

**California State University Channel Islands
SITE AUTHORITY**

**Minutes of Meeting
8 August 2005**

The California State University Channel Islands Site Authority met on Monday, August 8, 2005. The meeting was held in the Training Room of the Administration Building, California State University Channel Islands (CSUCI), One University Drive, Camarillo.

Chairperson Craven presided and called the meeting to order at approximately 11:35 a.m. and led the recitation of the pledge of allegiance. Roll call was given and all members were present except for Dr. Debra Farar. Ms. Linda Parks was not present for roll call, but arrived shortly after at approximately 11:40 a.m.

Members Present:

Charlotte Craven, Chairperson
R. J. (Jim) Considine, Jr.
Kathy Long
Linda Parks
Richard Rush
Richard West

Members Absent:

Debra Farar, Vice Chair

Others Present:

David Rosso, CSU Chancellor's Office
Marlene Jones, Legal Counsel to the Site Authority
Ken High, Nordman Cormany Hair & Compton
Rhonda Tyacke, Acting Secretary to the Site Authority
Carol Cory, University Glen Home Sales
Stephanie Barbabosa, University Glen, Alliance Residential Company

Chair Craven called for the approval of the minutes of the May 9, 2005 meeting. Mr. Considine moved to approve the minutes, Mr. West seconded, and the motion carried unanimously.

The public comment period was opened pursuant to Government Code Section 11125.7. Chairperson Craven called for comments.

Steve Carrigan, Branch Manager of Pinnacle Financial Corporation in Camarillo, encouraged the Site Authority Board to follow through on the approval of the CalHFA so that home buyers can

take advantage of this home financing program. He commended the Site Authority for modifying the terms of the Ground Sublease to allow participation of CalHFA. This program offers special opportunities to first-time home buyers but will also benefit other home buyers. His company already has 12-13 families in the pre-approval process; they have just been waiting on the outcome of this approval process.

There being no further comments, Chair Craven closed the public comment period of the CSU Channel Islands Site Authority meeting.

Chair Craven called for board member comments but there were none.

Dr. Rush began the President's Report by announcing that, as of last week, the bonds were on the verge of being sold for the Lewis Road construction project. The Broome Library project has progressed to the point of scheduling a groundbreaking ceremony for Friday, October 7, 2005. He reported that even though we are not yet finished with fall student orientations (two sessions are being held this week), we have already met our target enrollment figures. In addition, Phase II of the Student Housing goes to the Trustees in September. This facility will be located across the street from the existing student housing facilities and will provide an additional 445 beds, bringing us to a total of nearly 800 beds. This year we received 738 applications for the existing 351 beds; if we had more student housing in place, we would have had more students enrolling. To help meet this demand, existing suites are being converted into double occupancy rooms. With this change, we will be able to accommodate more students, but the target date for the second phase of student housing is fall of 2007.

Dr. Rush went on to report that the Sunset Magazine partnership has just about come to fruition. The President's Courtyard renovation is nearly complete; some additional lighting is all that is needed and this space will be ready to use for events. One other courtyard renovation is expected to be finished by the end of this year. Sunset Magazine will do a follow-up article on this work. Lastly, the university has hired 12 new faculty members for the fall term. They were our first choices; we were theirs as well. This brings the total number of full time faculty members to 58. There would have been 60 but two resigned (a married couple) to pursue other professional opportunities.

Mr. David Rosso presented Item 6, Construction Status Update and reported on construction activities in Phase 1B, 1C, 2A, 2B and the Town Center as well as home resales. Phase 1B is just about closed out so the first two phases will then be complete and occupied. Phase 1C is about 50% complete and moving along well. About 75 reservations have been taken for home sales. The Site Authority has repurchased ten homes with most of them resold or in the process of being resold. The Town Center is 50-60% complete and off schedule by 50-60 days. There have been problems with construction quality and progress. Due to the delays and quality issues, we are forced to spend additional funds for inspection and testing. We hope to recoup some of those costs with liquidated damages, which is about \$350,000 to date. This will be deducted from the contract price. With respect to the final two phases of residential construction, we are in the process of finishing the design now. The date for the RFP issuance is actually August 11, 2005, rather than August 1 as mentioned in the documents provided to Site Authority members prior to the meeting. By September 29, 2005, we hope to have quality and cost proposals back

so that by the first of October, we will have a good bid in hand. The selected contractor will be used for the construction of both of these final phases. All homes in these two phases will be for-sale homes, a total of approximately 250 homes, including a few larger single family homes.

Moving on to West Campus projects, Mr. Rosso noted that Dr. Rush had previously mentioned that the Broome Library ground breaking is scheduled for October 7. He added that Student Housing Phase II is moving forward, and that it will be another aggressive schedule as was the first student housing project. The first housing project was brought in essentially on budget and on time, and we think we can do that again with this second phase.

Discussion turned to Item 7, Approval of California Housing Finance Authority (CalHFA) Terms for Participation in Housing Finance Program, Indemnity Agreement and Ground Sublease, for purchase of home loans at University Glen, East Campus Housing, CSU Channel Islands. Mr. Rosso noted that it is hoped that a number of home buyers will be eligible for the CalHFA program. As it gains steam, it will help increase absorption rates for new units. The program is expected to help qualify people for home ownership with a little more affordability.

Ms. Jones noted that she had asked outside counsel and colleague Ken High to attend today's meeting and speak about this program. Unidev was asked to explain the benefits of this program to potential borrowers, and that information they provided was included in the meeting packet. Mr. High has worked for more than a year on the Indemnity Agreement, accompanying Resolutions and the Ground Sublease changes.

Mr. High briefly reviewed the changes included in the special Ground Sublease form for buyers utilizing the CalHFA financing and highlighted the significant points of the Indemnity Agreement. After a brief discussion, Mr. Considine moved to approve the California Housing Finance Authority (CalHFA) Terms for Participation in Housing Finance Program, Indemnity Agreement and Ground Sublease (and accompanying Resolutions 05-08-01, 05-08-02, and 05-08-03) for purchase of home loans at University Glen, East Campus Housing, CSU Channel Islands; Dr. Rush seconded, and the motion carried unanimously.

Item 8, Update on the Lewis Road Construction, was included in the President's Report earlier in the meeting.

With respect to Item 9, University Glen Update, Budget and Financial Report, Ms. Cory reported that there have been 78 reservations taken for the 86 Phase 1C homes. With respect to existing homes, there have been 11 resales; 10 of those have closed escrow. The Site Authority will be buying back two additional homes, and she already has buyers for those. Moving on the Budget and Financial Report, Ms. Barbabosa indicated that Ms. Coville has previously sent the Site Authority members a revised Budget for FY 2005/06 (as suggested at the May 9th meeting) along with a summary explaining those revisions. Since Ms. Coville was absent, she offered to answer any questions concerning these changes. There were no questions. (**Note:** this was listed as an Information Item on the agenda, but the documents included an Action Item header. No vote of approval was taken. If approval is needed, this item will need to be reintroduced per Ms. Jones.)

There being no further business to come before the Board, the meeting adjourned at 12:05 p.m.

APPROVED:

California State University Channel Islands Site Authority

Signed: Rhonda M. Spacke
Interim Secretary to the Site Authority

Dated: 2/13/06