Meeting date | time 2/5/2019 2:00 PM  
Meeting location: Barrett Room  

<table>
<thead>
<tr>
<th>Type of meeting:</th>
<th>ARCH Advisory Committee</th>
<th>Attendees:</th>
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<tr>
<td>Co-Chairs:</td>
<td>Jana Severson</td>
<td>Jana Severson</td>
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<td>Gautam Akiwate</td>
<td>Ramona Ferreira</td>
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<td>Note taker:</td>
<td>Leticia Ruelas</td>
<td>Malia Mahi</td>
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<td>Chris Dayss</td>
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AGENDA  
Meeting begun at 2:01PM with introductions and agenda items. Agenda items:  
- Proposed HDH Housing plan  
- OSD presentation  

Proposed HDH Housing plan  
Hemlata gave a presentation on housing future proposed plans for the new members.  
- Some points:  
  - Housing took a step back and looked at what had happened in the past 5 years.  
  - Overly densified undergraduate housing.  
  - There is no longer space in the colleges.  
  - Students are overflowing to the village.  
  - Explained the potential of having overflow be sent to a college near them.  
- Proposed Housing Plan:  
  - In 2020, HDH will open two new graduate housing residential areas, Nuevo West (800 beds) and Nuevo East (1,380 beds), and undergraduate housing, North Torrey Pines Living and Learning Neighborhood (2,000 beds).  
  - Undergrad existing conditions:  
    - Housing 11,620 UG students  
      - 9,300 in college
• 2,320 in non-college housing
  ▪ Facilities designed to house 9,270
  • 2,350 beds over capacity
  o UG long term (2028)
    ▪ 4,000 per college
    ▪ Increase on campus housing from 39% to 62% by 2028
    ▪ 7th and 8th college would be added
  o Warren:
    ▪ Fall18, Bates was converted to UG
    ▪ Fall19, Brown converts to UG
  o Step 1 Fall 2020
    ▪ Rita converts to transfer housing
    ▪ Transfer students relocate to Rita or Pepper Canyon East
    ▪ The village begins conversion to home of Seventh College
  o Step 2 Fall 2022
    ▪ Pepper Canyon West becomes an additional option for transfer/upper division students
  o Step 3 Fall 2023
    ▪ Eight college opens South of Revelle
  o Projects for students
    ▪ Identified 21 projects for outdoor activation at Residential colleges.
      ▪ Shaded sitting
      ▪ Outdoor fire pits
      ▪ Tables and chairs
    ▪ Funded by UCOP (office of president). Housing will not need to pay for these.

