

BYLAWS OF THE METROPOLITAN DEVELOPMENT AND HOUSING AGENCY

ARTICLE I - THE AGENCY

SECTION 1. Name of the Agency. The name of the Agency shall be "Metropolitan Development and Housing Agency."

SECTION 2. Seal of Agency. The Agency shall have a seal, the design of which will be approved by appropriate resolution by the Board of Commissioners of the Agency. The absence of a seal shall not affect the validity of any contract, deed or other instrument otherwise properly authorized and executed by the Metropolitan Development and Housing Agency (hereinafter "MDHA").

SECTION 3. Office of Agency. The official headquarters of the Agency shall be the Administration Building (also known as the Nicely Building) located at 701 South Sixth Street, Nashville, Tennessee, 37206, or at a location duly designated by the Board of Commissioners. The Board of Commissioners may hold its meetings at the Administrative Building or at such other place as it may designate in accordance with applicable law or these Bylaws.

ARTICLE II - BOARD OF COMMISSIONERS

SECTION 1. Board of Commissioners. Pursuant to the Tennessee Housing Development Agency Act (the Act"), or any successor law, the business and affairs of the Agency shall be managed under the direction of a Board of Commissioners ("Board of Commissioners"). Tenn. Code Ann. Section 13-23-105. The Board of Commissioners shall consist of seven (7) members who shall be appointed by the Mayor of the Metropolitan Government of Nashville and Davidson County in accordance with the Act and shall serve pursuant to the terms of the Act.

SECTION 2. Powers and Duties. The Board of Commissioners shall have all power and authority as provided by law including but not limited to the powers prescribed in Tenn. Code Ann. 13-20-104. Under the Tennessee Nonprofit Corporation Act ("TNPCA") or any successor law, the Board of Commissioners shall also be Directors. Tenn. Code Ann. Section 48-58-501.

SECTION 3. Attendance. Members of the Board of Commissioners are expected to attend all regularly scheduled monthly Board meetings. Any member of the Board of Commissioners who shall have been absent from five (5) regular meetings without cause in any twelve (12) month period, shall be deemed to have resigned. In such event, the Executive Director will work with the Mayor of Nashville and Davidson County to appoint an individual to fill the remaining unexpired term of the outgoing member of the Board of Commissioners, in accordance with applicable law.

SECTION 4. Officers. The Board of Commissioners shall elect from among its members and at its Annual Meeting, a Chair and a Vice Chair. The Chair and Vice Chair shall hold office for one year and may be reelected for successive years. In the event the Board of Commissioners fails or is unable to hold elections at its Annual Meeting, the Chair and Vice Chair may continue to hold office until their successors are elected and qualified.

SECTION 5. Chair. The Chair shall preside at all meetings of the Board of Commissioners. Except as otherwise authorized by resolution of the Board of Commissioners, the Chair shall sign all contracts, deeds and other instruments made by the Agency. At each meeting, the Chair shall submit such recommendations and information as the Chair may consider proper concerning the business, affairs and policies of the Agency.

SECTION 6. Vice Chair. In the absence or incapacity of the Chair, the Vice Chair shall assume the duties of the Chair. In case of the resignation or death of the Chair, the Vice Chair shall assume the duties of the Chair until such time as a new Chair shall be selected pursuant to Section 7 of this Article II.

SECTION 7. Vacancies. Should the office of Chair or Vice Chair become vacant, the Board of Commissioners shall elect a successor from its membership at its next regular meeting or promptly thereafter, and such election shall be for the unexpired term of said office.

SECTION 8. Committees. All committees appointed by the Board of Commissioners shall have and may exercise such powers and authorities as the Board of Commissioners may delegate to such committee or committees by resolution. All committees appointed by the Board of Commissioners shall keep and maintain regular minutes of their meetings and proceedings and shall report the same to the full Board of Commissioners upon request. The Chair shall have the power to appoint ad-hoc committees from time to time for a purpose specified by the Chair. Such ad-hoc committees may have among its members such Commissioners and non-Commissioners as designated by the Chair.

