

**MISSION-WEST VALLEY LAND CORPORATION
BOARD OF DIRECTORS**

(It is noted that all members of the Board of Trustees of the West Valley-Mission Community College District are members of this Board and all or a majority of the Trustees may be in attendance at this meeting)

NOTICE OF REGULAR MEETING and AGENDA

November 18, 2014

5:00 p.m.

Board Room

West Valley College

Saratoga, California

1. **Call to order**
2. **Roll Call**
3. **Approval of the order of the agenda**
4. **Oral communications from the public on items not listed elsewhere on the agenda**
5. **Approval of the minutes of the meeting of September 16, 2014**
6. **Officers' Report**

This item may include a report on matters not noticed elsewhere on the agenda. The report may include information regarding the status of the Land Corporation's ground tenants, construction and/or the general business of the Land Corporation.

7. **Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of October 31, 2014**

This item may include review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of October 31, 2014.

8. **Review, consideration and possible action to accept receipt of the Land Corporation's annual fiscal audit as prepared by Johanson & Yau, and covering the period from July 1, 2013 through June 30, 2014**

This item may include action as described above.

9. **Review, consideration and possible action to accept the Capital Improvements and Special Projects Expenditure Plan**

This item may include action as described above.

10. **Review, consideration and possible action to consent to American Multi-Cinema, Inc., (AMC) obtaining a liquor license for its theaters located at the Mercado Center**

This item may include action as described above.

11. **Review, consideration and possible action to approve the Land Corporation meeting dates for calendar year 2015**

This item may include review, consideration and possible action to approve the Land Corporation meeting dates for calendar year 2015.

12. **Director's Reports**

13. **Adjournment**

MISSION-WEST VALLEY LAND CORPORATION

Board of Directors
Regular Meeting
Minutes
September 16, 2014

1. Call to order

A regular meeting of the Board of Directors of the Mission-West Valley Land Corporation was called to order by President Chad Walsh at 4:30 p.m. in the West Valley College Board Room, Saratoga, CA

2. Roll Call

Directors Adrienne Grey (arrived at 4:55pm), Nick Heimlich (arrived at 4:40pm), Jack Lucas, Bob Owens, Buck Polk, Chad Walsh - President, and Karl Watanabe – Vice President (absent); Secretary/Treasurer Ed Maduli.

3. Approval of the order of the agenda

The order of the agenda was amended as follows: items 9 & 10 were moved to precede item 8.

4. Oral communications from the public on items not listed elsewhere on the agenda

None.

5. Approval of the minutes of the meeting of August 19, 2014

The August 19, 2014, meeting minutes were approved as presented. (Owens/Lucas, 4/0/0, with Grey, Heimlich, and Watanabe absent and not voting)

6. Officers' Report

Mr. Maduli provided information about replacing a fence between the Mercado Center and Mission College.

REGULAR ORDER OF THE AGENDA

7. **Review, consideration and possible action to accept the Statement of Revenues, Expenditures and Net Assets of the Land Corporation as of August 31, 2014**

This item was continued until the next meeting. (Polk/Owens, 5/0/0, with Grey and Watanabe absent and not voting)

8. **Review, consideration and possible action to amend the Operating Budget for the 2014-15 Fiscal Year beginning on July 1, 2014 to include \$100,000 for a Teaching & Learning Innovation Fund as identified in the Allocation of Funds Policy**

This item was approved as presented. (Owens/Polk, 5/0/0, with Grey and Watanabe absent and not voting)

9. **Review, consideration and possible action to amend the Operating Budget for the 2014-15 Fiscal Year beginning on July 1, 2014 to include \$50,000 for a Student Success Innovation Fund as identified in the Allocation of Funds Policy**

This item was approved as presented. (Owens/Lucas, 5/0/0, with Grey and Watanabe absent and not voting)

10. **Review of MC2IT status and accomplishments and further review, consideration and possible action to support STEM education at Mission College by funding MC2IT program development in the amount of \$250,000 to be used to develop fee-based technology courses and a student internship program**

There was a discussion. There was a motion to approve the support of STEM education at Mission College by funding MC2IT program development in the amount of \$250,000 to be used to develop fee-based technology courses and a student internship program. The motion passed. (Heimlich/Grey, 6/0/0, with Watanabe absent and not voting)

11. **Review, consideration and possible action to amend the Operating Budget for the 2014-15 Fiscal Year beginning on July 1, 2014 to include \$1,200,000 for Capital Improvements as identified in the Allocation of Funds Policy**

