California State University Channel Islands Site Authority
MINUTES
Regular Meeting
Monday, September 15, 2014

The California State University Channel Islands (CI) Site Authority met on Monday, September 15, 2014. The meeting was held at the University Glen Corporate Office on the California State University Channel Islands campus, 45 Rincon Drive, Suite 104-A, Camarillo.

Chair of the Site Authority Kathy Long called the meeting to order at 11:37 a.m. The Acting Secretary gave the roll call and a quorum of members was present.

Members Present: Chairperson Kathy Long; Vice Chairperson R.J. Considine, Jr.; Steve Relyea, Treasurer; Linda Parks; and Richard R. Rush

Others Present: Elizabeth Rubalcava, Acting Secretary to the Site Authority; George Ashkar, Vi San Juan, Chris Fowler, Jabari Holloway, CSU Chancellor's Office (CO); Ysabel Trinidad, Caroline Doll, and Stephanie Bracamontes, Division of Business & Financial Affairs; Missy Jarnagin, CI Financial Services; Erik Blaine, CI Administrative Services;

Guests: Jones Lang LaSalle (JLL) Representatives Jeff Graham, Javier Rivera, and Erik Kornfeld

Approval of Minutes of May 12, 2014 Meeting.

Mr. Considine made the motion to approve the minutes of the May 12, 2014 meeting. Dr. Rush seconded the motion, and the minutes were approved unanimously.

Public Comment Period (Pursuant to Government Code section 11125.7)

Chairperson Long called for public comments. There were none.

Board Member Comment Period

Chairperson Long called for comments from the Board. There were none.

INFORMATION AND ACTION ITEMS

President's Campus Update

Dr. Rush began his remarks by informing the Board that CI has experienced an excellent start to the fall semester, and it is expected that the University will easily reach its 5,000 FTES target. CI is welcoming seventeen new tenure track faculty this semester, adding that the quality of the entire faculty is extraordinary. As an example, Dr. Sofia Samatar, hired last year, has won three prestigious awards for her fantasy novel, "Stranger in Olondria."

Dr. Rush then provided context for the JLL presentation, saying that the University is not expecting any funding for capital projects from the State of California for the foreseeable future. That said, in order for CI to grow as a campus, it will be necessary to raise capital in other ways. Because the Site Authority was established by the state as the principal vehicle by which the campus could develop, Dr. Rush asked the Board to consider approval for moving forward with the next steps of CI 2025, the University's vision for growth of the campus over its next decade. This will entail analyzing the various alternatives that JLL will be presenting. Following the Board's support, these options will be presented to the Board of Trustees during their meeting in November to gain approval of the concept, with the understanding that specifics will emerge as further research is conducted.

Action: Election of Officers

Chairperson Long recommended Mr. Considine as the new Chairperson and gave the motion. Ms. Parks seconded the motion, and it was carried unanimously. Dr. Rush nominated Ms. Parks as Vice Chairperson, and gave the motion. Ms. Long seconded the motion, and all were in favor.

Action: Approval of the 2015 Calendar of Meetings

A motion to approve the Site/Finance Authority 2015 Calendar was made by Ms. Parks, seconded by Mr. Considine, and all were in favor.

Construction Status Update, University Glen Housing, Rental Update, and Financial Report

Dr. Blaine suggested that, in the interest of the pending presentation by JLL, he would combine his agenda items. He began by reporting that Sierra Hall will be ready for occupancy in summer, 2015. The student housing project, in its design phase, will have 600 beds, and will be ready for move-in by fall, 2016. The expanded dining facility, also in the design phase, includes the area that is currently Salon A. The remodel of the second floor of Lindero Hall has been completed and is now occupied by CI staff. With that transition, the offices that were vacated in Solano Hall will now be available for faculty use.

Dr. Blaine went on to report that damage to University Glen, sustained during the Springs Fire, is being repaired, with insurance reimbursement approved. On the housing front, there are currently three homes in escrow, and one home for sale. Rentals reflect a 97% occupancy rate.

Dr. Blaine then distributed the University Glen Annual Report, providing the Board with several highlights, including the increased activity of the rental program, the higher number of work orders completed, and the hiring of a new manager for the Conference and Events office.

On a final note, Dr. Blaine gave an update on the Town Center and also announced the Homeowner's Advisory Council's new president and membership.

Jones Lang LaSalle Presentation – CI 2025

Ms. Trinidad then introduced the JLL team, Jeff Graham, Javier Rivera, and Erik Kornfeld, and provided the Board with a brief history of activities following the February, 2014 release of the Request for Proposal (RFP) for a developer advisor, with the subsequent hiring of JLL. The firm has been charged with identifying options that would serve CI 2025.

Mr. Graham began by outlining JLL's approach towards one to five year short-term projects, including those that would be self-funded, partially self-funded, and not self-funded. JLL will be developing viable economic plans in support of CI's enrollment growth between now and 2025, reflecting levels of acceptable risk, and identifying and leveraging all potential revenue sources. Additionally, they will facilitate the integration of the campus with its surrounding community while enhancing CI's identity. Also in progress is an analysis of the existing Phase 2A/2B housing build-out plan and alternatives, and ways to neutralize the subsidy by the CO of the Site Authority's debt service.

Mr. Graham then provided a more in-depth look at the activities that JLL has undertaken during the course of the summer, which has included stakeholder interviews and a presentation made to the Foundation Board of Directors.

Then, Mr. Rivera presented further detail about JLL's comparison of the original plan for University Glen Phase 2A/2B, which included 242 for-sale attached and detached homes, versus a higher-population alternative scenario of 590 rentals. This comparison also included pros and cons of the Site Authority as the developer, engaging a partner developer, as well as other options.

Mr. Rivera then spoke about student housing, showing how projected demand would exceed the on-campus bed supply in the 2017-2018 academic year. Phase III of student housing, Santa Rosa Village, has been submitted to the CO, and Phase IV is currently being studied. Then a market analysis study for a Wellness/Recreation/Events Center was presented.

JLL concluded their presentation by outlining next steps, which will include consultations with the campus community and the CO, the completion of JLL's Phase I study, and the CSU Board of Trustees concept approval.

<u>Action: Concept Approval CI 2025 – Short Term Projects</u>

The resolution for concept approval of CI 2025 was presented to the Board. Mr. Considine approved the resolution as written, but Ms. Parks expressed concern about the 5,000-seat event center mentioned in the meeting materials. Because she wasn't initially in agreement with the concept, Dr. Rush explained that the events center would be used primarily for athletics, such as basketball and volleyball. Mr. Considine said that the center would serve as a multi-use facility, and Ms. Long added that an event center would provide the community with convention opportunities.

JLL was then asked to consult with AECOM, the engineering design firm which was responsible for the events center study, to collect information about construction, operations, scheduling, and use of the facility for revenue-generating events.

Ms. Parks asked that the name of the center be changed, with Dr. Rush suggesting that the center be named Dolphin Pavilion. Ms. Parks indicated that she would approve the resolution as long as the name and number of seats was stricken from the resolution. Upon confirming that the resolution was worded correctly, Mr. Considine motioned to approve, Ms. Parks seconded, with all in favor of the resolution.

After Ms. Long thanked JLL representatives for their presentation, Dr. Rush introduced Chris Fowler, the Site Authority's new general counsel, and welcomed him to the Board.

There being no further business to discuss, the public meeting adjourned at 1:05 p.m.

APPROVED:
California State University Channel Site Authority

Signed: Pamela Ekhart Hauckau Dated: 12-1-14
Secretary to the Site Authority