MINUTES OF THE REGULAR MEETING
DEVELOPMENT VENTURES, INCORPORATED
330 EAST MAIN STREET
DURHAM, NORTH CAROLINA

April 26, 2017

AGENDA ITEM I
Call to Order

The Regular Meeting was called to order by the Chair, Thomas M. Niemann.

Present:
George K. Quick
Robert "Bo" Glenn
Thomas M. Niemann, Chair
Gloria M. Nottingham
Steve Schewel, City Council Liaison

Conferenced In:
Larry D. Yon, II

Absent:
Daniel C. Hudgins, Excused
Barbara F. Lofton, Excused

Staff Present:
Anthony Scott, CEO
Elvert Dorsey
Charles Lyon
Sabrina Sinegal
Meredith J. Daye
Lorraine Erhunnwunsee
Denita Johnson
Pamela Davis
Gay Crabtree
Doris Jackson

Also Present:
Eric Pristell, Attorney, The Banks Law Firm, P.A.

A quorum was present and the meeting was called into session at 6:13 p.m.

AGENDA ITEM II – PUBLIC HEARING(S)
• General Comments from the Public
  There were none.

AGENDA ITEM III – CHANGES TO THE AGENDA
• There were none.

AGENDA ITEM IV – Approval of the Minutes of the Board of Commissioners’ Annual
  and Regular Meetings held on March 22, 2017.

Changes to the minutes were as follows:
Remove Commissioner Nottingham as Chair and replace with Commissioner Niemann
Remove Danielle Wilson, Attorney and replace with Ted Edwards.

Motion: Commissioner Nottingham; Seconded: Commissioner Quick;
  Approved: Unanimously
AGENDA ITEM V – PRESENTATIONS
- There were none.

AGENDA ITEM VI – BUSINESS REPORT
- There were none.

AGENDA ITEM VII – GENERAL BUSINESS ACTION ITEMS (COMMITTEE REPORTS)
- There were none.

AGENDA ITEM VIII – RESOLUTIONS FOR APPROVAL

The Chair, Thomas Niemann, read into the minutes the following resolutions:

RESOLUTION NO. 208

RESOLUTION AUTHORIZING THE SUBMISSION OF A 2017 FULL 9% LOW-INCOME HOUSING TAX CREDIT APPLICATION FOR THE REDEVELOPMENT OF CLUB BOULEVARD APARTMENTS

WHEREAS, Development Ventures Incorporated (“DVI”), a North Carolina nonprofit corporation and instrumentality of the Housing Authority of the City of Durham (“DHA”), wishes to submit a 2017 Full 9% low-income housing tax credit application to the North Carolina Housing Finance Agency (“NCHFA”) for the project known as Club Boulevard Apartments, that will consist of one-hundred and six (106) low-income housing tax credit (“LIHTC”) units and a non-dwelling building on +/-21.7 acres of land, located in Durham, Durham County, North Carolina (the “Project”); and

WHEREAS, DVI will serve as the developer for the Project; and

WHEREAS, DHA is the current owner of the land (the “Land”) and improvements (the “Improvements”) which comprise the Project; and

WHEREAS, DHA will convey the Land and Improvements by deed and/or lease to an owner-entity to be managed by a wholly-owned subsidiary of DVI; and

WHEREAS, all one hundred and six (106) dwelling units in the Project will be converted from public housing units to Project-Based Voucher units (“PBV Units”) under the HUD Rental Assistance Demonstration (“RAD”) program; and

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

1. DHA and DVI are authorized to execute and deliver all documents and instruments in conjunction with the submission of the 2017 Full 9% low-income tax credit application to NCHFA in connection with the Project.

2. DHA and DVI are hereby authorized to take any and all actions, execute any and all documents and instruments, make any and all filings and reasonable expenditures and take any and all reasonable steps it deems to be necessary, desirable or appropriate in order to carry out the purpose and intent of the foregoing resolutions.

3. The Chief Executive Officer and Director of Development of DHA and the President and Vice-President of DVI are hereby authorized to execute and deliver all documents or instruments as may reasonably be required to facilitate submission of the 2017 Full 9% low-income tax
credit application to NCHFA in connection with the Project.

4. All actions taken to effectuate the foregoing resolutions by DHA, the Chief Executive Officer and Director of Development of DHA and the President and Vice-President of DVI are hereby ratified and confirmed.

5. This Resolution shall take effect immediately.

Done this 26th day of April, 2017.

