



**Minutes of the Educational Housing Corporation Board Meeting  
March 15, 2022  
In-person at SMCCCD District Office and remotely via Zoom**

<b>Attendees:</b>	<b>Absent:</b>
Dennis McBride, President	Michael Pierce
Maurice Goodman, Vice President	<b>Other Attendees:</b>
Jonathan Wax	Mitchell Bailey, SMCCCD
Richard Holober	Bob Talbott, BLVD Residential
Kate Williams-Browne	Jonathan Garcia, BLVD Residential
	Yaakov Strauss, BLVD Residential
	Carina Warne, SMCCCD

**Call to Order and Roll Call**

The meeting was called to order at 3:07 p.m. Members in attendance are listed above.

**Public Comments on Non-Agenda Items**

None

**Recognition of Outgoing Director Kate Williams Browne**

The Board acknowledged and thanked Director Kate Williams-Browne for eight years of service. President McBride presented a special citation of recognition on behalf of the Educational Housing Corporation Board to Director Browne.

**Introduction of Incoming Director Jessica Marshall**

Mr. Bailey introduced incoming director, Jessica Marshall. Mr. Bailey said the District Board of Trustees, upon the recommendation of the District Academic Senate, appointed Director Marshall to serve on the Educational Housing Corporation Board effective April 1, 2022 for a term of four years.

**Staff Updates**

Mr. Bailey gave the following staff updates:

- The Housing Board has two Director vacancies due to term limits of Director Berlese and former Director Granville. Staff is working to advertise for the vacancies to create a pool of interested candidates to present to the District Board of Trustees in the coming months.
- Jefferson Union High School District’s employee housing program is opening soon and a Ribbon Cutting Ceremony is planned for mid-May.

- The Cañada Vista Resident Community Garden is complete. Mr. Bailey shared photos of the garden and thanked Dr. Peter von Bleichert, resident at Cañada Vista, for his leadership of the project.
- The Housing Board has requested that staff add “The Vision for Future Employee Housing Developments” as an agenda item for discussion at the next District Board of Trustees meeting.

## **ACTION ITEMS**

### **Adoption of Resolution to Make Findings Allowing Continued Remote Meetings Under Brown Act**

It was moved by Mr. Holober and seconded by Mr. Wax to approve the Adoption of Resolution to Make Findings Allowing Continued Remote Meetings Under the Brown Act. The motion carried, with all members voting Aye.

### **Approval of Minutes of December 14, 2021 Meeting**

It was moved by Ms. Browne and seconded by Mr. Holober to approve the Minutes of December 14, 2021 Meeting. The motion carried, with all members voting Aye.

### **Consideration of New Rental Rates for College Ridge and for New Residents at College Vista and Cañada Vista**

Mr. Bailey said the Board has discussed, at previous meetings, establishing a new rental rate category for College Ridge at Skyline College and new residents in general. At its December 14, 2021 meeting, the Housing Board established an ad-hoc committee (consisting of Mr. Holober, Mr. Wax and Mr. Pierce) to explore this item further and make a recommendation to the Board for consideration at a future meeting.

The ad-hoc committee met and recommends the following rental rates for College Ridge at Skyline College and all new residents at College Vista and Cañada Vista. The rental rates are those that are used for the San Mateo County Below Market Rate index for Very Low Income. The ad-hoc committee also recommends adjusting the rates annually based on rates established in the San Mateo County Below Market Rate index.

<b>Unit Type</b>	<b>Monthly Rental Rate</b>
1-Bedroom	\$1,713
2-Bedroom	\$2,056
3-Bedroom	\$2,375

The committee also recommended an exemption process for new residents (with income verification documentation) to petition to not have their monthly rent exceed 40% of their household income.

Mr. Wax said although he was part of the ad-hoc committee, he is not comfortable with the recommended rates. He said the rental rates at College Ridge at Skyline College and the rental rates at College Vista and Cañada Vista should be separate discussion items. Mr. Wax also said he supports the idea of an exemption process.

