



**Regular Meeting Minutes
Monday, March 4, 2024**

The California State University Channel Islands Site Authority (SA) and The California State University Channel Islands Financing Authority (FA) met on Monday, March 4, 2024, at 11:30 a.m. on the CSUCI campus in the President's Boardroom in Richard R. Rush Hall, Camarillo St., Camarillo, CA.

Site Authority Board Chairperson John Broome, Jr. called the meeting to order at 11:33 a.m. A quorum was established.

Members present:

John Broome Jr., Chair; Laura Hernandez, Vice Chair; Larry Adamson, Trustee; Robert Eaton, Assistant Vice Chancellor; Vianey Lopez, Supervisor; Jeff Gorell, Supervisor; Richard Yao, President

Regrets:

Kelly Long, Supervisor

Alternates present:

Martita Martinez-Bravo, Councilmember; Laurie Nichols, AVP Administrative Services/HRO

Others present: Marc Mootchnik, University Counsel; Stephanie Bracamontes, Controller; Barbara Rex, SA Treasurer; Celina Zacarias, Executive Director of Community & Government Relations; Christina Sotelo, Secretary

OPENING STATEMENTS

Chair John Broome opened the Financing Authority meeting to run concurrently with the Site Authority meeting.

Chair Broome called for public comment (pursuant to Government Code Section 11125.7).

Public Comment Period

A University Glen townhome resident expressed her frustration with the affordability of University Glen. She requested to renegotiate the Ground Sublease with the removal of the Repurchase Option.

Mary Kennedy, a University Glen townhome resident, presented an example of purchasing a townhome and the costs associated. She addressed the income needed to live in University Glen and how it exceeded the median income for Ventura County. Her concerns are elaborated in the submitted public comment document.

Tom Bokhart, a University Glen resident addressed the Financing Authority Board with concerns about the Special Tax appeal process. Mr. Bokhart addressed significant comments from the procedure document. His suggestions are elaborated in the submitted public comment document.

Catherine Burriss, an associate professor in Performing Arts Theater at CSUCI raised her concerns about the proposed CAM Fees being unfordable. She supported keeping the CAM Fees as low as possible. She addressed her concerns about the deteriorating landscaping. She requested that the board address the inadequate governing structure. Her concerns are elaborated in the submitted public comment document.

A University Glen resident since 2013 questioned the fiscal year 2024-2025 budget. She asked for more information on the relationship between Kennedy Wilson and the Site Authority. She suggested having two managers, one representing townhome owners and one representing single-family homeowners.

Dustin Russell, a University Glen resident shared two primary areas of concern. He addressed his concerns with the ineffective governing structure, and where decisions are being made. He expressed his concerns with the monthly CAM Fee increase. His concerns are elaborated in the submitted public comment document.

Gary Garcia, a CSUCI alumni and University Glen resident expressed his concern with the proposed CAM Fee increase. He stated that the CAM Fee increase would destroy the affordability of the community.

INFORMATION: CalTRUST Investment Portfolio Presentation (CalTRUST) Time Certain: 12:00 pm

Todd Winslow, the Relationship Manager for CalTRUST presented the CSUCI Site Authority account. CalTRUST is a local government investment pool that started 21 years ago. It allows public agencies to invest their dollars on the premises of safety, liquidity, and yield. The safety in place is the California Government code 53601. For the Liquidity Fund, there is an extra component of safety since it is Governmental Accounting Standards Board (GASB) 79 compliant. Meaning there are mechanisms in place from the Governmental Accounting Standards Board (GASB). Mr. Winslow highlighted State Street Global Advisors, they are the fourth largest asset manager on the globe. The presentation continued with the townhouse shareholder summary, as of January 31, 2024. Portfolio Manager, Will Goldthwait (SSGA) shared his role within the research team. The research team studies how the portfolios grow, their market outlook positioning, credit views, and what is going on from a regulatory standpoint around the industry. Charlie Praska, CalTRUST Relationship Manager, brings all the resources together in person, at events and conferences. Christopher Presley introduced himself, he stated he manages relationships with CalTRUST. Todd Winslow closed the presentation by presenting the benefits of working with CalTRUST. These include the cash segmentation piece, meaning being able to bucket the cash according to the needs.

Board Member Comment Period

Chair Broome asked if there were any comments.

Martita Martinez-Bravo addressed the concerns of the community, which included the meeting time of the board meeting. She suggested adjusting the meeting time, so it is more accessible for community members. She suggested hosting a Questions and Answers forum for community members. She addressed the concerns about the proposed increase in CAM Fees. She proposed to re-evaluate the significant increase in CAM Fees. She asked to reassess the current structural inadequacies.

Vice Chair Laura Hernandez supported Martinez-Bravo's comments. She requested more information on the proposed budget and what is behind the increases. She suggested having a study budget session in a separate meeting from the board meeting.

Board member Vianey Lopez asked the Site Authority to re-evaluate the proposed CAM Fee increase and to appropriately re-evaluate the governing structure. She asked for an evening meeting once a year, that is focused on the community, and hearing feedback.

Chair John Broome asked University Legal Counsel Marc Mootchnik to comment on the legal representation concerning the Homeowner's Advisory Council. Mr. Mootchnik stated that the Legal Counsel's obligation is made to the Site Authority. Ms. Lopez asked where grievances from the community members go. Mr. Mootchnik stated that those were addressed during one of the Advisory Group meetings. John Lazarus added that the property manager is on-site for operational issues. Parliamentary questions and concerns get directed to Mr. Lazarus.

Board member Jeff Gorell stated that the Board meetings are a suitable place to address fiduciary responsibilities. He suggested to respond to the community members in a separate meeting. Martita Martinez-Bravo agreed with Mr. Gorell on having a separate meeting, or a Questions and Answers forum for the community members. Mr. Gorell asked where the Community Advisory Group meets. Mr. Lazarus responded that they are held once a month via Zoom.

Board member Richard Yao addressed the concerns about the lack of organizational structure and lack of communication structure. He suggested maximizing the capacity of the organizational structure already set in place. He suggested evaluating these structures and improving them. He is committed to improving transparency.

Vice Chair Hernandez asked which of the community groups is responsible for the budget. Mr. Lazarus responded that the Budget Advisory Group drafts the budget. He stated that the budget is made up of goods and services provided to the community.

Martita Martinez-Bravo asked to confirm that the board meeting packet and agenda was posted ten days before the board meeting. Mr. Lazarus confirmed the packet and agenda were posted online ten days before the board meeting.

No further comments were made.

CONSENT AGENDA

- ACTION: Approval of Site Authority/Financing Authority Board Minutes of November 13, 2023 (Sotelo)
- INFORMATION: Anacapa Canyon Project Update (Lazarus)
- INFORMATION: CI Power/DWR Update (Nichols)
- INFORMATION: Financial Report (Bracamontes)

Approve Consent Agenda

Motion was made by Larry Adamson to approve the consent agenda. The motion was seconded by Jeff Gorell and carried unanimously by roll-call vote.

INFORMATION AND ACTION ITEMS

INFORMATION: CalTRUST Investment Portfolio Presentation (CalTRUST)

Nicole Stan from Cohn Reznick presented the financial audit report. She reported that it was issued a clean opinion, and no issues or significant deficiencies were found during the audit. The difference from last year's audit report was the adoption of the Governmental Accounting Standards Board (GASB) 94. Ms. Stan explained that the net change of liability is due to the recording of the new leases and the increase in assets. The operating revenue increased by approximately 1.3 million dollars due to current year CI power sales. Ms. Stan stated that along with the financial report, Cohen Reznick issued a report on internal controls over financial reporting. Cohen Reznick did not find anything that could have been a control issue. Ms. Stan continued with the Finance Authority opinion from Cohen Reznick. The Finance

Authority audit report was issued a clean opinion by Cohen Reznick. There were no reported weaknesses or significant deficiencies.

ACTION: Acceptance of Audited Fiscal Year 22-23 Financial Statements for Site Authority (CohnReznick)

ACTION: Acceptance of Audited Fiscal Year 22-23 Financial Statements for Financing Authority (CohnReznick)

Motion was made by Robert Eaton to approve the action items. The motion was seconded by Vianey Lopez and carried unanimously by roll-call vote.

