

IRVINE CAMPUS HOUSING AUTHORITY

Board of Directors' Meeting

February 12, 2020

BOARD MEMBERS PRESENT: Jennifer Aaron, Alan Barbour, Yong Chen, Greg Jue, Heike Rau, Barbara Sarnecka, Christy Teague, Greg Washington.

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

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

APPROVAL OF MINUTES: The Board approved the minutes of January 8, 2020.

REPORT ON OPERATIONS

- Manager Reid said that the annual sewer and storm drain cleanout is underway.
- Director Correa reported that the annual HRB Election kicks off on Feb. 18 and discussed the election process.
- Vice President Herndon discussed the tree trimming program.
- Director Barb said that audited financial statements and the 990 filing are expected to be finalized by April 15. The Board Audit Committee will tentatively plan to meet prior to the April Board meeting, however that date is subject to change.
- Manager Bunker described the planned bus stop enhancement program that has been budgeted for Fiscal Year 2019/2020. The plan is to add tiles painted by resident children, a gathering area, benches and/or a bike rack to three existing bus stops located on Gabrielino & Owen, Gabrielino Park, and Russell Court. The work is scheduled to begin toward the end of March.
- Vice President Vatakis reported several topics:
 - Nationwide Insurance, one of ICHA's insurance carriers, inspected University Hills apartments last week and requested a fire safety and inspection report for Alturas.
 - To date, of 85 current Las Lomas residents, 56 have reserved an apartment in Miramonte; 13 will move out or are purchasing a home in University Hills, and ten have requested to be added to additional waitlists.
- Director George announced:
 - 70 residents attended the trust seminar on January 8. A second trust seminar is planned for March 9, and going forward, the sales department will coordinate a trust seminar annually. The trust seminar is an educational opportunity for residents that promotes an efficient sales process, minimizes the risk of a delayed sale and helps maintain the condition of the housing stock. To date, about one-fourth of University Hills homeowners have placed their home in trust.
 - The sales department is increasing the enforcement of residency requirements as the demand for housing continues to outstrip supply in University Hills. Since January, 2018, noncompliance with residency rules has accounted for 11 of the 48 resale homes and four of 13 pending homes are a result of enforcing residency requirements.

OLD BUSINESS

- **Authorize Area 11-4 GMAX contract**

Manager of Planning & Construction Bryce Bunker Manager distributed and discussed handouts previously emailed to the Board. He reviewed the Area 11-4 contract structure and budget estimates.

Resolution: Area 11-4 Addendum No. 4 to Area 11 Construction Contract and Area 11-4 Infrastructure Work GMAX (Amendment No. 1)

The first resolution gives authorization to execute the Area 11-4 Contract Addendum No. 4 (adding the Area 11-4 project to the Area 11 master contract) and Amendment No. 1 to that Addendum (authorizing the Area 11-4 infrastructure at a specified Guaranteed Maximum Price).

After discussion, and upon motion duly made and seconded, the Board unanimously adopted the above entitled resolution attached to these Board minutes.

- **Authorize Area 11-4 Construction Loan**

Manager Bunker then discussed the resolution regarding the Area 11-4 Construction Loan. He highlighted that the builder, not ICHA, is the construction loan borrower, and that in order to originate the Area 11-4 construction loan, the builder's lender, Housing Capital Company, needs ICHA's Board to approve a resolution authorizing corporate execution of these documents, evidenced by a Certificate of Corporate Authorization signed by ICHA officers.

Resolution: Authorize Area 11-4 Construction Loan

After discussion, and upon motion duly made and seconded, the Board unanimously adopted the above entitled resolution attached to these Board minutes.

- **Review Miramonte Loan Terms, UCOP Coordination, Authorization to Lock Loan Terms**

Manager Bunker presented to the Board the option of locking in the interest rate for the Miramonte (Area 11-5) permanent loan. The lender is offering to lock the interest rate at 3.6% at a term of 25 years. The Board agreed to lock the rate at 3.6%, effective in March. The Board will be asked to formally authorize to execute the permanent loan at the May or June 2020 Board meeting.

NEW BUSINESS:

- **HRB Communication**

Chairman Jue introduced Homeowner Representative Board Chair Hobart Taylor and invited him to address the Board. Chair Taylor proposed actions to strengthen the relationship between the ICHA Board and the HRB. Referencing previous collaboration between the ICHA Board and the HRB such as lockable mailboxes in University Hills, Chair Taylor suggested that ICHA Board members attend monthly HRB meetings and that the HRB Chair contribute operations reports to the ICHA Board. He also requested a document outlining ICHA's core values and commitment to building community. After discussion, the ICHA Board agreed to continue the conversation with the HRB.

- **Life Estate**

CEO & President Van Zandt gave a presentation about developing a process by which University Hills homeowners could make a charitable donation of their home to the Regents of the University of California without selling or vacating the home. Creating a life estate option for residents is in response to a request from a current resident.

Resolution: After discussion, and upon motion duly made and seconded, the Board unanimously adopted the resolution to Authorize Staff to Execute the Life Estate.

EXECUTIVE SESSION

- Builder Contract

The Board went into Executive Session to discuss the Builder Contract.

ADJOURNMENT

The meeting adjourned at 5:50 pm.