Questions:
  • Anindita shared they are losing affordable housing by losing Rita and SGA. She asked if it was a permanent change.
    o Hemlata confirmed it would a permanent change as they need to increase housing on both graduate and undergraduate housing.
  • Anupam asked what the plan was for graduate students in 2020.
    o Hemlata responded they would look at Mesa once Nuevo West and Nuevo East are completed. Goal is to add 1,500 beds in Mesa. It would have amenities that are not typical for UG facilities. It will have a park like setting. She added it’s important to think at families. She shared 500 beds will be low density.
  • Anupam shared it’s not to the advantage of graduate students to give up property they have been paying on.
    o Hemlata shared the director of business would be attending the following meeting to explain. She explained they’ve only paid interests on Rita for the last 10 years. She added interests don’t count for the principle and with principle payments the debt will double.
  • Valerie thanked Hemlata for trying to solve the housing problem. She shared her and Burgundy have spoken to many students. She feels infrastructure needs to be created before graduate students are displaced, as graduate students are TA’s for undergrads.
    o Hemlata responded Rita displacement doesn’t happen until Nuevo West and Nuevo East are completed. She added it’s a net gain not net loss. HDH’s job is to help find a home for all students. They are trying to build as fast as possible. The long-range development goes to 2028 to create infrastructure. As HDH builds pricing will go up, but they will still be lower than the san Diego market. She can’t speak on behalf of enrollment.
  • Erica shared she would like to voice on behalf of the GSA counsel. She expressed the proposal is being pitched as net gain, but it’s a net loss from what they were told before.
    o Hemlata responded the goal is to be as transparent as possible. They started the presentation last year in October to be transparent and give the same message to everyone. She added the finances (by the director of business) he following week would be very telling. HDH will play a major role in order to keep rates below market. Seeing the big picture would be helpful.
• Anupam shared by 2035 the undergraduate population isn't supposed to increase as much. He gave some statistics. Felt they should be building for graduate students.
  o Hemlata responded percentage wise it would make sense but not base wise. There are around 32 thousand undergraduate students and 6 thousand students. Undergraduate quantity is more. Need to look at the growth model. The undergraduate population has been growing and they need to catch up.
    ▪ Anupam shared he is concern with having to catch up for graduate students later on.
• Anupam asked how it would affect cost and if they should expect a 7% increase.
  o Hemlata responded they needed to look at the numbers and at what is reasonable. Given that both undergraduate and graduate is building, the entire debt is going up as a whole. Paying debt is not a choice. Housing does keep it separated for both undergraduate and graduate. She added the committee would see numbers the following meeting. They will look at what HDH can pay to help without going into a deficit. They are not expecting graduate student to pick up the debt.
• Anupam shared Rita is the only on campus housing.
  o Jana responded there is a pedestrian/bike bridge under construction. The goal is to help bring traffic from east campus to west campus. It expands the capacity of going back and forth. Shuttles will be able to use the Gilman bridge.
    ▪ Anupam responded it is still a 20 min walk. He added shuttles only operate on week days. He expressed concern for those with disabilities and safety concerned. He asked if housing was thinking of having shuttles operate later or during the weekend.
• Anupam shared he didn’t see anything formal on the 1500 beds.
  o Hemlata responded it wouldn’t be there yet as it still needs to be taken to UCOP.
    ▪ Anupam responded it would be good to have it in writing like the undergraduate plan to show housing has a plan.
      • Hem responded it was a reasonable ask. They will work for it.
        o Anupam responded a timeline would help graduate students see that they won’t be losing housing down the line.
• Anindita asked how many beds were needed to confirm 3-4 years of guaranteed housing.
  o Hemlata shared they need to look at doctoral student that would qualify for a 3rd year. She stated master students graduate in 2 years. She added they need to run numbers before it’s a public statement.

**OSD Presentation**

• Jana gave OSD representatives an overview of appeals that go to OSD.
• OSD staff introduced themselves:
  o OSD composed of 5 specialist and a director.
• Joana, Director of OSD, shared the interactive process:
  o Looking at it through an access and disability lenses.
    ▪ Does it rise to the level of a disability under the law?
    ▪ Does the accommodation mitigate it in a way that living in a non-university housing could not mitigate it?
      • She provide an example of commuting. Living across the bridge vs. at Costa Verde. Is that profoundly affecting the person’s disability and ability to get to campus, research etc.
  o Often while they are having the interactive process they hear other issues such as:
    ▪ Financial
    ▪ Roommate issues
    ▪ Specific living location
  o They look at medical documents provided to accommodate that request. May ask that a 3rd party to corroborate.
  o OSD staff meet twice a week to discuss and review cases and determine what accommodations will be reasonable for each student.
Joana shared she is aware of some students who have been bounced back and forth between OSD and housing. She asked if there was a way OSD could work simultaneously with the committee.

Questions:

