consent at 5:34 p.m.

Kimberly K. Henry, Chair

Approved:

ATTEST:

Benjamin M. Bentley, Secretary

Approved:

KCDC - BOARD ACTION FORM - ITEM # 5

MEETING DATE	January 30, 2025
AGENDA ITEM DESCRIPTION	Approval requested to sell 0 Texas Avenue (Tax ID #081-PE-005) to RUDAS, LLC for construction of a single-family home.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, CDO
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: \$ <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 type="checkbox"/> Legal Counsel: _____ Other – Name/Title: _____
<u>BACKGROUND</u>	
<p>1. What is the objective of this action? New construction of a 1-story, 2-bedroom, 1-bath home measuring approximately 852 square feet. The home will be Energy Star certified and ADA VISIBLE. Upon completion of construction, the home will be rented to a household at or below 80% of the area median income.</p>	
<p>2. Why is the action needed now? Purchaser has submitted an application and development proposal with respect to the property to the City Homemaker's program.</p>	
<p>3. Who are the parties involved and what are their roles (if appropriate)? City - Homemaker program KCDC - titled land owner RUDAS, LLC - purchaser and developer</p>	
<p>4. What are the long-term and short-term exposures? None.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	None.
ATTACHMENTS	Map, Conditional Sales Agreement



Parcel Info: ✕

Owner: KNOXVILLES COMMUNITY DEVELOPMENT CORPORATION
Address: 0 TEXAS AVE
Parcel ID: 081PE005

[📄](#) [📍](#) [🏠](#)

J. ANDERSON GASS
Attorney
City of Knoxville

Document No. C-24-0388

**HOMEMAKERS PROGRAM
CONDITIONAL SALES AGREEMENT**

THIS CONDITIONAL SALES AGREEMENT (“CSA”) is made by and between the **Department of Housing and Neighborhood Development**, a department of the City of Knoxville, a municipal corporation organized and existing under the laws of the State of Tennessee, 400 Main Street, Suite 532, Knoxville, TN 37902 (“**Department**”), and **RUDAS, LLC**, 2740 Silent Springs Lane, Knoxville, TN 37931 (“**Homemaker**”).

WITNESSETH:

WHEREAS, by Ordinance No. O-207-95, the City of Knoxville (“**City**”) established a process called the Homemakers Program to dispose of properties acquired through the Blighted Property Ordinance (codified as amended at Knoxville City Code § 6-150) and other properties acquired by or under control of the Department in order to meet the City’s housing and community development objectives; and

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

WHEREAS, KCDC owns certain property located at 0 Texas Avenue, Parcel ID No. 081-PE-005 (“**Property**”), which is more specifically described in the Warranty Deed recorded as Instrument No. 201907310007754, the Order of Possession, Vesting Title, Requiring Payment of Taxes, which is recorded as Instrument No. 201909200020238, and the Warranty Deed recorded as 202002130054052, in the Knox County Register’s Office, whereby KCDC acquired the Property to which Instruments specific reference is made for a more particular description of the Property; and

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

WHEREAS, said contemplated conveyance shall be made only under the prescribed conditions of this CSA.

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

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

2. Final authorization for the transfer of title is subject to the approval of the Board of KCDC. By executing this CSA, the Department agrees to recommend to KCDC that it execute a Deed conveying the Property to the Homemaker in consideration of \$2,500.00 and compliance with all provisions of this CSA.

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

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

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

6. The Homemaker agrees to use the Property as proposed in the Homemakers Program application submitted to, and approved by, the Department and amended and restated below:

Newly constructed one-story, two-bedroom, one-bath, single-family home of approximately 852 square feet with crawl space. The home will be ADA VISIBLE and energy efficient. Upon completion, the unit will be rented to a household with income at or below 80 percent of the Area Median Income.

When used in this CSA: the term "ADA Accessible" means designed and constructed in such manner that the Property or part of the Property is readily accessible to and usable by individuals with disabilities in compliance with the provisions of the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 *et seq.* ("ADA"); the term "ADA VISIBLE" means construction compliant with the provisions of the ADA that includes interior doorways that provide a minimum 32-inch-wide unobstructed opening, an accessible means of egress, and a full or half bathroom on the ground floor; the terms "Area Median Income" and "Fair Market Rent" mean the median family income and the fair market rent, respectively, for the Knoxville, Tennessee, metropolitan area as published annually by the United States Department of Housing and Urban Development; and the term "energy efficient" means compliant with minimum design requirements that promote efficient utilization of energy in buildings as set forth in the Residential Building Code of the City of Knoxville.

7. The Homemaker agrees to complete the rehabilitation and/or construction on the Property within one (1) year of the date of delivery of the Deed. The Homemaker will begin the work necessary to rehabilitate the structure and/or construct a structure on the Property within 180 days of the transfer of the Property to the Homemaker. All work shall comply with infill housing design guidelines and all applicable City codes, inspection and permitting rules, rehabilitation standards, and approved plans and specifications.

8. The Homemaker agrees to submit all necessary plans within 90 days of the date of this CSA for the rehabilitation and/or construction of a structure on the Property. This CSA is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 90 days of the date of this CSA.

9. The Homemaker agrees to obtain a written commitment from any and all funding sources for all necessary financing for the purchase, rehabilitation and/or construction required by this CSA within 120 days of the date of this CSA. The Homemaker will provide, or cause to be provided, to the City supportive documents from the funding source(s) fully disclosing the financing terms. This CSA is subject to cancellation by the Department if the Homemaker fails to complete this obligation within 120 days of the date of this CSA.

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

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

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

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

14. The Homemaker agrees to provide to the City the following information about the family or individual that initially occupies the structure located on the property: income, family size, race, sex of head of household, and elderly and handicap status. The Homemaker will submit the information on the form provided to the Homemaker for such purpose by the Department.

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

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

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

18. Transfer of title shall take place within 150 days of the date of this CSA. This CSA is subject to cancellation by the Department if transfer of title does not take place within 150 days of the date of this CSA.

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

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

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

IN WITNESS WHEREOF, this CSA has been duly executed and is effective on the latest of the dates set forth below.

RUDAS, LLC

12/12/2024
Date

BY: 
Innocent Rudasingwa
CEO

**DEPARTMENT OF HOUSING AND
NEIGHBORHOOD DEVELOPMENT**

12/12/2024
Date

BY: 
KEVIN DUBOSE
DIRECTOR

STATE OF TENNESSEE)

COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared **Innocent Rudasingwa**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged that as the CEO of RUDAS, LLC is authorized to do so, executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and seal at office in Knox County, Tennessee, this 12th day of December, 2024.

My Commission Expires: 6/1/2025

Kathy D. Ellis
Notary Public



STATE OF TENNESSEE)

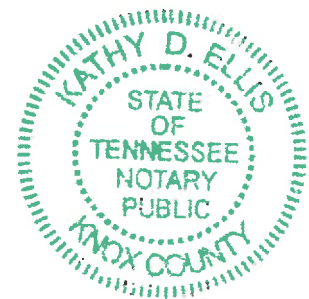
COUNTY OF KNOX)

Before me, a Notary Public in and for the County and State aforesaid, personally appeared **Kevin DuBose**, with whom I am personally acquainted and who, upon oath, acknowledged himself to be the Director of Housing and Neighborhood Development of the City of Knoxville, a municipal corporation, and, being so authorized, executed the foregoing instrument for the purposes contained therein.

WITNESS my hand and seal at office in Knox County, Tennessee, this 12th day of December, 2024.

My Commission Expires: 6/1/2025

Kathy D. Ellis
Notary Public



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KCDC - BOARD ACTION FORM - #6

MEETING DATE	January 30, 2025
AGENDA ITEM DESCRIPTION	Resolution authorizing KCDC to execute an amendment to the Bond Purchase and Loan Agreement to extend the maturity date of the Series 2022B Bond previously issued in connection with the Western Heights renovation project.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, CDO
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? This resolution authorizes KCDC, as issuer, to enter into an amendment extending the maturity date of the B Bonds for the Western Heights renovation project until September 1, 2025. This extension is needed due the renovation project taking longer than originally anticipated.</p>	
<p>2. Why is the action needed now? The maturity date for the B Bonds was in January 2025 and this extension is needed in order to prevent a default under the Bond Purchase and Loan Agreement.</p>	
<p>3. Who are the parties involved and what are their roles (if appropriate)? Pinnacle as lender and bond purchaser. Western Heights LP as borrower. KCDC as issuer.</p>	
<p>4. What are the long-term and short-term exposures? None. There are no costs associated with extending the bonds and since the B Bond is 0% interest, there are no costs to the borrower or KCDC to extend the maturity date.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	None.
ATTACHMENTS	Resolution and Draft Amendment

RESOLUTION NO. 2025-_____

**RESOLUTION
OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION**

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

WHEREAS, the Issuer previously issued its i) Multifamily Housing Revenue Bonds (Western Heights LP Project) Series 2022A dated October 18, 2022 in the original principal amount of \$6,276,695 (the "Series 2022A Bond") and (ii) Multifamily Housing Revenue Bonds (Western Heights LP Project) Series 2022B dated October 18, 2022 in the maximum principal amount of \$14,723,305 (the "Series 2022B Bond") and together with the Series 2022A Bond, the "Bonds"), pursuant to a Bond Purchase and Loan Agreement among the Issuer, Western Heights LP (the "Borrower") and Pinnacle Bank (the "Lender") dated of October 18, 2022 (the "Bond Purchase and Loan Agreement"); and

WHEREAS, the proceeds of the Bonds were loaned to the Borrower, pursuant to the Bond Purchase and Loan Agreement; and

WHEREAS, the Lender purchased the Bonds pursuant to Bond Purchase and Loan Agreement, and the Lender is the sole holder of the Bonds as of the date hereof; and

WHEREAS, the Lender and the Borrower have requested that the Issuer enter into an amendment to the Bond Purchase and Loan Agreement to extend the maturity date of the Series 2022B Bond.

