

San Mateo County Community Colleges Educational Housing Corporation
Board of Directors | Regular Meeting
September 15, 2021 | 3:00 p.m.

The San Mateo County Community Colleges Educational Housing Corporation Board of Directors will meet **telephonically** (through Zoom) on September 15, 2021.

Observing the Meeting

Members of the public who wish to observe the meeting may do so by accessing the following link or calling the following telephone number at the beginning of the meeting:

Zoom: <https://smccd.zoom.us/j/84770031802>

Dial-in Number: 1-669-900-9128

Meeting ID: 847 7003 1802

Providing Public Comment on NON-AGENDA Items

To make a comment regarding a non-agenda item, members of the public, once in the Zoom meeting (via above link), can utilize the “raise hand” function on the bottom right corner of the screen. This will allow for the Board President to recognize members for comment and will allow staff to activate audio access to individual participants. Members of the public who “raise their hand” will be called upon in the order they appear. Members of the public making comment are reminded of the 3 minute time limit for comment.

Members of the public may also submit written comments on non-agenda items via email to housing@smccd.edu. The length of the emailed comment should be commensurate with the three minutes customarily allowed for verbal comments, which is approximately 300 words. Emails received by 12:00 p.m. on September 15, 2021 will be provided to Housing Board members.

Providing Public Comment on AGENDA Items

To make a comment regarding an item on the published agenda, members of the public, once in the Zoom meeting (via above link), can utilize the “raise hand” function on the bottom right corner of the screen. This will allow for the Board President to recognize members for comment and will allow staff to activate audio access to individual participants. Members of the public who “raise their hand” will be called upon in the order they appear.

Members of the public may also submit written comments on non-agenda items via email to housing@smccd.edu. Emails received by 12:00 p.m. on September 15, 2021 will be provided to Housing Board members.

Accommodations

Individuals who require special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Carina Warne, Executive Assistant to the Chancellor, by 5:00 p.m. on September 14, 2021 at (650) 358-6877 or via email at warnec@smccd.edu.

**San Mateo County Community Colleges Educational Housing
Corporation Board of Directors | Regular Meeting
September 15, 2021 | 3:00 p.m.**

This meeting will be conducted telephonically via Zoom.

Zoom: <https://smccd.zoom.us/j/84770031802>

Dial-in Number: 1-669-900-9128

Meeting ID: 847 7003 1802

AGENDA

- I. Call To Order and Roll Call**
- II. Public Comments on Non-Agenda Items**
- III. Action Items**
 - a. Approval of Minutes of June 15, 2021 Meeting (*Attachment #01*)
 - b. Approval of Minutes of August 31, 2021 Special Meeting (*Attachment #02*)
 - c. Approval of FY 2021-22 Final Budgets (*Attachment #03*)
 - 1. Approval of FY 2021-22 Final Budget for College Vista (*Attachment #03A*)
 - 2. Approval of FY 2021-22 Final Budget for Cañada Vista (*Attachment #03B*)
- IV. Information Items**
 - a. Update on College Ridge at Skyline College Housing Development (*Verbal at Meeting*)
 - b. Discussion of Potential Policy Changes (*Attachment #04*)
 - 1. New Rental Rate Category
 - 2. Incentives for Resident Savings
 - 3. Income Eligibility Requirements
 - c. Discussion of Return to In-Person Board Meetings (*Verbal at Meeting*)
- V. Adjourn**



**Minutes of the Educational Housing Corporation Board of Directors Regular Meeting
June 15, 2021
Via ZOOM Webinar**

Attendees:	Absent:
Dennis McBride, President	Richard Holober
Maurice Goodman, Vice President	Other Attendees:
Peggy Berlese, Treasurer	Mitchell Bailey, SMCCCD
Jonathan Wax	Bernata Slater, SMCCCD
Michael Pierce	Bob Talbott, BLVD Residential
Kate Williams-Browne	Yaakov Strauss, BLVD Residential
	Jonathan Garcia, BLVD Residential

Call to Order and Roll Call

The meeting was called to order at 3:02 pm. Members in attendance are listed above.

Public Comments on Non-Agenda Items

None

Election of Officers

It was moved by Mr. Pierce and seconded by Ms. Berlese to re-elect Mr. McBride to serve as President. The motion carried unanimously.

