AGENDA ITEM I
Call to Order

The regular meeting was called to order by the Chair, Thomas M. Niemann.

Present:
Thomas M. Niemann, Chair
Larry D. Yon, II
Robert "Bo" Glenn
Daniel C. Hugdins
Barbara F. Lofton
Gloria M. Nottingham
George K. Quick
Steve Schewel

Absent: None

Staff Present:
Anthony Scott, CEO
Jonathan Blum
Elvert Dorsey
Charles Lyon
Sabrina Sinegal
Meredith J. Daye
Denita Johnson
Pamela Davis
Zelda Everson

Also Present:
Eric Pristell, Attorney, The Banks Law Firm
Ted Edwards, Attorney, The Banks Law Firm
Danielle Barbour Wilson, Attorney, The Banks Law Firm

AGENDA ITEM II
Public Hearing(s)
• General Comments from the Public

There was none.

AGENDA ITEM III
Changes to the Agenda
There was none.

AGENDA ITEM IV
General Business Action Item(s)
ACTION 1 – Approval of the Minutes – Regular Meeting held November 16, 2016.
Minutes were not available for approval at meeting.

AGENDA ITEM V
Information Items
There was none.
AGENDA ITEM VI

Consent Agenda Action Item(s)
Request was made to approve a Continuing Resolution budget for the first three days of January 2017 because proper Public Notice had not been timely filed for the board to vote. A special meeting will be held on January 3, 2017 to vote on DHA’s FY Budget 2017.

ACTION 1:

RESOLUTION NO. 203

DEVELOPMENT VENTURES INCORPORATED

A CONTINUING RESOLUTION TO AUTHORIZE EXPENDITURES FOR DEVELOPMENT VENTURES INCORPORATED UNTIL THE ADOPTION OF ITS FY 2017 BUDGET

WHEREAS, Development Ventures Incorporated ("DVI") is a North Carolina non-profit corporation and an instrumentality of the Housing Authority of the City of Durham ("DHA");

WHEREAS, the Local Government Budget and Fiscal Control Act (North Carolina General Statutes 159-42(c)) requires DHA to operate under an annual budget;

WHEREAS, Section 11(D) of the Consolidated Annual Contributions Contract, between DHA and the United States Department of Housing and Urban Development, dated August 1, 2003 (the “ACC”), prohibits DHA from incurring any operating expenses except pursuant to an approved operating budget;

WHEREAS, DHA’s (including DVI’s) fiscal year 2017 operating budget (“FY 2017 Operating Budget”) will not be adopted prior to the beginning of the 2017 fiscal year on January 1, 2017.

NOW THEREFORE, BE IT RESOLVED by DVI, through its Board of Directors, that DVI hereby adopts a continuing resolution whereby DVI is authorized to pay all ordinary, necessary and proper obligations of DVI, including but not limited to employee payroll, which are of the nature and at the level appropriated in the DVI fiscal year 2016 approved budget, until such time as the FY 2017 Operating Budget has been properly adopted by DVI.

Effective this the 21st day of December, 2016.

• Mr. Quick engaged a discussion to provide clarity about the terms of the M&F Bank deal and the offered collateral from DHA. Mr. Scott stated M&F Bank was unclear about what DHA could offer as asset collateral. Mr. Glenn’s concerns were if M&F Bank could foreclose on the public housing units/developments offered as collateral. Mr. Pristell indicated DHA’s proposal had preventive carve-outs and advised DHA would need HUD’s approval before it could close on the M&F deal.

Motion: Commissioner Quick; Seconded: Commissioner Nottingham; Approved: Unanimously

Chairman motioned to adjourn for a recess.
RESOLUTION NO. 204

DEVELOPMENT VENTURES INCORPORATED

RESOLUTION AUTHORIZING MECHANICS AND FARMERS BANK LINE OF CREDIT

WHEREAS, Development Ventures Incorporated ("DVI") is a North Carolina non-profit corporation and an instrumentality of the Housing Authority of the City of Durham ("DHA");

WHEREAS, DVI's mission is to provide affordable housing to low and moderate income persons in Durham County, North Carolina;

WHEREAS, DVI is fulfilling its mission by engaging in various real estate development activities including but not limited to the acquisition, improvement and renovation of real property;

WHEREAS, DVI desires to secure private financing to further its mission;

WHEREAS, in order to assist DVI in furthering its mission, Mechanics and Farmers Bank has agreed to loan DVI, through a secured revolving line of credit, an amount of up to the lesser of $750,000 or 80% of the appraised market value of Edgemont Elms Apartments, located at 301 South Elms Street, Durham, North Carolina;

WHEREAS, the loan is proposed to be secured by Edgemont Elms Apartments and other pledged collateral;

WHEREAS, Edgemont Elms Apartments is owned by Edgemont Elms Housing, Inc., a North Carolina non-profit corporation and instrumentality of DHA; and

WHEREAS, the terms of the proposed Mechanics and Farmers Bank loan are specifically described in Exhibit A, attached hereto and incorporated into this resolution by reference (the "Mechanics and Farmers Loan").

NOW THEREFORE, BE IT RESOLVED BY DVI, THROUGH ITS BOARD OF DIRECTORS, AS FOLLOWS:

1. That the Mechanics and Farmers Loan is hereby approved and authorized.

2. That the Chairman and President (including his designees, if any) are hereby authorized, empowered and directed to do any and all other acts, and to execute, approve and deliver any and all documents, not inconsistent with this resolution which they, in their discretion, deem necessary or appropriate in order to consummate the transaction contemplated by this resolution, including, without limitation, the full execution of all documents to close the Mechanics and Farmers Loan.

3. That all motions, orders, resolutions and parts thereof in conflict with this resolution are hereby repealed and all other acts of the Chairman and President (including his designees, if any) that are in conformity with the purposes and intent of this resolution are hereby ratified, confirmed and approved.

Effective this the 21st day of December, 2016.

Motion: Commissioner Yon, II; Seconded: Commissioner Lofton; Approved: Unanimously
AGENDA ITEM VII
New Business
There was none.

AGENDA ITEM VIII
Closed Session
There was none.

AGENDA ITEM IX
Adjournment
There being no further business before the meeting, it was unanimously approved to adjourn.

Chair

ATTEST:

(SEAL)

Secretary