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

RESOLVED, That the form, terms and provisions of the First Amendment to Bond Purchase and Loan Agreement and Series 2022B Bond (the "Amendment") which is before this meeting be and is hereby approved, and the Chair or Vice Chair of the Issuer, or either of them, be and they are each hereby authorized, empowered and directed to execute, acknowledge and deliver the Amendment in the name and on behalf of the Issuer; that said Amendment is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the officers of the Issuer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein; and that from and after the execution and delivery of said instrument the officers of the Issuer are hereby authorized, empowered and directed to do all such acts and things and to execute all such

documents as may be necessary to carry out and comply with the provisions of said instrument as executed.

RESOLVED, That the Bonds, and the interest payable thereon, are limited obligations of the Issuer, and shall not be deemed to constitute a general debt or liability of the Issuer, but shall be payable solely from such special sources and funds provided therefor in accordance with the provisions thereof. Neither The City of Knoxville, Tennessee (the "City") nor the State of Tennessee, nor any other political subdivision thereof, shall be liable for the payment of the principal of, or the interest on, the Bonds, or for the performance of any pledge, mortgage, obligation, agreement, or certification, of any kind whatsoever of the Issuer, and neither the Bonds nor any of the pledges, mortgages, agreements, obligations, or certifications of the Issuer shall be construed to constitute an indebtedness of the City, or any other political subdivision thereof, within the meaning of any constitutional or statutory provisions whatsoever. No recourse under, or upon, any statement, obligation, covenant, agreement, or certification, contained in any of the foregoing documents, including, without limitation, the Bonds or in any other document or certification whatsoever, or under any judgment obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding or by virtue of any constitution or statute or otherwise, or under any circumstances, under or independent of the foregoing documents, including, without limitation the Bonds; or any other document or certification, whatsoever, shall be had against any incorporator, member, director, or officer, as such, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for, or to, the Issuer, or any receiver thereof, or from, or to, the owner of the Bonds, for any sum that may be due and unpaid by the Issuer upon the Bonds or the interest payable thereon. Any and all personal liability of every nature, whether at common law or in equity or by statute or by constitution or otherwise, of any such incorporator, member, director, or officer, as such, to respond by reason of any act or omission on his or her part or otherwise for, directly or indirectly, the payment for, or to, the Issuer or any receiver thereof, or for, or to, the owner of the Bonds, of the principal of, or the premium, if any, or interest on, the Bonds, shall be deemed to have been waived and released as a condition of, and consideration for, the execution of the aforesaid documents and the issuance of the Bonds.

RESOLVED, That all acts of the officers of the Issuer which are in conformity with the purposes and intent of this resolution and in furtherance of the amendments described herein shall be and the same hereby are in all respects, approved and confirmed, including without limitation the execution of a tax certificate and filing of an IRS form 8038, if deemed necessary by bond counsel.

**FIRST AMENDMENT TO BOND PURCHASE AND LOAN AGREEMENT
AND SERIES 2022B BOND**

THIS FIRST AMENDMENT TO BOND PURCHASE AND LOAN AGREEMENT AND SERIES 2022B BOND (the “Amendment”) is dated _____, 2025, by and among WESTERN HEIGHTS LP (the “Borrower”), KNOXVILLE’S COMMUNITY DEVELOPMENT CORPORATION (the “Issuer”) and PINNACLE BANK (the “Lender”).

RECITALS:

A. The Issuer previously issued its (i) Multifamily Housing Revenue Bonds (Western Heights LP Project) Series 2022A dated October 18, 2022 in the original principal amount of \$6,276,695 (the “Series 2022A Bond”) and (ii) Multifamily Housing Revenue Bonds (Western Heights LP Project) Series 2022B dated October 18, 2022 in the maximum principal amount of \$14,723,305 (the “Series 2022B Bond”) and together with the Series 2022A Bond, the “Bonds”).

B. The Lender, as purchaser of the Bonds, advanced the proceeds of the sale of the Bonds (on behalf of the Issuer) to the Borrower pursuant to that certain Bond Purchase and Loan Agreement dated as of October 18, 2022 (the “Loan Agreement”) among the Issuer, the Borrower and the Lender.

C. To evidence its obligations under the Loan Agreement, the Borrower executed a Series 2022A Promissory Note dated October 18, 2022 and a Series 2022B Promissory Note dated October 18, 2022, which were endorsed to the Lender as security for the Bond.

D. The Borrower, the Issuer and the Lender agree to amend the Series 2022B Bond and the Loan Agreement as set forth herein.

E. Capitalized terms used in this Amendment, to the extent not otherwise defined herein, shall have the meanings ascribed to such terms in the Loan Agreement.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Extension of Series 2022B Maturity Date. The definition of the term “Series 2022B Maturity Date” in Section 1.1 of the Loan Agreement and the definition of the term “Maturity Date” in the first paragraph of the Series 2022B Bond is hereby amended to replace January 7, 2025 with September 1, 2025. Furthermore, the first sentence of Section 4.2(b) of the Loan Agreement is hereby amended and restated as follows: “Commencing on November 15, 2022 and continuing on the 15th day of each month to and including August 15, 2025, the Borrower shall pay accrued interest on the outstanding principal amount of the Series 2022B Bond monthly in arrears.” Furthermore, the first sentence of Section 4.3(a) of the Loan Agreement is hereby amended and restated as follows: “The Bonds are subject to prepayment without penalty between January 1 and February 15 in any given year, provided that the Series 2022B Bond may be prepaid at any time without penalty.”

2. Amendment Fee and Expenses. The Borrower shall pay Lender’s and Issuer’s out-of-pocket expenditures, including the reasonable fees of Lender’s and Issuer’s counsel, incurred with respect to the preparation of this Amendment.

3. No Other Amendments. Except as specifically set forth herein, no other amendment or modification is hereby made to the Loan Agreement or any other document or instrument executed and delivered in connection with the Loan Agreement. The Borrower and the Lender agree that any documents

and instruments securing the Loan Agreement, if any, shall not be otherwise amended, modified, terminated or released by the execution hereof.

4. Counterparts. This Amendment may be executed in any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one instrument.

5. Continuing Effect of Other Documents. This Amendment shall not constitute a waiver of any other provision of the Loan Agreement not expressly referred to herein and shall not be construed as a waiver or consent to any further or future action on the part of the Borrower that would require a waiver or consent of the Lender.

6. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TENNESSEE.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the day and date first set forth above.

KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION

By: _____
Scott Broyles, Vice Chair

ATTEST:

By: _____
Benjamin M. Bentley, Secretary

WESTERN HEIGHTS LP, a Tennessee limited partnership

By: WESTERN HEIGHTS CORPORATION,
its general partner

By: _____
Benjamin M. Bentley, President

PINNACLE BANK, a Tennessee
banking corporation

By: _____
Stacey Fantom, Senior Vice President

46482177.1

KCDC - BOARD ACTION FORM - #7

MEETING DATE	January 30, 2025
AGENDA ITEM DESCRIPTION	Resolution authorizing the execution of a development agreement with DGA Residential and the formation of Hillwood GP Corporation and DGA Hillwood LP in connection with potential development of a new affordable housing project at 0 Hillwood Drive in Knoxville, TN.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, CDO
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? Approval to enter into a development agreement with DGA Residential as well as the formation of entities necessary to facilitate the development of a new affordable housing development consisting of approximately 102 residential units located at 0 Hillwood Drive in Knoxville.</p>	
<p>2. Why is the action needed now? In order to apply and pursue 2025 4% tax credits and an allocation of MTEB, these entities and agreements need to be in place.</p>	
<p>3. Who are the parties involved and what are their roles (if appropriate)? DGA Residential and/or its subsidiaries will serve as developer and sponsor of this project. The deal structure will be substantially the same as previous ventures with DGA Residential (Grosvenor, Willow Place, Bluegrass). Hillwood GP Corporation will be an instrumentality of KCDC and will serve as the general partner of the ownership entity.</p>	
<p>4. What are the long-term and short-term exposures? None.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	KCDC and DGA Residential have partnered on previous deals together including Grosvenor, Willow Place, and Bluegrass.
ATTACHMENTS	Resolution

RESOLUTION NO. 2025-___

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
AUTHORIZING THE EXECUTION OF A DEVELOPMENT
AGREEMENT WITH DGA RESIDENTIAL, LLC WITH RESPECT TO
THE DEVELOPMENT OF A PROJECT AT HILLWOOD RD., AND
AUTHORIZING THE FORMATION OF HILLWOOD GP
CORPORATION AND DGA HILLWOOD LP**

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

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

WHEREAS, pursuant to Tenn. Code Ann. § 13-20-104(b), housing and redevelopment authorities in Tennessee are authorized to cause the formation of corporations; and

