

## **IRVINE CAMPUS HOUSING AUTHORITY**

Board of Directors' Meeting

August 8, 2024

**BOARD MEMBERS PRESENT:** Nancy Da'Silva, Samara Larsen, Tyrus Miller, Suzanne Sandmeyer and Michelle Thrakulchavee

**OTHERS PRESENT:** Mike Cannan, Barbara Correa, Randy Crane, Karlie George, Gillian Hayes, Andrew Herndon, Dodie Gilbert, Ron Reid, Hobart Taylor, Victor Van Zandt, Elaine Vatakis, Jonathan Watanabe and Kelvin Watson.

**CALL TO ORDER:** Victor Van Zandt called the meeting to order.

**APPROVAL OF MINUTES:** The Board approved the minutes of June 11, 2024.

### **REPORT ON OPERATIONS**

CEO/President Van Zandt provided an update on the permit and inspection process change. As of August 2024, the City of Irvine will no longer process permits and inspections. The city notified UC Irvine Design and Construction Services in 2005, however the campus requested that the city continue processing residential permits for existing homes. New home construction permits and inspections were transferred to UC Irvine at that time. Two years ago, the city revisited the process and informed the campus that they will no longer provide permit/inspection services because state law that protects cities does not apply on UC land. Additionally, the city does not have authority on state land. ICHA was informed on July 10 of the change and proposed mirroring the new home construction permit process using Wildan as a third-party inspector for the campus. UC Irvine Design & Construction Services agreed, and the stop-gap process was put into place on August 1. The same permit and inspection fee structure that the City of Irvine uses was agreed upon.

### **OLD BUSINESS**

#### **Update on Los Trancos Pool & Park Rehab Project**

Director Cannan presented an overview of the Los Trancos Pool and Park renewal timeline. In

2021 ICHA surveyed the community and asked them to rank their preferences for park amenities. In September 2023, ICHA met with HRB member Chrissy McCormack, who was designated to represent the community in the park discussion, and the community survey findings were summarized. Management presented the schematic design to the HRB. Upon review, the HRB provided the go-ahead with the park as planned, provided some of their comments are adopted. Management is currently working to vet the design and assess the construction and financial feasibility of the plan. Management plans to share the Los Trancos Pool and Park renewal plan with the general community at the Fall Fiesta. Construction is slated to being in 2025 through 2026.

### **Area 12-1 – Increase authorization for full GMAX and equity**

Director Cannan provided an update that California Pacific Homes recently notified Management of an increase in the Guaranteed Maximum Price (GMAX) for the project. The project increased from \$50.6M to \$51.7M. The main drivers for the cost increase include insurance, grading and architectural overruns. Additionally, the increase in the GMAX requires an additional equity contribution in the amount of \$940,000.

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

#### **ICHA Board Resolution 2024-10, Area 12-1 GMAX Contract**

On December 14, 2023 (ICHA Board Resolution 2023-12), the Area 12-1 Total Project Work was authorized by the Board, along with approval to execute Amendment No. 2 of the Construction Contract for Phase 1 of Area 12 Project in the amount not to exceed \$50,600,000. The authorized amount of the Total Project Work of \$50,600,000 is replaced with \$51,700,000. All other conditions in Resolution 2023-12 remain.

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

#### **ICHA Board Resolution 2024-11, Area 12-1 Equity**

On August 10, 2023 (ICHA Board Resolution 2023-08-10), the ICHA Board authorized conditions of construction financing by Banner Bank for the Area 12-1 Project, provided that the cash equity required from the Corporation in connection with such financing did not exceed \$6,900,000. The estimated total project cost was \$50,600,000. The increase in total project cost from \$50,600,000 to \$51,700,000 requires ICHA to increase the equity contribution for a total of \$7,900,000. The authorized amount of the equity contribution of \$6,900,000 is replaced with \$7,900,000. All other conditions in Resolution 2023-08-10 remain.

### **Renter Representation on HRB – concept, process, next steps**

CEO/President Van Zandt reported that the HRB provided management with a formal request for renter representation three weeks ago. The HRB proposes that a renter, who is voted for by renters in University Hills, will hold a seat on the HRB. For background, the HRB is created in the Ground Sublease through an exhibit called the Property Use and Maintenance Regulations (PUMR). The PUMR states how HRB members are elected and who is eligible to vote in an HRB election. Additionally, in the PUMR one of the HRB seats is reserved for the University that is meant for the campus architect/planner or designee. ICHA counsel met with the HRB, provided options and the HRB selected Option 1, which includes asking UCI to make a policy that designates a renter, voted on by University Hills renters, as their designee for the HRB seat.

### **NEW BUSINESS**

#### **Update on HRI rental units returning to ICHA**

Manager Watson provided an overview of the Humanities Research Institute's use of nine ICHA apartments that are furnished by the program and subleased to visiting scholars. HRI returned three units in 2022 and this month the program will return the remaining six units. ICHA will renovate and/or clean them and begin offering them as unfurnished units to the rental waitlist.

### **ADJOURNMENT**

The meeting adjourned at 2:54 pm.

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

#### **ICHA Board Resolution 2024-12, New Home Recommendation, following Second Drawing**

The ICHA Board recommends to the University that, should homes remain unassigned in Area 12-1 after the first and second drawings, ICHA can begin offering homes as outlined in Section 3.05 of the Ground Lease to applicants in order of their position on the University Hills resale waitlist.