

**San Mateo County Colleges
Educational Housing Corporation
Regular Meeting
May 9, 2016 3:00 P.M.
College Vista Clubhouse**

Notice about Public Participation at Board Meetings: The Housing Corporation Board welcomes public discussion. The public's comments on agenda items will be taken at the time the item is discussed by the Board. To comment on items not on the agenda, members of the public can speak under the agenda item titled "Public Comment." Normally, no more than 20 minutes will be allocated for this section of the agenda. No response on behalf of the Board will be given at this time and Board action is not permitted on items presented under this agenda item.

1. Call To Order
2. Public Comments
3. Approval of Minutes from February 23, 2016 meeting
4. Review of 2015/16 Budget/March 31 Actuals for College Vista and Cañada Vista
5. Approval of 2016-17 Budgets for College Vista and Canada Vista
6. Review Housing Occupancy and Waitlist Statistics
7. Approve Amended Housing Allocation Guidelines
8. Review Information on Payoff of Housing Debt
9. Board Members' Comments or Requests for Future Agenda Items
10. Next Meeting



**Educational Housing Corporation Board Meeting
February 23, 2016
College Vista Clubhouse
Minutes**

Attendees:	Absent:
Peggy Berlese	Art Michael, Vice President
Kathy Blackwood	Barbara Christensen
Kate Browne	
Maurice Goodman	Other Attendees:
Ron Granville (arrived at 3:40pm)	Ray Chow
Dennis McBride	Caryn Kenny
Annette Perot	Mike Kenny
Karen Schwarz	Gohar Momjian
	Ana Mozzetti
	Jan Phemester

Call to Order

The meeting was called to order at 3:32 p.m.

Ms. Blackwood said that Ms. Christensen is absent because her attendance is required at another meeting.

Introduction Of New Member Maurice Goodman and Distribution of new Board Roster

Ms. Blackwood welcomed Mr. Goodman to the meeting. He was appointed Director for the Educational Housing Corporation (EHC), replacing Ms. Miljanich. Mr. Goodman was recently elected to the Board of Trustees for San Mateo County Community College District (SMCCCD). A round of introductions was held. Ms. Blackwood pointed out that there is a new roster in the meeting packet. Members were asked to review the information and notify Ms. Christensen if changes are needed.

Gohar Momjian said she has been shadowing Ms. Christensen for approximately two months and has become familiar with the Educational Housing Corporation and the role of the Board.

Approval of Minutes from the June 15, 2015 Meeting

A motion was made by Mr. McBride and seconded by Ms. Browne to approve the minutes of the June 15, 2015 meeting. The motion passed with all members voting Aye.

Housing Board Reorganization: Election of President and Vice President/Secretary

Ms. Blackwood stated that it is necessary for EHC to elect a new President and Vice President/Secretary. She called for nominations or volunteers. A motion was made by Ms. Schwarz and seconded by Ms. Berlese to elect Mr. McBride to serve as President. The motion passed with all members voting Aye.

Ms. Blackwood called for nominations or volunteers for Vice President/Secretary. A motion was made by Ms. Berlese and seconded by Mr. Goodman to re-elect Mr. Michael to serve as Vice President/Secretary. The motion passed with all members voting Aye.

Review of Education Housing Corporation Audit

Mr. Chow reported that this will be the last year that the current auditor, Vavrinek, Trine, Day & Co., LLP, will be conducting the annual audit for SMCCCD.

Mr. Chow stated that the 2014-15 audit results were very good, with no findings or areas of non-compliance. This is the thirteenth consecutive year with no findings or audit adjustments. Mr. McBride said that having no findings in an audit is a phenomenal achievement. Ms. Blackwood attributed the success of the audit to the financial teams at the District and three Colleges working together. Mr. Chow recognized the entire team for the development and implementation of the internal controls and procedures.

Mr. Chow reviewed the Statements of Financial Position for EHC. He said that there are no fixed assets on the income statement because construction for the buildings came from GO bonds. Mr. Granville asked if the buildings are listed as an asset on the District balance sheet; Mr. Chow said they are.

Mr. Chow reviewed the "Statements of Activities." He said that in 2015, total revenues were \$1,522,064, operating expenses were \$411,957, and the amount transferred out to SMCCCD was \$1,107,000. Ms. Blackwood explained that the District originally issued a Certificate of Participation (COP) and then paid off the COP using general obligation bond money. The funds that are transferred out to SMCCCD go into the Capital Outlay Fund to fund additional capital projects, with some funds set aside for the maintenance reserve in anticipation of future maintenance costs.

Mr. Chow reviewed the Statements of Cash Flows. He said the cash and cash equivalents at the end of the year were \$150,804.

Review of 2015/16 Budget / December 31 Actuals: College Vista and Cañada Vista

Ms. Blackwood reported that Ms. Christensen said it is early in the year to present the proposed 2016-17 budget. She said Ms. Christensen set this meeting at an earlier date than usual because she will be retiring at the end of this month. In the unlikely event of significant changes in the remainder of the 2015-16 year, the proposed 2016-17 budget might need to be adjusted.

There was discussion regarding the roof leaks at Cañada Vista and the fact that the report indicates no funds were expended for legal fees as of December 31. It was reported that that no fees have been paid because testing is still ongoing. The District has an owner-insured insurance program through Zurich. The Facilities Department is managing this and will determine how much should be charged to Cañada Vista if any fees are due after the insurance settlement.

In response to a question regarding the Cañada Vista report showing no expenditures for property liability and Workers Compensation as of December 31, Mr. Chow said the information is not yet available and the District will charge for these items during the second half of the year. Regarding the College Vista report, it was noted that \$20,000 was budgeted for Maintenance/Repairs and only \$2,293 was spent as of December 31. It was reported that these expenses were assigned to more specific categories this year, e.g. appliance replacement and repair, heating repair and plumbing repair.

There was discussion about the need for better year-to-date information on expenditures in order to consider a proposed budget for the next year. It was stated that it would be helpful to be provided assumptions based on the prior year's expenditures. Ms. Blackwood said approval of the 2016-17 budgets can be deferred. She said she will bring back a more detailed explanation that will help with understanding assumptions and proposed changes. She will also bring more information about the insurance issue.

Approval of 2016-17 Budgets for College Vista and Canada Vista

This item was deferred and will be heard at the next meeting.

Approve Amended Housing Allocation Guidelines

Ms. Blackwood said that Ms. Christensen is proposing several changes to the eligibility requirements and priorities for faculty/staff housing. The first proposal is to change the ratio of faculty to classified staff to 45%/55% from the current 50%/50%. Ms. Blackwood said there has always been a higher demand for housing from classified staff than from faculty. She said it is recommended that the allocation be reviewed in the future and, if there are no significant changes in the number of full-time faculty on the waitlist, the ratio should be changed to the ratio of 40% faculty / 60% classified staff to match the current waitlist.

