

CHARTER
OF
BLIGHT AUTHORITY OF MEMPHIS, INC.

1. The name of this corporation is Blight Authority of Memphis, Inc.
2. The corporation is a public benefit corporation.
3. The corporation is not a religious corporation.
4. The complete address of the corporation's initial registered office is:

Memphis, Tennessee _____

Shelby County

5. The name of the initial registered agent at the above address is _____.
6. The complete address of the corporation's principal office is

Memphis, Tennessee _____

Shelby County

7. The corporation is not for profit.
8. The name and complete address of the incorporator is:

Memphis,

Tennessee

Shelby County

9. The corporation will not have members.
10. The corporation shall be a public nonprofit corporation organized exclusively for charitable, educational, religious or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). No part of the net earnings of the corporation remaining after payment of its expenses shall inure to the benefit of any individual, firm or corporation, except that in the event the board of directors shall determine that sufficient provision has been made for the full payment of the expenses, bonds and other obligations of the corporation, including reserves for the expenses, bonds and other obligations, any net earnings of the corporation thereafter accruing may be used to provide a reserve for depreciation of any project or projects undertaken by such corporation, in an amount determined by the board of directors to be necessary and reasonable, and net earnings available thereafter shall be paid to the City of Memphis, the creating municipality; provided, that nothing contained in this section shall prevent the board of directors from transferring all or any part of its properties in accordance with the terms of any lease entered into by the corporation.
11. The corporation shall be permitted to indemnify and hold harmless the directors and officers of the corporation to the fullest extent permitted by Tennessee law as specified in the Bylaws of the corporation. If the Tennessee Nonprofit Corporation Act is amended or other Tennessee law is enacted to permit further elimination or limitation of the personal liability of directors or officers, then the liability of directors or officers of the corporation

shall be eliminated or limited to the fullest extent permitted by the Tennessee Nonprofit Corporation Act as so amended or by such other Tennessee law as so enacted.

12. To the extent required by Section 501(c)(3) of the Code: (i) no substantial part of the activities of the corporation shall be carrying on propaganda, or otherwise attempting, to influence legislation (except as permitted by Section 501(h) of the Code); and (ii) the corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office. Notwithstanding any other provision of this Charter, the corporation shall not carry on any endeavors or activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.
13. Whenever the board of directors of the corporation or the Memphis City Council by resolution determines that the purposes for which the corporation was formed have been substantially accomplished and all obligations theretofore incurred by the corporation have been fully paid, the members of the board of directors or the Mayor of the City of Memphis, as the case may be, shall thereupon execute and file for record in the office of the secretary of state a certificate of dissolution, reciting such facts and declaring the corporation to be dissolved. Such certificate of dissolution shall be executed under the seal of the corporation or the City.
14. Upon the filing of such certificate of dissolution, the corporation shall stand dissolved, the title to all funds and properties owned by it at the time of such dissolution shall be distributed to (i) any person or entity contractually entitled thereto, (ii) the municipality with respect to which the corporation was organized, (iii) any charitable, educational,

religious or scientific organization organized and existing pursuant to and under Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future federal tax code, or (iv) the federal government, or to a state or local government for a public purpose.

15. Purpose of the corporation: The general nature of the business to be transacted by this corporation and the general purpose for which it is organized is to do business as a land bank (a non-profit corporation) as prescribed by the Tennessee Local Land Bank Program, as codified in Section 13-30-101, *et seq.*, Tennessee Code Annotated, as and amended by Public Acts of 2014 (the “Act”). The corporation shall be a public instrumentality of the City of Memphis. The corporation shall have all of the general powers authorized by said statute including amendments thereto hereafter adopted, and all powers incidental there to or necessary for the performance thereof, including the following:

- a. Adopt, amend and repeal bylaws for the regulation of its affairs and the conduct of its business;
- b. Sue and be sued in its own name and plead and be impleaded in all civil actions, including, but not limited to, actions to clear title to the real property held in the land bank;
- c. Adopt a seal and to alter the same at pleasure;
- d. Borrow funds as may be necessary, for the operation and work of the corporation with the concurrence of the legislative body of the creating local government or local governments;
- e. Enter into contracts and other instruments necessary, incidental or convenient to the performance of its duties and the exercise of its powers including but

not limited to intergovernmental agreements under the existing Tennessee Code for the joint exercise of powers under the Act

- f. Make and execute contracts and other instruments necessary or convenient to the exercise of the powers to acquire, hold and dispose of real property held in the bank
- g. Procure and enter into contracts for any type of insurance or indemnity against loss or damage to property from any cause, including loss of use and occupancy, against death or injury of any person, against employer's liability, against any act of any member, officer or employee of the corporation in the performance of the duties of such person's office or employment or any other insurable risk, as the board of directors, in its discretion, may deem necessary;
- h. Accept donations, contributions, revenues, capital grants or gifts from any individual association, public or private corporation, municipality or county of the state of Tennessee, the state of Tennessee or the United States government, or any agency or instrumentality of the State of Tennessee or the United States, for or in aid of any of the purposes of this chapter and enter into agreements in connection with the donations, contributions, revenues, capital grants or gifts;
- i. Invest money of the corporation in investments that would be eligible investments for a municipality or county in the state and name and use depositories for its money with a bank or trust company which is a member of the Federal Deposit Insurance Corporation;

