

**DEVELOPMENT VENTURES INCORPORATED**

**AGENDA, REPORT, FINANCIALS, MINUTES**

**FOR**

**REGULAR MEETING OF THE BOARD OF DIRECTORS**

**JUNE 22, 2011**

**Thomas M. Niemann**  
**Chairman**

**Dallas J. Parks**  
**President**

DEVELOPMENT VENTURES INCORPORATED

MEMORANDUM

TO: Board of Directors

FROM: Thomas M. Niemann, Chairman

SUBJECT: Regular Meeting Held June 22, 2011

DATE: June 14, 2011

OFFICERS: Chairman – Thomas M. Niemann; President – Dallas J. Parks; Vice President – John S. Ramsey; Secretary – Dallas J. Parks; Assistant Secretary – Brenda B. Edwards

The regular meeting of the Board of Directors of Development Ventures Incorporated will be held after the regular meeting of the Board of Commissioners of the Housing Authority of the City of Durham, on Wednesday, June 22, 2011, at the Central Office of the Durham Housing Authority, located at 330 East Main Street, Durham, North Carolina.

AGENDA

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I. Call to Order	
II. Comments from the Public	
III. Additions to the Agenda	
IV. Deletions from the Agenda	
V. <u>Information Items</u>	
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b. Financial Report – May 31, 2011	
Note: To be sent under separate cover	
VI. <u>Action Items</u>	
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EXECUTIVE SESSION

## PRESIDENT'S REPORT

### **Strategic Result #4: Quality Affordable Housing/New H.O.P.E. (Housing Opportunities for People Everywhere)**

**Goal 1:** *To increase the number of quality, safe, affordable multi-family units through rehabilitation efforts.*

**Task 1:** Complete the necessary actions to renovate the Edgemont Elms 58 unit multi-family rental affordable housing development.

**Outcome :** The contractor procurement package was submitted to HUD for approval.

**Task 2:** Develop an overall strategy to rehabilitate and increase the occupancy rate of Preiss-Steele Place.

**Outcome :** The rehabilitation strategy continues to be discussed. A Property Manager is being hired.

**Goal 2:** *To increase the number of quality, safe, affordable units through new construction efforts.*

**Task 1:** Complete the necessary actions to construct the proposed Goley Pointe 20-unit multi-family rental development.

**Outcome:** Staff prepared the Mixed-Finance Proposal (Pro-forma, Rental Term Sheet, F-1 Construction and Permanent budgets, and the Total Development Cost (TDC) and Housing Construction Cost (HCC) limit calculations for Board review and approval.

Staff solicited for a contractor to complete a market study, site survey, and a Phase I Environmental Assessment.

**Task 2:** Complete the necessary actions to redevelop the identified Choice Neighborhoods Initiative target area (McDougald Terrace and the surrounding communities which include 147 on the North, Lincoln Apartment on the South, Bacon Street/Hearthside on the East and Alston Avenue on the West).

**Outcome:** The Master Planner solicitation was withdrawn due to budgetary constraints.

**Task 3:** Develop a tool to categorize the public and affordable housing developments into one of the following categories: modernize, demolish/redevelop, dispose of/replace elsewhere, or keep as-is.

**Outcome:** A task order was developed for TAG Associates Inc. to complete a Redevelopment Plan for the public housing developments.

MINUTES OF REGULAR MEETING  
DEVELOPMENT VENTURES INCORPORATED  
330 EAST MAIN STREET  
DURHAM, NORTH CAROLINA  
APRIL 27, 2011

**AGENDA ITEM I**

Call to Order

The regular meeting was called to order by the Chairman, Thomas M. Niemann, at 6:51 p.m.

Present:

David J. Haley  
Barbara F. Lofton  
Gloria M. Nottingham  
George K. Quick  
John S. Ramsey  
Isaac A. Robinson

Absent:

None

Staff Present:

Dallas J. Parks	Vickie Ellis
Tammy Atkins	Kelvin Macklin
Jean Bolduc	Shannon McLean
Jeff Causey	Willie "Sonny" McMahan
Jo-Ann Davis	Sabrina Sinegal
Brenda Edwards	Rhega Taylor

Also Present:

Eric Pristell, The Banks Law Firm (via conference call)

A quorum was present, and due notice had been published.

**AGENDA ITEM II**

Comments from the Public

There were none.

**AGENDA ITEM III**  
Additions to the Agenda

There were none.

**AGENDA ITEM IV**  
Deletions from the Agenda

There were none.

**AGENDA ITEM V**  
Informational Items

**President's Report**

The report was contained in the board package.

**AGENDA ITEM VI**  
Action Item

**ACTION 1** – Approval of Minutes – Board of Directors Regular Meeting Held March 23, 2011

On motion of John Ramsey, seconded by George Quick, the minutes of the regular meeting, held March 23, 2011, were approved as distributed.

There being no further business before the meeting, it was on motion duly made and seconded adjourned at 6: 52 p.m.