It was moved by Ms. Williams-Browne and seconded by Ms. Berlese to re-elect Mr. Goodman to serve as Vice President. The motion carried unanimously.

It was moved by Ms. Berlese and seconded by Ms. Williams-Browne to elect Mr. Pierce to serve as Treasurer. The motion carried unanimously.

ACTION ITEMS

Approval of Minutes

Approval of Minutes from March 25, 2021 meeting

It was moved by Mr. Pierce and seconded by Mr. Wax to approve the minutes as amended. The motion carried, with all members voting Aye.

Approval of Minutes of April 19, 2021 meeting

It was moved by Ms. Berlese and seconded by Ms. Browne to approve the minutes. The motion carried, with all members voting Aye.

Approval of Rental Rates for 2021-2022

Mr. Bailey presented the staff report for Approval of Rental Rates for 2021-2022. The staff report outlined the 2019 Board adopted structure and timing for rental increases. Mr. Bailey notified the

Board of two clarifying edits to verbiage in the staff report noting that the tables reflect rental increases, not rental rates.

Mr. Bailey said, due to the pandemic, the Housing Board voted at a special meeting on August 18, 2020 to freeze the rental increase schedule for one year for current residents (at that time) and to implement the rental increase for 2020-2021 for new residents. He noted that for 2021-2022, staff recommends the Board resume the rental rate adjustment schedule, with increases as reflected in the staff report.

Mr. Bailey shared with the Board the adopted rental increase schedule from 2019, which shows proposed rental increases for the next several years and compares current District rental rates with the County Affordable Low-Income Rate.

Ms. Berlese asked why the rental increase for the three-bedroom is less of an increase compared to the other unit sizes. Mr. Bailey said the goal is to get to the County Affordable Low-Income Rate over time and the three-bedroom units were closer than the others. Mr. Wax said he would be curious to know if the County Affordable Low-Income Rate has changed since 2019. Mr. Pierce said the 2021 rates have been released and are available on the County website.

Mr. McBride said he recalled the Board agreeing to use the current County Affordable Low-Income Rate every year. Mr. Bailey said staff can revise this item to reflect the County Affordable Low-Income Rate for 2021 and discuss further at a special meeting. Mr. Bailey also cautioned the Board about AB 1482 – State Rent Caps. Mr. McBride suggested discussing this further at a special meeting and the Board agreed.

Mr. Bailey also asked for the Board for clarification regarding the timing of rental increases. He said rental rates are effective for a 12-month period and increases will match the resident's anniversary date. For example, if the resident moved in in July, they will not receive a rental increase in October. The Board confirmed and agreed with this statement.

Approval of FY 2021-2022 Tentative Budgets

Mr. Bailey presented the FY 2021-22 Tentative Budgets for College Vista and Cañada Vista. He emphasized to the Board that this is a tentative budget and asked the Board for permission to adjust the budget between now and the final budget adoption. He said due to the property manager transition, from Kenny Realty to BLVD Residential, there has been a transfer of financial information using different financial platforms which created some information that remains to be reconciled. Mr. Bailey also said the financial accounting and tracking system that BLVD Residential operates is much more robust and can show detailed reports and/or high-level summaries. Mr. Bailey asked for Board feedback so that future financial reports can be improved.

Mr. Talbott explained BLVD Residentials' financial reports as enclosed in the staff report and clarified terminology used in the financial statements. Mr. McBride said he would like to see the budget information presented by month and line items with major deviations highlighted with an explanation.

Ms. Berlese asked about the rental potential. Mr. Talbott explained the gross market rent and loss/gain to market line items. He said these numbers are tools for the Board to use for market analysis and communication to residents.

The Board reviewed and discussed several line items in the financial report including total repairs and maintenance, turnover repairs and maintenance, staff costs, insurance, and utilities.

Mr. Bailey also noted the landscaping project at Cañada Vista. He said BLVD Residential is in the process of obtaining quotes for the project and staff intends to bring a recommendation to the Board soon.

Approval of FY 2022 Tentative Budget for College Vista

It was moved by Ms. Berlese and seconded by Mr. Goodman to approve the FY 2021-22 Tentative Budget for College Vista. The motion carried with all members voting Aye.