A motion was made by Ms. Berlese and seconded by Ms. Schwarz to change the housing allocation ratio to 45% faculty/55% classified staff.

Discussion included the manner in which units are currently allocated, with full-time faculty given first priority, followed by classified staff and then part-time faculty. It was also noted that the housing projects were intended to facilitate hiring and retain employees. It was reported that the number of positions that will be open for faculty vs. classified staff is not known at this time; however, there is currently not a problem with filling full-time faculty positions, particularly since many of those hired are current part-time faculty members. After this discussion, the motion to change the ratio to 45% faculty / 55% classified staff passed with all members voting Aye.

Ms. Blackwood said the second proposal would "exclude all Executives and Administrators at the AA through AC level (starting range from \$147,612 to \$189,708) from eligibility for housing except for special circumstances. Allow Administrators at the Dean and Director levels (AD-AF, starting range \$126,852 to \$140,700) to reside in the housing for four years only, which should be enough time for them to save to purchase a home. Also allow the person managing the wait list to make an exception to the policy if, for example, an Executive or AA-AC Administrator is being recruited from out of the area and needs a short period of time (6 months or less) to re-settle in the area."

Discussion points included:

- There was previously at least one administrator who resided in a unit for a specific period of time at below market rates and then stayed on and paid rent at market rate. Under the new proposal, this would not be allowed.
- It is believed that there is a maximum of three AD-AF administrators residing in units currently.
- There were two original purposes for the housing: (1) facilitate hiring and retention and (2) enable employees to save for a down payment on a home. Should take into consideration the difficulty of hiring administrators because of the high cost of living.
- Generally speaking, units are reserved for employees who are not homeowners, with an exception for employees who own a home outside the Bay Area and need time to re-settle.

- It is important to have guidelines, but the person managing the wait list should be allowed to use some discretion.

It was moved by Mr. Granville and seconded by Ms. Browne to include executives and administrators at the AA through AC levels with administrators at the AD through AF levels, allowing all executives and administrators to reside in the units for four years. It was suggested that four years might be considered by many employees to be too long for a highly-paid administrator to be allowed to reside in a unit. Following this discussion, the motion failed. It was then moved by Mr. Granville and seconded by Ms. Schwarz to accept the proposal as originally presented. Comments included the belief that while four years is too long to allow administrators to stay, six months does not allow enough time to re-settle in the area. It was also suggested that the separation of administrators into two groups does not make sense. Mr. Granville amended his motion to allow all eligible executives and administrators to reside in the units for no more than two years. After further discussion, it was decided without dissent that Ms. Momjian will review the Board's discussion with Ms. Christensen and seek her feedback. To this end, Mr. Granville rescinded his motion.

Ms. Blackwood said the third proposal is to remove the requirement to pick a tenant from a lower priority group in order to maintain the balance and always give priority to full time employees over part time employees.

A motion was made by Ms. Blackwood and seconded by Mr. Granville to accept the motion as written. It was noted that when a part-time faculty members falls out of eligibility, a full-time classified employee would have priority over another part-time faculty member under this proposal. Board members cautioned that this could skew the ratio of faculty to classified staff that was approved earlier. After this discussion the motion failed, with one member voting Aye, five members voting No, and one member abstaining.

Receive Information on the Skyline Housing Proposal

Ms. Momjian presented a brief update on the Skyline housing project. She said a conceptual site plan for the proposed residential development is included in the packet distributed for this meeting. The land, known as Parcel B, consists of eight acres and is located just south of College Road by the track. The District is proposing to sell six acres to a developer to build single family homes and to keep two acres to build apartments for faculty/staff housing.

Ms. Momjian said she, along with Ms. Christensen, met with the City of San Bruno Planning Commission and they seem to be very excited and enthusiastic about the project. The City of San Bruno would like the multi-family and the single housing project to be entitled as one project. They also suggested that the new residential development mirror the Marisol Development.

Ms. Momjian said the current plan is to build 28 apartment units. She said the new apartments, combined with significant occupancy turnover expected in 2018-19, should reduce the names on the waitlist.

Review Information on Payoff of Housing Debt

Ms. Blackwood reviewed the San Mateo Staff Housing Debt report as of December 31, 2015. She reported that the College Vista construction debt is 44.023% paid off and Canada Vista is 23.48% paid off. Funds are put in reserve each year; the amounts are based on the Tower Maintenance Study. These funds are put in the Capital Outlay Fund and are earmarked for Cañada Vista and College Vista.

Board Members' Comments or Requests for Future Agenda Items

Ms. Blackwood said the budget and proposal on allocations will be brought back to the next meeting. Ms. Schwarz requested more information on the current ratios for the allocation of housing units. Ms. Momjian said she will prepare a matrix showing both current residents and employees on the wait list.

Public Comments

None

Next Meeting

Staff will email the Housing Board to determine the best date for the next meeting.

Adjournment

The meeting was adjourned by consensus at 5:33 p.m.

SMCC Educational Housing Corporation
College Vista

Budget Vs Actual for 2015-16

	Budget	9 months Budget	Actual 2015-16 (Mar 31 2016) Year to Date	Budget Variance Favorable (Unfavorable)	Proposed Budget 2016-17
Operation Revenues					
Club House Rental	1,000	750	1,150	400	1,000
Interest	200	150	106	(44)	-
Rent	580,000	435,000	448,496	13,496	598,000
Total Operation Revenues	581,200	435,900	449,751	13,851	599,000
Operation Expenses					
Property Administration					
Property Management	27,450	20,588	18,304	2,284	27,450
Resident Management Fee	7,200	5,400	5,419	(19)	7,200
Supplies	400	300	59	241	1,000
Insurance					
General Liability (clubhouse included)	1,200	900	988	(88)	1,200
Property Liability	3,000	2,250	2,509	(259)	3,000
Worker Compensation	2,500	1,875	2,500	(625)	2,500
Audit & Accounting	400	300	400	(100)	400
Bank Charges	75	56	100	(44)	75
Legal & Professional	300	225	-	225	1,000
Office Supplies	-	-	245	(245)	200
Taxes & License	300	225	80	145	160
Total Property Administration	42,825	32,119	30,605	1,513	44,185
Service Maintenance					
Appliance Repair	5,000	3,750	2,082	1,668	5,000
Cleaning	1,500	1,125	1,445	(320)	2,500
Dryer Vent cleaning (annual)	4,400	3,300	4,180	(880)	4,400
Electrical Repair	2,500	1,875	2,055	(180)	3,000
Fire Alarm System/Monitoring	2,400	1,800	4,997	(3,197)	14,500
Flooring Repair/Replacement	20,000	15,000	16,838	(1,838)	15,000
Garage Door Repair	1,200	900	1,345	(445)	1,500
Gutters	1,700	1,275	1,700	(425)	1,700
Heating Repair	2,000	1,500	3,150	(1,650)	4,000
Maintenance General	20,000	15,000	4,627	10,373	5,000
Painting & Decorating	20,000	15,000	14,900	100	15,000
Plumbing Repair	10,000	7,500	1,423	6,077	5,000
Window Washing (annual)	2,800	2,100	-	2,100	2,800
Total Service Maintenance	93,500	70,125	58,741	11,384	79,400
Monthly Services					
ADT (monitoring)	1,900	1,425	1,465	(40)	-
Garbage	11,000	8,250	7,860	390	10,900
Internet/Cable	400	300	696	(396)	1,400
Landscape/Gardening	12,000	9,000	8,526	474	15,000
Pest Control	1,800	1,350	1,274	76	1,800
PG & E	23,000	17,250	13,253	3,997	18,400
Telephone	3,400	2,550	2,550	0	-
Water Grounds & Tenants	18,000	13,500	14,539	(1,039)	21,600
Total Utilities	71,500	53,625	50,163	3,462	69,100
Total Operation Expenses	207,825	155,869	139,509	16,360	192,685
Net Operation Profit/(Loss)	373,375	280,031	310,242	30,211	406,315
Other Financial Uses					
Transfer to District	270,000	202,500	242,050	(39,550)	310,000
Transfer to Capital Reserve	87,000	65,250	67,000	(1,750)	95,000
Total Other Financial Sources/Uses	357,000	267,750	309,050	(41,300)	405,000
Excess of Revenues Over Expenditures and Other Sources	16,375	12,281	1,192	(11,089)	1,315
Vacancy Factor (reflected in rents)	(6,000)	(4,500)	(2,224)	2,276	(6,000)