- j. Enter into contracts that do not violate Tenn. Code § 29-17-102, for the management of or the sale of real property in the land bank; such power shall include the power to preserve the value or prevent the diminution of the value of any such property until disposed of by the corporation, including the following actions:
 - i. Design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, and otherwise improve real property or rights or interests in real property;
 - ii. Fix, charge and collect rents, fees and charges for the use of real property of the land bank and for services provided by the corporation;
 - iii. Grant or acquire a license, easement, lease, as lessor and as lessee, or option with respect to real property in the land bank; and
 - iv. Enter into limited partnerships, limited joint ventures and other limited collaborative relationships with local governments and other public and private entities within the designated boundary for the ownership, management, development, and disposition of real property; and
- k. Do all other things necessary or convenient to achieve the objectives and purposes of the corporation related to the real property held in the land bank.
- l. The Corporation may acquire real property or interests in real property for the land bank by gift, devise, transfer, exchange, foreclosure, purchase, or

otherwise on terms and conditions and in a manner the corporation considers proper.

- m. The corporation may acquire real property by purchase contracts, lease purchase agreements, installment sales contracts or land contracts, and may accept transfers from municipalities or counties upon such terms and conditions as agreed to by the corporation and the local government.
- n. The Corporation shall maintain all of its real property and real property held in the land bank in accordance with state law and the laws and ordinances of the jurisdiction in which the real property is located.
- o. The corporation shall not own or hold real property located outside the jurisdictional boundaries of the local governmental entity or entities that created the corporation; provided, however, that the corporation may be granted authority pursuant to an intergovernmental cooperation agreement with another municipality or county to manage and maintain real property located within the jurisdiction of such other municipality or county.
- p. Notwithstanding any other law to the contrary, any municipality or county may convey to the corporation real property and interests in real property on such terms and conditions, and according to such procedures, as determined by the legislative body of the local government conveying the real property to the corporation.

16. The Corporation shall also be subject to all requirements, directions and conditions of the Act, including but not limited to the following:

- a. All meetings shall be open to the public with appropriate notice published in accordance with Title 8, Chapter 44 of Tennessee Code Annotated.
- b. The board shall cause minutes and a record to be kept of all its proceedings and such records shall be available for timely public inspection.
- c. The board shall publish a report on an annual basis to its creating local government or local governments.
- d. The board of directors of the corporation shall cause an annual audit to be made of the books and records of the corporation.

17. The corporation is declared to be performing a public function on behalf of the City of Memphis and to be a public instrumentality of the City of Memphis. All of the properties of the corporation, including all properties held in the name of the corporation in the land bank, at any time owned by it, and the income and revenues from the properties, shall be exempt from all taxation in the State of Tennessee.

18. Directors: The corporation shall be managed by a Board of Directors, in which all corporate powers of the corporation shall be vested and shall consist of nine (9) voting members, who shall be qualified residents and voters of the City of Memphis, all of whom shall be appointed by the Mayor of the City of Memphis and approved by the Memphis City Council. The Board of Directors shall also include one (1) non-voting member who shall be the Mayor of the City of Memphis, or a City official acting as the Mayor's designee, and one (1) non-voting member who shall be a member of the City Council. At no time, however, shall there be fewer than five (5) voting Directors. The initial voting Directors of the corporation shall serve staggered

terms so that three (3) of the initial directors shall have initial terms of one (1) year each, three (3) of the initial directors shall have initial terms of two (2) years each and three (3) of the initial directors shall have initial terms of three (3) years each; after the expiration of a director's initial term, his or her successor shall be appointed for a term of three (3) years, excepting the Mayor or mayoral designee and City Council designee, who shall serve at the pleasure of the Mayor and City Council, respectively. The cumulative terms of any voting Director shall, however, be limited to the term limitation imposed by City of Memphis at the time of appointment. Voting Members of the Board may be removed from office as provided in the Act.

19. In appointing directors, the directors or appointing authority shall place a priority on establishing gender and racial diversity on the Board that is reflective of the Memphis community, and shall select directors who, among them, have expertise and experience in the areas of community development finance, affordable housing, law, neighborhood and community development, real estate, finance, banking and lending, project and property management and development. To the extent that the Mayor and the Council deem it desirable and necessary to accomplish the purposes of the corporation, the Shelby County Trustee may be appointed as a voting member of the Board of Directors; otherwise, voting Board members shall not be elected officials.
20. The time of existence of this corporation shall be perpetual.

BLIGHT AUTHORITY OF MEMPHIS, INC.

By: _____

SWORN TO AND SUBSCRIBED before me this the _____ day of _____
2015.

NOTARY PUBLIC

My Commission Expires: _____