

CSU FULLERTON HOUSING AUTHORITY
BOARD OF DIRECTORS MEETING
CP 250 CONFERENCE ROOM
JANUARY 9, 2008
3:30 – 5:00 P.M.

Present: Jim Alexander, Ted Bremner, Bill Dickerson, John Lawrence, Paul Rumberger, Mark Stohs.

Staff/Guests: Matt Disston (Valeo), Ann Ehl, Bill Herbert, Frank Mumford.

Excused: Bill Barrett, Jay Bond.

I. CALL TO ORDER

Vice-Chair Ted Bremner called the meeting to order at 3:40 p.m.

II. APPROVAL OF MINUTES

Mark Stohs moved, Jim Alexander seconded and motion carried to approve the minutes of the 10/24/07 Annual and Special Board of Directors meetings.

III. ACTION ITEMS

A. ELECTION OF CHAIR

Bill Dickerson nominated Mark Stohs for Chair of the CSU Fullerton Housing Authority, John Lawrence seconded and motion carried. With Mark Stohs abstaining, the remaining votes unanimously approved the nomination.

B. APPROVAL OF RESERVE POLICY

Jim Alexander moved, Bill Dickerson seconded and motion carried to adopt the following resolution.

Approval of Reserve Policy

BE IT RESOLVED that the Board of Directors of the CSU Fullerton Housing Authority adopts the attached Reserve Policy in substantially the form presented, effective January 9, 2008.

The approval was unanimous.

C. APPROVAL OF CREEKSIDE ACADEMIC WORKFORCE HOUSING AGREEMENT

Bill Dickerson moved, Ted Bremner seconded and motion carried to adopt the following resolution.

Approval of Academic Workforce Housing Agreement for the Creekside Condominium Program

WHEREAS, the CSU Fullerton Housing Authority (the “Corporation”) desires to develop and maintain housing affordable to faculty and staff of California State University Fullerton, in order to facilitate the attraction and retention of nationally recruited faculty and staff; and

WHEREAS, the Corporation has acquired 20 of 252 units at Creekside Condominiums located at the corner of Lambert Street and Idaho Street in the City of La Habra, which shall be made available at an affordable housing cost to persons affiliated with the University; and

WHEREAS, this Board has previously assessed various alternatives for the terms of the program to be utilized for the Corporation’s affordable housing developments; has provided its direction as to the preferred alternatives for such terms; has reviewed and revised a resulting outline of the program terms, including the program goals, mission statement, eligibility, priority, repurchase option events, ground rent and fees, resale price and buyer restrictions, community structure and nondiscrimination and primary residence requirements; and has obtained and considered comments on the proposed program outline from campus stakeholders; and

WHEREAS, to accomplish the timely sale of the Creekside units, the terms of the program must be settled in order to provide them to prospective purchasers for marketing purposes and to the Corporation’s real-estate counsel as a basis for drafting of various legal documentation including, without limitation, deed restrictions and disclosure documents; therefore,

BE IT RESOLVED that the Board of Directors hereby approves the proposed Academic Workforce Housing Agreement in substantially the form presented to the Board of Directors; and

BE IT FURTHER RESOLVED that the Executive Director of the Corporation is authorized to take all further actions necessary or appropriate to implement the Academic Workforce Housing Agreement, including, without limitation, promulgating the terms contained in the agreement to prospective purchasers; directing the drafting of deed restrictions and sales documentation by the Corporation’s real-estate counsel; and obtaining final comments on the approved agreement from outside stakeholders such as the secondary-mortgage-market entities and making any minor adjustments, additions or qualifications required by these entities to facilitate the sale and homebuyer financing of the affordable units.

The approval was unanimous.

D. APPROVAL OF CREEKSIDE PRICING

Ted Bremner asked whether the unsold condo could be rented to faculty and staff; Bill Dickerson replied that may require changing the financing structure since tax-exempt rates may preclude renting.

Jim Alexander moved, Ted Bremner seconded and motion carried to adopt the following resolution.

Approval of Creekside Housing Program Pricing

WHEREAS, the CSU Fullerton Housing Authority (the “Corporation”) desires to develop and maintain housing affordable to faculty and academic staff of California State University Fullerton; and

WHEREAS, to accomplish the timely sale of the units in the Creekside Condominium project, the home pricing must be settled in order to commence contracting for the sale of the homes; and

WHEREAS, this Board has previously reviewed the methodology for establishing locational differentials and a resulting pricing spreadsheet with affordability calculations, and has further reviewed the attached updated price sheets; therefore

BE IT RESOLVED that the Board of Directors hereby approves the attached pricing schedule in substantially the form presented.

BE IT FURTHER RESOLVED that the Executive Director of the Corporation, or his designee, is authorized to take all further actions that are necessary or appropriate to implement the pricing schedule, including, without limitation, contracting for the sale of the homes allocated in accordance therewith.

The approval was unanimous.

IV. REPORTS

A. TREASURER

Jim Alexander reported that current assets on the balance sheet include an operating cash balance of \$574,730 which includes \$268,902 of Creekside bond funds, and invested cash reserves of \$409,360 for UG maintenance reserves. Though we are budgeted for \$22.4M in UH sales revenues, actuals are \$7.7M.

Mark Stohs asked with \$409k in maintenance reserves for UG, what projects were expected in the near future. Jim Alexander replied that an updated reserve study was just received and that a meeting would soon be held to determine whether \$100k in repainting of wood and wrought iron is necessary.

B. EXECUTIVE DIRECTOR

Bill Dickerson mentioned a second Buena Park property for development which he'll discuss in detail later. On SOCO Walk, the Housing Authority's last offer of \$350k/unit (with the second bedroom, bath and elevator) was not accepted by Olson Companies. Olson currently markets those units (without the elevator) for

approximately \$429k/unit. However, Olson is interested in reopening discussions on the Basque property at Commonwealth Avenue.

C. UH UPDATE, PROJECT CONSTRUCTION

Matt Disston reported that although the wall planting and slope re-hab plans have been approved, they are still awaiting the change order. Similarly, the project sign lettering was approved verbally by the City; Valeo awaits written confirmation to proceed.

At UH, residential units are complete, which includes landscaping, RR for curb and gutter, street lights , common electrical panel and safety gate. The Elks Lodge is expected to be completed by 02/20/08, with drywalls, ceiling, insulation, MEPs, roofing and windows completed. Next month, the Lodge interior finish will be completed, with flooring and landscaping commencing.

V. DISCUSSION ITEMS

A. UH & CSUF ALUMNI

This item was tabled due to time constraints.

B. POSSIBLE BUENA PARK PROJECT

Bill Dickerson was recently contacted by Newcastle Development regarding possibilities for a 2.7 acre parcel in Buena Park (Lincoln Avenue/Knott Street) which is entitled for 20 detached units. Off-site improvements utilities have already been installed and that with a four to five month construction schedule, homes may be ready by 2009. Homes would measure 1500-1700 sf and possibly sell for \$500,000. However, with UH homes still unsold for the nearly the same price, board members expressed concern with moving forward with this.

VI. OTHER BUSINESS

There was no other business.

VII. ANNOUNCEMENTS

The next Housing Authority Board meeting is scheduled for 02/13/08 at 4:00 p.m.

VIII. ADJOURNMENT

Chair Mark Stohs adjourned the meeting at 5:22 p.m.

Approved by the Board of Directors, 04/09/08.

Jay W. Bond, Secretary