WHEREAS, DGA Residential, LLC (the "Developer") has requested KCDC's assistance in the development of affordable housing on real property located at approximately 0 Hillwood Road in Knoxville, Tennessee (collectively, the "Property"); and

WHEREAS, in exchange for KCDC's assistance in planning and implementing the development of affordable housing on the Property, the Developer has proposed to pay twenty percent (20%) of the development fee and cash flow resulting from the development of the Property to KCDC or an affiliate of KCDC; and

WHEREAS, the Board desires to authorize the officers of KCDC to execute a Development Agreement (the "Development Agreement") with the Developer including the terms described above and such other terms as are deemed necessary and appropriate by the officers of KCDC and counsel to the Board; and

WHEREAS, for the purpose of facilitating financing and development of the Property, KCDC desires to form a corporation known as Hillwood GP Corporation (the "Corporation"); and

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

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

WHEREAS, for the purpose of facilitating financing and development of the Property, KCDC and the Developer desire to form a limited partnership known as DGA Hillwood LP (the "Limited Partnership"); and

WHEREAS, the Board desires to approve and authorize the execution of such documentation as is necessary for KCDC to form the Limited Partnership (the "Partnership Documents"), including but not limited to, a limited partnership agreement (the "Limited Partnership Agreement") and a certificate of limited partnership (the "Certificate of Limited Partnership"), drafts of which have been submitted to KCDC and shall be filed with the records of KCDC.

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

RESOLVED, that the Chairman, Vice Chairman, Secretary, Assistant Secretary and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is/are authorized and empowered to execute the Development Agreement; and, further

RESOLVED, that the Development Agreement shall be similar to the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by counsel to the Board and the officers executing it, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes; and, further

RESOLVED, that the Authorized Officers, acting alone or in combination with one another, are authorized and empowered to execute and cause to be filed or recorded, as applicable, any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officers in order to carry out KCDC's obligations under the Development Agreement; and, further

RESOLVED, that it is in the best interest of KCDC to enter into the Development Agreement; and, further,

RESOLVED, that the Authorized Officers, acting alone or in combination with one another, are authorized and empowered to execute and cause to be filed or recorded, as applicable, the Charter, the Bylaws, the Limited Partnership Agreement and the Certificate of Limited Partnership; and, further

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

RESOLVED, that the Authorized Officers, acting alone or in combination with one another, are authorized and empowered to execute and cause to be filed or recorded, as applicable, any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officers in order to form the Corporation and the Limited Partnership, all in the form approved by the Authorized Officers executing same, the execution of same by such Authorized Officers to constitute conclusive evidence of the approval of same; and, further

RESOLVED, that it is in the best interest of KCDC to enter into, file and/or record the Corporate Documents and the Partnership Documents with respect to the development of the Property; and, further,

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

BE IT THEREFORE RESOLVED that this Resolution shall be effective this 30th day of January, 2025.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

KCDC - BOARD ACTION FORM - #8

MEETING DATE	January 30, 2025
AGENDA ITEM DESCRIPTION	Preliminary bond resolution authorizing KCDC to issue up to \$25.0M of revenue bonds to support the financing of a new affordable housing development project consisting of approximately 102 units and located at 0 Hillwood Drive in Knoxville, TN.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, CDO
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: No funds committed with bond issuance.
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? This resolution authorizes KCDC to issue bonds and enter into a letter intent with the project owner/applicant DGA Hillwood LP. The total amount of bonds to be issued will not exceed \$25.0M.</p>	
<p>2. Why is the action needed now? DGA anticipates submitting an application for an allocation of MTEB in round 1 of THDA's bond application period.</p>	
<p>3. Who are the parties involved and what are their roles (if appropriate)? Dominion Group as KCDC's ownership partner and project developer.</p>	
<p>4. What are the long-term and short-term exposures? Bonds being issued are not general obligation of KCDC.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	None.
ATTACHMENTS	Resolution, map and LOI



Island Home Ave

Splendid View Cir

Hillwood Dr

Dexter Ln

South Haven Rd

Maplewood Dr

200

0

RESOLUTION NO. 2025-____

**PRELIMINARY BOND RESOLUTION
OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
REGARDING DGA HILLWOOD LP**

WHEREAS, DGA Hillwood LP, a Tennessee limited partnership (the "Applicant"), is considering the acquisition, construction and equipping of a multifamily housing facility for low and/or moderate-income citizens to be located at the northwest corner of the intersection of Hillwood Drive and Island Home Avenue with an address of 0 Hillwood Drive in Knoxville, Tennessee (tax parcel ID 095OD019), and wishes to have Knoxville's Community Development Corporation ("KCDC") indicate its willingness to issue revenue bonds to provide financing for such purposes; and

WHEREAS, the acquisition, construction and equipping of such facilities will constitute a "project" within the meaning of T.C.A. § 13-20-101; and

WHEREAS, a letter of intent has been presented to KCDC under the terms of which KCDC agrees, subject to the provisions of such letter, to issue its revenue bonds in an amount not exceeding \$25,000,000 to provide financing for such project.

NOW, THEREFORE, BE IT RESOLVED BY KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION as follows:

1. KCDC hereby finds that the financing of such above-described project will improve the quality and availability of housing in the City of Knoxville and Knox County, Tennessee, and will contribute to the general welfare of the citizens thereof.

2. The Chair or the Executive Director of KCDC is hereby authorized to execute a letter of intent with the Applicant in substantially the form thereof as presented at this meeting or with such changes therein as shall be approved by the Chair or the Executive Director. The officers of KCDC are hereby authorized to take such further action as is necessary to carry out the intent and purposes of the letter of intent as executed.

3. The Chair or the Executive Director of KCDC is hereby authorized to conduct such public hearings on behalf of KCDC as the Applicant may request with respect to the project.

4. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

Approved this 30th day of January, 2025.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

January 30, 2025

DGA Hillwood LP
3834 Sutherland Avenue
Knoxville, TN 37919

Ladies and Gentlemen:

Knoxville's Community Development Corporation ("KCDC") has been informed that DGA Hillwood LP, a Tennessee limited partnership (the "Applicant"), is considering the acquisition, construction and equipping of a multifamily housing facility for low and/or moderate-income citizens to be located at the northwest corner of the intersection of Hillwood Drive and Island Home Avenue with an address of 0 Hillwood Drive in Knoxville, Tennessee (tax parcel ID 095OD019). The above-described acquisition, construction and equipping with regard to such facility constitutes a "project" within the meaning of T.C.A. § 13-20-101.

After investigation of the nature of the proposed project, KCDC has determined that the financing of the project will improve the quality and availability of housing in the City of Knoxville and Knox County, Tennessee, and will contribute to the general welfare of the citizens thereof. Therefore, it is the belief of KCDC that in assisting the financing of the project, KCDC will be acting in furtherance of the public purposes for which it was created.

Accordingly, in order to assist the Applicant in the financing of the project and in order to carry out the purposes for which KCDC was created, KCDC hereby makes the following proposals:

1. KCDC will issue, and sell to a purchaser to be designated by the Applicant prior to issuance, revenue bonds (the "Bonds") in the principal amount not to exceed \$25,000,000 to provide financing for the project. The Bonds shall be limited obligations of KCDC payable solely out of the revenues and receipts derived from the project including loan payments from the Applicant obtained in connection with the financing of the project. In no event shall the Bonds be general obligations of KCDC, its directors, or the City of Knoxville, Tennessee.

2. The terms of the Bonds (maturity schedule, interest rate, denominations, redemption provisions, etc.) will be determined by agreement among KCDC and the Applicant, subject to compliance with all applicable state and federal requirements, and all bylaws and policies of KCDC.

3. Prior to delivery of the Bonds, KCDC and the Applicant will enter into a loan agreement pursuant to which the proceeds from the sale of the Bonds will be used for the purposes hereinabove indicated and the Applicant will be obligated to make payments sufficient to cover all debt service requirements on the Bonds.

4. KCDC will enter into a trust indenture with a trustee to be nominated by the Applicant and subject to the approval of KCDC and/or a purchase contract with the purchaser of the Bonds. Such indenture and/or purchase contract will assign the loan agreement and all collateral therefor and all revenues received thereunder for the benefit of the bondholders. The terms and provisions of such indenture and/or purchase contract shall be agreed upon by KCDC, the Applicant and the purchaser of the Bonds.

5. KCDC hereby authorizes the Applicant to commence the acquisition, construction and equipping of the project as soon as practicable so that the inhabitants of the State of Tennessee might benefit from the project without delay. The Applicant may advance any interim funds required and be reimbursed from the proceeds of the Bonds, to the extent allowed by applicable law.

6. Upon the issuance, sale and delivery of the Bonds, the provisions of this proposal and the agreement resulting from its acceptance by the Applicant shall have no further effect and, in the event of any inconsistencies between the terms of this proposal and the terms of any loan agreement and/or indenture or purchase contract the provisions of such latter documents shall control.

7. KCDC agrees to cooperate with the Applicant in executing, along with the Applicant, a Multi-Family Tax-Exempt Bond Authority Application (the "Application") to be prepared by the Applicant and submitted to the Tennessee Housing Development Agency ("THDA") with respect to the Project. The Applicant acknowledges that all information provided in the Application, other than the name and address of KCDC, is to be provided by the Applicant and not by KCDC and that KCDC has no responsibility as to the accuracy of such information other than as to the name and address of KCDC. The Applicant shall be responsible for any claims, liabilities, costs or expenses of KCDC

that may arise as a result of the inaccuracy of any information contained in the Application (other than the name and address of KCDC) or the submission of the Application.

