

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 MDHA.

**SECTION 3. Office of Agency.** The offices of the Agency shall be in the Administration Building located at 701 South Sixth Street, P. O. Box 846, Nashville, Tennessee, 37202, but the Agency may change its official headquarters or may hold its meetings at such other place as it may designate by resolution.

ARTICLE II - BOARD OF COMMISSIONERS

**SECTION 1. Board of Commissioners.** Pursuant to the Tennessee Housing Authorities Law (the "Act"), the business and affairs of the Agency shall be managed under the direction of a Board of Commissioners (the "Board of Commissioners"). The Commissioners shall also be Directors pursuant to the Section 48-58-501 et seq. of the Tennessee Nonprofit Corporation Act ("TNPCA"). The Board of Commissioners shall consist of seven (7) members who shall be appointed and shall serve pursuant to the terms of the Act.

**SECTION 2. Officers.** The Board of Commissioners shall select from among its members a Chairman and two Vice Chairmen. The Chairman and Vice Chairmen shall be elected at the Annual Meeting of the Board of Commissioners of the Agency from among the Commissioners of the Agency, and shall hold office for one year, or until their successors are elected and qualified.

**SECTION 3. Chairman.** The Chairman shall preside at all meetings of the Board of Commissioners of the Agency. Except as otherwise authorized by resolution of the Board of Commissioners of the Agency, the Chairman shall sign all contracts, deeds and other instruments made by the Agency. At each meeting, the Chairman shall submit such recommendations and information as he may consider proper concerning the business, affairs and policies of the Agency.

**SECTION 4. Vice Chairmen.** There shall be two Vice Chairmen. One Vice Chairman shall concentrate on housing activities and one Vice Chairman shall concentrate on development activities. In the absence or incapacity of the Chairman, the Vice Chairman with the longer continuous tenure in the position of Vice Chairman shall assume the duties of the Chairman, and, in the absence of the Chairman and Vice Chairman with the longer continuous tenure in the position of Vice Chairman, the other Vice Chairman shall assume the duties of the Chairman. In the absence of the Chairman when both Vice Chairmen have equal tenures in the position of Vice Chairman, the Vice Chairman with the longer continuous tenure as a member of the Board of Commissioners shall assume the duties of the Chairman. In the absence of the Chairman and the Vice Chairman with the longer continuous service as a member of the Board of Commissioners, the other Vice Chairman shall serve as Chairman. In case of the resignation or death of the Chairman, the above procedure shall be followed until such time as a new Chairman shall be selected pursuant to Section 5 of this Article II.

**SECTION 5. Vacancies.** Should the office of Chairman or either or both of the Vice Chairmen become vacant, the Board of Commissioners of the Agency shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of said office.

**SECTION 6. Committees.** All committees appointed by the Board of Commissioners shall have and may exercise 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 Board of Commissioners upon request.

### **ARTICLE III - OFFICERS**

**SECTION 1. Secretary-Treasurer.** The Board of Commissioners shall appoint a Secretary-Treasurer who shall be the Executive Director of the Agency for a term fixed by the Board of Commissioners.

(a) **Duties as Secretary-Treasurer and Executive Director.**

(i) **Executive Director.** The Secretary-Treasurer shall be the Executive Director of the Agency and, as such, shall have general supervision over the administration of its business and affairs, subject to the direction of the Board of Commissioners of the Agency. He shall be charged with the management of the housing projects of the Agency.

(ii) **Secretary of Agency.** The Secretary-Treasurer and Executive Director 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 of the Agency and record all votes, and shall keep a record of the proceedings of the Board of Commissioners of the Agency in a journal of the proceedings to be kept for such purpose, and shall perform all duties incident to his office. He shall keep in safe custody the seal of the Agency and shall have power to affix such seal to all contracts and instruments authorized to be executed by the Agency.

(iii) **Treasurer of Agency.** The Secretary-Treasurer 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 Secretary-Treasurer 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 of the Agency; provided, however, the Board of Commissioners, by resolution, may authorize the Secretary-Treasurer or such other person or persons to affix their signatures to checks of the Agency by facsimile signature. All checks of the Agency shall be countersigned by the Chairman or such other person or persons as designated by the Board of Commissioners, by resolution; and the Board of Commissioners, by resolution, may authorize the Chairman or such other person or persons as designated to affix their signatures to checks of the Agency by facsimile signature. The Secretary-Treasurer shall keep regular books of account showing receipts and expenditures and shall report to the Board of Commissioners of the Agency on a quarterly basis an account of his transactions for the previous quarter annual period and also of the financial condition of the Agency. He shall give such bond for the faithful performance of his duties as the Board of Commissioners of the Agency may designate.

