

BOARD OF DIRECTORS
REGULAR MEETING
CP 250 CONFERENCE ROOM
MARCH 10, 2009 :: 3:30 P.M.

Present: Jim Alexander, Bill Barrett, Jay Bond, Pat Carroll, Bill Dickerson, Michael LaCour-Little, Mark Stohs.

Staff/Guests: Bob Clark, Ann Ehl, Bill Herbert, John Jay, Frank Mumford.

Excused: Ted Bremner.

I. CALL TO ORDER

Chair Mark Stohs called the meeting to order at 3:40 p.m.

II. APPROVAL OF MINUTES

Bill Dickerson moved, Michael LaCour-Little seconded and motion carried to approve the minutes of the 02/10/09 Board of Directors meeting.

III. RESOLUTION: PURCHASE OF 27 SYCAMORE

Bill Dickerson reported that in the past, potential buyers for University Gables (UG) were plentiful. However, with market changes, potential buyers are not readily available and now the situation requires the Housing Authority (HA)-- to keep the home within HA ownership (non-public)--to acquire 27 Sycamore.

Jim Alexander moved to accept the amended resolution (see underlined portion below), Bill Barrett seconded and motion carried to adopt the following resolution. Jay Bond abstained; the others approved, and the resolution passed.

Approval to Purchase 27 Sycamore, Buena Park, California

WHEREAS, the CSU Fullerton Housing Authority (“Corporation”) operates the University Gables faculty and staff housing community located in the city Buena Park, California (“University Gables”); and

WHEREAS, the Corporation owns the underlying land and controls sales at University Gables through a sixty day option to purchase that is incorporated into the ground lease between each homeowner at University Gables and the Corporation; and

WHEREAS, David Nevell, the owner of 27 Sycamore, Buena Park, California (“Property”) notified the Corporation of his desire to sell the Property in October 2008; and

WHEREAS, since receiving notice from Mr. Nevell, the Corporation has attempted to find a faculty or staff buyer for the Property, but has been unable to do so; and

WHEREAS, the Corporation believes that it will be able to find a faculty or staff buyer for the Property in the near future, but recognizes that if the Corporation does not act to purchase the Property, Mr. Nevell will have the right to sell it to someone outside of the CSU Fullerton educational community; and

WHEREAS, the Corporation has reached an agreement with Mr. Nevell to purchase the Property, subject to obtaining board approval; and

WHEREAS, the terms of the sale of the Property provide for a purchase price not to exceed \$239,615 plus a ground lease refund amount of \$11,595 plus transaction costs; therefore

BE IT RESOLVED that the Board of Directors approves the proposed purchase of the Property in accordance with the terms described above, and authorizes and directs its officers to execute documents and agreements on behalf of the Corporation with respect to the Property purchase.

IV. REPORTS

A. TREASURER

Jim Alexander reported that reconciliations have not been received from the auditors who have been busy working with Bill Herbert. The Housing Authority financials still show that we are upside down. However, at Creekside, there were two sales in January, one in February with two more in escrow. This leaves two Creekside units left for purchase. Before the end of the year, we'll be able to roll out the accruals.

B. EXECUTIVE DIRECTOR

Instead of his report, Bill Dickerson proceeded to the following discussion items.

V. DISCUSSION ITEMS

A. UH MONTHLY DUES/PEISSIG EMAIL

Bill Dickerson reported that in cases of reduction in family income, the credit union may consider reducing mortgage payments. Usually, it's a write-down of interest payments for a couple years. He said that current University Heights (UH) homeowners informed the Housing Authority (HA) that a lay-off was imminent and that since the credit union would consider reducing the mortgage, asked if the HA would also provide some sort of relief on the monthly \$345 ground lease/maintenance fees.

After a little discussion, Mr. Dickerson recommended that this be deferred until the next meeting.

B. UG & UH LEASING

Realtor Bob Clark Jr. reported that the beginning of the year, there were four UG homes available for purchase; that quickly changed to five available. Since then,

he has sold three, but six additional homes have now been added to the inventory, making eight available at UG. All of the homes available are detached, with most of the current owners ready to move out into the open market.

Jim Alexander added that after a recent city council meeting, there was a discussion about a parking structure adjacent to UG. However, it was confirmed that due to the high cost and lack of funds, the parking structure would not be an option and is not being planned.

Mr. Clark continued that a recent email marketing piece resulted in 16 leads, with three making too much, three making too little (and subsequently placed on the waitlist for low-income/attached homes) and 10 are still being evaluated. He's also currently in the process of putting out 2660 flyers to the full-time campus community. Current prices at UG for Plan Ones are \$279,000 (1507 sf) and \$304-312,000 (1640 sf) for Plan Two.

At University Heights (UH) those lease homes were placed on general MLS for the last seven to ten days; with the newness of the community, it does not appear on either the Thomas Guides or GPS. Since then, he's held broker previews, office caravans and open houses; flyers have also been sent three times to 12,000 agents working in the area. However, showing activity remains slow.

Leasing activity for Fullerton during February 2009 shows that eight homes have been leased for \$2500-2800. As of a few days ago, there were 16 lease properties on the market (three from UH), that averaged \$2637/month for 1778 sf.

The four lease tenants were emailed a week ago about the lease option, though not one has replied. Last Sunday's open house was well-attended; 21 UH homes remain to be leased.

- C. PENDING LITIGATION UPDATE
John Jay provided a privileged update.

- VI. ANNOUNCEMENTS
The next CSUF Housing Authority Board of Directors meeting is scheduled for Tuesday 04/07/09 at 3:30 p.m.

- VII. ADJOURNMENT
Chair Mark Stohs adjourned the meeting at 5:00 p.m.

Approved by the Board of Directors, April 7, 2009.

Jay W. Bond, Secretary