

**California State University Channel Islands
SITE AUTHORITY**

**Minutes of Meeting
December 8, 2003**

The California State University Channel Islands Site Authority met on Monday, December 8, 2003. The meeting was held in the Administration Building, California State University Channel Islands (CSUCI), One University Drive, Camarillo. Chairperson Long presided and called the meeting to order at 12:07p.m.

Members Present:

Kathy Long, Chairperson
R. J. (Jim) Considine, Jr., Vice Chairperson
Charlotte Craven
Debra S. Farar
Linda Parks
Richard R. Rush
Richard P. West

Others Present:

George Ashkar, CSU Chancellor's Office
Butch Britt, County of Ventura
Karen Carr, Legal Counsel to the Site Authority
Joanne Coville, CSUCI
George Dutra, CSUCI
Ginger Gherardi, Ventura County Transportation Commission
Richard Leffingwell, CSU Chancellor's Office
David Rosso, CSU Chancellor's Office
Vi San Juan, CSU Chancellor's Office
Elizabeth Velasco, Secretary to the Site Authority

Roll call was given and all members were present.

Ms. Craven moved to approve the Minutes of the July 7, 2003 meeting and the notices of cancellation for the September 15 and November 3, 2003 meetings, Mr. Considine seconded, and the motion carried unanimously.

The public comment period was opened pursuant to Government Code Section 11125.7. Chairperson Long called for comments and there being none she closed the public comment period of the CSU Channel Islands Site Authority meeting.

Dr. Rush introduced Ms. Elizabeth Velasco and recommended that she be appointed secretary of the CSUCI Site Authority. Mr. Considine motioned to approve the appointment, Ms. Craven seconded, and the motion carried unanimously.

Mr. West introduced Ms. Vi San Juan as the new Assistant Chancellor for Capital Planning, Design & Construction. Ms. San Juan has been with the CSU for the last twenty years and she replaces Patrick Drohan who will soon be retiring. She was welcomed and congratulated on her appointment.

Ms. San Juan provided the construction status update:

- The East Campus Phase 1a: complete and fully occupied as all units are either sold or leased, and minor issues such as sprinklers, fencing and additional parking have been resolved.
- The East Campus Phase 1b: the neighborhood infrastructure is 100% complete, vertical construction is 60% complete, on schedule and within budget. The twelve Monterey townhomes are scheduled for occupancy in mid-December and all units have been sold. The 27 Arroyo townhomes are scheduled for sale in January-February 2004. Pre-leasing activities have already begun for the 12 townhomes and 100 apartments that will be completed between January and March 2004.
- The East Campus Phase 1c: the infrastructure is moving along very well and is scheduled to go out to bid on December 16 with an anticipated start date of mid-January. The vertical construction plans for Phase 1c are 95% through plan check and on schedule for Site Authority action in early March 2004. Afterward the contract will be awarded.
- The East Campus Phases 1d and 1e: consisting of 300 units total, are being reviewed in regard to scheduling and to determine the number of units for each phase.
- Town Center: the bids have been received, and there will be an action item presented later in the meeting.
- Broome Library: in plan check, some minor code issues are being worked on, and bid opening is scheduled for early January.
- New Science Lab Building: opened and occupied with a cost of \$11 million of which approximately \$1 million was contributed by the Site Authority, the balance State funded.
- Administrative Office Renovation Project in the North Quad: 95% complete with Site Authority funding through BANs.

In conclusion, Ms. San Juan discussed additional capital outlay projects such as the Science Annex renovation, and the renovation of existing buildings, which included 35,000 sq. ft. for faculty offices, classrooms, student services, and renovation of part of the existing gym. She also clarified that the East Campus Phases 1-5 were renamed for insurance purposes to Phases 1a – 1e. Ms. Long requested that Ms. San Juan provide a written report of her presentation at future meetings and she agreed to do so.

Mr. Rosso presented the close-out of Phase 1a financing and explained the handout entitled, "University Glen – Phase 1a Close Out." Mr. Considine inquired about the financing for Phase 1b and Mr. Leffingwell responded by saying that they usually wait on the financing until bids have been received. Mr. Rosso noted that the Phase 1b rental units were covered by the Phase 1a

financing. Lastly, Phase 1c would not go out to bid until plans were 100% plan and code checked.

