



Minutes of the Educational Housing Corporation Board Meeting
June 7, 2017
District Office Board Room
3401 CSM Drive, San Mateo, CA

Attendees:	Absent:
Dennis McBride, President	Ron Granville
Peggy Berlese	Annette Perot
Kathy Blackwood	
Kate Browne	Other Attendees:
Maurice Goodman	Mitchell Bailey
Michael Pierce	Caryn Kenny
Karen Schwarz	Mike Kenny
	Bernata Slater
	Ginny Brooks

Call to Order

The meeting was called to order at 3:00 p.m.

Announcement of Closed Session Items for Discussion

Mr. McBride announced that during closed session, the Board will hold a conference with legal counsel regarding one case of pending litigation as listed on the printed agenda.

Public Comments on Closed Session Items Only

None

Recess to Closed Session

The Board recessed to closed session at 3:02 p.m.

Reconvene to Public Session

The Board reconvened to open session at 3:25 pm.

Announcement of Reportable Action Taken in Closed Session

Mr. McBride said that the Board took no reportable action during closed session.

Approve Minutes from the March 1, 2017 Meeting

It was moved by Mr. Pierce and seconded by Mr. Goodman to approve the minutes. The motion carried, all members voting Aye.

Public Comments on Non-Agenda Items

None

DISCUSSION ITEMS

Proposal for Rental Credits for Cañada Vista Residents

It was moved by Mr. Pierce and seconded by Ms. Berlese to consider the proposal for rental credits. Mr. Bailey said Cañada Vista residents have been inconvenienced during destructive testing, service outages and repairs. All residents have been affected by noise, access, and the general environment of a construction zone. In addition, some residents have had to make their homes available for entry for testing and repairs. Because of these issues, Mr. Bailey said staff recommends approval of a one-time rental credit to the residents of Cañada Vista for July 2017 to compensate for inconveniences and disruptions incurred over the past few months. The proposal would:

1. Apply a one-time, one-month \$250 rental credit for July 2017 to all residents of Cañada Vista.
2. Apply an additional one-time, one-month \$250 rental credit for July 2017 to residents whose homes were entered because of destructive testing (in fall 2016 or spring 2017), for a total one-time credit of \$500.

The Board discussed the proposal and agreed that the rental credit would be an expression of goodwill and appreciation for residents' understanding during the disruption. The Board agreed that appropriate communication is critical, making clear that it is a one-time credit so that false expectations are not raised. Mr. Bailey said he was informed by legal counsel that any such credit would be recoverable as part of the lawsuit. After this discussion, the motion to approve the rental credits as proposed carried, all members voting Aye.

Update on Maintenance Reserve Expenditures and Balances

Ms. Slater reviewed the four tables included in the board report: Trower Recommended Annual Transfers to Reserve Fund; College Vista Capital Maintenance Reserve Fund Transfers and Expenses; Cañada Vista Capital Maintenance Reserve Fund Transfers and Expenses; and Recommended Funding and Actual Reserve Balance for 2016/2017. She said the Trower Reserve Study is in effect through December 2017. The District is in the process of conducting a new reserve study and it is expected that the new information will be available in July 2017.

Review Financial Statements/Information Ending April 30, 2017

Ms. Slater said the "Budget vs Actual for 2016-17" tables contain financial information through March 31, 2017, along with the proposed budget for 2017-18. She said notes were added to explain budget variances. Ms. Berlese noted that the amount budgeted for Transfer to Capital Reserve does not match the actual amount transferred. Ms. Slater said the information provides transfers only through March and the reserve numbers will change.

Review and Approve FY 2018 Budgets for College and Cañada Vistas

It was moved by Ms. Blackwood and seconded by Ms. Berlese to approve the FY 2017-18 budget for College Vista. The motion carried, all members voting Aye.

It was moved by Ms. Berlese and seconded by Mr. Pierce to approve the FY 2017-18 budget for Cañada Vista.

Mr. McBride said the \$270.00 actual expenditure for Fire Alarm Inspection/Repairs seems low. Mr. Bailey said there will be a shift on line items because of the consolidation of categories and he will bring updated numbers at a future meeting. He said the District has been examining vendors and got a more favorable deal with Siemens.

Ms. Berlese asked for information on the \$1,000 for Legal & Professional in the proposed budget. Mr. Bailey said this is for legal fees associated with potential tenant disputes and evictions. Ms. Blackwood said legal expenses associated with the lawsuit are booked as District fees and will be included in the District budget that the Board of Trustees approves. She said the District expects to recoup legal expenses through the insurance settlement.

After this discussion, the motion to approve the FY 2017-18 budget for Cañada Vista carried, all members voting Aye.

Discussion of Mission/Values of Employee Housing Program

Mr. Bailey said the mission, purpose and values of the housing program might affect future decisions regarding amenities for residents of College Vista and Cañada Vista, which the Board discussed previously. Ms. Blackwood said the District believes the housing program, along with the home loan program, has done a great deal for recruitment and retention.

Mr. Goodman asked the following questions:

- Should we create an environment in which residents can police themselves by providing opportunities to hear from fellow residents and air grievances?
- Should we be a conduit to other services, such as HEART of San Mateo County?
- Would a tenant bill of rights be helpful?

Ms. Blackwood said the District routinely provides financial planning information districtwide from a credit union. Mr. Goodman said that if information is targeted specifically to tenants, the Board can say it has done its part and it is time for other employees to reap the benefits of the housing program. Ms. Blackwood suggested conducting a trial run by asking the credit union to provide a meeting for tenants and seeing if there is interest. Ms. Browne noted that Chancellor Galatolo hosted a tenant meeting with Congresswoman Jackie Speier approximately two years ago and the meeting was heavily attended and was community-building. Mr. Pierce said that if payroll deductions that go directly to a savings account were readily available through a credit union, this might be helpful to residents. Ms. Blackwood said information on such a program could be given to residents when they sign their rental agreement.

Ms. Schwarz said the original intent of the housing program was the help employees save money. She said more emphasis should be placed on bringing information to tenants about the District's home loan program and similar programs in the County and cities. Ms. Berlese said some tenants have moved into low/moderate income housing with help offered by cities. She said the various programs can be complicated to understand and might be a topic for an educational session. Mr. Goodman said there is a need to examine whether the original intentions of the housing program match current expectations and, if not, suggested that expectations should be reevaluated.

Mr. Bailey said 46 tenants have moved to homes. Mr. Kenny said more than 50% of those who moved have purchased a home and others say the housing program got them "over the hump."

Mr. Goodman said the issue regarding a basketball hoop triggered the conversation about amenities. He said more work needs to be done on this issue and he suggested that a committee be formed to talk about the issue and bring back ideas, being mindful of both Cañada Vista and College Vista and mindful of the mission and goals of the housing program. Mr. Goodman, Mr. Bailey and Ms. Browne agreed to serve on the committee. Mr. Goodman also suggested that tenants be provided lists of Parks and Recreation offerings in surrounding communities along with information regarding access to campus facilities.

Discussion of Resident Issues

Continuing the discussion on amenities, Mr. Bailey said there are both negative and positive factors to consider when discussing athletic equipment and activities at College Vista and Cañada Vista. The negative factors include safety issues, liability for injuries/damages, equality for all units in the complex, and the contract clause that tenants sign agreeing to keep the areas around their units and stairwells clear of objects and debris. Positive factors include a family-focused and friendly environment, sense of community, and active and healthier individuals.

The Board discussed the issue and agreed that residents should be informed about local places that are available. Ms. Blackwood mentioned the possibility of using District athletic fields when they are not in use by one of the colleges. Ms. Berlese said she does not believe there is room at College Vista and Cañada Vista to allow amenities such as athletic equipment and moved that the use of such equipment not be allowed. The motion was seconded by Ms. Blackwood. The motion carried, all members voting Aye.

INFORMATIONAL REPORTS

Summary/Update on Action Items from Prior Meeting(s)

Mr. Bailey said the board report lists items that were captured in the minutes of the two prior meetings for follow-up and includes updates for each item. Regarding item #4, "Revisit discussion of equity threshold be lowered from \$75,000 to \$25,000 in light of the SMCCCD Board second loan program that offers a \$150,000 loan," Ms. Berlese said the Board voted to increase the threshold to \$75,000 and she believes the item should be crossed off the list. All Board members agreed with this suggestion.

Regarding item #5, "Revisit issues of extending short-term (18 months) lease for out-of-area new employees placed in employee housing, and amending administrator eligibility guidelines," Ms. Berlese asked who is keeping track of these short-term leases. Mr. Bailey said both Kenny Realty and the District are keeping track.

Regarding item #6, "In order to maintain appropriate reserves, review transfers at Cañada Vista in light of ongoing legal proceedings," Ms. Berlese asked how much money is expected to be spent on legal fees. Mr. Bailey said he will provide an update on this item at the next meeting.

Skyline College Housing Development Update

Mr. Bailey discussed the third employee housing complex to be constructed on "Parcel B" at Skyline College, including the architect's renderings that are included in the board packet. He said there will be outdoor exercise equipment, signage for Sweeney Trail, and shared roads for bicycles and cars. The exercise equipment, which will be for use by the community as a whole, was part of the property negotiation. Most units will have a garage and a balcony or patio. There will be no club house. The complex is targeted to open in spring of 2020.

Ms. Berlese asked if residents will be permitted to park in guest parking on the campus. Mr. Bailey said they will be allowed to park in guest parking and in overflow parking areas.

In light of the conversation about families, Ms. Schwarz asked if any thought has been given to including an area for children at the new complex. Ms. Blackwood consideration could be given to allowing access to the athletic fields, with a flashing lighted crosswalk to make it safe to get to the fields.

Ms. Browne asked if sustainability was taken into consideration when drawing the plans. Mr. Bailey sustainability was considered and noted that the groups on the campuses have done a good job in the area of sustainability.

BOARD MEMBERS' COMMENTS AND/OR REQUESTS FOR FUTURE AGENDA ITEMS

None

ADJOURNMENT

It was moved by Ms. Blackwood and seconded by Ms. Schwarz to adjourn the meeting. The meeting was adjourned at 5:08 p.m.