Approval of FY 2022 Tentative Budget for Cañada Vista

It was moved by Mr. Pierce and seconded by Ms. Berlese to approve the FY 2021-22 Tentative Budget for Cañada Vista. The motion carried with all members voting Aye.

Approval of Increase in Renter's Insurance Requirement

Mr. Bailey said that lease terms require College Vista and Cañada Vista residents to obtain and maintain renter's insurance. The current requirement of residents is a \$10,000 minimum coverage for personal property and \$25,000 for minimum coverage for General Liability. BLVD Residential has advised that most landlords require General Liability coverages of at least \$100,000.

Ms. Berlese asked if residents are required to submit proof of renter's insurance after the initial move in. Mr. Talbott said that BLVD Residential's practice is to request proof of insurance on an annual basis during lease renewal or rental rate increases. He said BLVD Residential has a system to monitor and track renter's insurance expiration dates and BLVD Residential is alerted when it is time to update the certificate on file.

It was moved by Mr. Pierce and seconded by Ms. Berlese to approve the Increase in Renter's Insurance Requirement. The motion carried with all members voting Aye.

INFORMATION ITEMS

Update on Property Manager Transition

Mr. Bailey said BLVD Residential has been working diligently to transition into the Property Manager role. He thanked BLVD Residential and Kenny Realty for working together to provide a smooth transition. Mr. Bailey also reported that virtual Meet and Greet events for BLVD Residential and College Vista and Cañada Vista residents were held in May.

Mr. Bailey said BLVD Residential has provided some new resources and tools for residents and he is hearing good feedback. Mr. Garcia spoke about the resident portal which allows residents to pay rent online and submit work requests. He said residents are using the resident portal successfully. Mr. Talbott, Mr. Strauss, and Mr. Garcia said they have all received a positive reception from residents.

College Ridge at Skyline College Development Update

Mr. Bailey gave an update on the College Ridge at Skyline College Development. He said the concrete work is complete, the footers are installed, and walls are being erected. Mr. Bailey offered to provide a tour of the project to any Board member who is interested.

Mr. Bailey said an “under roof” ceremony will be planned for the project after the framing is complete for both buildings in September or October. Project completion is scheduled for late Spring or early Summer 2022.

Discussion of Board Composition

Mr. Bailey discussed the Board Composition and upcoming vacancies. He said the Housing Corporation Board of Directors is governed by by-laws that call for a board that shall consist of at least seven (7) but no more than nine (9) Directors, with one director being recommended by the Academic Senate of the District and a second director recommended by CSEA. Board members may serve up to two four-year terms, and then sit out a year and be appointed again. The current Board consists of seven (7) members, two of whom have second terms that will end within the next nine months, making them in-eligible for re-appointment.

Mr. Bailey asked the Board for feedback and recommendations to present to the College District Board of Trustees for consideration. He said Board composition has historically relied on outside expertise in the areas of real estate and law to make informed decisions regarding managing Employee Housing.

Ms. Browne said that she and Mr. Wax are the only two District employees on the Board and although they are representing Academic Senate and CSEA, they have also represented the residents and employees on the waitlist. She said it is important and helpful to the Board that those constituency groups have a voice. She said she has already discussed her replacement with Academic Senate.

Ms. Berlese acknowledged Mr. Pierce’s service on the Board and said having a member of the Board with property management experience has been extremely helpful. Mr. Pierce said he knows industry experts and can provide recommendations.

ADJOURN

The meeting was adjourned at 4:39 pm.



**Minutes of the Educational Housing Corporation Board of Directors Special Meeting
August 31, 2021
Via ZOOM Webinar**

Attendees:	Absent:
Dennis McBride, President	Maurice Goodman, Vice President
Michael Pierce, Treasurer	Other Attendees:
Peggy Berlese	Mitchell Bailey, SMCCCD
Jonathan Wax	Bernata Slater, SMCCCD
Kate Williams-Browne	Bob Talbott, BLVD Residential
Richard Holober	Yaakov Strauss, BLVD Residential
	Jonathan Garcia, BLVD Residential
	Carina Warne, SMCCCD

Call to Order and Roll Call

The meeting was called to order at 3:01 pm. Members in attendance are listed above.

Public Comments on Non-Agenda Items

None

ACTION ITEMS

Consideration of Award of Contract for Landscaping Replacement Services for Cañada Vista

Mr. Bailey presented the Consideration of Award of Contract for Landscaping Replacement Services for Cañada Vista. The project includes replacing existing irrigation, replacing vegetation, soil amendments and mulching throughout the Cañada Vista complex. With water conservation in mind, Mr. Strauss said direct drip irrigation and drought tolerant plants will be used throughout the project. The project also includes the creation of a community garden space with raised beds and access to watering systems.

Mr. Bailey said that BLVD Residential has received two quotes for this project. BLVD Residential conducted onsite walks with each vendor and had detailed conversations to ensure full understanding of the scope of the project.

In regards to the community garden, Mr. Bailey said staff the project will be re-located from its original site due to accessibility and proximity to a water source. The community garden will include raised beds with in-ground garden mesh to deter gophers. There will also be a fence around the garden to protect the plants from deer and other animals.

Mr. Bailey said staff recommends that the Housing Board authorize BLVD Residential to execute a contract with Loral Landscaping for landscaping replacement services at Cañada Vista in the amount not to exceed \$90,750, which includes a 10% contingency of the quote amount. Staff further recommends that the Housing Board authorize BLVD Residential to serve as the project manager for this project, at the rate of 6% of the project cost.

It was moved by Mr. Pierce and seconded by Ms. Williams-Browne to approve the Award of Contract for Landscaping Replacement Services for Cañada Vista. The motion carried with all members voting Aye.

Approval of Rental Rate Increases for College Vista and Cañada Vista for 2021-2022

Mr. Bailey presented the Approval of Rental Rate Increases for College Vista and Cañada Vista for 2021-2022. He said this is a follow up discussion from the meeting on June 15, 2021. Per the Board's direction, the rental rate increases have been appropriately updated to include the 2021 County Affordable Low-Income Rate.

Mr. Bailey said, due to the pandemic, the Housing Board voted at a special meeting on August 18, 2020 to freeze the rental increase schedule for one year for current residents (at that time) and to implement the rental increase for 2020-2021 for new residents.

For 2021-2022, staff recommends the Board resume the rental rate adjustment schedule, with rates as outlined in the staff report.

Mr. Pierce asked why the percentage increase is not the same across all unit types. Mr. Bailey said the increases are meant to gradually close the gap over a seven-year period. For example, the one-bedroom unit rental rates are slightly lower, so the proposed rental rate increase is slightly more. Mr. Bailey said every year the increase allows the rate to move one step closer, but still working within the confines of AB 1482 – state rental increase caps.

Ms. Williams-Browne said the Board deliberated about the rationale for rent increases in 2019 and decided on increasing rental rates over several years so that residents are not overwhelmed with large rent increases.

Mr. Talbott noted that AB 1482 has limits, but existing residents will eventually term out. He suggested the Board may want to consider continuing more aggressive rental rate increases with new incoming residents to avoid perpetuating the gap. He said this strategy is not uncommon in the market.

Mr. Pierce recalculated the proposed rental rate increases and concluded the proposed increases are not sufficient to reach the 2021 County Affordable Low-Income Rate. Mr. Pierce suggested an increase of 8.8%, the maximum currently allowable under AB 1482, to all residents.

Mr. Holober said an 8.8% increase is consistent with the original vision of faculty and staff housing and he suggested the Board discuss a new rental rate category at a future meeting. The Board discussed and agreed to an 8.8% increase for all residents.

It was moved by Mr. Pierce and seconded by Ms. Berlese to approve the Rental Rate Increases for College Vista and Cañada Vista for 2021-2022 as amended. The motion carried with all members voting Aye.

ADJOURN

The meeting was adjourned at 3:50 pm.

HOUSING BOARD REPORT

PREPARED FOR: Educational Housing Corporation Board of Directors

PREPARED BY: Mitchell Bailey, Vice Chancellor/Chief of Staff
Bernata Slater, Chief Financial Officer
Yaakov Strauss, BLVD Residential

MEETING DATE: September 15, 2021

REPORT SUBJECT: Adoption of FY 2021-22 Final Budgets for College Vista and Cañada Vista

Each year, the Housing Board adopts operating budgets for College Vista and Cañada Vista. These budgets are generally based on actual spending and revenue from the prior year and take into account any anticipated increases or decreases in those categories. The Housing Board approved these budgets in tentative form for FY 2021-22 at its meeting of June 15, 2021.