SMCC Educational Housing Corporation
College Vista Income Statement
For the Nine Months Ending March 31, 2016

	Current Month		Year to Date	
Revenues				
Rental Income - Kenny- College	\$ 0.00	0.00	\$ 49,109.82	10.92
Rental Inc.- SMCCD - College	52,345.00	99.81	399,385.86	88.80
Club House Rental - Kenny Coll	100.00	0.19	1,150.00	0.26
Investment Income - College	0.00	0.00	105.62	0.02
Total Revenues	52,445.00	100.00	449,751.30	100.00
Expenses				
Accounting -College	400.00	0.76	400.00	0.09
Alarm Monitoring -College	0.00	0.00	1,464.67	0.33
Bank Charges - College	0.00	0.00	100.00	0.02
Cable Service - College	0.00	0.00	696.24	0.15
Insurance - Gen.Liab-College	988.26	1.88	988.26	0.22
Insurance - Worker Comp Colleg	2,500.00	4.77	2,500.00	0.56
Insurance - Property -College	2,509.08	4.78	2,509.08	0.56
Taxes & Licenses - College	80.00	0.15	80.00	0.02
Landscaping - College	(953.50)	(1.82)	8,525.75	1.90
Laundry & Cleaning - College	0.00	0.00	1,445.00	0.32
Maintenance Gen - College	100.00	0.19	4,626.66	1.03
Maint -Fire Prev College	0.00	0.00	4,996.87	1.11
Mainenance - Chimney College	0.00	0.00	4,180.00	0.93
Maintenance - Gutters College	0.00	0.00	1,700.00	0.38
Management Fee- College	0.00	0.00	18,304.00	4.07
Resident Manager-College	600.00	1.14	5,419.20	1.20
Painting & Decorating -College	400.00	0.76	14,900.00	3.31
Pest Control - College	127.49	0.24	1,274.29	0.28
Printing - College	245.28	0.47	245.28	0.05
Repairs - Appliances- College	0.00	0.00	2,082.04	0.46
Repairs - Flooring - College	0.00	0.00	16,837.80	3.74
Repair- Heating- College	0.00	0.00	3,149.64	0.70
Repair - Plumbing College	270.00	0.51	1,423.00	0.32
Repair - Electrical College	0.00	0.00	2,054.66	0.46
Repairs - Garage Dr. College	185.00	0.35	1,345.00	0.30
Replacement -Appliance College	(4,124.17)	(7.86)	0.00	0.00
Supplies - College	0.00	0.00	59.45	0.01
Telephone - College	306.29	0.58	2,549.65	0.57
Utilities - Elect/Gas -College	1,476.22	2.81	13,253.11	2.95
Utilities - Water-College	(728.90)	(1.39)	14,539.52	3.23
Utilities - Trash - College	846.02	1.61	7,860.33	1.75
Transfer - SMCCD- College	(1,530.83)	(2.92)	242,049.49	53.82
Transfer -Capital Res.-College	0.00	0.00	67,000.00	14.90
Total Expenses	3,696.24	7.05	448,558.99	99.73
Net Income	\$ 48,748.76	92.95	\$ 1,192.31	0.27

SMCC Educational Housing Corporation
College Vista Balance Sheet
March 31, 2016

ASSETS

Current Assets		
EWB 8619002655 -College	\$	16,088.54
Trust - College Vista		7,176.79
Advance Transfer - College		<u>52,000.00</u>
 Total Current Assets		 75,265.33
 Property and Equipment		 <u> </u>
Total Property and Equipment		0.00
 Other Assets		 <u> </u>
Total Other Assets		<u>0.00</u>
 Total Assets		 <u><u>\$ 75,265.33</u></u>

LIABILITIES AND FUND BALANCE

Current Liabilities		
Payable Kenny- College	\$	4,124.17
Security Dep- College		<u>56,185.00</u>
 Total Current Liabilities		 60,309.17
 Long-Term Liabilities		 <u> </u>
Total Long-Term Liabilities		<u>0.00</u>
 Total Liabilities		 60,309.17
 Fund Balance		
Retained Earnings - College		13,763.85
Net Income		<u>1,192.31</u>
 Total Fund Balance		 <u>14,956.16</u>
 Total Liabilities & Fund Balance		 <u><u>\$ 75,265.33</u></u>

Operation Revenue

Clubhouse Rental – No changes expected.

Interest – Has been eliminated. Payroll deduction rental payments are now being deposited directly into a non-interest bearing SMCCCD account, rather than a separate account. This change will simplify the management process; the interest was nominal.

Rent – With vacancies, rents were slightly increased when new residents moved in. Incoming new residents paid on average \$1000 for one bedroom; \$1300 for two bedroom; \$1700 for three bedroom. There were 8 units which turned over in the past nine months.

Operation Expenses

Property Administration

Property Management – No changes expected.

Resident Management fee – No changes expected.

Supplies – Incorporates paper products, and other cleaning supplies for the clubhouse and grounds, doggie bags for common area, etc. Slight increase to allow for an increase in needed supplies.

Insurance

General Liability (annual) – Based on 2015-16 expense. Budget amount remains same.

Property Liability – Based on 2015-16 expense. Budget amount remains same.

Workers Compensation (annual) – No changes expected.

Clubhouse Liability (TULIP; annual) – Not included in the budget for College Vista –Cañada Vista has this coverage due to higher volume usage of the Cañada Vista Clubhouse.