This item was approved as presented. (Owens/Polk, 6/0/0, with Watanabe absent and not voting)

12. **Review, consideration and possible action to amend the Operating Budget for the 2014-15 Fiscal Year beginning on July 1, 2014 to include \$600,000 for a Special Projects Fund as identified in the Allocation of Funds Policy**

This item was approved as presented. (Grey/Polk, 6/0/0, with Watanabe absent and not voting)

13. **Review, consideration and possible action to amend the Operating Budget for the 2014-15 Fiscal Year beginning on July 1, 2014 to include \$500,000 for Technology Refresh & Instructional Equipment as identified in the Allocation of Funds Policy**

This item was approved as presented. (Owens/Grey, 6/0/0, with Watanabe absent and not voting)

14. **Review, consideration and possible action to amend the Operating Budget for the 2014-15 Fiscal Year beginning on July 1, 2014 to include \$150,000 for Student Assistance as identified in the Allocation of Funds Policy**

This item was approved as presented. (Grey/Polk, 4/2/0, with Heimlich and Owens voting no, and Watanabe absent and not voting)

15. **Review, consideration and possible action to amend the Operating Budget for the 2014-15 Fiscal Year beginning on July 1, 2014 to include \$100,000 for an Entrepreneurial Fund as identified in the Allocation of Funds Policy**

This item was approved as presented. (Grey/Owens, 6/0/0, with Watanabe absent and not voting)

16. **Director's Reports**
None.

17. **Adjournment**
Meeting adjourned at 4:50pm.

ITEM 7

November 18, 2014

To: Board of Directors
Mission-West Valley Land Corporation

From: Jerry Donnard
Bookkeeper

Subject: Financial Statement

Attached is the financial statement October 31, 2014.

Please refer to the footnotes for any unusual or unexpected fluctuations in the Monthly or Year-to-Date expenses.

Please contact the Vice Chancellor or me if there are any questions regarding the statements.

Mission West Valley Land Corporation
Statement of Revenues, Expenses and Changes in Fund Balance
Budget vs Actual

As of October 31, 2014

	Budget (Col A)	Current Month (Col B)	Year to date Actual (Col C)
Revenues			
Ground Lease Revenues			
<i>LAKHA Properties</i>	\$ 950,000	\$ 79,167	\$ 316,667
<i>Sobrato/S-3: Phase I</i>	1,109,700	91,800	367,200
<i>Sobrato/S3: Phase II</i>	1,605,350	130,437	521,749
<i>Quality Technology</i>	1,176,449	98,037	392,150
<i>General Interest Revenue</i>	17,000	\$ 4,893	\$ 4,893
Gross Revenue	\$ 4,858,499	\$ 404,334	\$ 1,602,658
Expenses:			
Administrative and Operating Expenses			
<i>Audit & Tax Preparation Services</i>	\$ 12,750	\$ 2,750	\$ 12,750
<i>Office Supplies</i>	500		
<i>Property Taxes</i>	540		
<i>Insurance</i>	1,700		
<i>Legal Fees</i>	60,000	1,314	3,123
<i>Financial Services</i>	7,000	270	1,463
<i>Consultant</i>	84,000		7,000
<i>WVMCCD Rent Fees (25% of Revenues)</i>	1,210,375	299,581	299,581
Total Administrative and Operating Expenses	\$ 1,376,865	\$ 303,915	\$ 323,916
Scheduled Maintenance			
<i>13/14 Scheduled Maintenance</i>	\$ 86,706	\$ -	\$ 78,567
<i>14/15 Scheduled Maintenance</i>			
Total Scheduled Maintenance Expenses	\$ 86,706	\$ -	\$ 78,567
Excess of Revenues Over Expenses Before Special Project Expenses			
	\$ 3,394,928	\$ 100,419	\$ 1,200,175
Special Projects Ongoing			
<i>Teaching & Learning Innovation Fund</i>	\$ 100,000	\$ -	\$ -
<i>Student Success Innovation Fund</i>	50,000		
<i>Capital Improvements</i>	1,200,000		
<i>Special Projects</i>	600,000		
<i>Technology Refresh & Instructional Equip.</i>	500,000		
<i>Student Assistance</i>	150,000		
<i>Entrepreneurial Fund</i>	100,000		
<i>MC2IT</i>	250,000 ⁽¹⁾		
Total Special Projects Expenses	\$ 2,950,000	\$ -	\$ -
Excess of Revenues Over Expenses	\$ 444,928	\$ 100,419	\$ 1,200,175
<i>Current Year Contributions to Endowment Fund</i>	\$ 484,150		
<i>Assignment of Interest to Endowment</i>	977		
Total 14-15 Endowment Contribution	\$ 485,126	\$ -	\$ -
Excess of Revenues Over Expenses and Endowment	\$ (40,199)	\$ 100,419	\$ 1,200,175

FOOTNOTES:

1) Added MC2IT budget allocation which was approved at the 9/16/2014 meeting.