If the foregoing proposal is satisfactory to you, you may indicate by signing the following acceptance and returning a copy to KCDC. This proposal and your acceptance will then constitute an agreement in principle with respect to the matters herein contained.

Yours very truly,

KNOXVILLE'S COMMUNITY DEVELOPMENT
CORPORATION

By: _____

Title: Secretary

ACCEPTANCE OF PROPOSAL
OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
BY
DGA HILLWOOD LP

The terms and conditions contained in the foregoing proposal by Knoxville's Community Development Corporation are hereby accepted by DGA Hillwood LP as of the date first written above.

DGA HILLWOOD LP

By: Hillwood GP Corporation,
its general partner

By: _____
Title: Secretary

KCDC - BOARD ACTION FORM - #9

MEETING DATE	January 30, 2025
AGENDA ITEM DESCRIPTION	Resolution authorizing the execution of a development agreement with DGA Residential and the formation of St. Mary's GP Corporation and DGA St. Mary's LP in connection with potential development of a new affordable housing project at 0 St. Mary's Street and 1914 Huron Street in Knoxville, TN.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, CDO
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? Approval to enter into a development agreement with DGA Residential as well as the formation of entities necessary to facilitate the development of a new affordable housing development consisting of approximately 160-190 residential units located at 0 St. Mary's Street and 1914 Huron Street in Knoxville.</p>	
<p>2. Why is the action needed now? In order to apply and pursue 2025 4% tax credits and an allocation of MTEB, these entities and agreements need to be in place.</p>	
<p>3. Who are the parties involved and what are their roles (if appropriate)? DGA Residential and/or its subsidiaries will serve as developer and sponsor of this project. The deal structure will be substantially the same as previous ventures with DGA Residential (Grosvenor, Willow Place, Bluegrass). St. Mary's GP Corporation will be an instrumentality of KCDC and will serve as the general partner of the ownership entity.</p>	
<p>4. What are the long-term and short-term exposures? None.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	KCDC and DGA Residential have partnered on previous deals together including Grosvenor, Willow Place, and Bluegrass.
ATTACHMENTS	Resolution

RESOLUTION NO. 2025-_____

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
AUTHORIZING THE EXECUTION OF A DEVELOPMENT
AGREEMENT WITH DGA RESIDENTIAL, LLC WITH RESPECT TO
THE DEVELOPMENT OF A PROJECT AT 1914 HURON STREET
AND 0 ST. MARY ST., AND AUTHORIZING THE FORMATION
OF ST. MARY'S GP CORPORATION AND DGA ST. MARY'S LP**

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

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

WHEREAS, pursuant to Tenn. Code Ann. § 13-20-104(b), housing and redevelopment authorities in Tennessee are authorized to cause the formation of corporations; and

WHEREAS, DGA Residential, LLC (the "Developer") has requested KCDC's assistance in the development of affordable housing on real property located at approximately 1914 Huron Street and 0 St. Mary Street in Knoxville, Tennessee (collectively, the "Property"); and

WHEREAS, in exchange for KCDC's assistance in planning and implementing the development of affordable housing on the Property, the Developer has proposed to pay twenty percent (20%) of the development fee and cash flow resulting from the development of the Property to KCDC or an affiliate of KCDC; and

WHEREAS, the Board desires to authorize the officers of KCDC to execute a Development Agreement (the "Development Agreement") with the Developer including the terms described above and such other terms as are deemed necessary and appropriate by the officers of KCDC and counsel to the Board; and

WHEREAS, for the purpose of facilitating financing and development of the Property, KCDC desires to form a corporation known as St. Mary's GP Corporation (the "Corporation"); and

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

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

WHEREAS, for the purpose of facilitating financing and development of the Property, KCDC and the Developer desire to form a limited partnership known as DGA St. Mary's LP (the "Limited Partnership"); and

WHEREAS, the Board desires to approve and authorize the execution of such documentation as is necessary for KCDC to form the Limited Partnership (the "Partnership Documents"), including but not limited to, a limited partnership agreement (the "Limited Partnership Agreement") and a certificate of limited partnership (the "Certificate of Limited Partnership"), drafts of which have been submitted to KCDC and shall be filed with the records of KCDC.

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

RESOLVED, that the Chairman, Vice Chairman, Secretary, Assistant Secretary and/or any other officer of KCDC, acting alone or in combination with one another (individually and collectively the "Authorized Officers"), is/are authorized and empowered to execute the Development Agreement; and, further

RESOLVED, that the Development Agreement shall be similar to the form submitted, which is hereby approved, with such completions, omissions, insertions and changes as may be approved by counsel to the Board and the officers executing it, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes; and, further

RESOLVED, that the Authorized Officers, acting alone or in combination with one another, are authorized and empowered to execute and cause to be filed or recorded, as applicable, any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officers in order to carry out KCDC's obligations under the Development Agreement; and, further

RESOLVED, that it is in the best interest of KCDC to enter into the Development Agreement; and, further,

RESOLVED, that the Authorized Officers, acting alone or in combination with one another, are authorized and empowered to execute and cause to be filed or recorded, as applicable, the Charter, the Bylaws, the Limited Partnership Agreement and the Certificate of Limited Partnership; and, further

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

RESOLVED, that the Authorized Officers, acting alone or in combination with one another, are authorized and empowered to execute and cause to be filed or recorded, as applicable, any and all other instruments, documents and agreements deemed necessary or desirable by the Authorized Officers in order to form the Corporation and the Limited Partnership, all in the form approved by the Authorized Officers executing same, the execution of same by such Authorized Officers to constitute conclusive evidence of the approval of same; and, further

RESOLVED, that it is in the best interest of KCDC to enter into, file and/or record the Corporate Documents and the Partnership Documents with respect to the development of the Property; and, further,

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

BE IT THEREFORE RESOLVED that this Resolution shall be effective this 30th day of January, 2025.

**KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION**

By: _____
Secretary

KCDC - BOARD ACTION FORM - #10

MEETING DATE	January 30, 2025
AGENDA ITEM DESCRIPTION	Preliminary bond resolution authorizing KCDC to issue up to \$45.0M of revenue bonds to support the financing of a new affordable housing development project consisting of approximately 160-190 units and located at 0 St. Mary's Street and 1914 Huron Street in Knoxville, TN.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, CDO
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: No funds committed with bond issuance.
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? This resolution authorizes KCDC to issue bonds and enter into a letter intent with the project owner/applicant DGA St. Mary's LP. The total amount of bonds to be issued will not exceed \$45.0M.</p>	
<p>2. Why is the action needed now? DGA anticipates submitting an application for an allocation of MTEB in round 1 of THDA's bond application period.</p>	
<p>3. Who are the parties involved and what are their roles (if appropriate)? Dominion Group as KCDC's ownership partner and project developer.</p>	
<p>4. What are the long-term and short-term exposures? Bonds being issued are not general obligation of KCDC.</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	None.
ATTACHMENTS	Resolution and LOI

RESOLUTION NO. 2025-___

**PRELIMINARY BOND RESOLUTION
OF THE BOARD OF COMMISSIONERS OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
REGARDING DGA ST. MARY'S LP**

WHEREAS, DGA St. Mary's LP, a Tennessee limited partnership (the "Applicant"), is considering the acquisition, construction and equipping of a multifamily housing facility for low and/or moderate-income citizens to be located at 1914 Huron Street and 0 St. Mary Street in Knoxville, Tennessee (tax parcel IDs 081EH006 and 081EH01604), and wishes to have Knoxville's Community Development Corporation ("KCDC") indicate its willingness to issue revenue bonds to provide financing for such purposes; and

WHEREAS, the acquisition, construction and equipping of such facilities will constitute a "project" within the meaning of T.C.A. § 13-20-101; and

WHEREAS, a letter of intent has been presented to KCDC under the terms of which KCDC agrees, subject to the provisions of such letter, to issue its revenue bonds in an amount not exceeding \$45,000,000 to provide financing for such project.

NOW, THEREFORE, BE IT RESOLVED BY KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION as follows:

1. KCDC hereby finds that the financing of such above-described project will improve the quality and availability of housing in the City of Knoxville and Knox County, Tennessee, and will contribute to the general welfare of the citizens thereof.

2. The Chair or the Executive Director of KCDC is hereby authorized to execute a letter of intent with the Applicant in substantially the form thereof as presented at this meeting or with such changes therein as shall be approved by the Chair or the Executive Director. The officers of KCDC are hereby authorized to take such further action as is necessary to carry out the intent and purposes of the letter of intent as executed.

3. The Chair or the Executive Director of KCDC is hereby authorized to conduct such public hearings on behalf of KCDC as the Applicant may request with respect to the project.

4. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

Approved this 30th day of January, 2025.