Mr. Ashkar presented the FY 2002-03 Financial Statements that were audited by KPMG. The Site Authority financial statements are in conformity with accounting principles generally accepted in the U.S. Because Phase 1a construction was complete in FY 02/03, the income statement has several new revenue line items. Revenue recognized related to the 58 homes that were sold in Phase 1a as of June 30, 2003 (one home was still in inventory until July). Rental income related to the 148 apartments that were completed at that time of which 95% were occupied at June 30. Regarding the Financing Authority, no significant change occurred compared to prior year because no new bonds were issued. Ms. Parks asked for financial statements that were manually signed by the audit partner in future years and Mr. Ashkar agreed to do so.

Ms. Coville presented the FY 2003-04 Operating Budgets for University Glen Corporation and Alliance Residential and referred the members to the handout entitled, "FY 2003 Budgets for University Glen and Alliance Residential Management." Ms. Coville discussed the funding for the University Glen budget and explained the services provided by Alliance Residential, such as leasing activities and landscaping. Also, there are some reserves which they are starting to accumulate. Mr. Considine motioned to approve the operating budgets as presented, Ms. Craven and Dr. Rush seconded and the motioned carried without objection.

Ms. Craven asked that presenters provide reports ahead of time and mark the documents with the corresponding agenda item and meeting date.

Ms. San Juan presented the Town Center Construction Bid Approval and stated that the lowest bidder was Fastburg, bidding just under \$12,963,000. The highest bid was around \$19 million. The construction cost is a bit higher than budgeted (\$12.1 million), but overall the project is within budget (\$18.1 million) because the higher construction cost was balanced by lower soft costs (savings from risk management and capitalized interests). The anticipated construction completion date is April 2005. There was no handout available at the time, but Ms. Coville stated that this item will be brought back to the Site Authority for approval along with the financing at a future meeting. Dr. Rush clarified that the Town Center is included in Phase 1c and explained that the Town Center would be comprised of a restaurant and various stores. Mr. Rosso pointed out the location of the Town Center and its proximity to the Library. Mr. Minter and Mr. Dutra responded to questions regarding parking and green areas. Ms. Long again requested a written report, which Ms. San Juan agreed to provide. Mr. Considine motioned to approve the Town Center Construction Bid, Mr. West seconded, and there being no objections, the motion passed unanimously.

Mr. Leffingwell gave the update on the Financial Plan and discussed future financing plans for four projects: the Town Center, Phase 1c Rental Housing, Phase 1c For-Sale Housing, and the Library/BAN take-out financing. Mr. Leffingwell explained creative financing strategies in the financial plan and stated that the financings for Rental Housing Bonds Phase 1c, Library/BAN Take-out and For-sale Housing Bonds will occur in March 2004.

Mr. Leffingwell requested Site Authority approval of Resolution No. 03-12-01 for the delegation of authority to negotiate and execute operating agreements, including the current agreement with Alliance. He clarified that this delegation of authority is strictly requested for administrative issues requiring changes to operating agreements. Mr. Considine requested that any change in vendor contracts be brought to the Site Authority for approval. With Mr. Leffingwell's assurance, Mr. Considine motioned to approve the Resolution No. 03-12-01, Dr. Farar seconded, and all members being present, the motion carried with the following vote: AYES: Long, Considine, Craven, Farar, Parks, Rush, West; NOES: None; ABSTENTIONS: None.

In regard to the CSUCI Supplementary Environmental Impact Report (SEIR), Mr. Dutra deferred to Mr. Rosso who clarified the role of the Site Authority in this matter. He explained that at the time of the creation of the 1998 Master Plan the Site Authority did not exist, but the enabling legislation, which gives taxing authority to the Site Authority for the redevelopment of the site, was in process. The CSU Trustees were the lead agency and certified the original EIR. Mr. Rosso referenced Subdivision Map No. 1 found in the Community Development Specific Reuse Plan (Reuse Plan) on Page 1-5, listed as Figure 1-2. An SEIR was prepared in 2000 in order to make the appropriate changes to the Campus Master Plan so that the Reuse Plan could be adopted. The Site Authority was the lead agency in 2000 because most of the changes to the master plan were necessitated by the Reuse Plan. The CSU Trustees were then a responsible party, as defined by CEQA. This second SEIR has been prepared and distributed to the public for comment, and will be presented to the CSU Board of Trustees for approval next year. Mr. Rosso stated that the SEIR contains a combination of both academic and Site Authority developments. Since most Master Plan changes related to the academic campus, the CSU Trustees had the lead role this time. After the SEIR is approved by the CSU Trustees, an action item will be placed on the agenda for the Site Authority's approval. At that time, the Site Authority will also be asked to approve the amendment of the Specific Reuse Plan with the appropriate SEIR documentation. The purpose for discussion of the SEIR at this meeting was to provide an overview.