Statement of Changes in Fund Balance

Statement of Revenues
and Expenses From June
30, 2014

Net Assets June 30, 2014	\$ 7,885,352
less Amortization of Prepaid Expenses	\$ 14,977
	<u>\$ 7,870,375</u>

Restrictions and Designations of Net Assets	
Endowment Fund	\$ 464,704
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 592,779
Contingency Reserve	\$ 4,000,000
Undesignated Fund Balance	\$ 2,796,190

Excess of Revenues over Expenses in 14-15	\$ 444,928
less Amortization of Prepaid Expenses	\$ 14,977
Projected net increase in fund balance	<u>\$ 429,951</u>

Transfer of Endowment to Adv. Foundation

Projected Net Assets June 30, 2015	\$ 8,300,326
---	---------------------

Restrictions and Designations of Net Assets	
Endowment Fund	\$ 949,829
Land	\$ 16,702
Reserve for Prepaid Commission	\$ 577,802
Contingency Reserve	\$ 4,000,000
Undesignated Fund Balance	\$ 2,755,992

Current Month Cash Balance:

Month End Checking Acct Balance	\$ 16,608
Month End LAIF Acct Balance	\$ 8,996,091

Previous Month Cash Balance:

Month End Checking Acct Balance	\$ 319,764
Month End LAIF Acct Balance	\$ 8,591,198

**Schedule for
Restriction on reserves for endowment
effective 6/30/00**

	Contributions	Additions/ Interest	Cumulative Balance	LAIF interest rate	Endowment Transfers
Jun 2000 Beginning Balance	\$325,450				
Jun 2001		\$4,539	\$345,820	5.32% Actual	
Jun 2002	\$372,772	\$2,443	\$730,587	2.75% Actual	\$11,995
Jun 2003	\$402,746	\$3,289	\$1,149,334	1.77% Actual	\$16,001
Jun 2004	\$357,445	\$5,384	\$1,858,517	1.44% Actual	\$18,826
Jun 2005	\$358,231	\$13,443	\$2,258,442	2.85% Actual	\$41,694
Jun 2006	\$381,977	\$26,276	\$2,728,451	4.53% Actual	\$88,032
Jun 2007	\$426,809	\$37,048	\$3,297,378	5.23% Actual	\$142,118
Sep 2007		\$43,196	\$3,340,574	5.24% Actual	
Dec 2007		\$41,423	\$3,381,997	4.96% Actual	
Mar 2008		\$35,342	\$3,417,339	4.18% Actual	
Jun 2008	\$440,632	\$26,570	\$3,884,540	3.11% Actual	\$146,530
Sep 2008		\$26,900	\$3,911,441	2.77% Actual	
Dec 2008		\$24,838	\$3,936,278	2.54% Actual	
Mar 2009		\$18,796	\$3,955,074	1.91% Actual	6/18/2009
Jun 2009	\$450,341	\$14,930	\$535,806	1.51% Actual	\$3,884,540
Sep 2009		\$1,206	\$537,011	0.90% Actual	
Dec 2009		\$806	\$537,817	0.60% Actual	2/1/2010
Mar 2010		\$753	\$2,764	0.56% Actual	\$535,806
Jun 2010	\$458,214	\$4	\$460,982	0.56% Actual	\$2,768
Sep 2010		\$588	\$461,569	0.51% Actual	10/15/2010
Dec 2010		\$531	\$1,118	0.46% Actual	\$460,982
Mar 2011		\$1	\$1,119	0.51% Actual	
Jun 2011	\$423,201	\$1	\$424,321	0.48% Actual	\$1,121
Sep 2011		\$403	\$424,724	0.38% Actual	
Dec 2011		\$403	\$425,127	0.38% Actual	
Mar 2012		\$404	\$425,531	0.38% Actual	
Jun 2012	\$383,546	\$383	\$809,461	0.36% Actual	\$1,593
Sep 2012		\$708	\$385,849	0.35% Actual	9/7/2012
Dec 2012		\$309	\$386,157	0.32% Actual	\$424,321
Mar 2013		\$270	\$386,428	0.28% Actual	
Jun 2013	\$428,090	\$232	\$814,750	0.24% Actual	\$1,519
Sep 2013		\$530	\$815,280	0.26% Actual	6/17/2014
Dec 2013		\$530	\$815,810	0.26% Actual	\$ 429,609
Mar 2014		\$469	\$816,279	0.23% Actual	6/20/2014
Jun 2014	\$462,725	\$449	\$464,704	0.22% Actual	\$ 385,140
Sep 2014		\$279	\$464,983	0.24% Actual	
Dec 2014		\$232	\$465,215	0.20% Estimate	
Mar 2015		\$233	\$465,448	0.20% Estimate	
Jun 2015	\$484,150	\$233	\$949,829	0.20% Estimate	\$977
					\$6,120,398