KNOXVILLE'S COMMUNITY
DEVELOPMENT CORPORATION

By: _____
Secretary

January 30, 2025

DGA St. Mary's LP
3834 Sutherland Avenue
Knoxville, TN 37919

Ladies and Gentlemen:

Knoxville's Community Development Corporation ("KCDC") has been informed that DGA St. Mary's LP, a Tennessee limited partnership (the "Applicant"), is considering the acquisition, construction and equipping of a multifamily housing facility for low and/or moderate-income citizens to be located at 1914 Huron Street and 0 St. Mary Street in Knoxville, Tennessee (tax parcel IDs 081EH006 and 081EH01604). The above-described acquisition, construction and equipping with regard to such facility constitutes a "project" within the meaning of T.C.A. § 13-20-101.

After investigation of the nature of the proposed project, KCDC has determined that the financing of the project will improve the quality and availability of housing in the City of Knoxville and Knox County, Tennessee, and will contribute to the general welfare of the citizens thereof. Therefore, it is the belief of KCDC that in assisting the financing of the project, KCDC will be acting in furtherance of the public purposes for which it was created.

Accordingly, in order to assist the Applicant in the financing of the project and in order to carry out the purposes for which KCDC was created, KCDC hereby makes the following proposals:

1. KCDC will issue, and sell to a purchaser to be designated by the Applicant prior to issuance, revenue bonds (the "Bonds") in the principal amount not to exceed \$45,000,000 to provide financing for the project. The Bonds shall be limited obligations of KCDC payable solely out of the revenues and receipts derived from the project including loan payments from the Applicant obtained in connection with the financing of the project. In no event shall the Bonds be general obligations of KCDC, its directors, or the City of Knoxville, Tennessee.

2. The terms of the Bonds (maturity schedule, interest rate, denominations, redemption provisions, etc.) will be determined by agreement among KCDC and the Applicant, subject to compliance with all applicable state and federal requirements, and all bylaws and policies of KCDC.

3. Prior to delivery of the Bonds, KCDC and the Applicant will enter into a loan agreement pursuant to which the proceeds from the sale of the Bonds will be used for the purposes hereinabove indicated and the Applicant will be obligated to make payments sufficient to cover all debt service requirements on the Bonds.

4. KCDC will enter into a trust indenture with a trustee to be nominated by the Applicant and subject to the approval of KCDC and/or a purchase contract with the purchaser of the Bonds. Such indenture and/or purchase contract will assign the loan agreement and all collateral therefor and all revenues received thereunder for the benefit of the bondholders. The terms and provisions of such indenture and/or purchase contract shall be agreed upon by KCDC, the Applicant and the purchaser of the Bonds.

5. KCDC hereby authorizes the Applicant to commence the acquisition, construction and equipping of the project as soon as practicable so that the inhabitants of the State of Tennessee might benefit from the project without delay. The Applicant may advance any interim funds required and be reimbursed from the proceeds of the Bonds, to the extent allowed by applicable law.

6. Upon the issuance, sale and delivery of the Bonds, the provisions of this proposal and the agreement resulting from its acceptance by the Applicant shall have no further effect and, in the event of any inconsistencies between the terms of this proposal and the terms of any loan agreement and/or indenture or purchase contract the provisions of such latter documents shall control.

7. KCDC agrees to cooperate with the Applicant in executing, along with the Applicant, a Multi-Family Tax-Exempt Bond Authority Application (the "Application") to be prepared by the Applicant and submitted to the Tennessee Housing Development Agency ("THDA") with respect to the Project. The Applicant acknowledges that all information provided in the Application, other than the name and address of KCDC, is to be provided by the Applicant and not by KCDC and that KCDC has no responsibility as to the accuracy of such information other than as to the name and address of KCDC. The Applicant shall be responsible for any claims, liabilities, costs or expenses of KCDC that may arise as a result of the inaccuracy of any information contained in the

Application (other than the name and address of KCDC) or the submission of the Application.

If the foregoing proposal is satisfactory to you, you may indicate by signing the following acceptance and returning a copy to KCDC. This proposal and your acceptance will then constitute an agreement in principle with respect to the matters herein contained.

Yours very truly,

KNOXVILLE'S COMMUNITY DEVELOPMENT
CORPORATION

By: _____

Title: _____

ACCEPTANCE OF PROPOSAL
OF
KNOXVILLE'S COMMUNITY DEVELOPMENT CORPORATION
BY
DGA ST. MARY'S LP

The terms and conditions contained in the foregoing proposal by Knoxville's Community Development Corporation are hereby accepted by DGA St. Mary's LP as of the date first written above.

DGA ST. MARY'S LP

By: St. Mary's GP Corporation,
its general partner

By: _____

Title: _____

HILLWOOD GP CORPORATION

Date: January 23, 2025

To: Board of Directors

From: Nancy White, Secretary

Subject: **INITIAL AGENDA**
Meeting of the Board of Directors
Thursday, January 30, 2025, 5 p.m.
901 N. Broadway
Knoxville, Tennessee 37917

1. Call to Order.

REDEVELOPMENT (Jim Hatfield)

2. Resolution regarding the formation and organizational matters. **(Item 2 Attachment)**
3. Adjourn.

HILLWOOD - BOARD ACTION FORM - ITEM # 2

MEETING DATE	January 30, 2025
AGENDA ITEM DESCRIPTION	Resolution regarding formation and organizational matters of Hillwood GP Corporation.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, CDO
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</u> Other – Name/Title:
<u>BACKGROUND</u>	
<p>1. What is the objective of this action? This resolution allows for organizational matters and certain actions of Hillwood GP Corporation to be conducted including but not limited to filing of the corporate charter, electing officers, enabling the Corporation to serve as the general partner of DGA Hillwood LP and file for low income housing tax credits and MTEB.</p>	
<p>2. Why is the action needed now? The 2025 application cycle for 4% tax credits and MTEB begins in the next 60 days and this resolution provides for the approval to apply for tax credits and MTEB allocation.</p>	
<p>3. Who are the parties involved and what are their roles (if appropriate)? Hillwood GP Corporation is a wholly owned instrumentality of KCDC. DGA Hillwood LP will be the owner entity for the development project. Hillwood GP Corporation will serve as the general partner for the owner entity. DGA Residential is the project's sponsor and developer.</p>	
<p>4. What are the long-term and short-term exposures? None</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	KCDC has successfully partnered with DGA Residential on past projects including Grosvenor, Willow Place and Bluegrass.
ATTACHMENTS	Resolution, Bylaws

RESOLUTION NO. 2025-01

RESOLUTION OF THE BOARD OF DIRECTORS OF HILLWOOD GP CORPORATION REGARDING FORMATION AND ORGANIZATIONAL MATTERS

January 30, 2025

The board of directors of Hillwood GP Corporation, a Tennessee nonprofit corporation (the "Corporation"), has met pursuant to proper notice and does hereby resolve:

Action of Incorporator

RESOLVED, that the Action of the Incorporator of the Corporation taken by written consent dated as of January 30, 2025, and all actions reflected therein, be, and the same hereby are, ratified, approved, and adopted by the undersigned for the benefit of the Corporation; and

FURTHER RESOLVED, that the Incorporator be, and the same hereby is, discharged of any further obligations, duties or liability to the Corporation.

Charter

RESOLVED, that the Charter of the Corporation, filed in the office of the Secretary of State of Tennessee and recorded in the Knox County Register of Deeds, is hereby ratified and approved.

Bylaws

RESOLVED, that the Bylaws attached hereto as Exhibit A are hereby approved and adopted.

Officers

RESOLVED, that the following named persons are hereby declared elected to the offices of the Corporation set forth opposite their respective names to serve as such officers pursuant to the Bylaws:

President – Benjamin M. Bentley
Vice President – Jim Hatfield
Secretary and Treasurer – Nancy White

Bank Accounts

RESOLVED, that the officers of the Corporation are hereby authorized and directed for and on behalf of the Corporation to designate from time to time one or more banks, trust companies or other banking institutions to act as depository or depositories for the funds of the Corporation for and during such period as such officer may from time to time deem necessary or desirable in the interests on the Corporation and to open or close out from time to time accounts in any such depository so selected;

FURTHER RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and directed, in the name of and on behalf of the Corporation, to take any and all actions that such officer may deem necessary or advisable in order to establish bank accounts from time to time for the efficient conduct of the Corporation's business;

FURTHER RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and empowered to sign checks drawn on such account(s); and

FURTHER RESOLVED, that any resolutions required by said banking institutions shall be attached to these resolutions and are hereby adopted in their entirety as if such resolutions were a part hereof as of the date of adoption of these resolutions.

Payment of Organizational Expenses

RESOLVED, that the officers of the Corporation be, and they hereby are, authorized and directed to pay all fees and expenses incident to or required in the organization of the Corporation.

Formation of DGA Hillwood LP

RESOLVED, that the officers of the Corporation be, and they hereby are, authorized and directed to take all actions deemed by such officers to be necessary and convenient to form DGA Hillwood LP (the "Limited Partnership") and to have the Corporation serve as the general partner thereof.

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and directed, on behalf and in the name of the Corporation, to prepare or cause to be prepared and to execute, deliver, verify, acknowledge, file or record any documents (including, without limitation, certificate of limited

partnership and a limited partnership agreement), instruments, certificates, statements, papers, or any amendments thereto, as may be deemed necessary or advisable in order to form the Limited Partnership.

Submission of Application for Low Income Housing Tax Credits and Multifamily Tax-Exempt Bond Authority

RESOLVED, that the officers of the Corporation be, and they hereby are, authorized and directed to take all actions deemed by such officers to be necessary and convenient to facilitate the submission of an application to the Tennessee Housing Development Agency for an allocation of low income housing tax credits and/or Multifamily Tax-Exempt Bond Authority for the purpose of development of real property located approximately at 0 Hillwood Road in Knoxville, Tennessee.