ARTICLE III - OFFICERS

SECTION 1. Executive Director. The Board of Commissioners shall appoint an Executive Director who shall have the duties set forth below and who shall serve at the pleasure of the Board of Commissioners.

(a) Duties of Executive Director.

- (i) **Executive Director.** The Executive Director shall be the senior administrative officer of the Agency and, as such, shall administer, manage, supervise and direct the affairs and business of the Agency subject to the policies, control and direction of the Board of Commissioners. The Executive Director shall be charged, among other things, with the management of the housing portfolio of the Agency or any related entity and any

development activity taken by or on behalf of the Agency or any related entity.

- (ii) Secretary of Agency: Assistant Secretaries. The Executive Director, or his or her designee, shall also be the Secretary of the Agency and, as such, shall keep the records of the Agency, shall act as Secretary of the meetings of the Board of Commissioners, shall record all votes, and shall keep a record of the proceedings of the Board of Commissioners in a journal of the proceedings to be kept for such purpose, and shall perform all duties incident to the office of Secretary. and shall have power to affix such seal to all contracts and instruments authorized to be executed by the Agency. The Board of Commissioners may, from time to time, appoint one or more Assistant Secretaries, who may perform such duties as may be designated by the Board of Commissioners in any such appointment.
- (iii) Personnel. The Executive Director shall, in accordance with the personnel policies of the Agency, be authorized to hire and/or appoint such staff as may be necessary to assist with conducting the business and affairs of the Agency. Such appointments may include but not be limited to a: Chief Operating Officer, a Deputy Executive Director, a, Chief Development Officer, a Chief of Staff, and a Chief Financial Officer. Such personnel shall report to the Executive Director.
- (iv) Seal. The Executive Director or his or her designee, The Executive Director, or his or her designee shall keep in safe custody the seal of the Agency. The Executive Director shall have the power to affix the seal of the Agency to all contracts, instruments, bonds, notes or other obligations authorized to be executed by the Agency and to attest the signatures of the Chair or Vice Chair of the Board of Commissioners on all contracts, instruments, bonds, notes or other obligations, to give certificates under the seal of the Agency to the effect that such copies are true copies and perform all other duties designated by resolution of the Agency.

(b) Compensation. The compensation of the Executive Director shall be determined by the Board of Commissioners.

SECTION 2. Chief Operating Officer. In the absence, death or incapacity of the Executive Director, the Chief Operating Officer shall perform the duties of the Executive Director until such time as a new or interim Executive Director shall be selected by the Board of Commissioners. In case of the resignation of the Executive Director, the Chief Operating Officer may, by designation of the Chair for the Board of Commissioners, perform such duties as are imposed on the Executive Director pursuant to Section 1 of this Article III until such time as a new or interim Executive Director shall be selected. Should the position of Chief Operating Officer be vacant upon the absence, death, incapacity, or resignation of the Executive Director, the Board of Commissioners shall appoint an interim Executive Director until such time as a permanent Executive Director is selected.

SECTION 3. Chief Financial Officer. The Chief Financial Officer shall serve as the Treasurer of the Agency and shall have the care and custody of all funds of the Agency and shall deposit the same in the name of the Agency in such bank or banks as the Board of Commissioners

may select. The Chief Financial Officer or such other person or persons as designated by the Board of Commissioners, by resolution, shall sign all checks for the payment of monies and shall pay out and disburse such monies under the direction of the Board of Commissioners; provided, however, the Board of Commissioners, by resolution, may authorize the Chief Financial Officer or such other person or persons to affix their electronic signatures to checks of the Agency.

All checks of the Agency shall be countersigned by the Chair or such other person or persons designated by the Board of Commissioners, including but not limited to the Executive Director, by resolution; and the Board of Commissioners, by resolution, may authorize the Chair or such other person or persons as designated to affix their electronic signatures to checks of the Agency.

The Chief Financial Officer shall keep regular books of accounts showing receipts, and expenditures and shall report to the Board of Commissioners from time to time an account of the Agency's financial transactions and also of the financial condition of the Agency.