Outstanding Balance

2013/2014	\$464,703
2014/2015	\$485,126
Total	\$949,829

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT

**PROPOSED FY 14-15 LAND CORPORATION
CAPITAL IMPROVEMENTS PROJECT LIST**

Priority	Project Description	Project Estimate
<u>MISSION COLLEGE PROJECTS</u>		
1	Softball Field Upgrades	\$ 150,000.00
2	Install cabling and emergency phones in Main Building	\$ 19,278.00
3	Install cabling and emergency phones in Police Department	\$ 9,722.00
4	Replace Library HVAC Boiler	\$ 70,000.00
5	Replace Campus Center Water Heaters	\$ 35,000.00
6	Install power assist doors at Campus Center Restrooms	\$ 15,000.00
7	Replace Library Water Heaters	\$ 35,000.00
8	Lighting at Campus Center	\$ 125,000.00
9	Replace Gym Boiler	\$ 106,000.00
10	Install TAV Controls	\$ 35,000.00
	Mission College Subtotal	\$ 600,000.00
<u>WEST VALLEY PROJECTS</u>		
1	Utility Underground Water Pipe Replacement	\$ 150,000.00
2	Install cabling and emergency phones in PE Department	\$ 39,060.00
3	Install cabling and emergency phones in Library Department	\$ 60,480.00
4	Install emergency phones in Child Dev Center	\$ 12,600.00
5	Repair automatic doors at various locations	\$ 15,000.00
6	Upgrade emergency exit signage and lighting	\$ 50,000.00
7	Inspect, test and repair electric transformers	\$ 50,000.00
8	Remove and replace concrete walkway at Library	\$ 100,000.00
9	Repair/replace wood decks at Child Dev Center	\$ 20,000.00
10	Repair/replace doors at Theater Entry	\$ 18,000.00
11	Replace/repair doors at Business Restrooms	\$ 12,000.00
12	Repair/replace doors at PE Gym	\$ 23,000.00
13	Print Shop Upgrades	\$ 49,860.00
	West Valley Subtotal	\$ 600,000.00
	Total	\$ 1,200,000.00

Recommended Land Corp Funding For Special Projects

- | | |
|---|-----------------|
| 1. WVC Educational & Facility Master Plan | \$250,000 |
| - Update the college's 2009 Master Plan. Complies with ACCJC recommendation. | |
| 2. Employee Assistance Program | \$100,000 |
| - For District employees to assist with family, medical, financial, career counseling; provide mental health counseling, alcohol & substance abuse referrals. | |
| 3. Document Management System | \$160,000 |
| - Implement system to include hardware, software, and training.
Provides for easy access to stored District documents without paper. | |
| 4. ADA Transition Plan for MC | \$50,000 |
| - Develop an ADA Transition Plan that identifies potential areas to be upgraded, the cost, and the timeline to implement the plan. | |
| 5. Business Process Analysis (BPA) | <u>\$40,000</u> |
| - Conduct BPA as part of an evaluation of an ERP. | |
| | \$600,000 |

TEL: 800-400-1353
FAX: 541-396-6888
www.csa-compliance.com

54476 MARIAH ROAD
MYRTLE PT, OR 97458
www.csa-compliance.com



October 2, 2014

Dee Spector
Premier Centers Management
500 108th Ave., NE #2050
Bellevue, WA 98004

Via E-mail:
corby@csa-compliance.com

Re: AMC Theatres Mercado 20
3111 Mission College Blvd., Santa Clara, CA 95054
Notification and Approval of Landlord to CUP Application

Dear Ms. Spector:

Pursuant to our conversation today and Premier Centers Management being the management company for the landlord, Lakha Properties - Santa Clara LLC, I have drafted the following letter for you to present to the representatives of the landlord for their review and signature. Our firm, CSA, is the alcoholic beverage compliance firm for and representative of AMC Theatres in this matter.