Mr. Dutra addressed the proposed changes in the SEIR and referred members to the related handouts: Table 1 Comparison Chart, Campus Map comparing 2000 SEIR and 2004 SEIR, and Map of Campus Core showing changes in the Master Plan. Mr. Dutra commented on land acquisition, physical facilities, on-campus site plan modifications, and development of a Chumash Cultural Center on the East Campus, which are the four main components of the proposed SEIR. The primary reason for the acquisition of an additional 79 acres of land is because of the Lewis Road widening project and where the County has placed the bridge. This placement moves the location of our entrance road. In addition, Mr. Dutra discussed green campus efforts, such as the anaerobic digester and chilled water plant, and the relocation of parking areas from the campus core to an area situated at the entrance to the campus. The proposed SEIR also includes increasing the acreage for parking from 20 to 28 acres without a change in the total number of parking spaces. The prior plan had included a parking garage that was now determined to be unaffordable. Hence, the switch to surface parking Ms. Parks asked about mitigation measures that would be necessary as a result of this SEIR. Mr. Rosso noted that the Site Authority was making mitigation payments of almost \$6 million timed to be paid as certain income levels are achieved. The mitigation plan was approved and is based upon CSUCI's projected student, faculty and staff counts at full build-out. This SEIR does not change those numbers nor does it seem to have any significant changes which would require mitigation.

Ms. Long reiterated that the SEIR will go to the CSU Trustees for action on the Master Plan itself, but the Site Authority will approve the Specific Reuse Plan. Ms. Long emphasized the importance of clarifying the CSU Trustees and Site Authority roles to ensure that the Site Authority has a chance to provide feedback. Dr. Rush stated that the Site Authority has two opportunities for input on the SEIR, the first being at this meeting, and the second at its next meeting. Further, the report to be submitted to the CSU Trustees will include the October 29, 2003 letter from the County of Ventura's Resource Management Agency as well as the response from the University to the County of Ventura's Administrative Office.

Ms. Long then invited Mr. Butch Britt and Ms. Ginger Gherardi to discuss County road improvement projects related to Item 14, Lewis Road Update. Mr. Britt provided handouts entitled, Attachment A – Optimistic Scenario and Attachment B – Alternative Scenario, regarding road development projects and corresponding costs. The STIP (State Transportation Improvement Program) funding is no longer available due to the State budget crisis. Ms. Gherardi stated that there are five Ventura County road projects which are delayed: 1) the train (Metrolink) station; 2) the widening of the 23 Freeway; 3) the widening of the 118 Freeway; 4) the improvement of the 126 Freeway, and 5) the widening of Lewis Road. Ms. Gherardi explained that the Metrolink project, which was short \$3 million, will be completed because she was able to shift funding. If the proposition for a new sales tax for transportation purposes is approved by area residents, the remaining projects will go to construction in six months. If not, these projects will experience major delays. Ms. Gherardi and Mr. Britt then discussed the options for the Lewis Road Widening. Ms. Gherardi's preference is to find funding that will support completion of the entire project rather than funding the project in phases. Based on the current funding shortage, Ms. Gherardi estimated that the Lewis Road Widening Project would be completed sometime between 2009 and 2020. Dr. Rush explained that the demand for the widening of Lewis Road exists now. The University has received 4000 applications for admission and may accept up to 200 freshman students next year. Considering the campus growth rates, a completion date of 2009-2020 is unacceptable. Ms. Gherardi offered to include the campus entrance in the Lewis Road project and Dr. Rush gladly accepted her offer as there is a need for a four-lane entrance road. Ms. Long stated that this item should be kept on the Site Authority agendas for future meetings.

Ms. Long inquired as to the need for a Site Authority meeting prior to the CSU Trustees meeting and Ms. Craven responded by saying that the Board had agreed to meet regularly on the second Monday of February, May, August and November. The members agreed to hold their next meeting on Monday, February 9, 2004.

There being no further business to come before the Board, the meeting adjourned at 2:15 p.m.

APPROVED:
California State University Channel Islands Site Authority

Signed: Elizabeth Velasco

Dated: 2/9/04