

University Glen Corporation
Board Meeting

November 2, 2006

Minutes

The Board of Directors of University Glen Corporation met on Thursday, November 2, 2006 at 11:30 a.m. The meeting was held in the Training Room of the Administration Building, California State University Channel Islands (CSUCI), One University Drive, Camarillo.

Chairperson Dutra presided and called the meeting to order at 11:30 am.

Members Present:

Joanne Coville
George Dutra
Jacquelyn Kilpatrick
Alexandra Mitchell
Barbara Thorpe
Ashish Vaidya (called in)

Members Absent:

Bill Robe

Public Forum

Chairperson Dutra called for public comments. Tiina Itkonen read letter that she requested also be made part of the record. The letter follows.

Dear University Glen Board:

I am writing on behalf of faculty and staff residents of University Glen, and kindly request that this letter and the concerns set forth become part of the record of the meeting.

It has come to our attention that the CAM fees may be increased 20-25%. We are gravely concerned about this matter. Specifically:

1. HAC meetings--where the University Glen Corporation reports on issues such as this one--have not been advertised. Because of this lack of communication, critical information is unknown to homeowners. We request that the Board not increase CAM fees until the matter is presented to the entire homeowner community in a pre-scheduled, advertised HAC meeting. With having no elected representation on the decision-making body, the least the Board could do is schedule special meetings with the homeowners on important decisions such as this.
2. At that meeting, we request that the accounting information, on which an increase is being considered is presented to homeowners. We wish to be informed how the proposed fee revenue will be used, and the proportion of revenue coming from the renters. We also want to see accounting information on whether the proposed transfer of the Alliance to under the University Glen Corporation is affecting fee increase proposals.

3. We are concerned about the frequent increase of fees (this proposed increase is the second in less than 10 months). We are concerned about an apparent lack of sound, long term fiscal planning policy, if fees have to frequently be increased on a short notice.
4. Homeowners at the time of purchase are not informed about the schedule of fee increases.
5. The proposed increase is many times the rate of inflation.
6. There are issues of public finance equity—we are asked to pay for reserves which benefit future residents rather than ourselves.
7. Finally, all faculty and staff are concerned about the affordability of living at University Glen. Many faculty members are still paying off student loans. Many staff cannot afford to live here, or staff pay increases are not adequate. It seems counter-intuitive that homeowners pay the equivalent of two property taxes and fees that have no cap, whereas the equity of the properties is capped. All faculty and staff are making sacrifices to stay in the area, but may have to leave if the University Glen fees keep going up. This was supposed to be our affordable housing alternative for working at CSUCI.

On behalf of faculty and staff university Glen residents, I thank the Board for addressing and taking action on our concerns.

Respectfully submitted,

Tiina Itkonen
HAC Member

Mary Adler
Leah Alvarado
Catherine Burriss
Manuel Correia
Amy Denton
Traci Franks
Scott A. Frisch

Jeanne Grier
Effie Karacali
Nancy Mazingo
Patti Pulido
Kaia Tollefson
Amy Wallace

After the reading of the letter a discussion between several homeowners and the board followed. Various questions and comments were made and responded to by the board. The questions and comments can be summarized as:

- Affordable housing questions were addressed
- Homes should be reserved and made available to faculty and staff during hire periods.
- Homeowners want University Glen to be a place where they want to live.
- If the prices and costs continue to go up, then faculty may have to go elsewhere to live and work.
- The issues in University Glen are affecting staff morale; frustrations are being brought to the workplace.
- The homeowners want action with regard to the issues brought to the board.

There being no further comments, Chairperson Dutra closed the public comment period of the University Glen Corporation Board of Directors.

Approval of Minutes

Chairperson Dutra called for the approval of the minutes of the April 26, 2006 meeting. The motion was duly made and seconded, and approved 5-0.

Chairperson Dutra called for the approval of the minutes of the August 17, 2006 meeting. The motion was duly made and seconded, and approved 5-0.