Audit & Accounting – Based on 2015-16 expense. No changes expected. Budget amount remains same.

Bank Charges – Maintained same budget as prior year as safeguard, however intend to change account/bank so that there will be no bank charges in future.

Legal & Professional – The District retains legal counsel which is available to assist with anything related to College Vista and Cañada Vista. \$1,000 has been budgeted for ongoing legal counsel.

Office Supplies- Includes cost for checks ordered by Kenny Realty.

Tax and License – These are corporation fees paid annually to the State of California.

Service Maintenance

Appliance Repair – As the building reached its 10th year, many appliances have needed repair.

Cleaning / Carpet– This factors general cleaning and carpet cleaning in vacant units and the clubhouse. A light cleaning is typically required after vacancy work is completed. Vacating residents are charged if the cleaning is considered a security deposit issue.

Dryer Vent Cleaning –The vents connected to all of the dryers inside the units are cleaned annually. No changes expected.

Electrical Repair –Electrical repairs are slightly increased for the replacement of light fixtures and ballast repairs.

Fire Alarm System – Please refer to enclosed “Exhibit 1” for additional information and details.

Flooring Replacement / Repair –Many original College Vista residents exhausted their nine year-limit in 2015. As the number of expected vacancies for 2016/2017 decreases, so should the expected flooring expenses. In many cases, vinyl flooring will also expect to need replacement as the units become vacant.

Garage Door Repair –Slight increase due to repairs anticipated for the motors, transmitters, and key switches.

Gutter Cleaning – The gutters are cleaned annually. No changes expected.

Heating Repair – Heating has been increased due to actual expenses and anticipated heater repairs/ replacement.

Maintenance Repair –In previous years, the “Maintenance” line item has incorporated electrical, plumbing, heating, and painting expenses- which now are all individually broken down. The amount budgeted for 2016-2017 is slightly decreased based on Actual year to date expenses and the distribution of expenses to the other categories.

Painting & Decorating – Slight decrease due to the reduced number of expected vacancies in the upcoming year. Actual decorating expenses include refinishing side tables within the clubhouse.

Plumbing Repair – Significant decrease due to actual year to date expenses and allocation of garbage disposals to the “appliances” category.

Window Washing – The exterior of the windows throughout the building are washed annually. No changes expected.

Monthly Expenses

ADT (monitoring) –Please refer to enclosed “Exhibit 1” for additional information and details.

Garbage – No changes expected. Approximately \$800 is budgeted to remove abandoned debris from the garbage area.

Internet/Cable – Increased due to a new Wi-Fi system ordered for the Clubhouse and increase in cable expense.

Landscape/ Gardening – Monthly fees are \$805. Extra funds are budgeted to allow for shrub/ plant replacement and projects, as needed.

Pest Control – There is a monthly pest control service for the building. No changes expected.

PG&E – Slight decrease due to reduction in Actual expense, which is about \$1,500 per month.

Telephone – Please refer to enclosed “Exhibit 1” for additional information and details.

Water Grounds, District Office, & Tenants - Increased due to higher water fees.

Other Financial Uses:

Transfer to District – Funds repaid to District.

Transfer to LT (Long-Term) Capital Reserve – LT capital reserve is used to pay for College and Canada Vista’s infrastructure and major maintenance projects.

College Vista "EXHIBIT 1"

VENDORS

The fire alarm system is comprised of multiple components which require quarterly and or annual inspections to certify their proper function.

Currently for College Vista, multiple vendors collectively service the system. The amount budgeted is higher for 2016/2017 due to two components which were not completed -or budgeted for-in 2015/2016.

OPTION 1: Continue with the multiple vendors, as they are.

OPTION 2: Transfer the inspections and service under one vendor, Tyco/ ADT so they are responsible for everything from the daily monitoring to the fire alarm test.

A proposal from Tyco/ADT has been received for \$9,670 to service the entire Fire Alarm system, Additional repairs beyond the monthly, quarterly, and annual requirements are very costly and not included in the proposals.

OPTION 3: A proposal from Siemens to take over the monitoring and a portion of the inspections has been received for \$5,862. This estimate does not include all of the service components which collectively would be higher than Tyco/ ADT's proposal.

PHONE LINES VS. WIRELESS

The current alarm system uses multiple landlines, to connect to the monitoring station; the expenses are about \$3,400 per year. The landlines are often in need of repair.

OPTION A: To continue with the standard AT&T phones lines, factoring about \$3,400 into the budget.

OPTION B: To convert the existing landline system to a wireless system, eliminating the expenditure for the monthly AT&T bills. The initial conversion, programming, and material would result in a one-time charge of approximately \$3,000.

RECOMMENDATION: Staff recommends converting to Tyco/ADT so that all services will be provided by one vendor, in addition to converting to the wireless system which eliminates the annual AT&T cost in future years.

College Vista Fire Alarm Analysis

	Current Cost	Current Vendor	Proposal from Tyco	Proposal from Siemen's*	Comparable Cost from another vendor*
Monitoring	\$ 1,278	Tyco	\$ 840	Included	
Extinguisher	\$ 400	Ace Fire	\$ 280	Not Included	\$ 280
Fire Alarm Test / Inspection (1)			\$ 4,795	Included	
Sprinkler Test / Inspect (Wet)	\$ 500	LPM	\$ 2,480	Included	
Emergency Exit Lights (2)			\$ 620	Not Included	\$ 620
Spinkler Test (Hydrant)	\$ 500	LPM	\$ 305	Included	
Annual Proposal	\$ 2,678		\$ 9,320	\$ 5,862	\$ 6,762
One Time - Initial cost	\$ -	\$ -	\$ 350		
Subtotal	\$ 2,678		\$ 9,670	\$ 5,862	\$ 6,762

Items were not being performed that should have been:

Fire Alarm Test / Inspection (1)	\$ 4,795
Emergency Exit Lights (2)	\$ 620

Comparable Total	\$ 8,093		\$ 9,670	\$ 5,862	\$ 6,762
2016 / 2017 Phone Line	\$ 3,400	AT&T	\$ 3,400	\$ 3,400	\$ 3,400
One Time - Initial cost			\$ (350)		
Total Ongoing Cost	\$ 11,493		\$ 12,720	\$ 9,262	\$ 10,162

Actions to take to reduce costs

One timecost of \$3,500 to convert to Wifi.

Annual costs before conversion	\$ 11,493		\$ 12,720	\$ 9,262	\$ 10,162
One time Wifi Installation	\$ 3,500		\$ 3,500	\$ 3,500	\$ 3,500
2016 / 2017 Phone Line	\$ (3,400)		\$ (3,400)	\$ (3,400)	\$ (3,400)
2016/2017 Budget Total	\$ 11,593		\$ 12,820	\$ 9,362	\$ 10,262

Next year it would be \$3,500 less since one time Wifi installation is done.

