

## MERIDIAN COMMUNITY BENEFITS AGREEMENT

This Meridian Community Benefits Agreement (this “**Meridian CBA**” or “**CBA**”) is made and executed on this \_\_\_ day of \_\_\_\_\_, 2022 (“**Effective Date**”), by and between Stand Up Nashville, a coalition of community based organizations and labor unions, a \_\_\_\_\_ 501c(3) nonprofit corporation, as defined herein (“**SUN**”) and Meridian Land Owner, LLC, a Delaware limited liability company, as defined herein (“**Meridian Land**”) (SUN and Meridian Land each a “**Party**,” and collectively the “**Parties**”), for the benefit of the residents of the McFerrin Park community (“**Community**”) as related to the construction by Owner (as hereinafter defined) of a new multi-use development project on the Project Site (as hereinafter defined).

### RECITALS

WHEREAS, SUN has identified a number of significant needs of residents in the vicinity of the Project Site and has an ongoing purpose and interest in addressing those needs; and

WHEREAS, Owner will develop multiple parcels located at 590 Joseph Avenue, Nashville, TN 37207 shown and described more accurately in Exhibit A (the “**Project Site**”), and in doing so has the ability to impact residents in the vicinity of the Project Site; and

WHEREAS, SUN and Meridian Land desire to address some of the significant needs of local residents through this Meridian CBA.

NOW THEREFORE, in consideration of the above premises and mutual covenants and agreements herein set forth, Meridian Land and SUN do hereby agree to execute this Meridian CBA as follows:

#### I. Definitions

“**Affordable**” means housing that costs no more than 30% of household income, based on the applicable 60% AMI and 80% AMI.

“**Affordability Period**” or “**Term**” means the timeframe in which the designated Affordable Housing Units (as herein defined) shall remain Affordable and shall begin with the issuance of a Use and Occupancy Letter issued by the Metropolitan Government of Nashville and Davidson County for the buildings incorporating 200 Affordable Housing Units at the new Development on the Project Site and continue for a period of not less than 30 years.

“**AMI**” shall be the median income for Davidson County, Tennessee, as determined by the U.S. Census Bureau’s annual American Community Survey for the calendar year immediately preceding the applicable lease term for an Affordable Housing Unit. The median income figure will be pulled from Davidson County alone and not from the larger Metropolitan Statistical Area. This figure shall provide the basis upon which the Affordable Housing Units are set aside and tenants deemed eligible to lease these Affordable Housing Units.

“**Architectural Controls**” shall mean a recorded document requiring that the facades of the building contain a combination of the following façade materials: glazing, masonry (including

stucco, brick, block or similar material), siding not to exceed 60% of the total exterior square footage, and metal panels.

**"Development"** means the mixed-use development of the Project Site.

**"Legacy Residents"** means those residents (i) named by Meridian Land within sixty (60) days after the later of (i) May 30, 2022 or (ii) the date the last resident moves out of the Project Site, as well as (ii) those residents who satisfy the Rent Criteria. Owner will not consider any conviction of a Legacy Resident of a crime that occurred prior to October 1, 2021 as a basis to reject such Legacy Resident when leasing to a Legacy Resident.

**"Monitor"** means a HUD certified housing counseling agency or an entity with proven long term experience providing the same housing services to local or state governmental agencies, which Monitor will be selected as described in Section III.

**"Owner"** means, collectively, Meridian Land Owner, LLC and any other limited liability company or other entity formed or engaged to develop, own, or operate any portion of the Development.

**"Payment Criteria"** shall mean a resident who has timely paid full rent for such resident's rent for the twelve (12) months immediately prior to such resident's move out from the existing housing at the Development. A resident will not be denied Legacy Resident status due to the fact that the unit in question failed to meet the requirements for receipt of housing choice vouchers from the Federal government if such resident would have otherwise qualified.

**"Rent Criteria"** shall mean a resident who has timely paid full rent for such resident's replacement housing over the twelve (12) months immediately prior to such resident's application for a right to return.

**"SUN Assignee"** means an assignee chosen from a list of three (3) choices that SUN presents to the Owners. The list shall contain three (3) names which may be coalition members of SUN at the time such list is presented, and at least two (2) of which are respected providers of housing advocacy in Davidson County, Tennessee. Within ten (10) days after receiving the list from SUN, the majority of Owners shall have the right to approve such list or disapprove one (1) of the three (3) names presented. If no Owner response is received within 10 days, SUN's list will automatically be deemed approved. SUN shall have the right to select and approve an assignee from the remaining choices on the list.