Director's report for University Glen Corporation

The director's report was received:

- Phase IC special tax was direct billed to the homeowners for 2005-06 and 2006-07. The amount billed was \$39,998.59 and \$198,090.64. The due date for payment is December 11, 2006, February 16, 2007 and May 15, 2007.
- Plan Check and Inspection Fees based on estimated project cost. Some examples include, \$800 project is \$74.15; \$2,000 project is \$110.75; a \$5,000 project is \$152.75 and a \$10,000 project is \$222.75. The fee is associated with the portion of the project that requires inspection and not the entire project.
- Working on placing an ATM in the Town Center. Ventura County Credit Union is very interested and sending a proposal.
- UGC has submitted an application to CalPERS to enter into a contract to provide benefits to UGC employees. This process can take between 6 – 9 months to complete.
- Home re-sales for Phase IA/B/C: 3 homes are in escrow and 2 letters of intent to sell.
- Phase IA/B apartments are 96% occupied and 97% leased.
- Phase IC rental townhomes are 100% occupied (28 rental units)
- Phase IC apartments are 73% occupied and 75% leased. Please note that the lease up period is scheduled over a period of several months ending approximately November 2006.
- Town Center Apartments have 80 people on the wait list for 58 apartments.
- Reserve Study was commissioned, there was a site visit on October 19 – 20. The draft report should be available November 27 for review. This study is for all of University Glen including the University Town Center.
- Home Warranty Items.
 - There is a home on Smugglers Cove having trouble with bathtubs. The plumber went to inspect and ruled that the tubs needed to be replaced. Brookfield is in the process of scheduling the work.
 - There is another home on Smugglers Cove with a similar complaint. We are in the process of coordinating an inspection of that home as well.

Director's report for the Homeowners Advisory Council

The director's report was received.

- The council wants you to be aware of the new and developing homeowners website. Any information you wish to get out to the homeowners can be placed here.

Financial Report

Dr. Blaine briefed the board on the financial report and there were no questions.

Phase 2A and 2B Planning

It was reported that grading and foundation work will commence during October 2006 to January 2007; vertical construction in March/April 2007; and first homes available for move-in in April 2008. These are all estimates at this time.

UGC is reviewing the option of taking over property management operation.

Dr. Blaine reported that the Alliance Residential Management agreement was up June 30, 2007 and that UGC was looking into the option of providing property management for the rental properties in lieu of extending the Alliance Residential Management agreement for an additional 3 year period. A question regarding costs or savings was asked with a response that there would be no additional costs to UGC in providing the services. There is also the possibility that such an agreement would result in UGC receiving the management fee currently being paid Alliance.

Old Business

There was no old business.

New Business

Item 1. A resolution to join the CSURMA risk pool was reviewed.

A motion was duly made, seconded and approved 4-0.

Item 2. Common Area Maintenance Budget and Proposed Fee Increase for 2007

Dr. Blaine presented the Common Area Maintenance Budget for 2006, 2007 and 2008. At this time the board discussed the proposed budget with homeowners in attendance. The following items were discussed:

- Homeowners cannot effect the water usage, but they can effect electricity. The water bill is part of the CAM budget and the electricity is billed directly to the homeowner by the utility company.
- What is the history of the CAM fee. The CAM fee was developed at the end of 2002. There was not an increase in the CAM fee until 2006.
- What are other communities paying for dues. It varies widely and is dependent on location and amenities.
- There is a lack of transparency with this process, there should be no surprises.
- Affordability, the increases in costs are not making it affordable.
- The market for faculty jobs is national and not just Ventura County, the faculty can go someplace else. It is a different market, the faculty looks at national listings.
- Higher costs effects newer faculty more than those at advanced ranks.
- Look creatively at the CAM problem. Is there another funding source, another way to lower costs.
- Can the board approve an increase for 2007 and commit to no increase for 2008.
- Can the board look at differential pricing for CSUCI employees and outside homeowners.
- Can the board meeting in a couple of days, gather more information and delay this decision.

The board discussed these items and agreed to defer the decision on the CAM budget and proposed fee increase for 2 weeks. During that time more information will be developed and Dr. Blaine will organize a general session of the homeowners to discuss the CAM budget.

There being no further business to come before the Board, the meeting adjourned at 1:15pm.

APPROVED

University Glen Corporation

Barbara Thorpe, Secretary

Date: