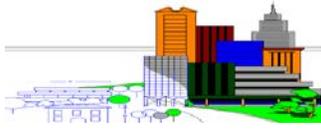


“Revitalization is Our Business”

Forsyth Economic Ventures, Inc.

**Development Committee Meeting
Tuesday October 6, 2020
10:00 A.M.**

**CONDUCTED ELECTRONICALLY
DUE TO COVID – 19 PANDEMIC**



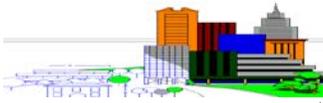
“Revitalization is Our Business”

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Development Committee
Tuesday October 6, 2020
10:00A.M.

Development Committee Agenda October 6, 2020 10:00A.M.

1. Call to Order
2. Review and Approval of the Agenda for October 6, 2020
3. Old Business:
 - Consideration of September 1, 2020 FEV Development Committee Minutes
4. Communication
5. New Business
6. Staff Reports
 - Development and Preservation
 - Administration
 - Operations and Resident Participation
7. Adjournment



"Revitalization is our Business"

Forsyth Economic Ventures, Inc.
Development Committee Minutes

Development Committee
Tuesday October 6, 2020
10:00A.M.

09/01/2020 Minutes

Development Committee Present via Zoom:

Chairman Arthur King
Director Thomas Adams
Director Andrew Perkins
Director Alfred Adams

Absent:

Director Jemmise Bowen

Staff Presenting:

Kevin Cheshire, Executive Director
Nancy Thomas, VP of Administration (CFO)
Kelly Church, VP of Operations (COO)

Committee Chairman Arthur King called the Forsyth Economic Ventures, Inc. Development Committee meeting to order

- **Consideration to Review and Approve the Agenda for September 1, 2020**
Motion: Director T. Adams
Seconded: Director A. Adams
No Discussion; Unanimous approval

OLD BUSINESS:

- **Consideration to approve the Minutes from the August 4, 2020 FEV Development Committee Meeting**
Motion: Director T. Adams
Seconded: Director Perkins
No Discussion; Unanimous approval

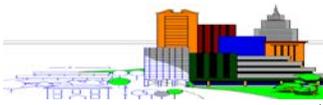
COMMUNICATION: No updates.

NEW BUSINESS:

Resolution No 252: Authorizing Approval of the 2021 Operating Budget

Nancy Thomas presented the FEV FY2021 Operating Budget that was previously presented electronically.

(**Thomas**) Okay, again, in your packet, the actual numbers for the budgets are included. Budget assumptions are on page seven and then the numbers on eight and nine. The assumptions attachment is what we'll go over, but the numbers on the spreadsheets that are in your packet. It does have a column for each property. So you can see the detail there. The assumptions for FY21 we're projecting occupancy at 98 to 99% at all the properties, which is what it's currently running. The FY20 budget we had 97 to 98%. Debt service that is approximately \$10,500 a month for the Loewy building and \$7,500 a month for Fairview Landing. We have a 2.3% increase for the allocation of Housing Authority salaries and benefits again that follows the types of increases that I mentioned earlier for cost of living and merit. And the Loewy rental income is based on the FY20 average and the current leases. The income from Willow Peaks is expected at the FY20 actual levels which were lower than the FY20 budget. They're in there at the actual level for the FY21. The revenue and expense for the Single Family Rental Homes, Bethlehem Point and Fairview Landing are based on current trends. Again, there are no results from any special projects or sale of



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real estate included in this budget. And the last one is that the lease we have between HAWS and FEV for the Loewy building is a triple net lease as required by the lender, but for purposes of our budgets, we are leaving those expenses in FEV. And then the next two slides again are just the breakout of the consolidated revenue and expense. See the Loewy building rents are the majority of the revenue with the tenant rents at the other three properties following. Then on the expenses, because the Loewy building, these are managed by Imperial, so those expenses are in Imperial for the salaries, so the salaries and benefits in here are the allocated ones that have been allocated from management to this property. So again, you can see the breakout there in the expenses. And the detail, again, is in the packet. We're showing the total net revenue projected for FEV is \$294,000 before depreciation and a negative \$19,000 after depreciation. And cash flow is a positive cash flow of \$104,000. (A. Adams) Yeah, you picked up too where the income showed in millions rather than thousands? (Thomas) On the PDF? (A. Adams) Yeah. (Thomas) I see it. Thank you. Yeah, we'll make that change. Thank you.

Motion: Director T. Adams

Second: Director A. Adams

Unanimous approval; no discussion

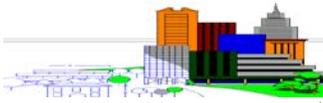
Staff Reports:

DEVELOPMENT AND PRESERVATION:

(Cheshire) Yes, sir. Mr. Chairman, quickly for me. I just wanted to note that Fairview Landing site, which of course is owned by FEV, you know, we demolished those buildings in anticipation of the school system, putting the new Ashley there. The school system is in the process of continuing to assemble parcels. They've closed on a lot of those. I had a conversation with them, I guess it was yesterday. They had given us an option, you all remember, and it expired. We're still good. They're just kind of taking us for granted, which is fine. I told them to do that. They know that our land is available to them whenever they're ready. But I just wanted to mention that, Nancy had flagged it in the FEV budget that we're not anticipating any sale of land, but I do anticipate that we'll likely close on that land in the FY21 fiscal year. So those acquisition fees will come into FEV there. And similarly, the two buildings that were not rehabbed will also be sold for residential housing. They will be sold to the tax credit entity that will be constructing replacement housing on that site and one building that was rehabbed that houses eight families will also be included in that acquisition. So if that makes sense. We're selling all the vacant land. We're selling two of the buildings that we never touched and we're selling one of the buildings that we did touch and the rest of them are going to stay there. We can continue to cash flow with the buildings that are there. And in fact, if we can utilize some of the acquisition proceeds to pay down the debt, we'll be in really good shape with respect to the Fairview Landing site as it will continue to exist post Choice, post Ashley acquisition. That's all for me, Chairman King.

ADMINISTRATION:

(Thomas) Nothing Further.



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OPERATIONS AND RESIDENT PARTICIPATION:

(Church) Nothing for Operations sir.

(Chairman King) Is there anything else that should come before the committee? **(T Adams)** I have a quick - this is Tom - I have a question on what's the COVID update with respect to the health of the staff and the residents? Both here and in the Housing Authority? **(Cheshire)** Yeah, so we've had three confirmed COVID cases amongst the staff. I'm happy to report that all three have recovered. Not to say that there're not some residual symptoms but everyone's healthy enough to be to be back at work and functioning in their day to day lives. We've gotten no additional notifications of any clusters or hotspots or outbreaks in any of our sites be they Housing Authority sites or FEV owned sites with respect to residents. **(T. Adams)** Thank you, Kevin.

Adjournment: Chairman King called for a motion to adjourn.

Motion: Director Perkins

Second: Director T. Adams

No Discussion; Unanimous approval

Acknowledgement: Committee Chairman King adjourned the Forsyth Economic Ventures, Inc. Development Committee Meeting.

Date Adopted

Kevin Cheshire