

NORTH CAMPUS-UNIVERSITY PARK DEVELOPMENT CORPORATION
Board of Directors
March 22, 2019

A meeting of the North Campus-University Park Development Corporation Board of Directors was called to order by Chair, Dianne F. Harrison at 10:03 a.m. on Friday, March 22, 2019 in University Hall 250, California State University, Northridge. A quorum was present.

Directors Present: Ray Calnan, Colin Donahue, Rick Evans, Dianne F. Harrison, David Honda, William Watkins

Others Present: Matt Do and Nicholas Gabel (Jones, Lange, LaSalle), Ken Rosenthal, Karina Ward, Lih Wu

ITEM #1 CONSIDERATION OF APRIL 19, 2018 MINUTES

MSP (Watkins/Honda): That the April 19, 2018 minutes be approved as circulated.

ITEM #2 ELECTION

The term of Dr. William Watkins expires this year. The University President recommends that the Board re-elect Dr. Watkins and elect Prof. Ray Calnan (Department of Business Law) to serve three-year terms (2019-2022).

MSP (Donahue/Honda): That the North Campus-University Park Development Corporation Board of Directors reelect Dr. Watkins and elect Dr. Calnan a three-year term (2019-2022).

ITEM #3 AUDIT COMMITTEE CHARTER

Executive Director, Rick Evans, expressed his thanks to Mr. David Honda for his 13 years of service to the Auxiliary Audit Committee. Mr. Evans explained that the Auxiliary Audit Committee oversees both the North Campus-University Park Development Corporation (NCUP) and The University Corporation.

Mr. Evans stated that the committee met on September 17, 2018 to review the audited financial report for both auxiliaries where both received unqualified opinions. The committee also reviewed the charter and suggested minor changes. Mr. Evans commented that TUC Board approved the recommended changes on November 27, 2018.

MSP (Donahue/Watkins): That the North Campus-University Park Development Corporation Board of Directors approve revisions to the audit committee charter as proposed.

ITEM #4 FINANCIAL STATEMENTS

Chief Financial Officer, Lih Wu, reviewed the December 31, 2018 financial statements. Ms. Wu stated that the Income Statement was consistent revenue wise. Ms. Wu noted that the loss in Investment gain/loss is an unrealized loss because of the market crash at the end of December 2018. Ms. Wu explained that as of February 2019 the market has come back and recovered a majority of the loss. If things continue the projection will be relatively flat. Ms. Wu stated expenses have been consistent. One recent expenditure is on the North Campus Development Analysis which there will be a presentation on later in the meeting. Ms.

location is desirable, a mix of unit types should meet a variety of needs, price/value are key drivers, and long-term occupancy is preferred for recruitment and retention.

Mr. Gable presented on the market demand survey conducted in late November 2018. Key demand findings show the following: demand exist to support more than 312 units of faculty and staff housing from primary and secondary target markets, employees' housing decisions are driven by cost, value of housing, and proximity to campus.

Mr. Gable explained that the primary market are faculty/staff who have been employed at CSUN for five years or less; the secondary market are faculty/staff who have been employed at CSUN for more than five years. Mr. Do stated that there are approximately 200 units of demand for the primary market. Mr. Gable also provided an overview of the primary market demographic profile,

Mr. Do presented on the developer outreach, developer feedback/summary, and recommendations. The developers provided feedback related to: site, local real estate market, development trends, planning process, and delivery methods. The recommendations included: initial development of approximately 22 faculty and staff units with a coordinated master development plan for the North Campus site, build housing in phases, be cost conscious, and establish a North Campus Vision and Mission.

Dr. Harrison asked Mr. Do to explain the Opportunity Zone program. Mr. Do stated that the Opportunity Zone program is a federal program that was passed through the recent tax initiatives. There are zones identified across the country that have been established with CSUN being in one of these zones. The programs allows investment of capital gains into improving the area through development by creating job opportunities and then to receive tax relief on the capital gains invested. Mr. David Honda stated that the Opportunity Zone is a 10 year program and currently not approved by the IRS. Mr. Do stated that the program is set up as a long term investment. There is a greater tax benefit the longer the investment is kept in the designated zones.

Mr. Do continued with an overview of the draft North Campus Vision and Mission. Dr. Watkins stated that work will need to be done to provide affordable housing to faculty and staff. Mr. Gable provided an explanation of the survey logic. Mr. Evans stated there was approximately 800 survey respondents. Mr. Donahue stated that the majority of the demand was for a 2 bedroom unit. Dr. Ray Calnan recommended broadening the focus of the North Campus Vision and Mission to include commercial and retail property since it is heavily focused on the housing aspect.

ITEM #7 ANNOUNCEMENTS

Mr. Evans stated that the annual conflict of interest form needs to be completed by each board member.

There being no further business, the meeting ended 11:00 a.m.

Respectfully submitted,


Colin Donahue, Secretary



**North Campus
Development Corporation**

MEMORANDUM

To: Colin Donahue, Vice President
Administration & Finance
California State University, Northridge

CD 5/30/19

From: Rick Evans, Executive Director

Date: May 10, 2019

Subject: **NORTH CAMPUS-UNIVERSITY PARK DEVELOPMENT CORPORATION -
2019/2020 BUDGET**

In accordance with Title V, Section 42402 of the California Administrative Code, we are submitting for President Harrison's review and approval, the budget of the North Campus-University Park Development Corporation for the 2019/2020 fiscal year. This budget was approved by the Board of Directors on March 22, 2019.

Please initial on the line next to your name, above, and forward to the President. President Harrison should indicate her approval by signing below and returning this memorandum to me. Thank you.

I hereby approve the North Campus-University Park Development Corporation 2019/2020 operating budget.

Dianne F Harrison

Dianne F. Harrison, President
California State University, Northridge

May 31, 2019

Date

/kww
att: