

**San Mateo County Community Colleges Educational Housing Corporation
Board of Directors | Special Meeting**

August 18, 2020 | 4:00 p.m.

This meeting will be conducted telephonically.

Zoom: <https://smccd.zoom.us/j/98757070626>

Dial-in Number: 1-669-900-9128 | **Meeting ID:** 987 5707 0626

NOTICE ABOUT PUBLIC PARTICIPATION AT HOUSING BOARD MEETINGS

Observing the Meeting

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

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 August 18, 2020 will be provided to Housing Board members.

Providing Public Comment During the Meeting 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.

For members of the public who do not have access to a computer or smart device, time will be allotted at the end of public comments on the agenda item for members of the public to comment using a phone.

Accommodations

Persons with disabilities who require an accommodation or service should contact the contact Carina Warne, Senior Executive Assistant to the Chancellor, by 12:00 p.m. on August 18, 2020 at (650) 358-6877 or via email at warnec@smccd.edu.

AGENDA

- I. Call To Order and Roll Call**
- II. Comments from Public on NON-Agenda Items**
- III. Action Items**
 - a. Consideration of Modification(s) to Annual Rental Increase Schedule (*Attachment #01*)
- IV. Statements from Board Members**
- V. Adjourn**

Future Housing Board Meeting Dates: September 15, 2020 and December 8, 2020

HOUSING BOARD REPORT

PREPARED FOR: Educational Housing Corporation Board of Directors

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

MEETING DATE: August 18, 2020

REPORT SUBJECT: Consideration of Modification(s) to Annual Rental Increase Schedule

The Housing Corporation, through Kenny Realty, is at the point in the year where it is planning to provide notices to residents of College and Cañada Vistas of annual rental increases. In considering the broader impact of the pandemic, staff requests the Board review the annual increase schedule to determine if any modification to the schedule is needed.

CONTEXT

In June 2019, the Housing Board approved a rental increase schedule which calls for an annual increase to be assessed for all units at both complexes each October 1. In the schedule, which is based on an attempt to close the gap between current Housing Corporation rates and the County's low-income rates in their below-market rate (BMR) formula, resident rents are increased by varying amounts based on the size of their respective units. Below is a table of increase amounts for reference (last year and this year).

Unit Size	2019-2020 Monthly Rental Increase	2020-2021 Monthly Rental Increase
1-bedroom	\$71 (6.93% over prior year)	\$77 (7.06% over prior year)
2-bedroom	\$77 (6.07% over prior year)	\$85 (6.28% over prior year)
3-bedroom	\$52 (3% over prior year)	\$61 (3.4% over prior year)

IMPACT AT CAÑADA VISTA

Since July 2018, Cañada Vista residents have been receiving a \$150 monthly rental concession (through the duration of the construction) and the refunding of assessed fees for amenities (i.e. garage, view, etc.) that are unable to be used at various times during construction. This has resulted in as much as \$300 per month in concessions for some residents (though the average is \$200-\$250).

Last year, per the Housing Board's actions referenced above, the monthly rental rates were increased for all units. However, for Cañada Vista, the rates were increased but the increased rent was not collected (and will not be collected for that period) due to the construction. Residents at Cañada Vista were notified of this action last year and have paid no increased rental rates during this time, though their monthly rental rate has increased. Construction is anticipated to be completed in the coming months, at which time, the rental concessions will end and the resident rents will be adjusted to the increased 2019-2020 rates. Further, on October 1, 2020, an additional increase is due to be assessed per the schedule referenced above.

When last year's increases were implemented, the Housing Board allowed for an initial stair step approach where half of the increased monthly amount was collected for the first six months of the collection period

and the full amount was collected for the remaining six months of the collection period. This process was implemented at College Vista. As noted above, due to construction at Cañada Vista, this process was not implemented.

CONSIDERATIONS

Though there may be other options the Housing Board wishes to consider, staff offers the following three options for consideration of any possible modification the Board may wish to make to the annual rental increase schedule:

- **OPTION 1:** No modifications. Implement rental schedule as planned and approved in 2019. *(This would mean collecting the increase from 2019-2020 and for 2020-2021 on October 1 for Cañada Vista – or as soon as construction is finished.)*

- **OPTION 2:**
 - (A) Implement rental increase schedule as planned and approved for College Vista.
 - (B) Implement rental increase schedule for Cañada Vista with implementation of a stair stepped approach collecting rate set with in 2019 for the first six months of the collection period and then moving to the 2020-2021 rate for the remaining six months of the collection period. *(Example: if the unit rent was \$1,000 in 2018, the rate would then be \$1,071 per month (the 2019 rate) from October 1 – March 31, and then be \$1,148 per month (the 2020 rate) from April 1 – September 30.)*

- **OPTION 3:** Freeze the rental increase schedule for all residents (both College Vista and Cañada Vista) for one year and delay the 2020-2021 rate implementation until 2021-2022 and adjust the schedule of implementation by one year for the successive years.