ACTION: Approval of the Hearing Procedure for Homeowners to Challenge Assessments to Pay Bonded Indebtedness (Mootchnik)

Marc Mootchnik explained that Section 7 of the Ground Sublease allows homeowners the right to contest taxes or assessments. The proposed procedures included a hearing with a deadline to file an appeal of one year. A three-member hearing panel is proposed. One member would be appointed from the Site Authority staff, a second member from the Budget Advisory Group, and a third member from the Site Authority Board. A Chairperson will be elected between the three members. There will be no formal rules of evidence. The decision authority would come from the member panel. Mr. Mootchnik explained that the hearing would be conducted under the Bagley-Keene Open Meeting Act. Jeff Gorell asked if the hearing could be conducted via Zoom. Mr. Mootchnik stated that there is flexibility, and it could be conducted via Zoom. Vice Chair Laura Hernandez asked what type of decisions the hearing panel would be making. Mr. Mootchnik stated the structure created would allow the hearing panel to decide on the issue being presented. For example, the homeowner is contesting the amount or validity of the assessment. The ruling from the hearing panel could be if the assessment is valid or if the amount of the assessment needs to be modified. Ms. Hernandez asked for an explanation for the \$300 filing fee. Mr. Mootchnik stated that there would be a cost involved for the staff to be involved. Ms. Martinez-Bravo addressed the homeowner who already submitted his appeal. She suggested that the homeowner should not have to pay the \$300 fee since the fee is an adopted procedure. Larry Adamson agreed that the homeowner should file his appeal without the \$300 fee. Mr. Mootchnik stated that the one-year deadline does not apply to the current homeowner's appeal. President Yao stated that the parameters of the appeal process focus solely on assessment.

Motion was made by Larry Adamson to approve the action item. The motion was seconded by Vianey Lopez and carried unanimously by roll-call vote.

ACTION: Appoint Members to Hearing Panel -conditional upon approval of Action Item #12 (Lazarus/Mootchnik)

Robert Eaton volunteered himself to be on the hearing panel. The Budget Advisory Group will appoint their member and CSUCI staff will appoint their member.

Motion was made by Laura Hernandez to approve the action item. The motion was seconded by Richard Yao and carried unanimously by roll-call vote.

INFORMATION: Site Authority Operations Report (Lazarus)

John Lazarus presented the 2024-2025 draft budget to the board. The budget is drafted to rise from 2.7 million dollars to 3 million dollars. Landscaping costs are staying flat over the fiscal year. Utilities increased 7.62%. Trash services increased 4.1%. Maintenance is scheduled to increase by 2.3%. Insurance increased 43.67%. Since the Alliant insurance invoice was received mid-year it created a

spread between what was budgeted last fiscal year and the actual spend. The insurance increase is not an actual year-over-year increase. The insurance for the townhomes is purchased through the CSU system. The Site Authority was able to purchase Earthquake insurance from an outside company. The management fee is unknown because there is an RFP (Request for Proposal) out for the property manager. Townhome Reserves have a 70% funded target level. Vice Chair Hernandez asked about the unused budget amount that the Site Authority is not utilizing. Mr. Lazarus responded that any budgeted amount that is not used will be refunded to the townhome owners. The Site Authority does not make any income from the CAM Fees.

Board member Larry Adamson asked John Lazarus to present a pie chart showing the components of the 18.3% increases at the June board meeting.

Laura Hernandez asked about the Ground Sublease and the evaluation of the homes. Mr. Lazarus stated that the homes in University Glen are reasonably affordable because the original purchase price increases with inflation. The sales price of the home is the purchase price plus the fractional change of the Consumer Price Index. Mr. Mootchnik explained that the mission is to provide affordable housing for retaining and bringing in faculty and staff.

INFORMATION: University Glen Community Advisory Group Update (Lazarus)

John Lazarus updated the board on the senior affordable housing called Vintage at Anacapa Canyon. He stated most have moved in and it will be at almost full capacity. An emergency safety presentation is planned in April for residents in Anacapa Canyon. Anacapa Canyon apartment lease-outs are going smoothly. Anacapa Canyon townhomes and single-family homes are selling quickly. Vice Chair Hernandez asked if Anacapa Canyon had an evacuation plan. Mr. Lazarus confirmed Anacapa Canyon has an evacuation plan.

INFORMATION: Campus & Early Childhood Care & Education Center Update (Yao)

The President forgoes his report due to time constraints.

ACTION: Elect Audit Committee Chairperson [Audit Committee Members vote] (Lazarus)

Vice Chair Laura Hernandez was appointed the Chairperson of the Audit Committee

Motion was made by Jeff Gorell to approve the action item. The motion was seconded by Vianey Lopez and carried unanimously by roll-call vote.

ADJOURNMENT

There being no further business, the meeting was adjourned at 1:35 p.m.

APPROVED

California State University Channel Islands Site Authority Board and California State University Channel Islands Financing Authority Board

Christina Sotelo
Christina Sotelo (Jun 17, 2024 09:53 PDT)

Christina Sotelo, Secretary

06/17/2024

Date