- Valerie shared she was puzzled by some decisions from OSD. She provided an example of someone who was blind.
  - An OSD specialist responded and gave an example of a blind person who lives at El Cajon and doesn’t want to live on campus.
- Valerie asked what they look at.
  - Joana responded they are looking at the limitation that the disability imposes. She gave an example of a person on a wheelchair. A person who has been in a wheelchair their whole life might be comfortable. On the other hand, a student who end up in a wheelchair after an accident will have physical limitations getting used to the chair.
- Anindita asked if students needed to specify how a housing accommodation would be beneficial.
  - An OSD specialist responded they explain the process to the students.
  - Joana added they try their best to provide education and answer questions. They create accommodations appropriate to the individual.
- Anindita shared she felt there should be certain parameters to assure the process is bias free.
  - Joana responded they review it as a team twice a week to determine the appropriate accommodations for that individual. She added all specialist have different background and knowledge. They use the same forms and ask the same questions.
    - Anindita shared she felt it imposes subjectivity.
      - Joana asked what she would propose.
        - Anindita responded having more flexibility.
- Erica shared she felt there was miscommunication as their intention was not to be antagonistic. The committee would really like to learn more about the process.
  - Joana proposed bringing documentation and case studies redacted so they could review a case and the decisions taken. She added there has to be subjectivity, as they are not running it as a machine. They are human beings. There are certain set scores, but also human aspects. She explained other offices have one person making all the decisions. They have five (5) people to allow conversation and team approach. They try to bring knowledge and experience. Lastly, she added students can return to OSD at any time and they would review their case.
    - Erica shared it would be a great thing to get together and review a case.
- An OSD specialist shared it would be helpful for them to know how OSD’s decision affects the committees decision.
  - Ramona explained the process:
    - If one has a medical issue, they refer the student to OSD.
    - They indicate that on the appeal.
    - If the appeal comes to the committee, 9/10 times they wait for OSD decisions.
  - Gautam added they are looking for unique and extenuating circumstances. OSD perspective helps them understand. When referred, it’s to see if they can make necessary adjustments.
  - Jana explained there two scenarios:
    - Someone who has two years and gets an accommodation
    - Someone who’s time is ending and they need an extension
  - Jana added the committee typically only see those cases that are denied by OSD, but they have data for approved accommodations.
- Hana asked what happened if a student didn’t have time to submit their paperwork by the deadline.
  - Joana responded they continue the interactive process. Its only when the student hasn’t continued the process.
- Hana asked if OSD is limited on resources and if that had an influence on their decision.
  - Joana responded the accommodation always comes first. They are proactive.
- Gautam asked to elaborate on the students bouncing back and forth.
An OSD specialist explained.
  - Ramona provided a possible example.
  - Joana added some students would go to housing after being “denied” from OSD. She clarified they don’t deny and the doors remain open. She added the committee might only be getting the information from the student’s lenses.
- Ivonne shared 35% of housing students have a type of accommodation.
- Gautam thanked them for coming. He added they weren’t trying to be antagonistic. Hoping they could do a walk thorough.
  - Joana responded it would be helpful for both ARCHAC and OSD.
- Anindita asked if it was possible to building more graduate housing with the money from UCOP.
  - Hemlata responded UCSD received 3 million for housing insecurity. She shared where the money went.
- Anupam asked for clarification on the 3 year guaranteed.
  - Hemlata responded they might recommend 2020 depending on the number of beds.
  - Jana added they are still working on an estimate based on percentages and historical data.
  - Hemlata added they would continue to look at numbers to determine if they are ready for 2020.
  - Anupam asked if it would apply to the current residents.
- Valerie asked about donors.
  - Hemlata responded there are more funds for academic buildings. Housing is always looking for donors. She added the Advancement Office works on that.
    - Valerie asked if the Advancement Office ask for HDH.
      - Hemlata responded the Advancement office looks for all the projects. It would be great to have a donor at some point.
- Anindita asked if it would be outside the rules to ask for loans.
  - Hemlata responded they take out bond loans.
  - Jana added all communities are built from bonds.
- Anupam asked if there’s no funds from the university.
  - Hemlata responded an auxiliary must make payments on their own. As an auxiliary, they have to operate on their own.
  - Anupam asked if the committee could talk to the chancellor.
    - Hemlata confirmed. She added the committee would see not everything is coming from graduate students.
- Gautam shared students are concerned about affordability especially as Rita is going away.
  - Anupam added Rita is the cheapest considering it’s on campus.
    - Hemlata responded Rita wouldn’t be the same price because the debt is doubling. They would have Irvin explain.

Meeting adjourned around 3:33pm. Next meeting will be on 2/19/2019 from 3-4:30pm at the Barrett room.
**AGENDA**

Meeting begun at 3:00PM with introductions.