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

RESOLUTION NO. 209

RESOLUTION AUTHORIZING CONSENT TO ENTER INTO A LOAN TRANSACTION FOR THE DAMAR COURT REHABILITATION PROJECT

WHEREAS, the Housing Authority of the City of Durham (the “Authority”) is partnering with Damar Court, LLC (the “Borrower”), a North Carolina limited liability company (whose managing member is DVI-DC, LLC, a North Carolina limited liability company, whose managing member is Development Ventures Incorporated) (DVI), in order to finance a portion of the cost of the acquisition, rehabilitation and equipping of a mixed income multifamily residential rental project known as Damar Court, consisting of approximately 102 units and located at 1125 Morreeene Road in the City of Durham, Durham County, North Carolina (the “Project”); and

WHEREAS, DVI will serve as the developer for the Project; and

WHEREAS, a portion of the cost of the Project will be financed with the proceeds of a mortgage loan from Prudential Mortgage Capital Company, (the “Mortgage Lender”); and

WHEREAS, the Borrower proposes to apply for a mortgage loan from the Mortgage Lender in the principal amount of not to exceed $7,000,000 (the “loan”); and

WHEREAS, the Mortgage Lender requires a Board Resolution authorizing consent to enter into this transaction; and

WHEREAS, the Authority proposes to authorize and, where applicable, execute the documents to carry out the transaction; and

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

1. DHA and DVI are authorized to execute and deliver all documents and instruments to apply for a mortgage loan from Prudential Mortgage Capital Company in connection with the Project.

2. DHA and DVI are hereby authorized to take any and all actions, execute any and all documents and instruments, make any and all filings and reasonable expenditures and take any and all reasonable steps it deems to be necessary, desirable or appropriate in order to carry out the purpose and intent of the foregoing resolution.

3. The Chief Executive Officer and Director of Development of DHA and the President and Vice-President of DVI are hereby authorized to execute and deliver all documents or instruments as may reasonably be required to submit a mortgage loan in connection with the Project.

4. All actions taken to effectuate the foregoing resolutions by DHA, the
Chief Executive Officer and Director of Development of DHA and the President and Vice-President of DVI are hereby ratified and confirmed.

5. This Resolution shall take effect immediately.

Done this 26th day of April, 2017.

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

RESOLUTION NO. 210

RESOLUTION AUTHORIZING CONSENT TO ENTER INTO A LOAN TRANSACTION FOR THE MORREENE ROAD REHABILITATION PROJECT

WHEREAS, the Housing Authority of the City of Durham (the “Authority”) is partnering with Morreene Road, LLC (the “Borrower”), a North Carolina limited liability company (whose managing member is DVI-MR, LLC, a North Carolina limited liability company, whose managing member is Development Ventures Incorporated) (DVI), in order to finance a portion of the cost of the acquisition, rehabilitation and equipping of a mixed income multifamily residential rental project known as Morreene Road apartments, consisting of approximately 224 units and located at 3412 Glasson Street in the City of Durham, Durham County, North Carolina (the “Project”); and

WHEREAS, DVI will serve as the developer for the Project; and

WHEREAS, a portion of the cost of the Project will be financed with the proceeds of a mortgage loan from Hunt Mortgage Group, (the “Mortgage Lender”); and

WHEREAS, the Borrower proposes to apply for a mortgage loan from the Mortgage Lender in the principal amount of not to exceed $7,000,000 (the “loan”); and

WHEREAS, the Mortgage Lender requires a Board Resolution authorizing consent to enter into this transaction; and

WHEREAS, the Authority proposes to authorize and, where applicable, execute the documents to carry out the transaction; and

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

1. DHA and DVI are authorized to execute and deliver all documents and instruments to apply for a mortgage loan from Hunt Mortgage Group in connection with the Project.

2. DHA and DVI are hereby authorized to take any and all actions, execute any and all documents and instruments, make any and all filings and reasonable expenditures and take any and all reasonable steps it deems to be necessary, desirable or appropriate in order to carry out the purpose and intent of the foregoing resolution.

3. The Chief Executive Officer and Director of Development of DHA and the President and Vice-President of DVI are hereby authorized to execute and deliver all documents or instruments as may reasonably be required to submit a mortgage loan in connection with the Project.

4. All actions taken to effectuate the foregoing resolutions by DHA, the Chief Executive Officer and Director of Development of DHA and the President and Vice-President of DVI are hereby ratified and confirmed.

5. This Resolution shall take effect immediately.
Done this 26th day of April, 2017.

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

AGENDA ITEM IX – INFORMATION ITEMS
• There were none.

AGENDA ITEM X – CLOSED SESSION
• There was none

AGENDA ITEM XI -- ADJOURNMENT
The meeting was adjourned at 6:15 p.m.

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

(Seal)

Chair

Secretary
AGENDA ITEM VI – BUSINESS REPORT

- As information only, the Board was advised that on May 23rd, DHA was informed by HUD’s Greensboro Office that based on their review of DVI’s October 24, 2016 correspondence addressing implementation of its’ corrective action for its finding in 2016 HUD Management Review. Also, the letter was attached for the Board’s review.