The Chief Financial Officer shall give such bond for the faithful performance of the duties of the Chief Financial Officer as may be required by the Board of Commissioners from time to time. The Chief Financial Officer shall report to the Executive Director.

SECTION 4. Additional Duties. The officers of the Agency shall perform such other duties and functions as may from time to time be required by the Board of Commissioners, as provided by resolution, or by the Executive Director.

SECTION 5. Additional Personnel. The Agency, in accordance with the personnel policies of the Agency, may from time to time employ such personnel as it deems necessary to exercise its powers, duties, and functions as prescribed by the Act and all other laws applicable to the Agency. The selection and compensation of such personnel shall be determined by the Board of Commissioners.

ARTICLE IV - MEETINGS

SECTION 1. Annual Meeting. The Annual Meeting of the Board of Commissioners shall be held in October of each year and in accordance with all applicable laws regarding public meetings.

SECTION 2. Regular Meetings. Regular meetings of the Board of Commissioners of the Agency shall be held on the second Tuesday of every month at a time designated by resolution of the Board of Commissioners unless such meeting date shall be a legal holiday, in which event the meeting shall be scheduled at a date and time established by the Board of Commissioners. The Board of Commissioners may change the date of any regular meeting, hold more than one regular meeting in any given month, or declare a recess and continue a regular meeting to a later date, by resolution.

SECTION 3. Committee Meetings. Committee meetings may be held every month at a

time designated by resolution of the Board of Commissioners. Such meetings shall be held in accordance with all applicable laws regarding public meetings.

SECTION 4. Special Meetings. The Chair may, when deemed expedient, and shall, upon the written request of at least two members of the Board of Commissioners, call a special meeting for the purpose of transacting any business designated in the meeting notice to all members of the Board of Commissioners. Notice of such special meeting shall be in accordance with all applicable laws regarding public meetings and may be hand delivered, sent by electronic mail, or mailed to the business or home address of each member of the Board of Commissioners at least two days prior to the date of such special meeting. At such special meeting, no business shall be considered other than as designated in the notice.

SECTION 4. Quorum. A majority of the members of the Board of Commissioners then serving shall constitute a quorum at the annual meeting and at any regular or special meeting. When a quorum is in attendance at the time an action is to be taken, such action may be taken upon a vote of a majority of the members of the Board of Commissioners present at such meeting(s) at such time. No action items **shall** be transacted at any meeting unless a quorum is present at the time such action is to be taken. If no quorum is present within a reasonable time of the scheduled and duly noticed meeting, the meeting may be adjourned by a vote of the majority of the members of the Board of Commissioners present; however, other than the vote to adjourn the meeting, no other business requiring a vote of the Board of Commissioners may be transacted. In the absence of a quorum, members of the Board of Commissioners may discuss matters that do not require a vote.

SECTION 5. Order of Business. Business may be conducted at any regular meeting of the Board of Commissioners of the Agency in any order determined by the Chair. All resolutions adopted by the Board of Commissioners of the Agency shall be reduced to writing and shall be copied in the minutes of the of the meetings of the Board of Commissioners.

SECTION 6. Manner of Voting. Unless otherwise required by law, voting on all questions coming before the Board of Commissioners shall be by voice vote, unless a roll call is requested by any member of the Board of Commissioners prior to the vote, in which case the vote shall be by roll call, and the ayes, noes, and abstentions of any roll call vote shall be entered upon the minutes of such meeting.

ARTICLE V - AMENDMENTS TO BYLAWS

The Bylaws of the Agency shall be amended only with the approval of at least four of the Commissioners of the Agency at a regular or a special meeting, but no such amendment shall be adopted unless at least seven days' written notice thereof has been previously given to all of the Commissioners of the Agency.