Agenda items:
- Affordability presentation
- Budget presentation

**Affordability presentation:**
- Drew and Sven gave a presentation:
  - They feel housing is 10% under market instead of 20%
They talked about the percentage increase.
They feel affordable housing was taken away.
They showed a historical trend.
They hope that they can shift around some decisions.
They shared 40% of student income goes to housing.
They shared risks of housing insecurities:
  - Poorer mental health
  - Poor well being
  - Lowers job performance
They showed some remarks from the petition:
  - “I cannot afford rental hike”
  - “I’m signing because my son is a grad student...”
They added it could inhibit recruitment of best talent.
Call to action:
  - Lower ave. $/bed to 30% of grad salary
  - Couple rent increase to annual TA/GSR salary
  - Subsidize rent for grad employed <50%
  - Keep SGA and Rita open for grad students- most affordable housing
  - UCSD positioned to be the first with affordable housing
Feel they are at a tipping point
  - Affordable housing vs. unaffordable housing

**Questions:**

Petia asked if talented students choose to live off campus, would having them on campus change the dynamic of housing. She added it might affect the student body. She added it was something to think about.
  - Drew responded there would be affordable housing in downtown. He added the trolley could be negative to HDH.
    - Anindita responded business of HDH is not something to worry. One thing missed is students are forced to live off campus and already spend more than 30% of their income. Affordability is worse. The reason rent went up is because there was a push to expand both undergraduate and graduate housing. She added HDH doesn’t get money from the university. The new buildings are being paid by student’s rents. HDH is not able to provide for more than 2 years.
  - Drew responded HDH is poised to be the best, but feels they shouldn’t stop at 50%
    - Gautam asked to hold conversation to be mindful of the committee’s time.

**Budget Presentation**

Erwin (director of Finance) gave a presentation

- **Part 1: Auxiliary**
  - University is 5.5 billion
    - HDH is $610 million
  - HDH is self-supporting entity, no state or federal funding
  - Goal is to “break-even”
  - Surplus is reinvested in future renovations, major maintenance, construction, projects, emergencies
  - Have to cover all of our costs
  - Revenue must cover annual debt service (HDH Mortgage)
  - Direct costs= controlled by HDH
    - Example: maintenance
  - Indirect and overhead cost= Charged by UCOP and UC San Diego
  - Investing in more campus housing
    - More demand than supply (2-3 thousand people on the waitlist)
    - Currently houses 3,000 graduate students and 700 partners & children. Would like to double the amount of students they can house (offer more than 2 year guarantee)
By 2030, UC San Diego is expected to have the largest resident population of any U.S. campus with the resident population doubling to 30,000 beds.

UC San Diego will have built 16,000 more beds via on-campus housing to accommodate growth.

Aggressive growth
- OMS (built), Mesa Nueva (built), Nuevo West (in construction), Nuevo East (in construction), South Mesa East (future), South Mesa West (future)

Current projects
- Nuevo West (2020), Nuevo East (2020) and NRPLLN (2020)
  - a billion dollars’ worth of construction

Part 2: HDH Budgeting
- Goals & guiding principles
  - Affordability- 20% below market
  - Plan for growth
  - Maintain safe and clean facilities
  - Provide excellent services
  - Sustainability
  - Financial stability- “break-even”/ stay in the black
  - 2-year budget- 2 years of housing rates

HDH Budget
- Revenue- expense= surplus/deficit
  - Revenue: housing Revenue ( # of units occupied X rate)
  - Expense: employee salaries & benefits + direct and indirect costs + HDH mortgage
  - Surplus or Deficit: “0” or Break-Even

How HDH budget gets built
- Timing: started Fall Quarter
- Determine “steady state.” What are we doing today?
- Identify “future State.” What will we need to be doing tomorrow?
- HDH asks advisory committee student what, if any, levels of service adjustments they’d like to see in the future.
- Meet with internal HDH departments and external campus to determine needs and funding requests.
- Review and approve/deny request.
- Campus budget office provides guidance on future campus and overhead costs.
- HDH reviews advisory committee/student requests and any service level changes and associated costs.
- All financial costs are consolidated.
- HDH seeks support for proposed rates from advisory committee.

HDH direct costs
- Salary and benefits
- HDH administration
- Maintenance- repairs and construction
- Custodial- cleaning, supplies
- Utilities- water, electricity, gas, trash
- Cable TV/ Internet
- Information Technology Services (ITS)- hardware, software

HDH indirect
- UCOP
- Campus overhead and admin services- campus HR, Accounting, payroll, central IT
- EH&S
- Landscape
- Mail services
- NGN/Resnet- campus internet and support
- Police/ CSO services
- Shuttles

  - Annual Debt Service = “HDH Mortgage”
    - Housing construction projects financed thru limited or general revenue bonds
    - Required UCOP & campus approval
    - