

**IRVINE CAMPUS HOUSING AUTHORITY**  
**Board of Directors'**  
**Meeting March 8, 2017**

BOARD MEMBERS PRESENT: Jennifer Aaron, Yong Chen, Sandy Irani, Greg Jue, Diane O'Dowd, Christy Teague, Mark Warner

OTHERS PRESENT: Jennifer Barb, Steve Cauffman, Barbara Correa, Lara Grady, Nahid Greger, Richard Haier, Andrew Herndon, Jane Laning, Victor Van Zandt, Elaine Vatakis

CALL TO ORDER: Greg Jue called the meeting to order.

APPROVAL OF MINUTES: The Board approved the minutes of February 8, 2017.

President Laning made a few announcements:

- She introduced Barbara Correa, ICHA's new Communication consultant. Ms. Correa has been instrumental in helping ICHA strategize and implement a host of new communication tools and processes including the new CRM database, Constant Contact email tools, quarterly newsletter, construction updates, and email announcements from both ICHA and the HRB. She is also assisting with the Community Meeting and helping management draft various communications to the residents and campus. Starting today, she will be adding Board Minutes to her list of tasks.
- After 34 years of attendance and service, long-serving and trusted consultant Courtney Caldwell is retiring and will no longer be attending ICHA Board meetings. Ms. Caldwell's substantive contributions have been invaluable and irreplaceable to the Board and the corporation. Her deep knowledge of the housing program, her continuous service to the ICHA Board, her institutional memory, and her wise and ethical advice have been an important contributing factor to the success of ICHA and its Board. She will be missed. The Board concurred.

**REPORT ON OPERATIONS**

President Laning highlighted several items for the Board:

- California Pacific Homes provided an updated schedule showing delivery of Area 11-1 homes beginning late October 2017 and ending mid-January 2018.
- The 2017 New Home Drawing is tentatively scheduled for May 24 at noon in the ICHA Board Room. All ICHA and HRB Board members are invited to attend.

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- The agenda for the May 3 Community Meeting is finalized. Management consulted with the HRB on the topics for and flow of the meeting. The Agenda was published in the ICHA Spring 2017 Newsletter and posted on the ICHA website. To date, 28 residents have responded they will attend; 10 responded maybe; and 7 responded no.
- She announced the results of the HRB election: new members are Zach Nelson and Gerald Parham; re-elected members are Hobart Taylor and Sandrine Scherson. The HRB will have two Chairs this year, with Rich Haier and Hobart Taylor serving as co-Chairs.
- She thanked Steve Cauffman for his outstanding service as HRB Chair. She noted the significant amount of work and progress that has occurred during his term of service. The Board and ICHA staff concurred.
- Mark Warner will complete his term on ICHA's Board in June 2017. President Laning noted that his status as a non-Senate administrator has brought a valuable perspective to the Board and that such status deserves consideration in identifying his replacement. She requested that Board members email her with suggestions for candidates in advance of the April Board meeting.

### **OLD BUSINESS**

- **Waitlist Priorities**

President Laning introduced a draft of the "Priority Categories and Home Offer Process" document to the Board. After discussion, the Board agreed to give the HRB the opportunity to review the document for clarity. President Laning will present a final draft to the Board at a future meeting. Upon Board approval of the final document, Management will post it on ICHA's website.

### **NEW BUSINESS**

- **Update on Area 11-1 Contract Authorization**

President Laning announced that Management signed the Area 11-1 Full Scope of Work GMAX contract with California Pacific Homes on March 2, 2017. The contract total was below the amount authorized by the Board at the December 14, 2016 ICHA Board meeting.

- **Pricing Recommendation**

President Laning gave a digital presentation on pricing recommendations for Area 11-1

homes, currently under construction. She listed the criteria used to determine the pricing recommendations: [1] price parity with resale comparables, so that the new units will successfully appraise for mortgages; [2] affordability; and [3] sufficient project revenue to cover cost of construction.

President Laning distributed pricing recommendations, with and without options, for both the standard lot and cluster lot plans. The handout showed a recommended average base price per-square-foot of \$228. If buyers maximize their options and upgrades at 7% of the base price, the average purchase price-per-square foot increases to \$244.

In terms of appraisal, the average resale price for similar single-family homes in University Hills in 2016 was \$241 per-square-foot. This value will likely rise approximately 2% in 2017 based on current performance of the indices, so Management believes that the Area 11-1 homes will appraise at the recommended sales prices.

Vice President Van Zandt discussed the affordability of the Area 11-1 homes. Using the recommended base prices and then the base prices plus 7% options and upgrades per the current policy, he showed what income level might be necessary to qualify for a mortgage. He concluded that, based on the University's Ladder Rank "Professor Series - Regular Scales", even the lowest earning faculty member could qualify for the smallest 2 plans in each product type. He noted that the University has other tools available to help faculty to qualify for mortgages.

In terms of costs, President Laning presented the Area 11-1 budget in detail. The total budget, including builder as well as ICHA costs was approximately \$98,000 more than the revenue generated using the pricing recommendations as presented. Management is comfortable going into this project with a slight deficit given historical savings from unspent contingency and interest.

After discussion, the Board concurred with Management's base pricing recommendations.

- **Options and Upgrades Policy Recommendation**

Management recommended leaving the Options and Upgrades Policy, which caps the amount a buyer can include in the purchase price at 7% of the base price of the home, as is.

After discussion, the Board concurred with management's recommendation.

**ADJOURNMENT**

The meeting adjourned at 4:30 p.m.