**"Zoning"** shall mean a mixed-use general district alternative (MUG-A) with a specific plan application and planned unit development (PUD) application as set forth in those certain applications both dated October 6, 2021 to the Metropolitan Nashville Planning Department, and any other zoning required to commence and complete the project.

## **II. Responsibilities of Owner**

During the Affordability Period, Owner will implement the following provisions:

1) Affordable Housing

- a) A minimum of 200 of the residential units within the Project Site shall be set aside for households broken down by: one hundred (100) units at 80% AMI (the “80% Units”), and one hundred (100) units at 60% AMI (the “60% Units”). The 80% Units and the 60% Units will be hereinafter collectively referred to as the “**Affordable Housing Units**”.
- b) A minimum of 80 Affordable Housing Units will be built by CREA on the Project Site across sites C, D, and F as labeled in Exhibit B.
- c) Within the 200 Affordable Housing Units, there shall be a minimum of 21 units with at least three bedrooms, 10 of which will be located within buildings located on C, D or F, 53 units with at least 2 bedrooms, and 67 units with at least 1 bedroom. At least half (40) of the 80 Affordable Housing Units across C, D, F (as shown in Exhibit B) shall be 2-3 bedroom units. The remaining 2-3 bedroom units (34) shall be in buildings A and B.
- d) The levels of affordability described in § II(1)(a) shall be maintained throughout the Affordability Period, binding successors, and running with the land of the Project Site as a restrictive covenant that shall be recorded within fourteen (14) days by the Owner after final approval and receipt of the Zoning. In the event Owner sells or transfers title of the residential buildings after completion of Construction, the purchaser or transferee shall be restricted to abide by Section II for the duration of the Affordability Period.
- e) Construction of the Affordable Housing Units shall be commenced promptly. If any portion of the Project Site is conveyed by Meridian Land prior to the construction of Affordable Housing Units on such portion, the recorded deed to such transferee shall (1) require such transferee to assume the obligations of this Meridian CBA, (2) require the transferee to commence construction of the Affordable Housing Units on such portion of the Project Site within 12 months of the conveyance and proceed promptly to completion, and (3) give Meridian Land the right to repurchase the portion of the Project Site conveyed to the transferee if such transferee does not comply with the obligations in (2).
- f) Rents for all Affordable Housing Units shall be set such that the rent charged is Affordable.
- g) All 200 Affordable Housing Units shall be subject to Architectural Controls.
- h) All 200 Affordable Housing Units shall have renewable one-year leases for the entire Affordability Period. Owner shall require all future owners, successors, property managers, and landlords of the residential units to include a clause in the Affordable Housing Unit leases specifying that no lease shall be terminated by the landlord without good cause.
- i) Tenants in the Affordable Housing Units shall enjoy the same access to common area facilities and amenities as tenants in the market-rate units, and Owner shall require these leases to include provisions affirming this right.
- j) Owner and any future owners, property managers, and landlords of the residential units shall not discriminate based on income. Housing choice vouchers shall be accepted from

Legacy Residents without restriction. Tenants in Affordable Housing Units shall not be required to hold vouchers.

- k) At no point within the Affordability Period shall there be fewer than 200 Affordable Housing Units available for lease at the Development, subject to Force Majeure.
  - l) Owner commits to allow Legacy Residents the preferential right to lease Affordable Housing Units that are available for lease at the Project Site for the first two (2) years of the Term, and Owner will accept housing choice vouchers from the Federal government from Legacy Residents who lease such Affordable Housing Units. Legacy Residents that apply to the property manager for the Project Site for leases pursuant to this section will be given priority over all other applicants.
  - m) Owner and SUN will work collaboratively with respect to the Project Site to request affordable housing support from governmental entities and/or other non-profit sources.
- 2) SUN acknowledges that Owner intends to construct and deliver twenty (20) residential units within the Development at 120% AMI, such that there will be a total of two hundred twenty (220) residential units within the Development set aside for households at 120% or less of AMI.

### **III. Notice of Claims of Violations, Monitoring, Timelines, and Enforcement**

The Parties intend for the rights and obligations created by this Meridian CBA to be both continuing in nature and cooperative, such that both Owner and SUN actively participate and work together with due diligence and good faith in furtherance of the terms and conditions of this Meridian CBA.

- (a) No later than two (2) business days after the Effective Date, Owner shall provide SUN a complete list of all Residents at RiverChase as of or after October 1, 2021, including names, current addresses, phone numbers, and email addresses, to the extent available. Residents that have already secured eligibility as Legacy Residents shall be clearly marked on this list.
- (b) Third-Party Monitoring
  - 1) SUN shall solicit and accept bids, at commercially reasonable rates, from third-party persons or entities as potential Monitors for the purpose of monitoring compliance with the Owner's obligations related to this Meridian CBA.
  - 2) No later than 30 days after the Effective Date, SUN shall present a minimum of three options from these bids, from which the Owner shall select the Monitor to bear responsibility for monitoring compliance throughout the Affordability Period.
  - 3) Owner shall bear the costs of the Monitor, provided that such costs are commercially reasonable market rates.
  - 4) If SUN does not provide bids within the 30-day timeframe set forth above, Meridian Land shall select the Monitor.
  - 5) If the then-current Monitor is no longer providing services, the same process as set forth above will be used to select a new Monitor.

- 6) The selected Monitor shall have the authority to hear and make a determination regarding any disputes between the parties regarding Owner's compliance with its obligations related to Construction under this Construction Move-Out CBA. In the event the monitor finds a violation, the Owner shall have five (5) days to cure such violation. Owner's failure to cure a violation found by the monitor within 5 days will be considered a material breach of this CBA.
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- (c) On a quarterly basis beginning no later than 30 days following the beginning of the Affordability Period, Owner and any future owners, property managers, and landlords of the residential units shall provide a report, due no later than 30 days following the end of the prior quarter, containing the following data:
    - 1) The number of Affordable Housing Units with active leases at the end of the quarter;
    - 2) The number of leases terminated during the quarter and, if any, the good cause basis for the termination;
    - 3) For each Affordable Housing Unit, the following data, to the extent available:
      - i. Unit addresses;
      - ii. tenant names;
      - iii. rent amount;
      - iv. household income;
      - v. the relevant affordability percentage (60% or 80%);
      - vi. lease start and expiration dates;
      - vii. household size;
      - viii. number of bedrooms; and
      - ix. supplemental documentation showing each household's income.
  - (d) As outlined herein, the Monitor will review compliance by Owner under this Meridian CBA, and undertake the specific acts expressed in accordance with the terms herein. During the term of this Meridian CBA, Owner shall cause the Monitor to create and present to SUN quarterly report detailing:
    - 1) The quarterly activities undertaken pursuant to the terms of this Meridian CBA;
    - 2) Owner's on-going compliance with the terms of this Meridian CBA; and
    - 3) Notice of non-compliance and recommendations, as necessary, to ensure compliance with the intent of this Meridian CBA produced on a calendar year basis quarterly (i.e., March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup>) and delivered within sixty (60) days after the end of the quarter in question (the "**Quarterly Report**"). The first such Quarterly Report for the Affordable Housing Units shall be the first quarter after pre-leasing activities commence for the Project Site.
  - (e) Throughout the Affordability Period, SUN shall have the authority to investigate any discrepancies in the quarterly reports and complaints about Owner's compliance with its commitments herein regarding the Affordable Housing Units.

- (f) Owner will execute and perform each provision outlined in Section II within a reasonable period of time from the date of this signed Meridian CBA; provided, however, that Owner will not have any obligation to perform under this Meridian CBA if the Development is not constructed.

#### **IV. SUN Support Obligations**

In light of Owner commitments set forth in this Meridian CBA, SUN will continually and strongly support the concept plan for the Development. Therefore, SUN will execute the following support efforts on behalf of Owner:

- (1) At Owner's request, send a letter in support of the Development, prior to the consideration of all approvals necessary for the Development.
- (2) If requested by Owner during the Term of this Meridian CBA, SUN will work with Owner with respect to the Project Site to secure other Development approvals from any other governmental entity specified by Owner.
- (3) SUN agrees that it will consult and coordinate with an applicable Owner (with respect to the portion of the Project Site of such Owner) before making public comments regarding project approvals.

#### **V. Expenses/Termination**

Except where this Meridian CBA calls for one party to bear a specific cost or expense, the Parties agree that (i) Owner will perform or cause to have performed the items set forth in Section II above at its expense and agrees to hold SUN and its officers, members, employees, and agents harmless from any expenses incurred by Owner with respect to the above Section II provisions, and (ii) SUN will perform or cause to have performed the items set forth in Section IV above at its expense and agrees to hold the Owner and its officers, members, employees, and agents harmless from any expenses incurred by SUN with respect to the above Section IV provisions.

This Meridian CBA will remain in full force and effect for the Term, except that it can be terminated immediately in writing under the following circumstances:

SUN and Owner may mutually agree in writing to modify or revoke any and/or all provisions of this Meridian CBA or to terminate it or the Zoning is revoked.

#### **VI. Miscellaneous**

- a) This Construction Move-Out CBA shall be binding on each of the Parties hereto and their respective personal representatives, executives, agents, attorneys, principals, agents, successors, and permitted assignees. Owner, in Owner's sole discretion, shall have the right to assign Owner's rights and obligations pursuant to this CBA to any

owner of a portion of the Project Site, and such assignment shall be a “permitted assignment”. SUN shall have the right to assign SUN’s rights and obligations pursuant to this Construction Move-Out CBA to a SUN Assignee, and such assignment shall be a “permitted assignment.” Promptly upon any permitted assignment, the assigning Party shall provide the other Party with notice of such permitted assignment, and the permitted assignee shall assume the obligations of this Construction Move-Out CBA. Any assignment that is not a permitted assignment shall be null and void.

- b) The Parties agree that full and adequate consideration has been given by each Party hereto, and each Party acknowledges the sufficiency and adequacy of said consideration. Each party further recognize the standing of the other to enforce this CBA and that no provision of this CBA shall be interpreted to waive any rights or remedies available to the other party under this CBA or Tennessee law.
- c) The Parties acknowledge that no promise, agreement, statement, or representation, whether oral or written, not herein expressed has been made to or relied upon by any one of them and that this Meridian CBA contains the entire agreement between the Parties, supersedes any prior agreements, and the terms of this Meridian CBA fully satisfies that certain Memorandum of Understanding between SUN/Stand Up Nashville and CREA, dated February 23, 2022.
- d) Where this this Meridian CBA requires an entity to impose responsibilities on another party, such entity shall ensure that any relevant contracts: (i) impose such responsibilities on the other party; (ii) require such party to impose such responsibilities on subcontractors or other parties involved in the Project through the contract in question; and (iii) state with regard to such responsibilities imposed on any such parties that SUN and its coalition members are intended third party beneficiaries with enforcement rights.
- e) If any term, provision, or clause within this Meridian CBA will be determined by a court of competent jurisdiction to be invalid, void, or unenforceable, only that particular term, provision, or clause will be nullified. The remainder of the Meridian CBA shall continue to be in full force and effect, provided, however, that this Meridian CBA continues to reasonably and substantially reflect the intent of the parties expressed herein taking into account the exclusion of the unenforceable provision.
- f) This Meridian CBA will be governed by and construed in accordance with the internal laws of the State of Tennessee without regard to its conflict of laws provisions. Any legal action related to this Meridian CBA will be commenced and maintained in Davidson County, TN.
- g) The Parties agree, from any time and from time to time within five (5) business days of a Party’s request, to execute, acknowledge and deliver to the requesting Party a statement in writing certifying: (a) that this Meridian CBA is unmodified and in full force and effect (or if there have been modifications, that this Meridian CBA is in full force and effect as modified and stating the modifications); (b) whether or not, to the knowledge of such Party, the other Party is in default in the performance of any covenant, agreement or condition contained in this Meridian CBA, and, if so,

specifying each such default, and (c) such other information reasonably requested by the requesting Party.

- h) The Parties' obligations and performance pursuant to this Meridian CBA are subject to Force Majeure, and no Party shall be in default under this Meridian CBA if such performance is not completed or obligation is not met due to Force Majeure. "Force Majeure", for the purpose of this Meridian CBA, means events beyond the Parties' control, including without limitation, impossibility of performance, acts of God, fire, or other casualty loss, strikes, boycotts, non-availability of materials or labor for which no substitute of equal quality and price is available, and acts of governmental agencies asserting jurisdiction over the Property.
- i) This Meridian CBA may be executed in any number of counterparts and may be transmitted by facsimile or electronic mail (including PDF or electronic signatures), and when taken together will constitute one fully executed original. All parties agree that their electronic signatures which are copies of the transmitted documents shall be binding as if they were original signatures.
- j) SUN shall keep confidential all Resident information it obtains from Owner pursuant to the terms of this CBA. To the contrary, SUN will indemnify and hold harmless Owner for any liability of Owner resulting from SUN's violation of this confidentiality provision.

(Signatures appear on the following page)



**AGREED AND ACCEPTED** this \_\_\_\_ day of \_\_\_\_\_, 2022, by:

**MERIDIAN LAND:**

**Meridian Land Owner, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Brent D. Heath, Authorized Signatory

**SUN:**

**Stand Up Nashville,**  
a \_\_\_\_\_

By: \_\_\_\_\_  
Michael Callahan-Kapoor, Deputy Director

EXHIBIT A

PROJECT SITE DESCRIPTION<sup>1</sup>



<sup>1</sup> Note: Upon subdivision of or submittal of the property to a condominium regime, this description automatically will be updated to include the legal description by an amendment to this Meridian CBA executed and recorded unilaterally by Meridian Land.

EXHIBIT B

AFFORDABLE HOUSING UNIT DEPICTION