AMC Theatres is upgrading the movie going experience by remodeling movie theatres across America. The movie industry has become very competitive and many theatres have closed in the last decade. In response to the increasingly competitive environment and to meet the demands of the local consumer, AMC, is planning to renovate their Mercado 20 theatre at which you are the landlord.

The concession stand will be remodeled so additional items including hot foods such as pizzas will be offered. In addition to up-fitting and expanding the food menu, AMC plans to address the growing consumer expectations of a first-class movie-going experience by offering alcoholic beverages to its adult patrons.

AMC's program of upgrading the food menu and offering alcoholic beverages has allowed AMC to maintain its market share and keep their facilities viable. The expanded services to the consumer and remodeling of its theatres has been covered by the Wall Street Journal, among others. This program has been received positively and has been regarded as a bold move to keep attendance high.

We plan to submit a conditional use permit application to the city of Santa Clara that will allow AMC to serve alcoholic beverages to its adult patrons. The city use application requires the property owner's signature, Mission Community College

RETAIL & SUPPLIER LICENSES NATIONWIDE • FEDERAL PERMITS • RETAIL LICENSE UPKEEP
TRANSACTIONS OF ALL SIZES • TRAINING • CUSTOM MANUALS • COMPLIANCE AUDITS

Page 2

(MCC). MCC has indicated through our land use counsel, Manatt & Phelps, that they are prepared to sign-off, but they would like to know that the landlord of the building is aware of this initiative and approves of its use.

I have reviewed the lease. Section 8A (iii) regarding the use of the premise states that AMC is authorized to use the premise for "*the incidental retail sale therein of food, beverages and refreshments.*" Movie theatres are currently moving into the alcoholic beverage on-sale retail business. As a result, we feel that adding an alcoholic beverage license is consistent with maintaining and operating a first-class movie theatre.

Consistent with MCC's request for notification and approval of the landlord, we request that you please sign and return a copy of this letter acknowledging this notice and your approval and consent to move forward with the CUP process with the City of Santa Clara for the purpose of licensing AMC Theatres Mercado 20 for alcoholic beverage sales to its adult patrons.

If you have any questions or need further information or documentation, please call me directly at 800-400-1353.

Yours truly,



Corby Eden

I have received this letter and am an authorized signatory to Lakha Properties - Santa Clara LLC. I am aware of AMC Theatres intentions to offer alcohol sales to its adult patrons and hereby assign my consent.

Sincerely,
Lakha Properties – Santa Clara, LLC





West Valley-Mission
Community College District
Fiscal Services

14000 Fruitvale Avenue
Saratoga, CA 95070-5698
ph.(408)741-2085
fx.(408)867-1308
www.wvm.edu

November 18, 2014

City of Santa Clara Planning Division
1500 Warburton Ave.
Santa Clara, CA 95050

**Re: AMC Theatres Mercado 20 Conditional Use Permit Application
3111 Mission College Blvd., Santa Clara, CA 95054**

To Whom It May Concern:

This will acknowledge that West Valley-Mission Community College District is the owner of that certain real property located at 3111 Mission College Blvd. in the City of Santa Clara (the "Property").

The purpose of this letter is to authorize American Multi-Cinema, Inc. ("AMC") and its officers, employees, authorized agents and representatives, including but not limited to (1) Kevin M. Conner and John McDonald of American Multi-Cinema, Inc., and (2) Todd Nelson and Victor De la Cruz of Manatt, Phelps & Phillips, LLP, to execute and process any and all applications, documents, or instruments pertaining to entitlement and permit requests that are necessary to obtain a liquor license for the premises occupied by AMC at the Property.

If you have any questions related to this letter, please contact Vice Chancellor Ed Maduli of West Valley-Mission Community College District at 408-741-2082 or ed.maduli@wvm.edu.

Sincerely,
West Valley-Mission Community College District

By: _____

Name: _____

Title: _____

Recommended Meeting Dates – Calendar Year 2015

March 2015

June 2015

September 2015

December 2015