AGENDA ITEM VII – GENERAL BUSINESS ACTION ITEMS (COMMITTEE REPORTS)

- There were none.

AGENDA ITEM VIII – RESOLUTIONS FOR APPROVAL

- There were none.

AGENDA ITEM IX – INFORMATION ITEMS

- There were none.

AGENDA ITEM X – CLOSED SESSION

- There was none

AGENDA ITEM XI – ADJOURNMENT

The meeting was adjourned at 6:19 p.m.

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

(SEAL)

Chair

Secretary
MINUTES OF THE REGULAR MEETING
DEVELOPMENT VENTURES, INCORPORATED

June 28, 2017

AGENDA ITEM I
Call to Order

The Regular Meeting was called to order by the Chair, Thomas M. Niemann.

Present:
   Daniel C. Hudgins, Chair
   George K. Quick, Vice Chair
   Thomas M. Niemann
   Gloria M. Nottingham

Absent:
   Robert “Bo” Glenn (Excused)
   Barbara F. Lofton (Excused)
   Larry D. Yon, II (Excused)
   Steve Schewel, City Council Liaison (Excused)

Staff Present:
   Anthony Scott, CEO
   Elvert Dorsey
   Charles Lyon
   Sabrina Sinegal
   Lorraine Erhumwunsee
   Meredith J. Daye
   Denita Johnson
   Pamela Davis
   Ashanti Brown
   Alisa Curry
   Doris Jackson

Also Present:
   Eric Pristell, Attorney, The Banks Law Firm, P.A.

A quorum was present and the Regular Meeting was called into session at 6:17 p.m.

AGENDA ITEM II – PUBLIC HEARING(S)
   • General Comments from the Public
     There were none.

AGENDA ITEM III – CHANGES TO THE AGENDA
   • There were none.

AGENDA ITEM IV – Approval of the Minutes of the Board of Commissioners’ Regular
Meetings held on May 24, 2017, pages 113-118.

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

AGENDA ITEM V – PRESENTATIONS
   • There were none.
MINUTES OF THE REGULAR MEETING
DEVELOPMENT VENTURES, INCORPORATED

May 24, 2017

AGENDA ITEM I
Call to Order

The Regular Meeting was called to order by the Chair, Thomas M. Niemann.

Present:
George K. Quick
Robert “Bo” Glenn
Thomas M. Niemann, Chair
Gloria M. Nottingham

Absent:
Barbara F. Lofton (Excused)
Larry D. Yon, II (Excused)
Steve Schewel, City Council Liaison. (Excused)

Staff Present:
Anthony Scott, CEO
Elvert Dorsey
Charles Lyon
Sabrina Sinegal
Meredith J. Daye
Denita Johnson
Pamela Davis
Ashanti Brown
Alisha Curry
Doris Jackson

Also Present:
Eric Pristell, Attorney, The Banks Law Firm, P.A.

A quorum was present and the meeting was called into session at 12:58 p.m.

AGENDA ITEM II – PUBLIC HEARING(S)
• General Comments from the Public
  There were none.

AGENDA ITEM III – CHANGES TO THE AGENDA
• There were none.

AGENDA ITEM IV – Approval of the Minutes of the Board of Commissioners’ Regular Meetings held on April 26, 2017.

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

AGENDA ITEM V – PRESENTATIONS
• There were none.

AGENDA ITEM VI – BUSINESS REPORT
• There were none.
MINUTES OF THE REGULAR MEETING
DEVELOPMENT VENTURES, INCORPORATED

May 24, 2017

AGENDA ITEM I
Call to Order

The Regular Meeting was called to order by the Chair, Thomas M. Niemann.

Present:
George K. Quick  
Robert “Bo” Glenn  
Thomas M. Niemann, Chair  
Gloria M. Nottingham

Absent:
Barbara F. Lofton (Excused)  
Larry D. Yon, II (Excused)  
Steve Schewel, City Council Liaison. (Excused)

Staff Present:
Anthony Scott, CEO  
Elvert Dorsey  
Charles Lyon  
Sabrina Sinegal  
Meredith J. Daye  
Dentia Johnson  
Pamela Davis  
Ashanti Brown  
Alisha Curry  
Doris Jackson

Also Present:
Eric Pristell, Attorney, The Banks Law Firm, P.A.

A quorum was present and the meeting was called into session at 12:58 p.m.

AGENDA ITEM II – PUBLIC HEARING(S)
• General Comments from the Public  
  There were none.

AGENDA ITEM III – CHANGES TO THE AGENDA
• There were none.

AGENDA ITEM IV – Approval of the Minutes of the Board of Commissioners’ Regular Meetings held on April 26, 2017.

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

AGENDA ITEM V – PRESENTATIONS
• There were none.

