



**Minutes of the Educational Housing Corporation Board Meeting**  
**July 19, 2018**  
**District Office Board Room**  
**3401 CSM Drive, San Mateo, CA**

Attendees:	Other Attendees:
Dennis McBride, President	Mitchell Bailey
Kathy Blackwood	Bernata Slater
Maurice Goodman	Caryn Kenny
Michael Pierce	Mike Kenny
Karen Schwarz	Nelly Gonzalez
Peggy Berlese	Beth Dominik
Absent:	
Ron Granville	
Kate Williams Browne	

**CLOSED SESSION AGENDA**

**I. Call to Order**

The meeting was called to order at 3:05 p.m.

**II. 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.

**III. Public Comments on Closed Session Items Only**

There were no comments from the public.

**IV. Recess to Closed Session**

The Board recessed to closed session at 3:05 p.m.

**V. Reconvene to Public Session**

The Board reconvened to open session at 3:45 p.m. Mr. McBride announced that in closed session the Board voted unanimously to approve a \$150 per month per unit rental concession during the period of construction at Cañada Vista.

**PUBLIC SESSION AGENDA**

**I. Call to Order and Roll Call**

The public session of the meeting was called to order at 3:45 p.m. Those members in attendance are listed above.

**II. Public Comments on Non-Agenda Items**

There were no comments from the public.

### **III. Approval of Minutes from the May 2, 2018 Meeting**

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

### **IV. Election of Officers**

It was moved by Mr. Pierce and seconded by Ms. Schwarz to elect Mr. McBride to serve as President, Mr. Goodman as Vice President and Ms. Berlese as Treasurer. The motion carried unanimously.

### **V. Action/Discussion Items**

#### **a. Kenny Realty Property Management Agreement Renewal**

Mr. Kenny, Ms. Kenny and Ms. Gonzalez excused themselves from the Board Room during the discussion.

Mr. Bailey recommended that the Housing Corporation make an adjustment to the Kenny Realty service agreement relating to compensation. He said Kenny Realty does a good job for the District and the Housing Corporation and does so at a significantly reduced rate. Mr. Bailey's recommendation was to add \$10 per unit per month to the current fee per unit per month. He also recommended striking language from the agreement, which Kenny Realty has never exercised, regarding the one-time leasing fee of \$25 per unit for the initial lease preparation, screening, and signings for the first set of tenants of each unit. Mr. Bailey further recommend moving the agreement to a calendar year with the new agreement starting December 1, 2018 and ending December 31, 2019 with an option to renew for the 2020 calendar year.

Mr. Pierce had two comments. He likes and appreciates Kenny Realty but suggested that, at some point in future, it would be prudent to take the property management contract out to bid. The other issue is that the wording should be clarified in Section 7.01. It currently states "occupied unit per month". Mr. Bailey and Board members agreed the wording needs to be reviewed and updated.

The Board agreed that they would like to further review the agreement. Mr. Bailey asked members to take time to review and consider the agreement and send him any suggested edits.

Mr. Kenny, Ms. Kenny and Ms. Gonzalez returned to the Board Room. Mr. Goodman excused himself from the meeting.

#### **b. Review Financial Statements - Budget vs. Projected Actual for FY 2017-18 and Adopted Budget 2018-19 – College Vista and Cañada Vista**

Mr. Bailey noted a few adjustments to the budget. Included is a number for rental concessions at the \$150 rate. Also included is a potential rate increase in Kenny Realty's fees pending Board approval.

#### **College Vista**

Ms. Slater said that staff's presentation related to the Adopted Budget today and year-end financials would be brought to the Board after the District's financial close at the end of July. She noted that included are the projected totals and that there would be very few transactions that will occur at the end of the month so they will have minimal impact on the financial statements when presented at the next meeting.

In terms of the Adopted Budget there are very few changes. The numbers for Flooring Replacement and Flooring Repair were flipped and corrected.

Ms. Slater also reminded the Board that the transfer to Capital Reserves of \$78,313 is based on the new Trower study for College Vista. Also there is a slight increase in water projections due to additional water use during the summer.

Mr. Pierce suggested the possibility of raising rents for College Vista. He feels it would be wise to adopt a policy of a fixed percentage below market for routine rental increases. Ms. Kenny said the residents that need to move out after seven years are often amazed at the discrepancy between what they have been paying at the Vistas and what they will pay once they move out to market rate units and that many have not been saving as they should. Ms. Schwarz said she was concerned that residents might not be saving as intended. Mr. Bailey said the District is being proactive on educating employees about first-time homebuyer and housing assistance programs that are available.

Mr. Bailey said a rent increase is an important and that he would bring back a proposal at a future Board meeting.

Mr. Pierce asked if there could be a rental discount incentive program available to residents tied to a savings account. Ms. Blackwood said she thinks this is something the District could do in partnership with a credit union and a payroll deduction and the District could possibly be co-signers on the account to ensure the savings are not withdrawn without agreement. Mr. McBride suggested creating a sub-committee to work with Mr. Bailey to explore this idea and craft a proposal for Board consideration.

It was moved by Ms. Berlese and seconded by Mr. Pierce to approve the budget for College Vista, all members voting Aye.

#### **Cañada Vista**

Ms. Slater said there were a few minor adjustments between the projected numbers and Adopted Budget for Flooring Repair and Flooring Replacement. There was no transfer to the Capital Reserve as the Capital Reserves were overfunded in anticipation of the lawsuit. There will be no transfer in the fiscal year 2018-19 and there may be a transfer in 2019-20. Other than the increase for Kenny Realty's fee pending decision by the Board, there are only minor changes to the Tentative and Adopted Budgets.

Mr. Pierce asked if the District will be in compliance with the deadline for statewide water conservation which will be January 31, 2019. Mr. Kenny stated he would have to check.

It was moved by Mr. Pierce and seconded by Ms. Schwarz to approve the budget for Cañada Vista, all members voting Aye.

## **VI. Informational Report**

### **a. Skyline College Housing Development Update**

Mr. Bailey stated that staff will be recommending to the District Board on July 25, 2018 the name "College Ridge" for the new housing development.

Mr. Bailey stated that they are finishing up the entitlement process with the City and finishing up all the agreements with them as well. The City Council will act on the final map at the end of August.

## **VII. Board Members' Comments and/or Requests for Future Agenda Items**

No comments were offered.

## **VIII. Adjournment**

The meeting was adjourned at 4:58 p.m.