\_\_\_\_\_  
Chairman

ATTEST:

(SEAL)

\_\_\_\_\_  
Secretary

## DEVELOPMENT VENTURES INCORPORATED

## MEMORANDUM

TO: Board of Directors

FROM: Dallas J. Parks, President

DATE: June 22, 2011

SUBJECT: Resolution Considering and Approving the Use of Development Ventures Incorporated Funds for the Purpose of the Construction of up to Twenty Units for the Goley Pointe Phase

## I. STATEMENT OF ISSUE

There is a dire need of quality and affordable housing in Durham, North Carolina. Development Ventures Incorporated desires to develop affordable housing, to include housing for homeless families, through the use of Development Ventures Incorporated (DVI) funds to assist with the development of up to 20 rental units.

## II. BACKGROUND

The Durham Housing Authority and DVI own 11 parcels of land in Northeast Central Durham, comprising of approximately 1.6 acres on two sites. The DVI lots must be developed by May 2012. There is an expressed need of housing, to include housing for homeless families. Staff proposes to develop housing to assist with this need. It is recommend that the proposed development consist of 14 public housing, three project-based Section 8 and three market rate units, and a community center with space for a management office and supportive services.

It is estimated that the total development cost will be \$2,953,782. The proposed funding sources are a \$517,077 construction loan, \$1,363,100 RHF funds, Development Ventures Incorporated funds in an amount of \$238,605 and a Developer's fee of \$240,000. Staff applied for a \$600,000 permanent loan through the North Carolina Housing Finance Agency.

## III. RECOMMENDATION

It is recommended that the Board of Directors considers and approves the use of up to \$238,605 in Development Ventures Incorporated funds to assist with the development of up to 20 affordable multi-family rental units.

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION CONSIDERING AND APPROVING THE USE OF DEVELOPMENT VENTURES INCORPORATED FUNDS FOR THE PURPOSE OF THE CONSTRUCTION OF UP TO TWENTY UNITS FOR THE GOLEY POINTE PHASE**

**WHEREAS**, there is a dire need of quality and affordable housing in Durham, North Carolina; and

**WHEREAS**, Development Ventures Incorporated and the Housing Authority of the City of Durham own 11 Northeast Central Durham scattered parcels comprising of approximately 1.6 acres; and

**WHEREAS**, Development Ventures Incorporated lots must be developed by May 2012 per the executed Deed; and

**WHEREAS**, Development Ventures Incorporated desires to develop affordable housing, to include housing for homeless families, through the use of Development Ventures Incorporated funds in an amount of Two Hundred Thirty-Eight Thousand Six Hundred Five AND 00/100 (\$238,605); and

**WHEREAS**, it is estimated that the total development cost will be Two Million Nine Hundred Fifty-Three Thousand Seven Hundred Eighty-Two AND 00/100 (\$2,953,782); and

**WHEREAS**, the proposed funding sources are a Five Hundred Seventeen Thousand Seventy-Seven AND 00/100 (\$517,077) construction loan, One Million Three Hundred Sixty-Three Thousand One Hundred AND 00/100 (\$1,363,100) Replacement Housing Factor funds, Development Ventures Incorporated funds in an amount of Two Hundred Thirty-Eight Thousand Six Hundred Five AND 00/100 (\$238,605) and a Developer's fee of Two Hundred Forty Thousand AND 00/100 (\$240,000). In addition, staff applied for a Six Hundred Thousand and 00/100 (\$600,000) permanent loan through the North Carolina Housing Finance Agency; and

**WHEREAS**, it is desired to develop the 20 rental units pursuant to 24 CFR 85.36(b) (9); and

**WHEREAS**, it is now appropriate for final approval and authorization of the use of the Development Ventures Incorporated funds to assist with the construction of the 20 rental units.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Development Ventures Incorporated, as follows:

1. That the use of up to Two Hundred Thirty-Eight Thousand Six Hundred Five AND 00/100 (\$238,605) in Development Ventures Incorporated funds to assist with the construction of the 20 rental units is in all respects authorized and approved.

2. That the President, Vice-President and/or Chairman of Development Ventures Incorporated are authorized, empowered and directed, on behalf of Development Ventures Incorporated, to take such actions and to execute such documents and instruments as required by federal, state and local laws and regulations and the U. S. Department of Housing and Urban Development, and take any and all reasonable steps as they deem necessary or appropriate in connection with the matters described in this Resolution, and the signature of such President, Vice-President and/or Chairman on any documents or instrument or the performance of any such actions shall be conclusive evidence of such President's, Vice-President's and/or Chairman's authority to take such actions or execute such documents or instrument on behalf of Development Ventures Incorporated.
3. That any and all acts heretofore taken by the President, Vice-President and/or Chairman of Development Ventures Incorporated in connection with the matters authorized by this Resolution are hereby ratified, confirmed, adopted and approved by Development Ventures Incorporated, including any and all acts taken prior to the passage of this Resolution.
4. That all motions, orders, resolutions and parts thereof in conflict with this Resolution are hereby repealed and superseded, and all other acts of Development Ventures Incorporated that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed and approved.
5. This Resolution shall take effect immediately.

Done this 22nd day of June 2011.

**RECORDING OFFICER'S CERTIFICATION**

I, Dallas Parks, the duly appointed Secretary of Development Ventures Incorporated, do hereby certify that this resolution was properly adopted at a regular meeting of Development Ventures Incorporated held on June 22, 2011.

(SEAL)

By: \_\_\_\_\_  
Dallas Parks, Secretary