RECOMMENDATION: Staff recommends converting to Tyco/ADT so that all services will be provided by one vendor, in addition to converting to the wireless system which eliminates the annual AT&T cost in future years.

* Siemen's does not provide all services, thus for total budget comparison purposes we included a comparable cost from another vendor.

SMCC Educational Housing Corporation
Canada Vista
Budget Vs Actual for 2015-16

	Budget	9 months Budget	Actual 2015-16	Budget Variance	Proposed Budget
	2015-16	Year to Date	(Mar 31 2016) Year to Date	Favorable (Unfavorable)	2016-17
Operation Revenues					
Club House Rental	5,000	3,750	4,431	681	5,000
Club House Liab. Insurance	3,500	2,625	1,400	(1,225)	2,000
Interest	500	375	183	(192)	-
Rent	918,000	688,500	668,957	(19,543)	891,000
Total Operation Revenues	927,000	695,250	674,972	(20,278)	898,000
Operation Expenses					
Property Administration					
Property Management	37,500	28,125	24,960	3,165	37,500
Resident Management Fee	8,500	6,375	6,381	(6)	8,500
Supplies	350	263	452	(190)	1,000
Insurance					
Clubhouse Liability (TULIP)	1,200	900	3,000	(2,100)	3,000
General Liability	1,200	900	2,756	(1,856)	1,400
Property Liability	3,000	2,250	3,465	(1,215)	3,500
Workers Compensation	2,500	1,875	2,500	(625)	2,500
Audit & Accounting	400	300	400	(100)	400
Bank Charges	15	11	-	11	15
Legal & Professional	50,000	37,500	-	37,500	1,000
Office Supplies			245	(245)	200
Tax and License	300	225	306	(81)	310
Total Property Administration	104,965	78,724	44,465	34,258	59,325
Service Maintenance					
Appliance Repair	5,000	3,750	4,272	(522)	5,000
Cleaning	2,000	1,500	3,615	(2,115)	2,500
Dryer Vent cleaning (annual)	5,950	4,463	-	4,463	5,950
Electrical Repair	3,000	2,250	1,705	545	3,000
Fire Alarm System/Monitoring	1,000	750	453	297	14,500
Flooring Replacement/ Repair	12,000	9,000	14,450	(5,450)	15,000
Garage Door Repair	1,000	750	465	285	1,000
Gutters Cleaning	2,000	1,500	1,900	(400)	-
Heating Repair	1,000	750	196	554	1,000
Maintenance General	25,000	18,750	14,012	4,738	10,000
Painting & Decorating	17,000	12,750	16,151	(3,401)	17,000
Plumbing Repair	5,000	3,750	3,707	43	7,500
Window Washing (annual)	4,000	3,000	-	3,000	4,000
Total Service Maintenance	83,950	62,963	60,925	2,037	86,450
Monthly Services					
Garbage	20,000	15,000	16,078	(1,078)	22,300
Internet/Cable	550	413	403	9	550
Landscape/Gardening	15,000	11,250	10,161	1,089	15,000
Pest Control	4,700	3,525	1,757	1,768	4,400
PG & E	16,000	12,000	13,115	(1,115)	18,200
Telephone	2,300	1,725	2,510	(785)	-
Sinawest (monitoring)	3,500	2,625	3,343	(718)	-
Water Grounds and Clubhouse	5,000	3,750	2,817	933	7,000
Water reimb. to tenants	-	-	13,211	(13,211)	-
Total Utilities	67,050	50,288	63,395	(13,108)	67,450
Total Operation Expenses	255,965	191,974	168,786	23,188	213,225
Net Operation Profit/(Loss)	671,035	503,276	506,186	2,910	684,775
Other Financial Uses					
Transfer to District	528,000	396,000	385,924	10,076	563,000
Transfer to LT Capital Reserve	120,000	90,000	120,000	(30,000)	120,000
Total Other Financial Sources/Uses	648,000	486,000	505,924	(19,924)	683,000
Excess of Revenues Over Expenditures and Other Sources	23,035	17,276	262	(17,014)	1,775
Vacancy Factor (reflected in rents)	(3,000)	(2,250)	(2,353)	(103)	(3,000)

SMCC Educational Housing Corporation
Canada Vista Income Statement
For the Nine Months Ending March 31, 2016

	Current Month		Year to Date	
Revenues				
Rental Income.- Kenny- Canada	\$ 620.00	0.82	\$ 67,362.27	9.98
Rental Inc. - SMCCD-Canada	75,402.66	99.18	601,595.10	89.13
Club House Rental - SMCCD-Can	0.00	0.00	4,431.25	0.66
Club House Ins. Reimb.- Canada	0.00	0.00	1,400.00	0.21
Investment Income - Canada	<u>0.00</u>	<u>0.00</u>	<u>182.83</u>	<u>0.03</u>
Total Revenues	<u>76,022.66</u>	<u>100.00</u>	<u>674,971.45</u>	<u>100.00</u>
Expenses				
Accounting -Canada	400.00	0.53	400.00	0.06
Alarm Monitoring - Canada	835.68	1.10	3,342.72	0.50
Cable Service - Canada	46.25	0.06	403.17	0.06
Insurance - Gen.Liab- Canada	1,364.74	1.80	2,756.34	0.41
Ins - ClubHouse (TULIP) Canada	3,000.00	3.95	3,000.00	0.44
Insurance - Worker Comp Canada	2,500.00	3.29	2,500.00	0.37
Insurance - Property -Canada	3,464.92	4.56	3,464.92	0.51
Taxes & Licenses - Canada	80.00	0.11	306.00	0.05
Landscaping - Canada	989.00	1.30	10,161.34	1.51
Laundry & Cleaning - Canada	450.00	0.59	3,615.00	0.54
Maintenance Gen - Canada	0.00	0.00	17,111.51	2.54
Maint - Fire Prev Canada	0.00	0.00	452.89	0.07
Maintenance - Gutters Canada	0.00	0.00	1,900.00	0.28
Management Fee- Canada	0.00	0.00	24,960.00	3.70
Resident Manager-Canada	709.00	0.93	6,381.00	0.95
Painting & Decorating - Canada	0.00	0.00	16,150.70	2.39
Pest Control - Canada	195.27	0.26	1,757.43	0.26
Printing - Canada	245.28	0.32	245.28	0.04
Repairs - Appliances- Canada	0.00	0.00	4,271.73	0.63
Repairs - Flooring - Canada	0.00	0.00	14,450.08	2.14
Repair -Heating Canada	0.00	0.00	195.55	0.03
Repair - Plumbing Canada	150.00	0.20	3,707.00	0.55
Repair - Electrical Canada	210.50	0.28	1,705.45	0.25
Repairs - Garage Dr. Canada	145.00	0.19	465.00	0.07
Replacement - Appliance Canada	(5,871.26)	(7.72)	0.00	0.00
Supplies - Canada	0.00	0.00	452.20	0.07
Telephone - Canada	667.56	0.88	2,510.18	0.37
Utilities - Elect/Gas - Canada	1,471.73	1.94	13,114.50	1.94
Utilities - Water- Canada	0.00	0.00	12,928.24	1.92
Utilities - Trash - Canada	1,577.40	2.07	16,077.79	2.38
Transfer - SMCCD- Canada	1,204.99	1.59	385,924.42	57.18
Transfer -Capital Res.- Canada	<u>0.00</u>	<u>0.00</u>	<u>120,000.00</u>	<u>17.78</u>
Total Expenses	<u>13,836.06</u>	<u>18.20</u>	<u>674,710.44</u>	<u>99.96</u>
Net Income	<u>\$ 62,186.60</u>	<u>81.80</u>	<u>\$ 261.01</u>	<u>0.04</u>

