



# Agenda Item Summary Sheet

Item No. 3a

Meeting Date: 11/5/07

Item Title: MOU BETWEEN DARE COUNTY AND COMMUNITY DEVELOPMENT CORP.

Item Summary:

See attached.

(Use additional Paper if necessary)

Number of Attachments: \_\_\_\_\_

Will your presentation require audiovisual equipment? Yes  No

Note: All audiovisual materials must be submitted in digital format to the Clerk of the Dare County Board of Commissioners with this sheet. Acceptable formats include: VHS, DVD, audio CD, Word document, Adobe Acrobat PDF files, PowerPoint files and jpeg files.

Specific Action Requested:

Approval of MOU Agreement

Submitted By: Attorney Bobby Outten

Date: 10/30/07

Dept. Head

Comments:

Signature

Date:

Finance

Comments:

Signature

Date:

County Attorney

Comments:

Signature

Date:

County Manager

Approval:

  
Signature

11/30/07  
Date:

Commission Action:

**Fran Harris**

---

**From:** Bobby Outten [outten@smogobx.com]  
**Sent:** Tuesday, October 30, 2007 9:48 AM  
**To:** comgr@co.dare.nc.us; FranH@co.dare.nc.us; Allen Burrus; Jack Shea; Max Dutton; Mike Johnson ; Richard Johnson; Virginia Tillett; Warren Judge  
**Cc:** rwmuller@jockeysridge.com  
**Subject:** MOU with CDC  
**Attachments:** MOU - Bowsertown.doc

Attached is the proposed MOU with the CDC. Bob Muller has seen this but the remaining members of the CDC Board have not. Bob will circulate this to his Board. I am sending this to you to give you an opportunity to review it before Monday's meeting, understanding that you may want changes as may the CDC Board. If you have changes let me know and I will circulate then to everyone. Similarly, I ask that if the CDC has changes that Bob provide them to me so that I can circulate them.

I have copied this to Fran to put on the agenda for Monday. If changes are requested by anyone, I will let everyone know.

Bobby

Robert L. Outten  
Sharp, Michael, Outten and Graham, LLP  
Attorneys At Law  
PO Drawer 1027  
Kitty Hawk, NC 27949

Phone: 252-261-2126  
Fax: 252-261-1188

NORTH CAROLINA  
DARE COUNTY

**AGREEMENT**

THIS MEMORANDUM OF UNDERSTANDING made and entered into this the \_\_\_\_ day of \_\_\_\_\_, 2007 by and between the County of Dare (hereinafter "County") and the Community Development Corporation (hereinafter "CDC").

WITNESSETH

WHEREAS, the availability of affordable housing for those in the Dare County workforce has become limited and will continue to be a problem in Dare County into the foreseeable future; and

WHEREAS, the parties hereto have each been working to find ways to resolve the workforce housing problems and to provide an affordable place to live for those who work in Dare County; and

WHEREAS, an opportunity has arisen for the parties to work together to develop property owned by County at Bowsertown in order to provide workforce housing and the parties desire to enter this Memorandum of Understanding to memorialize the agreements and understandings of the parties with regard to the development of the Bowsertown tract for workforce housing.

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein the parties agree as follows:

1. County Agrees to use its property located in the Bowsertown area and described as Parcel No. \_\_\_\_\_ on the Dare County tax maps to construct workforce housing. The number of units, architectural style, site plan layout, and cost of construction, terms of construction contract and all other issues related to developing the Bowsertown property shall be in the discretion of County with input from CDC on those issues for which CDC has expertise.

2. County may, in its discretion, chose not to develop the Bowsertown property should financial constraints or other issues cause County to elect not to proceed.

3. Upon completion of the construction of the housing units contemplated herein, County shall enter a management agreement with CDC wherein CDC shall operate and manage the workforce housing project. CDC's duties shall include, among other things, the marketing and sale of the units, the qualification of buyers and renters, the collection of rents, the collection of homeowners' association fees, the maintenance and repair to the common areas and to the rental units retained as well as all other

matters, duties and things necessary to operate the workforce housing project, including such matters and things as the parties may subsequently agree.

4. CDC agrees to indemnify and hold harmless County from all claims, causes of action, demands, damages, losses, expenses and/or liabilities, including attorney's fees, arising from the performance or non performance of its duties under the terms of this agreement.

5. It is contemplated by the parties that County shall fund all construction costs for the development of the Bowsertown tract. Notwithstanding, prior to the entering of a construction contract by County, CDC shall continue to seek funding sources, including loans and grants and shall inform County of the result of CDC's search for funds. County shall review any funding proposals provided by CDC and if, in the discretion of County, such funding sources are of mutual benefit, the parties may enter subsequent agreements with CDC to allow for the use of such funding sources.

6. The sales price, rental price, limitation on future sales and sales prices, restrictive covenants and conditions, qualifications of buyers and/or renters and other rules and restrictions associated with the disposal, occupancy and use of the property shall be determined by County in consultation with CDC.

7. Upon the sale or rental of units, all sales and rental proceeds shall be paid to County until such time as all outstanding indebtedness and financial obligations of County related to the development of the Bowsertown property have been paid in full. Thereafter, all sales and rental proceeds from the sale or rental of the units shall be paid to CDC as compensation for their management responsibilities and as seed money for future workforce housing projects, until such time as this agreement has been terminated by either party as provided herein.

8. This Agreement may be terminated by either party at any time upon ninety (90) days written notice to the other.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the year and day first above written.

COUNTY OF DARE

By: \_\_\_\_\_ (SEAL)  
Warren Judge, Chairman

Attest: \_\_\_\_\_  
Fran Harris, County Clerk

COMMUNITY DEVELOPMENT  
CORPORATION

By: \_\_\_\_\_ (SEAL)  
President