



**Educational Housing Corporation Board Meeting
May 9, 2016
College Vista Clubhouse
Minutes**

Attendees:	Absent:
Peggy Berlese	Annette Perot
Dennis McBride, President	Karen Schwarz
Art Michael, Vice President	
Kathy Blackwood	Other Attendees:
Kate Browne	Ray Chow
Maurice Goodman	Caryn Kenny
Ron Granville	Mike Kenny
	Gohar Momjian
	Ana Mozzetti
	Ginny Brooks

Call to Order

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

Public Comments

None

Approval of Minutes from the February 23, 2016 Meeting

A motion was made by Mr. McBride and seconded by Ms. Browne to approve the minutes of the February 23, 2016 meeting. Mr. McBride asked the minutes be amended to show that he abstained from voting for the election of a new President. Ms. Berlese noted an issue with sentence structure on page 4 and Ms. Momjian said this will be corrected. With these corrections, the motion to approve the minutes passed, with all members voting Aye.

Review of 2015/16 Budget/March 31 Actuals for College Vista and Cañada Vista

Mr. Granville asked why Operation Revenues are projected to increase for College Vista and decrease for Cañada Vista. It was explained that the revenue from rents at Cañada Vista was overstated in the 2015-16 budget due to periods of vacancy while units were turned over. Mr. Granville said it would be helpful for the Board to see the tracking of vacancies.

Mr. Granville asked if rents are increased at the end of tenants' leases. Ms. Momjian said rents are increased only when new occupants move in. Mr. Granville said the Board might look into this issue in terms of making sure that rents are sufficient to keep expenses covered. Ms. Blackwood suggested, and the

Board agreed, to discuss this issue at a future meeting. Ms. Blackwood said she will ask Barbara Christensen how the base rents were originally determined.

Approval of 2016-17 Budgets for College Vista and Canada Vista

Ms. Momjian discussed the fire alarm systems. She said the systems are comprised of multiple components which require quarterly and/or annual inspections to certify their proper function. Currently at both College Vista and Cañada Vista, multiple vendors collectively service the systems. Proposals have been received from two companies, Tyco/ADT and Siemens. Tyco/ADT proposes to be responsible for everything from the daily monitoring to the fire alarm testing. Siemens would take over the monitoring and a portion of the inspections but their estimate does not include all of the service components which collectively would be higher than TYCO/ADT's proposal. The Tyco/ADT proposed cost is slightly higher than the current cost using multiple vendors. However, not all required inspections have been done on time and a cost for correcting this deficiency would need to be added in. In addition, it was noted that the current alarm system uses multiple AT&T landlines to connect to the monitoring station and the expenses are approximately \$3,800 per year. Staff is recommending that this existing system to converted to a wireless system, eliminating the expenditure to the monthly AT&T bills. The initial conversion, programming and material would result in a one-time charge of approximately \$3,500. During discussion, the Board agreed that it would be advantageous to have all of the services provided by one vendor and to convert the current alarm systems to wireless systems.

Ms. Momjian said the cost of appliances was previously listed under Appliance Repair but should be listed under Appliance Replacement because there is money in the reserve for this purpose. In response to questions about the maintenance reserve, Ms. Momjian said a report will be provided at the next meeting.

It was moved by Ms. Blackwood and seconded by Ms. Berlese to approve the 2016-17 budget for College Vista, including converting to Tyco/ADT for the alarm system, as well as converting to a wireless system. The motion carried, all members voting Aye.

It was moved by Ms. Blackwood and seconded by Ms. Berlese to approve the 2016-17 budget for Cañada Vista, including converting to Tyco/ADT for the alarm system, as well as converting to a wireless system. The motion carried, all members voting Aye.

Review Housing Occupancy and Waitlist Statistics

Ms. Momjian reviewed the number of current residents, wait list employees and expected vacancies. Currently, 65% of residents are classified staff, 31% are full-time faculty, 11% are adjunct faculty and 2% are administrators. The wait list consists of 67% classified staff, 10% full-time faculty, 20% adjunct faculty and 3% administrators. Based on the age of current employees, employee turnover is expected to grow in the coming years. It is expected that the number of housing units available will increase substantially beginning in 2019.

Approve Amended Housing Allocation Guidelines

Ms. Momjian discussed the proposed changes for the 2016 Allocation Guidelines, which take into account the Board's comments and suggestions at February 23, 2016 meeting as well as the occupancy and waitlist statistics noted above. The recommended Allocation Guidelines include:

- 45% of the units will be set aside for faculty and 55% for classified staff.
- Full-time faculty and full-time staff will be given first priority. Adjunct faculty who maintain the load specified in the recommendation will be given second priority.

- Employees will be offered units based on (1) priority category and (2) length of time on the wait list.
- The occupancy term, as determined by the Board, is seven years for most residents. Administrators at the dean level or lower will be allowed to stay for four years only. It was noted that some administrators are faculty and some are classified employees. There was discussion about whether administrators should make up a third category in terms of allotting units. It was agreed to leave the categories as they are as long it does not prevent administrators from being allotted units.
- Employees who own a home outside the Bay Area and are coming from out of the area to take a job in the District will be allowed to rent at below market rates for 18 months. Ms. Blackwood said staff believes this is a reasonable amount of time because potential homebuyers often go through many offers before having one accepted.

The Board discussed the definition of First Time Home Buyers for purposes of the housing program, specifically those who haven't owned a home in the past three years and received less than \$15,000 in equity when they sold their home; those who divorced or separated in the past three years and vacated a primary residence and received less than \$15,000 in equity from the sale; and those who lost their home through a short sale or foreclosure and received less than \$15,000 in equity from the sale. The Board agreed that \$15,000 is not an appropriate figure in today's market. It was moved by Mr. Michael and seconded by Ms. Berlese to increase the amount to \$75,000. The motion carried, all members voting Aye.

With the change noted above, it was moved by Ms. Blackwood and seconded by Ms. Berlese to approve the amended 2016 Housing Allocation Guidelines. The motion carried, all members voting Aye.

Review Information on Payoff of Housing Debt

Ms. Momjian reviewed the debts, payoff and balance for College Vista and Cañada Vista, along with the capital reserve balance for each. Mr. Granville suggested that the anticipated payoff date be included on future reports. In response to a question from Ms. Berlese, Ms. Blackwood said money that is transferred to the District goes into the Capital Outlay Fund.

Cañada Vista Water Leak Investigation

The Board was updated on the status of the investigation and discussed alternatives.

Board Members' Comments or Requests for Future Agenda Items

None

Next Meeting

Ms. Momjian said staff will email the Housing Board to determine the best date for the next meeting.

Adjournment

The meeting was adjourned by consensus at 4:25 p.m.