SMCC Educational Housing Corporation
Canada Vista Balance Sheet
March 31, 2016

ASSETS

Current Assets		
EWB 8619002671 -Canada	\$	20,164.57
Trust - Canada Vista		7,148.82
Advance Transfer - Canada		<u>70,000.00</u>
 Total Current Assets		 97,313.39
Property and Equipment		
 Total Property and Equipment		 0.00
Other Assets		
 Total Other Assets		 <u>0.00</u>
 Total Assets		 <u><u>\$ 97,313.39</u></u>

LIABILITIES AND FUND BALANCE

Current Liabilities		
Payable Kenny- Can	\$	5,802.33
Security Dep- Canada		<u>84,680.00</u>
 Total Current Liabilities		 90,482.33
Long-Term Liabilities		
 Total Long-Term Liabilities		 <u>0.00</u>
 Total Liabilities		 90,482.33
Fund Balance		
Retained Earnings - Canada		6,570.05
Net Income		<u>261.01</u>
 Total Fund Balance		 <u>6,831.06</u>
 Total Liabilities & Fund Balance		 <u><u>\$ 97,313.39</u></u>

Operation Revenue

Clubhouse Rental – No changes expected.

Clubhouse Liability Insurance – Income is less due to discounts the District provides to District partners and other non-profits.

Interest – Has been eliminated. Payroll deduction rental payments are now being deposited directly into a non-interest bearing SMCCCD account, rather than a separate account. This change will simplify the management process; the interest was nominal.

Rent – The 2015-16 budget was overstated. Proposed budget is based on actual revenue to date and expected for rest of year. Ten units were turned over during the fiscal year resulting in periods of vacancy for cleaning, and lapses in time between residents moving out and in causes loss of revenue.

Operation Expenses

Property Administration

Property Management – No changes expected.

Resident Management fee – No changes expected.

Supplies – Incorporates paper products, and other cleaning supplies for the clubhouse and grounds, doggie bags for common area, etc. Slight increase to allow for an increase in needed supplies.

Insurance

Clubhouse Liability (TULIP; annual) – Increased budget due to an actual cost increase; one-time payment.

General Liability (annual) – Year to date includes prior year's payment; slight increase in budget to cover expected one year payment.

Property Liability – Increased budgeted amount based on actual year to date expense.

Workers Compensation (annual) – One-time payment same as 2015-16.

Audit & Accounting – No changes expected.

Bank Charges – No changes expected.

Legal & Professional – The District retains legal counsel which is available to assist with anything related to College Vista and Cañada Vista. The legal expenses for the construction defects and related investigations were budgeted in 2015/2016 but are currently being paid for by the District. The District's legal and investigative expenses are expected to be covered by the insurance company. The \$1,000 budgeted for 2016/2017 are for incidentals.

Office Supplies- Includes cost for checks ordered by Kenny Realty.

Tax and License – These are corporation fees paid annually to the State of California and a fee for San Mateo County.

Service Maintenance

Appliance Repair – As the building reached its 5th year, many appliances needed repair.

Cleaning / Carpet – This factors general cleaning and carpet cleaning in vacant units and the clubhouse. A light cleaning is typically required after vacancy work is completed. Vacating residents are charged if the cleaning is considered a security deposit issue.

Dryer Vent Cleaning –The vents connected to all of the dryers inside the units are cleaned annually. No changes expected.

Electrical Repair – No changes expected.

Fire Alarm System – Please refer to enclosed “Exhibit 1” and accompanying Fire Alarm Analysis spreadsheet for additional information and details.

Flooring Replacement / Repair – There is a significant increase in flooring expenses due to unexpected vacancies, some of which have vacated after becoming homeowners. After five years, the carpet has shown wear and these improvements were necessary during tenant turnover.

Garage Door Repair – No changes expected. Repairs are anticipated for the motors, transmitters, and key switches.

Gutter Cleaning –The gutters were cleaned in January 2016. Considering the distance between trees and the building’s gutters, we will put “gutter cleaning” on the budget biennially, as needed.

Heating Repair – No changes expected.

Maintenance General –In past years, the “Maintenance” line item has incorporated electrical, plumbing, and painting expenses which now are all individually broken down. The amount budgeted for 2016-2017 is decreased based on Actual year to date expenses and the distribution to the other categories.

Painting & Decorating – Units that unexpectedly became vacant increased the actual painting expense. There is an increase in budget, anticipating a similar amount of vacancies. Slight increase in actual expense due to replacement of bar stools in the clubhouse.

Plumbing Repair – Cañada Vista has 61 individual water heaters. Slight increase in budget due to anticipated water heater and other plumbing repairs.

Window Washing – No changes expected. On regular annual schedule.

Monthly Services

Garbage – Slight Increase due to expenses. Some extra budgeted to remove abandoned debris which often appears in the garbage area. Based on actual to date, budget increase of 4% for 2016-17.

Internet/Cable – No changes expected.

Landscape – No changes expected. Starting January 1st, 2016 monthly fees were raised to \$989, which is still within existing budget.

Pest Control – Slight decrease based on actual expense.

PG & E – Slight increase due to rising costs. Based on actual to date, budget increase of 4% for 2016-17.

Telephone – Please refer to enclosed “Exhibit 1” for additional information and details.

Signawest (monitoring) – Please refer to enclosed “Exhibit 1” for additional information and details.

Water Grounds and Clubhouse & Water Reimbursement to Tenants - At Cañada Vista, water usage for Cañada Vista apartments and Cañada College are under one meter/ bill from the city of Redwood City. To bill each Cañada Vista resident for their usage, submeters were installed during construction and Utilities Management Company was contracted to monitor the meters and bill the residents accordingly. After a few residents questioned the amounts they were being billed and UMC was not able to provide an explanation, the submetering services were switched to Guardian Water & Power. They were asked to audit the meters for accuracy. During this auditing process, we were notified that some residents had incorrectly been billed for their water usage. The current and previous residents who were overbilled were issued a one-time refund from the Cañada Vista operating account. The proposed budget for the regular ongoing Water Grounds and Clubhouse is based on an increased amount of the 2015-16 budget and is simply a best estimate once the submetering issue is resolved. The irrigation meter appears to be reading properly and was most recently averaging \$35 monthly. The clubhouse meter is still having an issue and they are going out for repairs soon. \$7,000 seems to be on the high side for water, but we won't be certain until we confirm the actual usage.

Fire Alarm System – Please refer to enclosed “Exhibit 1” for additional information and details.

Other Financial Uses:

Transfer to District – Funds repaid to District.

Transfer to LT (Long-Term) Capital Reserve – LT capital reserve is used to pay for College and Canada Vista’s infrastructure and major maintenance projects.

Cañada Vista "EXHIBIT 1"

VENDORS

The fire alarm system is comprised of multiple components which require quarterly and or annual inspections to certify their proper function.

Currently for Cañada Vista, multiple vendors collectively service the system.

OPTION 1: Continue with the multiple vendors, as they are.

OPTION 2: Transfer the inspections and service under one vendor, Tyco/ ADT so they are responsible for everything from the daily monitoring to the fire alarm test.

A proposal from Tyco/ADT has been received for \$7,877, factoring an additional cost of \$600 to transfer the service.

Additional repairs beyond the monthly, quarterly, and annual requirements are very costly and not included in the proposals.

OPTION 3: A proposal from Siemens to take over the monitoring and a portion of the inspections has been received for \$9,462. This estimate does not include all of the service components which collectively would be higher than Tyco/ ADT's proposal.

PHONE LINES VS. WIRELESS

The current alarm system uses multiple landlines, to connect to the monitoring station; the expenses are about \$3,800 per year. The landlines are often in need of repair.

OPTION A: To continue with the standard AT&T phones lines, factoring about \$3,800 into the budget.

OPTION B: To convert the existing landline system to a wireless system, eliminating the expenditure for the monthly AT&T bills. The initial conversion, programming, and material would result in a one-time charge of approximately \$3,500.

The Budget will be revised accordingly, after the Board's decision regarding fire alarm and telephone changes.

RECOMMENDATION: Staff recommends converting to Tyco/ADT so that all services will be provided by one vendor, in addition to converting to the wireless system which eliminates the annual AT&T cost in future years.

Cañada Vista Fire Alarm Analysis

	Current Cost	Current Vendor	Proposal from Tyco	Proposal from Siemen's*	Comparable Cost from another vendor*
Monitoring	\$ 660	Signawest	\$ 420	Included	
Extinguisher	\$ 452	Ace Fire	\$ 300	Not included	\$ 300
Fire Alarm Test / Inspection	\$ 2,683	Signawest	\$ 3,980	Included	
Sprinkler Test / Inspect (Wet)	\$ 1,895	Tyco	\$ 1,585	Included	
Emergency Exit Lights	\$ 629	Tyco	\$ 693	Not included	\$ 693
Spinkler Test (Hydrant)	\$ 299	Tyco	\$ 299	Not included	\$ 299
Annual	\$ 6,618		\$ 7,277	\$ 8,582	\$ 9,874
2016/2017 Phone Line	\$ 3,780	AT&T	\$ 3,780	\$ 3,780	\$ 3,780
One Time - Initial cost			\$ 600	\$ 880	\$ 880
2016/2017 Budget Total	\$ 10,398		\$ 11,657	\$ 13,242	\$ 14,534
One Time - Initial cost	\$ -		\$ (600)	\$ (880)	\$ (880)
Total Ongoing Costs	<u>\$ 10,398</u>		<u>\$ 11,057</u>	<u>\$ 12,362</u>	<u>\$ 13,654</u>

One time cost of \$3,500 to convert to Wifi.

Annual costs before conversion	\$ 10,398		\$ 11,657	\$ 13,242	\$ 14,534
Conversion Costs	\$ 3,500		\$ 3,500	\$ 3,500	\$ 3,500
2016 / 2017 Phone Line	<u>\$ (3,780)</u>		<u>\$ (3,780)</u>	<u>\$ (3,780)</u>	<u>\$ (3,780)</u>
2016/2017 Budget Total	<u>\$ 10,118</u>		<u>\$ 11,377</u>	<u>\$ 12,962</u>	<u>\$ 14,254</u>

Next year it would be \$3,500 less since one time Wifi installation is done.

RECOMMENDATION: Staff recommends converting to Tyco/ADT so that all services will be provided by one vendor, in addition to converting to the wireless system which eliminates the annual AT&T cost in future years.

* Siemen's does not provide all services, thus for total budget comparison purposes we included a comparable cost from another vendor.

Memorandum

To: SMCC Educational Housing Corporation Board

From: Gohar Momjian

Re: Proposed 2016 Allocation of Housing Units for SMCCCD Faculty and Staff

Please see attached the proposed 2016 Allocation Guidelines. The document is marked up using tracked changes. During our February 23, 2016 meeting, the Board discussed several options in revising the guidelines to best serve the employees of the District. After much discussion as reflected in the minutes, the Board requested that I confer with Barbara Christensen regarding changes. The attached document reflects Ms. Christensen's proposed changes to provide guidance in managing the allocation of housing units for faculty and staff.

In addition, to help inform our discussion, per the Board's request please see attached two documents which provide background information on the current residents, waitlist, and expected vacancies. The documents are titled:

- 1) San Mateo County Community College District Workforce Housing Update
 - a. Table A: Current Residents as of 2/24/16
 - b. Table B: Wait List Employees as of 2/24/16
 - c. Table C: Expected Vacancies of 2/24/16
- 2) Waitlist – Adjunct Faculty Load History

I hope you find the documents satisfactory in form and content.

Thank you.

Table A: Current Residents as of 2/24/16

	College Vista	Canada Vista	Total # of Residents	% of Residents
Faculty (full-time)	15	18	33	31%
Faculty (adjunct)	5	6	11	11%
Classified Staff	23	35	58	56%
Administrators	1	1	2	2%
TOTAL	44	60	104	100%

Table B: Wait List Employees as of 2/24/16

	Total # of employees	% of employees
Faculty (full-time)	9	10%
Faculty (adjunct)	19	20%
Classified Staff	63	67%
Administrators	3	3%
TOTAL	94	100%

Notes:

- 10 current residents are requesting change in unit type or location

Table C: Expected Vacancies as of 2/24/16

Year	Expected Number of Units Available
2016	3
2017	6
2018	2
2019	27
2020	23
2021	16
2022	22

Waitlist - Adjunct Faculty Load History (as of 3/1/16)

Name	Fall '13	Spring '14	SU 14	Fall '14	Spring '15	SU 15	Fall '15	Spring 16	AVERAGE LOAD	Eligibility
Adjunct Faculty Member	0.40	0.53		0.73	0.53		0.83	1.17	0.70	Qualify
Adjunct Faculty Member	0.67	0.67		0.67	0.67		0.67	0.67	0.67	Qualify
Adjunct Faculty Member	0.67	0.67		0.63	0.63		0.67	0.67	0.66	Qualify
Adjunct Faculty Member	0.00	0.66		0.66	0.66		0.66	0.67	0.66	Qualify
Adjunct Faculty Member	0.59	0.66		0.66	0.66		0.66	0.67	0.65	Qualify
Adjunct Faculty Member	0.48	0.65		0.49	0.69		0.67	0.64	0.60	Qualify
Adjunct Faculty Member	0.58	0.57		0.51	0.59		0.56	0.53	0.56	DNQ
Adjunct Faculty Member	0.42	0.76		0.36	0.50		0.42	0.81	0.55	Qualify*
Adjunct Faculty Member	0.54	0.47		0.60	0.67		0.47	0.47	0.54	DNQ
Adjunct Faculty Member	0.54	0.36		0.40	0.54		0.61	0.47	0.49	DNQ
Adjunct Faculty Member	0.64	0.64		0.52	0.64		0.18	0.00	0.44	DNQ
Adjunct Faculty Member	0.40	0.40		0.40	0.40		0.40	0.40	0.40	DNQ
Adjunct Faculty Member	0.39	0.36		0.41	0.35		0.41	0.39	0.39	DNQ
Adjunct Faculty Member	0.66	0.63		0.72	0.00		0.00	0.20	0.37	DNQ
Adjunct Faculty Member	0.00	0.00		0.00	0.00		0.64	0.63	0.21	DNQ
Adjunct Faculty Member	0.00	0.00		0.00	0.00		0.36	0.84	0.20	DNQ
Adjunct Faculty Member	0.00	0.00		0.00	0.00		0.00	0.57	0.10	DNQ
Adjunct Faculty Member	0.20	0.20	0.40	0.46	0.46	0.20	0.46	0.67	0.38	DNQ
Adjunct Faculty Member	0.64	0.20	0.46	0.65	0.66	0.46	0.20	0.20	0.43	DNQ

*Qualifies because Adjunct is a Science faculty member.

201~~65~~ Allocation of Housing Units For SMCCCD Faculty and Staff

Eligibility/Priorities

Of the 104 units at College Vista and Cañada Vista, ~~45~~ 50% of the units will be set aside for faculty and ~~55~~ 50% for classified staff. Every attempt will be made to achieve and maintain this proportional representation, ~~including selecting applicants from a lower priority group in order to choose tenants that are in an underrepresented group.~~ If there are not enough participants in one pool (certificated or classified) to fill that pool's allocated number of units, participants in the other pool will be allowed to rent those excess units.

First Priority: Full-time faculty and full-time staff of the San Mateo County Community College District who qualify as first time home buyers (FTHB)*.

~~**Second Priority:** Regular part-time faculty and staff of the San Mateo County Community College District who work 60% or more of a fulltime schedule and who qualify as first time home buyers (FTHB)*.~~

~~**Third**~~ **Second Priority:** Adjunct faculty of the San Mateo County Community College District who have taught ~~60~~ 40% of a full time load (or ~~.52~~ .36 FTE for science faculty) for SMCCCD Colleges in six semesters during the past four years and who continue to teach ~~60~~ 40% of a full time assignment each semester and who qualify as first time home buyers (FTHB)*.

All prospective tenants will be subject to the credit and tenancy guidelines that are set by the Housing Corporation Board and implemented by the property manager. The District will annually verify that the residents continue to be employees of the District and meet other criteria.

Allocation of Units

~~At all times,~~ Every effort will be made to achieve/maintain the proportional representation of ~~45~~ 50% certificated and ~~55~~ 50% classified staff assigned to the apartments, ~~including selecting applicants from a lower priority group in order to choose potential tenants that are in an underrepresented group.~~ Employees will be called according to 1) priority category and 2) length of time on the wait list.

Wait List: Names on the wait list will be listed by employment categories and priorities and will include the date the employee was first placed on the wait list which will be used to determine who is called for vacancies that occur.

Other Considerations

Occupancy Term: Because the cost of housing has risen dramatically in the Bay Area in recent years, the Housing Corporation Board has set the period of occupancy for ~~most~~ residents at seven (7) years,

which is deemed to be enough time to save for a down payment on a home. Administrators at the dean or lower level (AD through AJ on the salary schedule) will be allowed to stay four years only.

Home Ownership: Those employees/residents who own a home outside the Bay Area and are coming from out of the area to take a job in the District will be allowed to rent at below market rates for 18 months in order to have time to re-settle in the area, and, at the end of that term, the rent will be increased over a two year term to market rate, as determined by Kenny Realty in accordance with current market conditions.

Loss of Eligibility: If a resident voluntarily leaves District employment or is dismissed for cause or poor performance, the rental unit will immediately be increased 9% and then increased a second time to market rate rent as established annually by the County Office of Housing (maximum affordable rent for moderate income persons) as soon as possible as allowed under State laws. The former employee may be allowed to stay in the unit at market rate for a two-month period. At the end of that time, the former employee will be required to vacate the unit.

If a resident is laid off from his/her job or does not achieve tenure; if an adjunct faculty member loses all of his/her load or who is no longer teaching 40/60% of a full time load (or .52 .36 FTE for science faculty) at the Colleges; or if an employee retires from his/her position, the former employee may be allowed to stay in the unit at the established below market rate for a maximum of 6 months.

For purposes of this program, **First Time Home Buyers (FTHB) are defined as persons 1) who have never owned a home; 2) who haven't owned a home in the past three years and received less than \$15,000 in equity when they sold their home; 3) who divorced or separated in the past three years and vacated a primary residence and received less than \$15,000 in equity from the sale; 4) who lost their home through a short sale or foreclosure and received less than \$15,000 in equity from the sale; or 5) who own a home outside the Bay Area and are coming from out of the area to take a job in the District. "Outside of the Bay Area" is defined to mean a 50 mile or more one way commute to the job site. Employees in category 5 will be allowed to live in College housing for a maximum of 18 months at below market rates to allow them time to sell the home and re-settle in the Bay Area. After the initial 18 months, rent will be increased, over a two year period, to market rate, as determined by Kenny Realty according to current market conditions.*

If a resident's status as a first time homebuyer changes after assuming occupancy of a unit, resident must notify Kenny Realty. Inaccurate, incomplete or false information about a resident's status as a first time homebuyer may result in loss of the apartment as well as other legal consequences.

San Mateo Staff Housing Debt
As of March 31, 2016

College Vista

Debts:	9,341,000.00	
Payoff:	<u>4,197,925.32</u>	
Balance:	5,143,074.68	44.94% paid off

Canada Vista

Debts:	14,882,000.00	
Payoff:	<u>3,611,122.11</u>	
Balance:	11,270,877.89	24.27% paid off

Capital Reserve:

College Vista:	\$23,000 per year per the Trower Maintenance Study
Balance 03/31/16	274,179.30

Canada Vista:	\$37,500 per year per the Trower Maintenance Study
Balance 03/31/16	409,341.84