(b) **Compensation.** The compensation of the Secretary-Treasurer shall be determined by the Board of Commissioners of the Agency, provided that a temporary appointee selected by the Agency shall serve without compensation (other than the payment of necessary expenses).

(c) **Vacancies.** In case of the resignation or death of the Secretary-Treasurer and Executive Director, the Deputy Executive Director shall perform such duties as are imposed on the Secretary-Treasurer and Executive Director until such time as a new Secretary-Treasurer and Executive Director shall be selected. Any person appointed to fill any vacancy in the office of Secretary-Treasurer shall have such term as the Board of Commissioners fixes, but no Commissioner of the Agency shall be eligible to this office except as temporary appointee.

**SECTION 2. Deputy Executive Director.** The Deputy Executive Director shall perform the duties of the Secretary-Treasurer and Executive Director in the absence or incapacity of the Secretary-Treasurer and Executive Director; and such other duties as delegated by the Executive Director; and in case of the resignation or death of the Secretary-Treasurer and Executive Director, the Deputy Executive Director shall perform such duties as are imposed on the

Secretary-Treasurer and Executive Director pursuant to Section 1 of this Article III until such time as a new or interim Secretary-Treasurer and Executive Director shall be selected.

**SECTION 3. Director of Finance.** The Director of Finance shall have the power to authenticate coupons, by signature, to be attached to bonds, notes or other obligations to be issued by the Agency. The Director of Finance 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 Chairman or Vice Chairmen 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, and such other duties as delegated by 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 or the Bylaws or rules and regulations of the Agency.

**SECTION 5. Additional Personnel.** 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 of the State of Tennessee applicable to the Agency. The selection and compensation of such personnel (including the Secretary-Treasurer) shall be determined by the Board of Commissioners subject to the laws of the State of Tennessee.

#### **ARTICLE IV - MEETINGS**

**SECTION 1. Annual Meeting.** The Annual Meeting of the Board of Commissioners shall be held in December.

**SECTION 2. Regular Meetings.** Regular meetings of the Board of Commissioners 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.

**SECTION 3. Special Meetings.** The Chairman of the Agency may, when he deems it expedient, and shall, upon the written request of two Commissioners of the Agency, call a special meeting of the Board of Commissioners of the Agency for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each Commissioner of the Agency or may be mailed to the business or home address of each Commissioner 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 call.

**SECTION 4. Quorum.** The powers of the Agency shall be vested in the Commissioners thereof in office from time to time. Four Commissioners shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. When a quorum is in attendance, action may be taken by the Agency upon a vote of a majority of the Commissioners present.

**SECTION 5. Order of Business.** At the regular meetings of the Board of Commissioners of the Agency the following shall be the order of business:

1. Call to Order.
2. Reading and approval of the minutes of the previous meeting.
3. Introductions.
4. Public Comments.
5. Report from Committees.
6. Executive Report.
7. Additional Business.
8. Adjournment.

All resolutions shall be in writing and shall be copied in a journal of the proceedings of the Board of Commissioners of the Agency.

**SECTION 6. Manner of Voting.** The voting on all questions coming before the Board of Commissioners of the Agency shall be by voice vote, unless a roll call is requested by any Commissioner prior to the vote, in which case the vote shall be by roll call, and the ayes and noes 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 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 commissioner 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 commissioner or officer of the Agency; and

(b) The commissioner or officer conducted himself in good faith, and he reasonably believed (i) in the case of conduct in his official capacity with the Agency, that his conduct was in its best interest; (ii) in all other cases, that his conduct was at least not opposed to the best interests of the Agency; and (iii) in the case of any criminal proceeding, that he had no reasonable cause to believe his 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 director 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 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 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 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 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 under Section 48-58-304 of the TNPCA; 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 he was adjudged liable on the basis that personal benefit was improperly received by him.

**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.