

Mr. Donahue asked if there are any indications on Rydell's intention to continue their lease on North Campus. Mr. Evans stated that the Rydell Lease Agreement is the next agenda item.

MSP (Donahue/Watkins): That the 2019/2020 operating budget be approved as presented.

ITEM #5 GM/RYDELL LEASE AGREEMENT AND MEDTRONIC

Associate Director of Real Estate, Linda Turner updated the Board on the Rydell Chevrolet ('Rydell') lease, which started in June 2013. Rydell's current Lease Agreement extension for parking lot G10, G12, and the athletic field expires on June 30, 2021. Rydell has requested a year's extension beyond June 2021 to June 30, 2022. Rydell's lease payments for fiscal year 20/21 will total \$280,934. Ms. Turner reported that last year, Rydell contracted with CSUN Department of Police Services to patrol the property and there was no vandalism to their vehicles.

Ms. Turner reported that Medtronic has a new Diabetes Group Chief Financial Officer, Austin Domenici, who reached out in early March to explore academic and technology partnerships with CSUN. A meeting will be coordinated with Mr. Domenici, Dr. Sheree Schrager, Interim Senior Director, Research & Sponsored Program, Tim Tiemann, Managing Director of the CSUN Innovation Incubator, and research administrators from Medtronic. Dr. Harrison stated that Dr. Mary Beth Walker, Provost and VP of Academic Affairs, should also be involved in the conversation.

MSP (Donahue/Calnan): That the North Campus-University Park Development Corporation Board of Directors approve the one-year extension to the current lease.

ITEM #6 NORTH CAMPUS DEVELOPMENT ANALYSIS

Ms. Turner reported that a variety of potential developments have been considered for North Campus over the years, the most recent being presented by Jones Lang LaSalle, Inc. (JLL) at the 2019 Board of Directors meeting. JLL conducted a market analysis for development, demand study, and three housing focus groups with CSUN faculty and staff. JLL's financial analysis demonstrated viability of a 200-unit initial development.

Ms. Turner reported that the CSUN employee's decision to rent is driven mostly by cost, quality of housing, and closeness to campus. Ms. Turner stated that faculty and staff are looking for more affordable units than resulted from the JLL study. However, JLL prices are based on the cost of building a 200-unit development so rent pricing could not be lowered. This poses a difficult position for the university and North Campus Board. Building a 200-unit faculty and staff develop to specification would be a quality development. However, it could be said that the development is not affordable housing. Affordable housing in the surrounding area was built in the 1950's, 1960's, and 1970's and in some cases, today is in very poor quality. Ms. Turner stated that, in her experience with faculty and staff, to live in affordable rental housing, they are forced to commute long distances to campus which could take some up to two hours to get to work.

Ms. Turner reported that when the possibility of building a Multi Event Center at North Campus came up, it presented the opportunity to explore a smaller faculty and staff development on the main campus. The campus master plan describes parking lot B6 as a future site for faculty staff housing. Michaels Development Company, a 40-year-old company that focuses on affordable housing at colleges and universities, toured CSUN and offered to conduct a feasibility analysis on lot B6 at no charge. Their

findings showed it would be difficult to build faculty and staff housing at rents lower than what was presented by JLL.

Colin Donahue clarified that North Campus was considered as a potential site for a Multi Event Center. However, the entertainment industry has changed significantly due to the COVID-19 pandemic. At this time, the project is on hold. Dr. Harrison asked if either developer mentioned the Opportunity Zone that the campus is located in. Mr. Donahue stated the studies conducted by JLL does consider the fact that the campus is in the opportunity zone and does present some opportunity for the North Campus.

Dr. Calnan asked if the developers are being asked to solely provide residential usage or if the developers are being told that there is this space available and what can they do to incorporate residential. A mixed-use development may be able to offset the rental cost. President Harrison encouraged the board to continue exploring the best use for North Campus. Mr. Donahue commented that a retail component at North Campus might help with the proforma of the development.

Dr. Watkins asked, in terms of mixed use and retail close to student housing environments, what is being done throughout the system? What works at other universities? Mr. Donahue stated that it would be beneficial to look at other developments in Southern California, such as San Diego State University. Mr. Honda stated to look at the density to help pay for the project. Building up will help increase the density of the development.

ITEM #7

ANNOUNCEMENTS

There being no further business, the meeting ended at 9:46 a.m.

Respectfully submitted,

Colin Donahue, Secretary