

IRVINE CAMPUS HOUSING AUTHORITY
Board of Directors' Meeting
May 13, 2021
(via video conference; revised June 10, 2021)

BOARD MEMBERS PRESENT: Jennifer Aaron, Yong Chen, Sandra Irani, Greg Jue, Tyrus Miller, Diane O'Dowd, Heike Rau, Suzanne Sandmeyer, Barbara Sarnecka, Christy Teague

OTHERS PRESENT: Jennifer Barb, Sandrine Biziaux, Bryce Bunker, Barbara Correa, Karlie George, Andrew Herndon, Ron Reid, Hobart Taylor, Victor Van Zandt, Elaine Vatakis, Kelvin Watson

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

APPROVAL OF MINUTES: The Board approved the minutes of March 11, 2021.

REPORT ON OPERATIONS:

Chair Jue thanked Jennifer Aaron for accepting the role of Board Chair, effective July 1, 2021. He invited ICHA department heads to provide reports on operations:

- Manager Reid announced that ICHA will begin reopening the office for staff (not the public) on June 1. Schedules have been updated to five days per week for janitorial services for the office and Community Center; cleaning processes include use of an ultraviolet light wand and HVAC filters will be changed monthly.
- Director Correa said that she added a new section to the Communications & IT operations report: Communications on Key Issues. The section highlights ongoing communication campaigns and resident engagement; current campaigns include: Area 12 Project Meeting Q&A, Los Trancos Park Survey Part 1, and Area 11 Speed Humps.
- Vice President Herndon shared that ICHA and HRB members helped coordinate a rescue of a great horned owlet. He thanked the School of Ecology for its assistance. The rescue story is on the ICHA website under icha.uci.edu/about-icha/news
- Director Barb explained the financial charts located in the last three pages of the May Board packet, the ICHA's cash balances, obligations and the STIP rates of return.
- Manager Bunker reported that the new office space is ready for new employees.

- Vice President Vatakis announced that ICHA has renewed the worker's comp insurance at a reduction of \$4,500. She added that there have been zero claims and zero COVID-related claims.
- Director George reported a very active spring resale season. This fiscal year is expected to show 30 resales, with several closing in June. She noted an increase in separations from UCI, most notably among people moving overseas.

NUTS & BOLTS:

Property Reserves and Expenditures

Asset Manager Ron Reid gave a presentation about:

- Physical assets: Streets, lighting, parks etc; assigned a replacement value and a life
- Reserve funds: Held in Regents' Short Term Investment pool (STIP). Collected by University Hills Master, Townhomes, Condominiums, Rentals
- Reserve study: annual analysis on future maintenance and replacement costs. Makes recommendations for cash levels to sustain healthy reserve funding.
- Reserve study process includes onsite inspection by our vendor, Advanced Reserve Solutions

NEW BUSINESS

- **Rental Recommendations for FY2021**

Vice President Vatakis gave a digital presentation on proposed rental rate increases for Gabrielino Apartments, Santiago Apartments, Alturas Rental Townhomes and Miramonte Rental Townhomes for the next fiscal year. She discussed the factors that determine rate increases, including affordability, market trends, operational expenses (loss of income from furnished units and no increase in rent due to the COVID pandemic) and reserve funding. She announced that, based on these factors, ICHA is proposing a 1.3% to 3.4% increase in rental rates for Gabrielino, Santiago, Alturas and Miramonte properties for 2021/22. That range is in line with average historic ICHA rental rate increases of 3%. After discussion, and upon motion duly made and seconded, the Board unanimously adopted the following resolutions:

RESOLVED: the rental rates for the Gabrielino Apartments will increase by 0% for the furnished and 3.3% and 3.4%, effective July 1, 2021.

FURTHER RESOLVED: that rental rates for the Santiago Apartments will increase by 3.0-3.3%, effective July 1, 2021.

FURTHER RESOLVED: the rental rates for Alturas Rental Townhomes will increase by 3.0-3.4%, effective July 1, 2021.

FURTHER RESOLVED: that rental rates for Miramonte Rental Townhomes will increase by 1.3-2.6%, effective July 1, 2021

- **Reserve Funding Review & Recommendations**

Facilities Manager Ron Reid gave a PowerPoint presentation on reserve funding and expenditures. He noted that Annual Reserve Studies prepared by outside consultants are an important budgeting and scheduling tool for ICHA and the basis for budgeted reserve expenditures and contributions. He further noted that the reserves funding levels for University Hills common areas and Townhomes and rentals approach 70%, which is generally recognized as a healthy funding level. In accordance with Reserve Study recommendations along with internal assessment and discussion, management proposes total contributions to reserves of \$864,000 for fiscal year 2021-2022, with \$21,459 in projected interest income and \$906,740 in potential reserve projects assigned. The transfer of contributions from ICHA's operating account to the specified reserve accounts will occur following Board approval.

Director of Finance Jennifer Barb said that a draft budget will be sent to Board members before the end of this month and that the fiscal year 2021-2022 budget will be presented to the Board at the June 10 Board meeting.

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 for fiscal year 2021-2022, as presented by Management (and per the reserve study recommendations), is hereby approved.

ADJOURNMENT

The meeting adjourned at 4:00 pm.