ARTICLE VI - IMMUNITY OF COMMISSIONERS; INDEMNIFICATION OF COMMISSIONERS, OFFICERS AND EMPLOYEES

SECTION 1. Immunities of Commissioners. The Tennessee General Assembly has recognized that the services of governmental boards, commissions, and authorities are critical to the effective operation of government and that their members should be able to make decisions without fear of incurring personal liability as a matter of public policy. In support of this public policy, immunity is afforded to the Commissioners pursuant to Tenn. Code Ann. Section 29-20-201 and/or Tenn. Code Ann. Section 48-58-601 (c) and (d)(8), which immunity shall be inapplicable in the case of gross, willful, or wanton negligence.

SECTION 2. Mandatory Indemnification of Directors and Officers. To the maximum extent permitted by the provisions of Tenn. Code Ann. Sections 48-58-501, et seq., of the TNPCA and any other applicable law, as amended from time to time (provided, however, that if an amendment to the TNPCA or other applicable law in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), the Agency shall indemnify and advance expenses to any person who is or was a member of the Board of Commissioners or Officer of the Agency, or to such person's heirs, executors, administrators and legal representatives, for the defense of any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (any such action, suit or proceeding being hereinafter referred to as the "Proceeding"), to which such person was, is or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually incurred with respect to the Proceeding, all fines, judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:

- (a) The Proceeding was instituted by reason of the fact that such person is or was a member of the Board of Commissioner or Officer of the Agency; and
- (b) The member of the Board of Commissioners or Officer's conduct was in good faith, and such commissioner or officer reasonably believed (i) in the case of conduct in the member of the Board of Commissioners or Officer's official capacity with the Agency, that the conduct was in the Agency's best interest; (ii) in all other cases, that such conduct was at least not opposed to the best interests of the Agency; and (iii) in the case of any criminal proceeding, that the member of the Board of Commissioners or Officer had no reasonable cause to believe the conduct was unlawful. The termination of a Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the member of the Board of Commissioner or Officer did not meet the standard of conduct herein described.

SECTION 3. Permissive Indemnification of Employees and Agents. The Agency may, to the maximum extent permitted by the provisions of Tenn. Code Ann. Section 48-

58-501, et seq., of the TNPCA or other laws applicable to the Agency, as amended from time to time (provided, however, that if an amendment to the TNPCA or any other applicable law in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Agency, or to such person's heirs, executors, administrators and legal representatives, to the same extent as set forth in Section 2 of this Article VI, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Agency and met the standards of conduct set forth in Subsection 2(b) of this Article VI.

SECTION 4. Non-Exclusive Application. The rights to indemnification and advancement of expenses set forth in Sections 2 and 3 above are contractual between the Agency and the person being indemnified, and his or her heirs, executors, administrators and legal representatives, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be entitled, whether by contract, by law, by the Charter, by a resolution of the Board of Commissioners, by these Bylaws, or by the purchase and maintenance by the Agency of insurance on behalf of a commissioner, officer, employee or agent of the Agency, all of which means of indemnification and advancement of expenses are hereby specifically authorized to the extent permitted by law.

SECTION 5. Non-Limiting Application. The provisions of this Article VI shall not limit the power of the Agency to pay or reimburse expenses incurred by a commissioner, officer, employee, or agent of the Agency in connection with such person's appearing as a witness in a Proceeding at a time when he or she has not been made a named defendant or respondent to the Proceeding.

SECTION 6. Prohibited Indemnification. Notwithstanding any other provision of this Article VI, the Agency shall not indemnify or advance expenses to or on behalf of any commissioner, officer, employee, or agent of the Agency, or such person's heirs, executors, administrators or legal representatives:

- (a) If a judgment or other final adjudication adverse to such person establishes his or her liability for any breach of the duty of loyalty to the Agency, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or
- (b) In connection with a Proceeding by or in the right of the Agency in which such person was adjudged liable to the Agency; or
- (c) In connection with any other Proceeding charging improper personal benefit to such person, whether or not involving action in his official capacity, in which such person was adjudged liable on the basis that personal benefit was improperly received by such person.

SECTION 7. Repeal or Modification Not Retroactive. No repeal or modification of the

provisions of this Article VI, either directly or by the adoption of a provision inconsistent with the provisions of this Article, 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.