

**REGULAR MEETING**  
**El Segundo Senior Citizen Housing Board Corporation**  
**Wednesday, February 25, 2015 - 7:00 pm**

**Park Vista Senior Housing**  
**615 E. Holly Avenue, El Segundo, CA 90245**

**CALL TO ORDER:**

The regular meeting was called to order at 7 p.m. at Park Vista. Martin Stone, Chairman presiding.

**ROLL CALL:**

Directors present: Martin Stone, Jim Latta, Karen Gorin, Terry Sue Aikens, Laura Freeman and James de Cordova  
Directors absent: Paula Rotolo  
Others: Neil Cadman, Property Supervisor, Cadman Group, a California Corporation,  
Gregg Kovacevich, City Legal Representative per Mark Hensley  
Jesse Bobbett, Recreation Superintendent/City Liaison

**A. PUBLIC COMMUNICATION:**

Donna Hagerty; 207, spoke on the microphones, and that the facility is low income housing,

Donna Cummings, resident; spoke regarding a quote she read in the paper regarding the "city" running the facility. She requested an explanation of the statement.

Resident; spoke regarding a Council Member stating he was in favor of the tenants on the waiting list not paying the increase if they transfer in-house.

Resident; stated she left some papers on affordable and low income housing for the Board to review.

Resident; 325, when raising the rent on the apartments what happened to the smaller and larger one bedroom apartments?

Donna Cummings, resident, stated understands that this is not a 501C charity, and classified as a non-profit corporation.

Resident; stated she understood, that the facility was built with Federal funds also, not sole city funds.

**B. APPROVAL OF MEETING MINUTES**

MOTION to approve the Minutes of the November 11 and 20, 2014 Special Meetings was made by Member Latta, Seconded by Member Gorin. Motion carried unanimously.

MOTION: to approve the minutes of the January 28, 2015, was made by Member Gorin Seconded by Member Stone. Motion carried unanimously.

**C. NEW BUSINESS**

1. President's Report

Member Stone stated that he felt there is a misunderstanding with the tenants about what the Board is responsible for and what is not. There are three sets of rules that the Board follows, 1) Municipal Guide Law Board for Appointed and Elected Officials (a

Legislative body may only take action on items that are on the agenda; 2) El Segundo Senior Citizens Housing Corporation rules, (it is not proper for the Board to meddle in the day to day operations of the facility; 3) Rental Rates, the rates were designed to address the costs and needs for the facility. They are set to maintain the facility in a responsible manner. In 2004, Park Vista was in dire financial state. There was a negative cash flow, and rents were not covering the costs of maintaining the facility. At that time the City was asked to help the Board and facility to restore a cost effective establishment with a balance budget. The current Board is doing its best to maintain an appropriate budget to maintain and update the facility when needed.

2. Presentation of the Management Report

Mr. Cadman reported the janitor Al Jackson is retiring; he has been here for over 15 years. The Cadman group is looking for a new janitor, and there may be a slight gap in coverage. A little going away party has been scheduled. The laundry room has had some very good responses. Regarding the parking space that is too small to accommodate a car, a ballot has gone out to the tenants to solicit their comments. He has received a quote regarding window tinting; the smaller windows cannot be tinted. An agenda item will be submitted at the next meeting with a question regarding the waiting list procedure, and he needs direction from the Board. He also spoke regarding the reserve study. Association Reserve Study Group will conduct the next reserve study keeping in mind major capital expenditures using public bidding type of costs. Basically a group of this nature puts a time line on a building and what it would cost to replace plumbing, roofs, etc. so the reserves could be managed responsibly. Mr. Cadman and Board members Stone and Latta, upon analyzing the Study, determined that it was accurate because it did not take into account "public bidding" or items over \$10,000. In addition, reserve studies do not take into account replacements inside units, only common area items and Mr. Cadman will work with the vendor to take this into account as well.

3. Reserve Accounts LAIF (Local Agency Investment Fund)

Received and file the financial reports.

4. Financial Statements

Discussion and review including, but not limited to, statements, invoices, finances, and transfers between accounts for the month of November, 2014 and January, 2015.

For the month of November, 2014, Mr. Cadman reported actual ending cash in the Bank \$98,235.27 as of November, 2014 PV Grand Point Account, was \$44,727.57 Park Vista Business checking account at Chase was \$11,100.00, LAIF was \$208,370.76, and Chase money market account was \$107,630.15 for a total checking and savings of \$470,063.75

Consensus to Receive and file the financial reports as presented.

Member Gorin requested that during Safety Checks, the Board Members report possible problems. Mr. Cadman stated that when there are issues of habitability the units are watched for excessive problems.

For the month of January, 2015 Mr. Cadman reported actual ending cash in the Bank \$114,691.66 as of November, January, 2015 PV Grand Point Account, was \$26,700.27 Park Vista Business checking account at Chase was \$11,100.00, LAIF was \$208,464.37, and Chase money market account was \$107,637.54 for a total checking and savings of \$468,593.54

Consensus to Receive and file the financial reports as presented.

5. Rental Rate Adjustments

Mr. Cadman explained how he conducted the rental rate schedule. Market rate is what a unit can rent for in this geographical area. Review current vacancies and obtain as much information as possible on these units, location of the building, and amount of rent that is being ascertained and how much they actually rent for. They assign weights to these apartments and chart the vacancies and their amenities.