General Authority and Ratification

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and directed, on behalf and in the name of the Corporation, to prepare or cause to be prepared and to execute, deliver, verify, acknowledge, file or record any documents, instruments, certificates, statements, papers, or any amendments thereto, as may be deemed necessary or advisable in order to effectuate the actions approved herein, and to take such further steps and do all such further acts or things as are necessary or desirable to carry out the transactions contemplated by the foregoing resolutions; and

FURTHER RESOLVED, that the authority and power given hereunder be deemed retroactive and any and all acts authorized hereunder performed prior to the passage of these resolutions, are hereby ratified and approved.

Adopted this 30th day of January, 2025.

HILLWOOD GP CORPORATION

By: _____
Secretary

EXHIBIT A

BY-LAWS OF HILLWOOD GP CORPORATION

These Bylaws shall regulate the business and affairs of Hillwood GP Corporation (the "Corporation"), subject to the provisions of the Charter of the Corporation (as amended or restated from time to time, the "Charter") and any applicable provisions of the Tennessee Nonprofit Corporation Act (as amended, the "Act").

ARTICLE I. OFFICES

Section 1.1 **Principal Office.** The principal office of the Corporation shall be located at 901 N. Broadway, Knoxville, Knox County, Tennessee 37917. The Corporation may have such other offices, either within or without the State of Tennessee, as its Board of Directors may designate or as the business of the Corporation may require from time to time.

Section 1.2 **Registered Office.** The registered office of the Corporation required by the Act to be maintained in the State of Tennessee may, but need not, be identical to the principal office in the State of Tennessee; and the address of the registered office may be changed from time to time by its Board of Directors.

ARTICLE II. MEMBERS

The Corporation shall not have members.

ARTICLE III. DIRECTORS

Section 3.1 **General Powers.** The business and affairs of the Corporation shall be supervised by its Board of Directors (the "Board"), which shall exercise in the name of and on behalf of the Corporation all of the rights and privileges legally exercisable by the Corporation as a corporate entity, except as may otherwise be provided by law, the Charter, or these Bylaws. In addition, without limiting the foregoing, the Board shall be authorized and empowered:

(a) To employ such persons as in its opinion are needed for the administration of the Corporation and to pay reasonable compensation for services and expenses thereof;

(b) To receive, accept, administer, invest and distribute on behalf of the Corporation property contributed, gifted or bequeathed to the Corporation; and

(c) To make distributions of income and principal in furtherance of the Corporation's purposes in such amounts and proportions as the Board, in its discretion, shall determine from time to time.

Section 3.2 Number and Tenure. The directors of the Corporation shall be the same persons who are elected to hold the offices of Chairman, Vice Chairman, and Treasurer of Knoxville's Community Development Corporation ("KCDC"). The election of any person to any such office in KCDC shall be deemed to be an election of such person to the Board of Directors of the Corporation. Each director shall hold office until the expiration of the term for which he/she is elected, and thereafter until his successor has been elected and qualified. The Board of Commissioners of KCDC shall have the power to appoint and remove all directors of the corporation.

Section 3.3 Limited Personal Liability. No person who is or was a Director of the Corporation, nor such person's heirs, executors or administrators (hereinafter collectively referred to for purposes of this Section as a "Director"), shall be personally liable to the Company for monetary damages for breach of fiduciary duty as a Director. However, this provision shall not eliminate or limit the liability of a Director:

- (a) for any breach of a Director's duty of loyalty to the Corporation;
- (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or
- (c) under § 48-58-304 of the Act.

If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a Director of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the full extent permitted by the amended Act. No repeal or modification of the provisions of this Section, either directly or by the adoption of a provision inconsistent with the provisions of this Section, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

Section 3.4 Annual Meeting. The regular annual meeting of the Board shall be held without other notice than this Section of the Bylaws immediately following the annual meeting of Knoxville's Community Development Corporation in May of each year and at the same place as the annual meeting of Knoxville's Community Development Corporation.

Section 3.5 Special Meetings. Special meetings of the Board may be called by the President or by any Director, and it shall thereupon be the duty of the Secretary-Treasurer to cause notice of such meeting to be given as hereinafter provided. The President or the Director calling the meeting shall fix the time and place (which may or may be anywhere within or without the State

of Tennessee) for the holding of the meeting.

Section 3.6 Notices. Notice of the time, place and purpose of any special meeting of the Board shall be delivered to each Director not less than three (3) days previous thereto either personally, by mail or by electronic mail, by or at the direction of the Secretary-Treasurer, the President or the Director calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Director at his address as it appears on the records of the Corporation with postage thereon prepaid. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Section 3.7 Quorum and Participation. A majority of the total number of Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than such majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time; and provided further that the Secretary-Treasurer shall notify any absent Directors of the time and place of such adjourned meeting.

Section 3.8 Manner of Acting. Each Director shall be entitled to one (1) vote upon any matter properly submitted for a vote to the Board. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, except as may otherwise be specifically provided by law, by the Charter, or by these Bylaws. Members of the Board absent from any meeting shall not be permitted to vote at such meeting by written proxies.

Section 3.9 Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board at which action on any Corporation matter is taken shall be presumed to have assented to the action taken, unless such Director's dissent shall be entered in the minutes of the meeting, or unless he or she shall forward such dissent by certified mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 3.10 Compensation. Neither Directors nor officers shall receive any salary for their services. Any director or officer of the Corporation may also perform legal services for the Corporation; otherwise, no director or officer shall receive compensation for service to the Corporation in any other capacity, nor shall any close relative or a Director or officer receive compensation for serving the Corporation. The term "close relative" as used herein shall mean any brother or sister of any Director or officer, the forebears and descendants of a Director or officer or any such brother or sister and any spouse of a Director or officer or any aforesaid person.

ARTICLE IV. OFFICERS

Section 4.1 Number. The officers of the Corporation shall be a President, Vice President, Secretary–Treasurer and such other officers as may be determined by the Board from time to time to perform such duties as may be designated by the Board. In no event shall a member of the Board serve as an officer of the corporation.

Section 4.2 Election and Term of Office. The officers of the Corporation shall be elected annually by the Board at the regular annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until the next regular annual meeting of the Board or until his successor shall have been elected. A vacancy in any office held by an officer, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board. A retiring officer may succeed himself or herself.

Section 4.3 Removal of Officers and Agents by Directors. Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Corporation will be served thereby.

Section 4.4 President. The President:

(a) Shall be the principal executive officer of the Corporation, shall in general, supervise and control all of the business and affairs of the Corporation, and unless otherwise determined by the members of the Board, shall preside at all meetings of the members and the Board;

(b) May sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws, to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and

(c) Shall in general perform all duties incident to the office of the present and such other duties as may be prescribed by the Board from time to time.

Section 4.5 Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him by the Board.

Section 4.6 Secretary–Treasurer. The Secretary–Treasurer shall:

(a) Keep the minutes of the meetings of the members and of the Board in one or more books provided for that purpose;

(b) See that all notices are duly given in accordance with these Bylaws or as required by law;

(c) Be custodian of the corporate records and of the seal of the Corporation and affix the seal of the Corporation to documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws;

(d) Keep a register of the names and post office addresses of all Directors;

(e) Have a general charge of the books of the Corporation;

(f) Keep on file at all times a complete copy of the Charter and Bylaws of the Corporation containing all amendments thereto (which copy shall always be open to the inspection of any Director), and at the expense of the Corporation, forward a copy of the Bylaws and of all amendments thereto to each Director;

(g) In general, perform all duties incident to the office of Secretary, and such other duties as from time to time may be assigned to him/her by the Board; and

(h) Have charge and custody of and be responsible for all funds and securities of the Corporation;

(i) Be responsible for the receipt of and the issuance of receipts for all monies due and payable to the Corporation and for the deposit of all such monies in the name of the Corporation in such bank or banks, trust companies or other depositories, as shall be selected in accordance with the provisions of these regulations; and

(j) In general, perform all the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him/her by the Board.

Section 4.7 Resignation. An officer may resign such officer's position at any time by tendering such resignation in writing to the President or, in the case of the resignation of the President, to the Secretary. A resignation shall become effective upon the date specified in such notice, or, if no date is specified, upon receipt of the resignation by the Corporation at its principal place of business.

Section 4.8 Compensation. The powers, duties and compensation, if any, of officers, agents and employees shall be fixed by the Board, subject to the provisions of these regulations with respect to compensation for Directors and officers and close relatives of Directors and officers.

ARTICLE V. NON-PROFIT OPERATION

The Corporation shall at all times be operated on a non-profit basis, and no interest or dividends shall be paid or payable by the Corporation to any Director as such, and shall be operated for the charitable purposes for which the Corporation was created.

ARTICLE VI. CONTRACTS, LOANS, CHECKS, DEPOSITS, INVESTMENTS

Section 6.1 Contracts and Employment of Agents. The Board may authorize any officer or agent to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the Corporation. The Board shall be specifically authorized, in its sole discretion, to employ and to pay the compensation of such agents, accountants, custodians, experts, consultants and other counsel, legal, investment or otherwise, as the Board shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by, such individuals or entities. Such authority may be general or confined to specific instances.

Section 6.2 Loans. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

Section 6.3 Checks. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Secretary-Treasurer and countersigned by the President or Vice President of the Corporation.

Section 6.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation with such banks, trust companies, brokerage accounts, investment managers, or other depositories as the Board may from time to time select.

Section 6.5 Fiscal Year. The fiscal year of the Corporation shall mean a twelve (12) month period commencing the first day of July of each and every year and shall end on the following last day of June.

Section 6.6 Gifts. The Board of Directors may accept, on behalf of the Corporation, any contribution, gift bequest or devise for the general purposes or any special purpose of the

Corporation.

ARTICLE VII. BOOKS, RECORDS AND AUDITS

Section 7.1 Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board and committees having any of the authority of the Board, and shall keep at the registered or principal office a record giving the names and addresses of the Directors. So long as the Corporation acts and functions as an instrumentality of KCDC, then all books and records of the Corporation may be inspected by KCDC, its agents or attorneys at any time.

Section 7.2 Audits. The Corporation shall cause audits of all its books and records to be performed by a firm of independent certified public accountants as necessary. Copies of the audits shall be provided to KCDC for its review.

ARTICLE VIII. MISCELLANEOUS

KCDC shall have power to make and adopt such rules and regulations not inconsistent with law, the Charter, or these regulations, as it may deem advisable for the management of the business and affairs of the Corporation.

ARTICLE IX. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the laws of the State of Tennessee relating to non-profit corporations or under the provisions of the Charter or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X. AMENDMENTS TO BYLAWS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the affirmative vote of two-thirds of the Directors present at any regular or special meeting, provided a quorum, as provided in these Bylaws, be present and provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal, or such requirement shall have been duly waived by all Directors.

Adopted this 30th day of January, 2025.

ST. MARY'S GP CORPORATION

Date: January 23, 2025

To: Board of Directors

From: Nancy White, Secretary

Subject: **INITIAL AGENDA**
Meeting of the Board of Directors
Thursday, January 30, 2025, 5 p.m.
901 N. Broadway
Knoxville, Tennessee 37917

1. Call to Order.

REDEVELOPMENT (Jim Hatfield)

2. Resolution regarding the formation and organizational matters. **(Item 2 Attachment)**
3. Adjourn.

ST. MARY'S - BOARD ACTION FORM - #2

MEETING DATE	January 30, 2025
AGENDA ITEM DESCRIPTION	Resolution regarding formation and organizational matters of St. Mary's GP Corporation.
SUBMITTED BY	Name, Title / Department: Jim Hatfield, CDO
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</u> Other – Name/Title: _____
<u>BACKGROUND</u>	
<p>1. What is the objective of this action? This resolution allows for organizational matters and certain actions of St. Mary's GP Corporation to be conducted including but not limited to filing of the corporate charter, electing officers, enabling the Corporation to serve as the general partner of DGA St. Mary's LP and file for low income housing tax credits and MTEB.</p>	
<p>2. Why is the action needed now? The 2025 application cycle for 4% tax credits and MTEB begins in the next 60 days and this resolution provides for the approval to apply for tax credits and MTEB allocation.</p>	
<p>3. Who are the parties involved and what are their roles (if appropriate)? St. Mary's GP Corporation is a wholly owned instrumentality of KCDC. DGA St. Mary's LP will be the owner entity for the development project. St. Mary's GP Corporation will serve as the general partner for the owner entity. DGA Residential is the project's sponsor and developer.</p>	
<p>4. What are the long-term and short-term exposures? None</p>	
HISTORICAL / TRANSACTIONAL INFORMATION (who, when, where)	KCDC has successfully partnered with DGA Residential on past projects including Grosvenor, Willow Place and Bluegrass.
ATTACHMENTS	Resolution, Bylaws

RESOLUTION NO. 2025-01

RESOLUTION OF THE BOARD OF DIRECTORS OF ST. MARY'S GP CORPORATION REGARDING FORMATION AND ORGANIZATIONAL MATTERS

January 30, 2025

The board of directors of St. Mary's GP Corporation, a Tennessee nonprofit corporation (the "Corporation"), has met pursuant to proper notice and does hereby resolve:

Action of Incorporator

RESOLVED, that the Action of the Incorporator of the Corporation taken by written consent dated as of January 30, 2025, and all actions reflected therein, be, and the same hereby are, ratified, approved, and adopted by the undersigned for the benefit of the Corporation; and

FURTHER RESOLVED, that the Incorporator be, and the same hereby is, discharged of any further obligations, duties or liability to the Corporation.

Charter

RESOLVED, that the Charter of the Corporation, filed in the office of the Secretary of State of Tennessee and recorded in the Knox County Register of Deeds, is hereby ratified and approved.

Bylaws

RESOLVED, that the Bylaws attached hereto as Exhibit A are hereby approved and adopted.

Officers

RESOLVED, that the following named persons are hereby declared elected to the offices of the Corporation set forth opposite their respective names to serve as such officers pursuant to the Bylaws:

President – Benjamin M. Bentley

Vice President – Jim Hatfield

Secretary and Treasurer – Nancy White

Bank Accounts

RESOLVED, that the officers of the Corporation are hereby authorized and directed for and on behalf of the Corporation to designate from time to time one or more banks, trust companies or other banking institutions to act as depository or depositories for the funds of the Corporation for and during such period as such officer may from time to time deem necessary or desirable in the interests on the Corporation and to open or close out from time to time accounts in any such depository so selected;

FURTHER RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and directed, in the name of and on behalf of the Corporation, to take any and all actions that such officer may deem necessary or advisable in order to establish bank accounts from time to time for the efficient conduct of the Corporation's business;

FURTHER RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and empowered to sign checks drawn on such account(s); and

FURTHER RESOLVED, that any resolutions required by said banking institutions shall be attached to these resolutions and are hereby adopted in their entirety as if such resolutions were a part hereof as of the date of adoption of these resolutions.

Payment of Organizational Expenses

RESOLVED, that the officers of the Corporation be, and they hereby are, authorized and directed to pay all fees and expenses incident to or required in the organization of the Corporation.

Formation of DGA St. Mary's LP

RESOLVED, that the officers of the Corporation be, and they hereby are, authorized and directed to take all actions deemed by such officers to be necessary and convenient to form DGA St. Mary's LP (the "Limited Partnership") and to have the Corporation serve as the general partner thereof.

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and directed, on behalf and in the name of the Corporation, to prepare or cause to be prepared and to execute, deliver, verify, acknowledge, file or record any documents (including, without limitation, certificate of limited partnership and a limited partnership agreement), instruments, certificates,

statements, papers, or any amendments thereto, as may be deemed necessary or advisable in order to form the Limited Partnership.

Submission of Application for Low Income Housing Tax Credits and Multifamily Tax-Exempt Bond Authority

RESOLVED, that the officers of the Corporation be, and they hereby are, authorized and directed to take all actions deemed by such officers to be necessary and convenient to facilitate the submission of an application to the Tennessee Housing Development Agency for an allocation of low income housing tax credits and/or Multifamily Tax-Exempt Bond Authority for the purpose of development of real property located approximately at 1914 Huron Street and 0 St. Mary Street in Knoxville, Tennessee (tax parcel IDs 081EH006 and 081EH01604).

General Authority and Ratification

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized and directed, on behalf and in the name of the Corporation, to prepare or cause to be prepared and to execute, deliver, verify, acknowledge, file or record any documents, instruments, certificates, statements, papers, or any amendments thereto, as may be deemed necessary or advisable in order to effectuate the actions approved herein, and to take such further steps and do all such further acts or things as are necessary or desirable to carry out the transactions contemplated by the foregoing resolutions; and

FURTHER RESOLVED, that the authority and power given hereunder be deemed retroactive and any and all acts authorized hereunder performed prior to the passage of these resolutions, are hereby ratified and approved.

Adopted this 30th day of January, 2025.

ST. MARY'S GP CORPORATION

By: _____
Secretary

EXHIBIT A

**BY-LAWS
OF
ST. MARY'S GP CORPORATION**

These Bylaws shall regulate the business and affairs of St. Mary's GP Corporation (the "Corporation"), subject to the provisions of the Charter of the Corporation (as amended or restated from time to time, the "Charter") and any applicable provisions of the Tennessee Nonprofit Corporation Act (as amended, the "Act").

ARTICLE I. OFFICES

Section 1.1 **Principal Office.** The principal office of the Corporation shall be located at 901 N. Broadway, Knoxville, Knox County, Tennessee 37917. The Corporation may have such other offices, either within or without the State of Tennessee, as its Board of Directors may designate or as the business of the Corporation may require from time to time.

Section 1.2 **Registered Office.** The registered office of the Corporation required by the Act to be maintained in the State of Tennessee may, but need not, be identical to the principal office in the State of Tennessee; and the address of the registered office may be changed from time to time by its Board of Directors.

ARTICLE II. MEMBERS

The Corporation shall not have members.