AGENDA ITEM VI – BUSINESS REPORT
• There were none.
(C) At a minimum, the redevelopment of the Site will include affordable housing units, constructed in conjunction with DHA’s portfolio-wide conversion under the Rental Assistance Demonstration program. Other additional uses of the Site (e.g. market rate housing, office and retail) will not be prohibited.

(D) DVI will not develop, sell, convey or otherwise transfer the Site, or any part thereof or interest therein, without the prior written consent of the City Manager or his/her designee.

WHEREAS, DVI finds it in its best interest to accept the Grant from the City, if awarded, and to repurchase the Site from Campus Apartments.

NOW THEREFORE, BE IT RESOLVED BY DVI AS FOLLOWS:

1. That DVI’s receipt of the Grant from the City is in all respects authorized, approved, confirmed and consented to, and that the Chairman and President are hereby authorized, empowered and directed, in the name and on behalf of DVI to negotiate, execute and deliver all documents and to take all actions that are reasonably necessary to receive the Grant, and to take such further steps as are reasonable or appropriate to carry out the purpose of this Resolution.

2. That DVI’s purchase of the Site from Campus Apartments is in all respects authorized, approved, confirmed and consented to, and that the Chairman and President are hereby authorized, empowered and directed, in the name and on behalf of DVI to negotiate, execute and deliver all documents and to take all actions that are reasonably necessary for DVI to acquire the Site, and to take such further steps as are reasonable or appropriate to carry out the purpose of this Resolution.

3. That all motions, orders, resolutions and parts thereof in conflict with this Resolution are hereby repealed and all other acts of DVI that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed and approved.

This the 24th day of May, 2017.

Motion: Commissioner Glenn; Seconded: Commissioner Hudgins; Approved: Unanimously

RESOLUTION NO. (DVI) 212

RESOLUTION AUTHORIZING APPROVAL OF THE RESOURCE SHARING AGREEMENT BETWEEN THE HOUSING AUTHORITY OF THE CITY OF DURHAM ("DHA") AND DEVELOPMENT VENTURES INCORPORATED ("DVI")

WHEREAS, the mission of the Housing Authority of the City of Durham ("DHA") is to provide decent, safe and sanitary housing for low and moderate income persons and families pursuant to the United States Housing Act of 1937 (the "Act"), as amended, and the North Carolina Housing Authorities Law (the "Housing Authorities Law"), as amended; and

WHEREAS, Development Ventures Incorporated ("DVI") is a North Carolina non-profit corporation and instrumentality of DHA that was organized on March 6, 1985 to acquire, construct, improve, purchase, own, hold, alter, manage, maintain, lease and operate real and/or improved property within DHA’s territorial jurisdiction; and

WHEREAS, the business and affairs of DVI are managed by its Board of Directors, which consists solely of the members of the DHA Board of Commissioners; and

WHEREAS, each DHA Commissioner serves as an ex-officio Director of DVI; and
WHEREAS, DHA and DVI have agreed that (a) DHA has made and shall continue to make available to DVI personnel, office space, supplies, administrative and management services, professional services and other resources reasonably necessary to assist DVI in fulfilling its mission; and (b) it is in the Parties mutual best interest to minimize duplicative expenses and carry out their complimentary missions in an economical and efficient manner; and

WHEREAS, DHA and DVI recognize that certain DHA resources must be allocated solely to certain eligible purposes in accordance with the Act and the Housing Authorities Law, including all applicable public housing requirements under the Act and all applicable state and local laws; and

WHEREAS, DHA will seek compensation from DVI for DHA resources provided to DVI in support of DVI’s mission; and

WHEREAS, this Agreement sets forth the understandings between the Parties concerning their compensation arrangement and other terms with respect to the use of DHA staff and other DHA resources by DVI.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, DHA and DVI agree as follows:

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

1. This Agreement shall take effect as of the Effective Date and end on December 31, 2017, and shall automatically renew for successive one (1) year terms thereafter until it is terminated in accordance with all terms as defined in the agreement.

2. DHA and DVI mutually agree upon and designate in writing those DHA staff members who shall be assigned to DVI to engage in the day-to-day business of DVI in the upcoming year (each an “Assigned Staff Person”), as specified in Exhibit A of the agreement.

4. The Chief Executive Officer and Director of Development of DHA and the President and Vice-President of DVI are hereby authorized to execute and deliver all documents or instruments as required.

5. This Resolution shall take effect retroactively, January 1, 2017.

Done this 24th day of May 2017.

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

AGENDA ITEM IX – INFORMATION ITEMS
- There were none.

AGENDA ITEM X – CLOSED SESSION
- There was none
AGENDA ITEM XI -- ADJOURNMENT

The meeting was adjourned at 1:00 p.m.

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

(SEAL)

Chair

(SEAL)

Secretary