Park Vista is assigned an "A" rate. He then evaluates the ratings and reports the current market rate. The market rates do not take into consideration "low income" or "affordable housing" rates. Mr. Kovacevich stated these are set by law. There is no legal requirement that rents be set as "low income" it was originally to provide the lowest possible cost for the best amenities that can be provided for the cities Senior Housing.

6. Application of Rental Rate Adjustments to Inter-Unit transfers by Current Tenants.

Member de Cordova requested how many people are on the list to transfer from a single to a one bedroom, there are 12 tenants on the inter-unit transfer list.

Jenne, 211, stated that during the Council meeting some of the Council members stated they felt it was unfair to ask the people on the list to pay the increased list.

Donna Cummings agreed with not imposing the new rates on inter-unit transfers.

Mike Gordon, 217; felt that the people on the list would pay the existing rate, and ones in the future would be required to pay the new amount.

Member de Cordova agreed that the 12 people on the list to stay at the same rent schedule.

MOTION for the Board to form a subcommittee of Members de Cordova, Gorin and Freeman, to propose a policy for the 12 tenants currently on the inter-unit transfer list was made by Member Stone Seconded by Member Gorin. Motion carried unanimously.

MOTION to suspend the Board's action regarding approval of inter-transfer rental rates as of January 28, 2015, until the newly formed subcommittee reports back to the Board with a new policy for the Board's consideration and approval. The rental rates for 2014 will be used for the 12 tenants that are on the inter-transfer list ending February 25, 2015 was made by Member Stone, Seconded by Member Latta. Motion carried unanimously. I believe this was the intent of the motion.

7. Request to City Council for an Increase Spending Limits.

Hold this item until Staff can prepare information on the city wide spending restrictions policy and information on requesting the City Council to pursue action raising the Boards spending authority limit to \$35,000.00.

8. Compensation of Tenants for Unit Issues.

Mr. Cadman explained that this item is a discussion regarding Unit 219 and granting them compensation for being unable to use their balcony and experience wet carpeting for almost 4 years. He stated that he has issued a rent credit.

MOTION to extend the meeting to 9:30 was made by Member Latta, and Seconded by Member Freeman. Motion carried unanimously.

D. UNFINISHED BUSINESS

1. Repair and Modification of Patio Decks and Doors in Units 219, 200 and 221 to Prevent Further Water Intrusions.

The engineer is currently looking for the simplest and most cost effective way to handle these problems.

2. Board Handbook Sub-Committee Status Update

Staff and Mr. Cadman are currently working on this item. Member Stone is not sure how these changes are put into the Boards Handbooks.

Mr. Bobbett stated they will update them any way the Board directs.

Member Latta, stated that the whole book needs to be reviewed by the Board, and in the future the mechanics need to be worked out. Mr. Kovacevich stated that the policy should be presented to the Board in writing so there is no mistake in what is being adopted.

MOTION to direct Mr. Bobbett to add an agenda item each meeting for the Board to review sections and make recommendations for changes, Staff to present the changes to the Board at the next meeting for approval was made by Member Latta, Seconded by Member Stone. Motion carried unanimously.

3. Future Senior Housing Options Sub-Committee Status

Member Latta explained how other cities deal with donations of funds and property. Mr. Kovacevich informed the Committee that it appears the City has the appropriate nonprofit to attract property and other types of donations (annuities). The pending liability of maintaining Park Vista under the current structure in which the Board has to pay two to three times the industry cost for maintenance. Currently it does not make sense to expand the number of affordable/low income housing units in the City without establishing an economical means of management. This issue has become increasingly problematic as the building ages and requires additional maintenance.

The Sub-Committee Goals:

1. Permission from the Board to expand the scope of the ad hoc committee to initiate a report on the future financial viability of maintaining Park Vista under the current structure.
2. Obtain Board approval to explore new structure or system allowing the Senior Housing Board to pay the lower cost industry rates for property maintenance.
3. Obtain Council approval to expand the number of affordable housing units in El Segundo via donations of rental property or money to buy additional rental property.

MOTION to expand the scope of the ad-hoc committee to include these Goals was made by Member Latta, Seconded by Member de Cordova. Motion carried by the following voice vote: Ayes: Stone, Latta, de Cordova, Freeman, and Aikens. Nos: Gorin 5/1.

E. CITY STAFF REPORT- None

F. RESIDENT SUGGESTION BOX

Several notes regarding Rent raises, and fixed incomes;  
Comments on the window fan in the landing area;  
Question on what happened to the vacuum cleaner;  
Hand wipes or sprays for the exercise room;  
Cars and trucks parking in the parking lot.

G BOARD MEMBERS REPORT - None

H. PUBLIC COMMUNICATIONS

Donna Cumming, 204, when does the Board address the public concerns? If the tenants want something put on the agenda what is the procedure. Mr. Kovacevich stated that it is the Boards agenda and they assemble what is to be discussed. Can't window tint, can't that be purchased at Home Depot?

Donna Hagerty, 307; Kindness and Consideration are whatis needed.

NEXT REGULAR MEETING: Wednesday, March 25, 2015 7:00 pm at Park Vista.

ADJOURNMENT: at 9:45 p.m.

Submitted by,  
Cindy Mortesen,  
Recording Secretary

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