Mr. Holober said the rental rates that are being recommended are based on what San Mateo County identifies as very low income. He said he understands that rental increases will cause some discomfort, but the proposed rates are reasonable and affordable especially for San Mateo County and the Bay Area.

In regards to the exemption process, Mr. Holober said that there are some District employees in the low end of the salary range that earn around \$40,000 per year. He said for those employees, the Board should discuss making an accommodation and requiring evidence of household income so that their rent is not more than 40% of their family combined income.

Ms. Browne said she shared the recommended rental rate increases with faculty before this meeting for feedback. She said faculty expressed concerns about the goal of District Housing and noted that rental rate increases would have unintended consequences. Ms. Browne suggested the Housing Board consider planning a Board Retreat to re-evaluate the mission, vision and values. She also pointed out that the housing complexes are not all in the same condition, noting that College Vista is almost 20 years old, Cañada Vista 10 years old and College Ridge at Skyline College is brand new.

Mr. Wax said he also shared the recommended rental rate increases with classified staff and he read comments to the Board from the feedback he received. After hearing the concerns, Mr. Goodman encouraged the Housing Board to think about the “why” of the housing program and the Housing Board itself. He said the issues and concerns brought to the surface may have been voiced sooner if the Housing Board representation was more diverse. He also said the housing program is a benefit meant for retention and recruitment.

Mr. McBride noted that the San Mateo County Below Market Rate is used by the Housing Board as an independent evaluation of rental rates. He said this mechanism helps the Housing Board have a benchmark.

Mr. Holober acknowledged this as a difficult discussion and recognized all of the valid points of view, but also noted that rental rates have not been increased in several years. He said the rental rates in place currently are a phenomenal bargain and should be looked at objectively.

Mr. Bailey added, as context, that Jefferson Union High School District’s housing program has a 5-year occupancy limit with rental rates as follows:

- 1 bedroom - \$1,350 – \$1,580
- 2 bedroom - \$1,600 – \$2,100
- 3 bedroom - \$2,300 – \$2,500

Mr. McBride asked Mr. Bailey to explain what housing revenues are used for. Mr. Bailey said rental revenue is allocated for housing purposes and the housing corporation has a required reserve for housing projects and maintenance. For example, the College Vista Exterior Painting Project is paid for with housing reserve funds.

Mr. Holober said the original intent of the housing program was to have rental rates 60% of the market rate, thus allowing residents to save the other 40% to purchase a home. He said rental rates were not increased for several years. The proposed rental rates are 52% - 58% of the market rental rate, which may or may not have relevance now because the base line used here is the San Mateo County Below Market Rate index for Very Low Income. He said residents are still getting a great value.

Mr. McBride also discussed the idea of differentiated rental rates for each complex due to the age of the facility. Mr. Bailey reminded the Board of a discussion several years ago surrounding this issue. He said at that time the Board had agreed that it was not necessary to differentiate rates because the rates were already so low. Mr. Bailey also reminded the Board about AB1492 which sets a cap on the Board's ability to increase rental rates annually.

Mr. Wax said he would like the Housing Board to have direction from the District Board of Trustees for this decision. He agreed with Ms. Browne's suggestion that the Housing Board consider planning a Board Retreat to re-evaluate the mission, vision and values. He also mentioned that District Housing was originally intended as a pathway to home ownership.

Mr. Goodman suggested the Housing Board ask the District Board of Trustees for guidance and next steps for future housing. He said it's important to have this conversation because the residents are employees of the District. He said it is important for the District Board of Trustees to hear the concerns of employees, which may affect how the Board responds.

Ms. Browne said the employee feedback received about this item warrants a pause. She suggested consulting with the District Board of Trustees for guidance.

Mr. McBride asked to clarify if College Vista or Cañada Vista residents move to College Ridge, will their rent be the new rental rate or their current rate? Mr. Bailey said that is a question to be considered and under the discretion of the Housing Board.

The Board discussed and agreed to table this agenda item and seek guidance from the District Board of Trustees. After receiving feedback from the District Board of Trustees, the Housing Board subcommittee will refine a recommendation to present at a special Housing Board meeting before June.

Mr. Wax suggested adding new Director, Jessica Marshall to the subcommittee. Mr. Bailey said the committee cannot be more than three members due to Brown Act restrictions. Mr. McBride suggested that Mr. Wax talk with Ms. Marshall to see if she is interested in participating.

Public Comment:

- Michael Marcial, Head Men's Basketball Coach at CSM, shared concerns about increasing the rental rates.
- Gwendolyn Kenny, College Vista resident, asked the Housing Board to consider the original intent of District Housing and shared her concerns about increasing the rental rates.

### **Consideration of Income Limits for New Resident Eligibility**

Mr. Bailey said the Housing Board has discussed, at previous meetings, establishing income limits for new resident eligibility. At its December 14, 2021 meeting, the Housing Board established an ad-hoc committee (consisting of Mr. Holober, Mr. Wax and Mr. Pierce) to explore this item further and make a recommendation to the Board for consideration at a future meeting.

The ad-hoc committee met and recommends the following salary schedules be ineligible for the District's Employee Housing Program:

Salary Schedule	Grade	Starting Annual Salary
10	CL	\$340,000
10	EC	\$249,912
20	AA	\$217,920
20	AB	\$180,804
20	AC	\$177,984
20	AD	\$169,668
20	AE	\$161,328
35	200E	\$177,984
35	197E	\$164,376

Mr. Wax also added that any resident who was promoted into these salary schedules would be given a one-year grace period to vacate District Housing.

Mr. Goodman suggested setting a cap on a certain salary (for example: \$160,000) instead of using salary schedules. He also said instead of excluding certain employees from the housing benefit, perhaps we should be encouraging the District Board of Trustees to create more housing. He said if we truly look at this through an equitable lens, then everyone should be included.

Mr. Bailey said, as a general practice, the following positions are not offered District Housing: Chancellor, Vice Chancellor, President and Vice President. Dean positions have been acceptable in the past, but generally Deans living in District Housing are Faculty that have been promoted while living there.

Ms. Browne agreed with Mr. Goodman's statements and said she is rethinking if introducing income limits is really the best path forward.

It was moved by Mr. Holober and seconded by Mr. Wax to approve Income Limits for New Resident Eligibility. The motion was approved by roll call vote, with Mr. Holober, Mr. Wax and Mr. McBride voting Aye and Ms. Browne and Mr. Goodman voting Nay.

### **Consideration of Awarding of Contract for College Vista Exterior Painting Project**

Mr. Bailey said College Vista is now over 15 years old and the complex is in need of exterior maintenance and painting. BLVD Residential obtained quotes from vendors for a full paint project, and two vendors responded as listed below:

Vendor	Bid Price
A.C. Enterprises General Contractor	\$233,900
Swenson Development & Construction	\$444,990

Mr. Bailey said Yaakov Strauss from BLVD Residential walked the site with both vendors to understand the scope of the project. Mr. Strauss explained the exterior repairs which include remediation of wood rot and preservation of exterior siding, stucco and moldings. He also said there will be no interior disturbance to residents and all work will be on the exterior of the building. Mr. Bailey said this project is planned for late spring or early summer.

Based on quotes, BLVD Residential is recommending, and staff concurs, that a contract be awarded to A.C. Enterprises General Contractor for this project. It is also recommended that

BLVD Residential serve as the project manager for this project, at a rate of 6% of the project cost. The funding for this project will come from the Housing Program reserves.

Mr. McBride noted a typo on the Housing Board Report in the amount not to exceed, which should be corrected to \$257,290. He also asked about the 10% contingency and how the vendor is held to the original bid amount. Mr. Strauss said he will be overseeing the project closely and the 10% contingency is for change orders that would need to be reviewed and approved by BLVD Residential first. Mr. Talbott noted that the 10% contingency is for any dry rot that may be found that was not initially visible upon first inspection.

It was moved by Mr. Holober and seconded by Mr. Wax to Award the Contract for College Vista Exterior Painting Project to A.C. Enterprises General Contractor in an amount not to exceed \$257,290. Mr. Holober, Mr. Wax, Ms. Browne and Mr. McBride voted Aye. Mr. Goodman was not available for the vote. The motion was approved.

Ms. Browne left the meeting at 5:11pm.

### **Consideration of Resident Petition for Extension of Lease Eligibility Due to Extenuating Circumstances**

Mr. Bailey said a request has been received from a resident seeking an extension of their lease due to an extenuating circumstance – the unexpected death of a spouse. The resident's current lease is set to expire June 2022. The resident is requesting this extension due to financial hardship.

Mr. Bailey offered his condolences for the tragic and unexpected loss. He also said staff has been allowed limited authority to extend lease terms within a couple of months, as such staff has offered the resident one additional month while this matter is presented to the Housing Board for consideration.

The Board offered their condolences and agreed to support extending the resident's lease by one year.

It was moved by Mr. Goodman and seconded by Mr. Holober to approve Consideration of Resident Petition for Extension of Lease Eligibility Due to Extenuating Circumstances for one additional year. The motion carried, with all members voting Aye.

### **Consideration of Modification to and One-Year Extension of Property Manager Contract for BLVD Residential**

Mr. Bailey said in March 2021, the Housing Board approved a contract with BLVD Residential to provide property management services for College Vista and Cañada Vista. The contract was effective for one year with the option of the Housing Board to renew the contract on an annual basis for up to two additional years.

At its December 14, 2021 meeting, the Housing Board indicated interest in a one-year extension of the property management agreement. The extension also adds the new property College Ridge at Skyline College to the management agreement.

Mr. Bailey said in considering the one-year extension, the Housing Board also requested resident feedback be gathered about the performance of BLVD Residential. Mr. Bailey said he met with a variety of residents one-on-one and also received 40 responses to an online survey. The results of the feedback showed that significant improvement is needed. The

two main issues of concern being communication and follow through. Mr. Bailey said he has had candid conversations with BLVD Residential about how to remedy these issues. He said although the feedback was cause for attention, the overwhelming majority of residents agreed that if improvements can be made, BLVD Residential should be given an opportunity to remedy issues and continue as the property manager. Mr. Bailey said he is confident that staff can work together with BLVD Residential to make improvements and realign to meet the needs of the residents.

Mr. Talbott acknowledged the feedback and expressed his disappointment. He said through this process BLVD Residential has learned about several areas where they can improve. He said their strategy is to work more closely with residents, manage expectations, and commit to improving communication. Mr. Talbott said he takes this very seriously and had confidence that the BLVD Residential team can get things back on track.

Mr. Wax said he appreciates the report and the solution based conversation. Mr. Goodman said the residents are District employees and there is a culture of care that should reflect that. He said he has confidence in Mr. Bailey to work with BLVD Residential and solve these issues. Mr. McBride thanked BLVD Residential for taking ownership of the issues and working toward process driven solutions.

Mr. Talbott also mentioned the portal has the ability to follow each service request with a customer satisfaction survey. He said using this tool will allow them to better understand areas of improvement.

It was moved by Mr. Goodman and seconded by Mr. Holober to approve Consideration of Modification to and One-Year Extension of Property Manager Contract for BLVD Residential. The motion carried, with all members voting Aye.

## **INFORMATION ITEMS**

### **Update on College Ridge at Skyline College Housing Development**

Mr. Bailey gave an update on the College Ridge at Skyline College Development. He said the project is on track and substantial completion is scheduled for late April or early May. Mr. Bailey said a Ribbon Cutting Ceremony will be planned for May 2022 and staff will be coordinating occupancy for July 2022.

## **STATEMENTS FROM DIRECTORS**

Mr. McBride acknowledged Mr. Bailey and thanked him for his hard work assisting with the District Housing program.

Mr. Wax requested an agenda item for a future meeting. He asked for the Board to consider adding additional members to the Board. Mr. McBride recommended having a broader discussion about the board composition instead.

## **ADJOURN**

The meeting was adjourned at 5:40pm in honor of departing Director, Kate Williams-Browne.