ARTICLE III. DIRECTORS

Section 3.1 **General Powers.** The business and affairs of the Corporation shall be supervised by its Board of Directors (the "Board"), which shall exercise in the name of and on behalf of the Corporation all of the rights and privileges legally exercisable by the Corporation as a corporate entity, except as may otherwise be provided by law, the Charter, or these Bylaws. In addition, without limiting the foregoing, the Board shall be authorized and empowered:

(a) To employ such persons as in its opinion are needed for the administration of the Corporation and to pay reasonable compensation for services and expenses thereof;

(b) To receive, accept, administer, invest and distribute on behalf of the Corporation property contributed, gifted or bequeathed to the Corporation; and

(c) To make distributions of income and principal in furtherance of the Corporation's purposes in such amounts and proportions as the Board, in its discretion,

shall determine from time to time.

Section 3.2 Number and Tenure. The directors of the Corporation shall be the same persons who are elected to hold the offices of Chairman, Vice Chairman, and Treasurer of Knoxville's Community Development Corporation ("KCDC"). The election of any person to any such office in KCDC shall be deemed to be an election of such person to the Board of Directors of the Corporation. Each director shall hold office until the expiration of the term for which he/she is elected, and thereafter until his successor has been elected and qualified. The Board of Commissioners of KCDC shall have the power to appoint and remove all directors of the corporation.

Section 3.3 Limited Personal Liability. No person who is or was a Director of the Corporation, nor such person's heirs, executors or administrators (hereinafter collectively referred to for purposes of this Section as a "Director"), shall be personally liable to the Company for monetary damages for breach of fiduciary duty as a Director. However, this provision shall not eliminate or limit the liability of a Director:

- (a) for any breach of a Director's duty of loyalty to the Corporation;
- (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or
- (c) under § 48-58-304 of the Act.

If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a Director of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the full extent permitted by the amended Act. No repeal or modification of the provisions of this Section, either directly or by the adoption of a provision inconsistent with the provisions of this Section, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

Section 3.4 Annual Meeting. The regular annual meeting of the Board shall be held without other notice than this Section of the Bylaws immediately following the annual meeting of Knoxville's Community Development Corporation in May of each year and at the same place as the annual meeting of Knoxville's Community Development Corporation.

Section 3.5 Special Meetings. Special meetings of the Board may be called by the President or by any Director, and it shall thereupon be the duty of the Secretary-Treasurer to cause notice of such meeting to be given as hereinafter provided. The President or the Director calling the meeting shall fix the time and place (which may or may be anywhere within or without the State of Tennessee) for the holding of the meeting.

Section 3.6 Notices. Notice of the time, place and purpose of any special meeting of the Board shall be delivered to each Director not less than three (3) days previous thereto either personally, by mail or by electronic mail, by or at the direction of the Secretary-Treasurer, the

President or the Director calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Director at his address as it appears on the records of the Corporation with postage thereon prepaid. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

Section 3.7 Quorum and Participation. A majority of the total number of Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than such majority of the Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time; and provided further that the Secretary-Treasurer shall notify any absent Directors of the time and place of such adjourned meeting.

Section 3.8 Manner of Acting. Each Director shall be entitled to one (1) vote upon any matter properly submitted for a vote to the Board. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, except as may otherwise be specifically provided by law, by the Charter, or by these Bylaws. Members of the Board absent from any meeting shall not be permitted to vote at such meeting by written proxies.

Section 3.9 Presumption of Assent. A Director of the Corporation who is present at a meeting of the Board at which action on any Corporation matter is taken shall be presumed to have assented to the action taken, unless such Director's dissent shall be entered in the minutes of the meeting, or unless he or she shall forward such dissent by certified mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 3.10 Compensation. Neither Directors nor officers shall receive any salary for their services. Any director or officer of the Corporation may also perform legal services for the Corporation; otherwise, no director or officer shall receive compensation for service to the Corporation in any other capacity, nor shall any close relative or a Director or officer receive compensation for serving the Corporation. The term "close relative" as used herein shall mean any brother or sister of any Director or officer, the forebears and descendants of a Director or officer or any such brother or sister and any spouse of a Director or officer or any aforesaid person.

ARTICLE IV. OFFICERS

Section 4.1 Number. The officers of the Corporation shall be a President, Vice President, Secretary-Treasurer and such other officers as may be determined by the Board from time to time to perform such duties as may be designated by the Board. In no event shall a member of the Board serve as an officer of the corporation.

Section 4.2 Election and Term of Office. The officers of the Corporation shall be elected annually by the Board at the regular annual meeting of the Board. If the election of officers shall

not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until the next regular annual meeting of the Board or until his successor shall have been elected. A vacancy in any office held by an officer, because of death, resignation, removal, disqualification or otherwise, may be filled by the Board. A retiring officer may succeed himself or herself.

Section 4.3 Removal of Officers and Agents by Directors. Any officer or agent elected or appointed by the Board may be removed by the Board whenever in its judgment the best interest of the Corporation will be served thereby.

Section 4.4 President. The President:

(a) Shall be the principal executive officer of the Corporation, shall in general, supervise and control all of the business and affairs of the Corporation, and unless otherwise determined by the members of the Board, shall preside at all meetings of the members and the Board;

(b) May sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board, or by these Bylaws, to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and

(c) Shall in general perform all duties incident to the office of the present and such other duties as may be prescribed by the Board from time to time.

Section 4.5 Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as from time to time may be assigned to him by the Board.

Section 4.6 Secretary-Treasurer. The Secretary-Treasurer shall:

(a) Keep the minutes of the meetings of the members and of the Board in one or more books provided for that purpose;

(b) See that all notices are duly given in accordance with these Bylaws or as required by law;

(c) Be custodian of the corporate records and of the seal of the Corporation and affix the seal of the Corporation to documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these Bylaws;

- (d) Keep a register of the names and post office addresses of all Directors;
- (e) Have a general charge of the books of the Corporation;
- (f) Keep on file at all times a complete copy of the Charter and Bylaws of the Corporation containing all amendments thereto (which copy shall always be open to the inspection of any Director), and at the expense of the Corporation, forward a copy of the Bylaws and of all amendments thereto to each Director;
- (g) In general, perform all duties incident to the office of Secretary, and such other duties as from time to time may be assigned to him/her by the Board; and
- (h) Have charge and custody of and be responsible for all funds and securities of the Corporation;
- (i) Be responsible for the receipt of and the issuance of receipts for all monies due and payable to the Corporation and for the deposit of all such monies in the name of the Corporation in such bank or banks, trust companies or other depositories, as shall be selected in accordance with the provisions of these regulations; and
- (j) In general, perform all the duties incident to the office of Treasurer, and such other duties as from time to time may be assigned to him/her by the Board.

Section 4.7 Resignation. An officer may resign such officer's position at any time by tendering such resignation in writing to the President or, in the case of the resignation of the President, to the Secretary. A resignation shall become effective upon the date specified in such notice, or, if no date is specified, upon receipt of the resignation by the Corporation at its principal place of business.

Section 4.8 Compensation. The powers, duties and compensation, if any, of officers, agents and employees shall be fixed by the Board, subject to the provisions of these regulations with respect to compensation for Directors and officers and close relatives of Directors and officers.

ARTICLE V. NON-PROFIT OPERATION

The Corporation shall at all times be operated on a non-profit basis, and no interest or dividends shall be paid or payable by the Corporation to any Director as such, and shall be operated for the charitable purposes for which the Corporation was created.

ARTICLE VI. CONTRACTS, LOANS, CHECKS, DEPOSITS, INVESTMENTS

Section 6.1 Contracts and Employment of Agents. The Board may authorize any officer or agent to enter into any contract, or execute and deliver any instrument, in the name of and on

behalf of the Corporation. The Board shall be specifically authorized, in its sole discretion, to employ and to pay the compensation of such agents, accountants, custodians, experts, consultants and other counsel, legal, investment or otherwise, as the Board shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by, such individuals or entities. Such authority may be general or confined to specific instances.

Section 6.2 Loans. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

Section 6.3 Checks. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Secretary-Treasurer and countersigned by the President or Vice President of the Corporation.

Section 6.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation with such banks, trust companies, brokerage accounts, investment managers, or other depositories as the Board may from time to time select.

Section 6.5 Fiscal Year. The fiscal year of the Corporation shall mean a twelve (12) month period commencing the first day of July of each and every year and shall end on the following last day of June.

Section 6.6 Gifts. The Board of Directors may accept, on behalf of the Corporation, any contribution, gift bequest or devise for the general purposes or any special purpose of the Corporation.

ARTICLE VII. BOOKS, RECORDS AND AUDITS

Section 7.1 Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board and committees having any of the authority of the Board, and shall keep at the registered or principal office a record giving the names and addresses of the Directors. So long as the Corporation acts and functions as an instrumentality of KCDC, then all books and records of the Corporation may be inspected by KCDC, its agents or attorneys at any time.

Section 7.2 Audits. The Corporation shall cause audits of all its books and records to be performed by a firm of independent certified public accountants as necessary. Copies of the audits shall be provided to KCDC for its review.

ARTICLE VIII. MISCELLANEOUS

KCDC shall have power to make and adopt such rules and regulations not inconsistent with law, the Charter, or these regulations, as it may deem advisable for the management of the business and affairs of the Corporation.

ARTICLE IX. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the laws of the State of Tennessee relating to non-profit corporations or under the provisions of the Charter or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X. AMENDMENTS TO BYLAWS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the affirmative vote of two-thirds of the Directors present at any regular or special meeting, provided a quorum, as provided in these Bylaws, be present and provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal, or such requirement shall have been duly waived by all Directors.

Adopted this 30th day of January, 2025.