

IRVINE CAMPUS HOUSING AUTHORITY
Board of Directors' Annual Meeting
June 9, 2015

BOARD MEMBERS PRESENT: Ken Chew, Bill Hansen, Ken Janda, Greg Jue, Herb Killackey, Vicki Ruiz, Bert Semler, Deb Sunday, Mark Warner

OTHERS PRESENT: Alan Barbour, Courtney Caldwell, Stephen Cauffman, Diane O'Dowd, Lara Grady, Andrew Herndon, Jane Laning, Julie Ohlander, Robyn Stelk, Christy Teague, Victor Van Zandt, Elaine Vatakis, Kathy Windsor

CALL TO ORDER: Ken Chew called the meeting to order.

APPROVAL OF MINUTES: The Board approved the minutes of May 12, 2015.

REPORT ON OPERATIONS

Chair Ken Chew introduced Board guests Alan Barbour, Diane O'Dowd and Christy Teague. The Campus has nominated them as new members to the ICHA Board, replacing outgoing Board members Bill Hansen, Vicki Ruiz and Bert Semler. Management is awaiting final approval from the University of California Office of the President (UCOP). The Chair summarized the nominees' distinguished credentials.

The Chair opened the Operations Report for questions and comments. President Jane Laning updated the Board on several matters:

- UCOP is reviewing a draft Regents' Action Item for permanent financing for the Alturas Apartment homes. UCOP is requesting a specific commitment from a lender. Management is considering options and will update the Board.
- 42 of the 45 lots in Area 10-2 have assigned buyers and 3 lots are being held by the Provost Office. ICHA Management is working to find housing for the New Home Drawing applicants not offered a home.
- President Laning invited Board members to tour the new homes and apartments currently under construction. Management will contact the Board members on specific dates and times.
- As has been the custom in recent years, there will be no ICHA Board meeting in July.

OLD BUSINESS

2015-2016 Budget Approval

Vice President of Finance Lara Grady presented and distributed the 2015-2016 budget for final approval, noting that it was the same as the draft presented for discussion and review at the May 2015 Board Meeting and that it shows a positive change in ICHA's net assets. The budget includes a \$3 increase in the University Hills monthly maintenance fees (Supplemental Ground Rent) from \$74 to \$77 per unit.

After discussion and upon motion duly made and seconded, the Board unanimously adopted the following resolution:

RESOLVED: That the budget for fiscal year 2015-2016 as presented by Management, including a \$3 per unit per month increase in the University Hills maintenance assessment (from \$74 to \$77) effective July 1, 2015, is hereby approved.

2015-2016 Reserve Funding Approval

Vice President Grady presented and distributed to the Board for approval the reserve funding recommendations for University Hills, the Townhomes, and the Gabrielino and Santiago Apartments, as previously presented for review at the May Board meeting. The basis for the recommendations is the reserve studies conducted once a year by an outside consultant. Following Board approval, Management will transfer cash from the operating account to the appropriate reserve accounts in July.

After discussion and upon motion duly made and seconded, the Board unanimously adopted the following resolution:

RESOLVED: That the recommended reserve funding for University Hills, the Townhomes, and the Apartments (Gabrielino and Santiago) for fiscal year 2015-2016, as presented by Management (and per the reserve study recommendations), is hereby approved.

NEW BUSINESS

University Hills Demographic Forecast Update

Chair Ken Chew introduced Julie Ohlander, Ph.D., the demography consultant who had presented an analysis covering University Hills demographics and retiree homeownership projections to the Board in November 2012. He presented a PowerPoint updating this report with current information on the demographic characteristics of University Hills, which he completed at ICHA during his sabbatical. He noted that demographically, University Hills has a small number of unique characteristics, such as fewer residents in their twenties, but overall is very similar to both Irvine and California. He projected, however, that by the horizon date of 2030 University Hills will have far fewer children and more middle-aged adults, based on demographic variances between newer University Hills phases sold in 2010 versus mature neighborhoods sold 1985-87. He projected horizon-date retiree homeownership at 22% to 29%, after excluding those on academic recall, as he considers this to yield a more accurate metric for calculating retirement rates. He concluded that age distribution in University Hills will maintain variety and likely not impede capacity to house new recruits.

Resolutions of Appreciation

Directors Bill Hansen, Vicki Ruiz and Bert Semler are completing their Board service this month. Management noted that ICHA had accomplished much during their tenure. In consideration of their years of extraordinary service, the Board presented each outgoing Director with a framed aerial photo of University Hills and unanimously adopted the attached resolutions of appreciation. The Directors thanked the Board and commended the professionalism of ICHA staff. The Board then assembled for a group photograph. President Laning noted that the Audit Committee and Compensation & Benefits Committee will need new members to replace outgoing Directors.

EXECUTIVE SESSION

The Board went into Executive Session to discuss Human Resource matters.

ADJOURNMENT

The meeting adjourned at 4:55 p.m.