In attachments #03A and #03B, staff provides proposed final budgets for the Vista complexes.

RECOMMENDATION

Staff recommends the Board (1) adopt the final FY 2021-2022 budget for College Vista, and (2) adopt the final FY 2021-2022 budget for Cañada Vista.

Property Name: **College Vista**

Prepared By: Y.Strauss

Acct. No.	Notes/Assumptions	2020-21 ACTUALS	2020-21 BUDGET	% of 2020 BUDGET	2021-22 BUDGET	% of 2021-22 BUDGET
Rent Potential						
410000	Gross Market Rent	\$	644,349.00	100.0%	\$ 870,021.78	113.9%
422200	Loss/Gain to Market	\$	-	0.0%	\$ (106,300.09)	-13.9%
	Rent Potential	\$570,534.23	\$ 644,349.00	100.0%	\$ 763,721.69	100.0%
423000	Vacancy	\$	-	0.0%	\$ (56,346.03)	-8.0%
424000	Concessions	\$	-	0.0%	\$ -	0.0%
	Total Rental Income	\$570,534.23	\$ 644,349.00	99.8%	\$ 707,375.66	99.7%
Other Income						
430300	Application Fee Income	\$	-	0.0%	\$ 1,170.00	49.4%
430400	Laundry Income	\$	1,500.00	100.0%	\$ 1,200.00	50.6%
	Total Other Income	\$0.00	\$ 1,500.00	0.2%	\$ 2,370.00	0.3%
Miscellaneous Income						
434300	Miscellaneous Income	\$	-		\$ -	0.0%
434400	Lease Cancellation Fees	\$	-		\$ -	0.0%
434500	Moveout Deposit Forfeiture	\$	-		\$ -	0.0%
	Total Miscellaneous Income	\$	-	0.0%	\$ -	0.0%
Total GROSS INCOME		\$570,534.23	\$ 645,849.00		\$ 709,745.66	
OPERATING EXPENSES						
Total Staff Costs	Resident Manager salary	\$7,629.76	\$ 7,200.00		\$ 10,514.14	
Total Contract Services	Landscaping, Pest Control, Cable & Alarm	\$18,635.29	\$ 31,400.00		\$ 34,116.00	
Total Utilities	PG&E, Water, Sewer & Trash	\$51,098.89	\$ 40,000.00		\$ 61,336.00	
Total Repairs & Maintenance	Materials, Elect, Plumb, Appliances, garage	\$69,326.70	\$ 42,225.00		\$ 17,650.00	
Total Turnover Repairs & Maintenance	painting, labor, cleaning	\$31,844.93	\$ 17,500.00		\$ 44,200.00	
Total Marketing	Club house Cleaning	\$	\$ -		\$ 1,400.00	
Total Administrative Expenses	Includes Accounting fees	\$3,683.82	\$ 2,200.00		\$ 8,467.25	
Total Management Fees		\$45,340.00	\$ 32,736.00		\$ 50,160.00	
Total Insurance Expense		\$18,603.55	\$ 16,953.00		\$ 19,500.00	
	Total OPERATING EXPENSE	\$ 246,162.94	\$ 190,214.00		\$ 247,343.39	
NET OPERATING INCOME		\$ 324,371.29	\$ 455,635.00		\$ 462,402.27	
Other Incomes & Expenses						
Total Non Routine Maintenance & Replaceme	New flooring and Appliances are placed in this GL set	\$53,782.41	\$ 24,000.00		\$ 35,475.00	
NET CASH FLOW		\$ 270,588.88	\$ 431,635.00		\$ 426,927.27	



Property Name:
Prepared By:

Cañada Vista
Y.Strauss & J. Garcia

Acct. No.	Notes/Assumptions	2020-21 ACTUALS	2020-21 BUDGET	% of 2020-21 BUDGET	2021-22 BUDGET	% of 2021-22 BUDGET
Rent Potential						
410000	Gross Market Rent		\$ 871,831.00	100.0%	\$ 1,107,880.15	101.5%
422200	Loss/Gain to Market		\$ -	0.0%	\$ (16,135.38)	-1.5%
	Rent Potential	\$590,407.38	\$ 871,831.00	100.0%	\$ 1,091,744.76	100.0%
423000	Vacancy		\$ -	0.0%	\$ (81,622.72)	-8.1%
424000	Concessions	(\$10,775.00)	\$ (125,000.00)	-16.7%	\$ -	0.0%
	Total Rental Income	\$579,632.38	\$ 746,831.00	99.5%	\$ 1,010,122.04	99.9%
Other Income						
430400	Laundry Income		\$ 3,500.00	100.0%	\$ 1,200.00	100.0%
430600	Deposit Forfeits		\$ -	0.0%	\$ -	0.0%
	Total Other Income	0	\$ 3,500.00	0.5%	\$ 1,200.00	0.1%
434300	Miscellaneous Income		\$ -		\$ -	0.0%
434400	Lease Cancellation Fees		\$ -		\$ -	0.0%
434500	Moveout Deposit Forfeiture		\$ -		\$ -	0.0%
	Total Miscellaneous Income		\$ -	0.0%	\$ -	0.0%
	Total GROSS INCOME	\$579,632.38	\$ 750,331.00		\$ 1,011,322.04	
OPERATING EXPENSES						
Total Staff Costs	Resident Manager salary	\$5,570.48	\$ 8,508.00		\$ 10,514.14	
Total Contract Services	Landscaping, Pest Control, Cable & Alarm	\$23,024.99	\$ 44,800.00		\$ 41,556.00	
Total Utilities	PG&E, Water, Sewer & Trash	\$68,841.18	\$ 24,300.00		\$ 108,100.00	
Total Repairs & Maintenance	Materials, Elect, Plumb, Appliances, garage	\$152,743.21	\$ 69,000.00		\$ 38,775.00	
Total Turnover Repairs & Maintenance	painting, labor, cleaning	\$82,928.74	\$ 34,000.00		\$ 73,460.00	
Total Marketing	Club house Cleaning		\$ -		\$ 1,400.00	
Total Administrative Expenses	Includes Accounting fees	\$4,314.57	\$ 200.00		\$ 9,741.50	
Total Management Fees		\$59,100.00	\$ 44,640.00		\$ 68,400.00	
Total Insurance Expense		\$20,222.54	\$ 19,843.00		\$ 22,500.00	
	Total OPERATING EXPENSE	\$ 416,745.71	\$ 245,291.00		\$ 374,446.64	
	NET OPERATING INCOME	\$ 162,886.67	\$ 505,040.00		\$ 636,875.40	
Other Incomes & Expenses						
Total Non Routine Maintenance & Replacements	New flooring and Appliances are placed in this GL set	\$123,321.02	\$ 40,000.00		\$ 233,850.00	
	NET CASH FLOW	\$ 39,565.65	\$ 465,040.00		\$ 403,025.40	

HOUSING BOARD REPORT

PREPARED FOR: Educational Housing Corporation Board of Directors

PREPARED BY: Mitchell Bailey, Vice Chancellor/Chief of Staff

MEETING DATE: September 15, 2021

REPORT SUBJECT: Discussion of Potential Policy Changes

On prior occasions, the Housing Board has suggested revisiting (or creating) various policies relating to program operations. Staff presents the issues below for purposes of initial Board discussion, not for any action:

1. New Rental Rate Category

At its special meeting of August 31, 2021, the Housing Board approved annual rental increases for all Vistas residents. The Board also asked that an item be agendaized at a future meeting to discuss the potential of creating a new rental rate category for new Vistas residents. This new rate would, in theory, be at a higher rate than for current residents, in an attempt to partially bridge the gap between market-rate housing prices and current Vistas rates.

2. Incentives for Resident Savings

The Board has suggested that it would be interested in exploring a program whereby residents would be incentivized to save the money they are currently avoiding paying for market-rate rents for future down payments for homes or future housing needs. Currently, the employee housing program encourages savings by residents but does not mandate or verify any such savings.

3. Income Eligibility Requirements

Currently, there are no formal income eligibility requirements for employees and their families living in employee housing. The only major requirements for residency relate to current employment status and first-time homebuyer status. As such, it is possible for households living in Vistas units to have incomes that range from a single income to multiple incomes (of varying rates). Exploring income eligibility requirements could potentially reduce occupancy for those families who have the financial resources to secure housing at market rates.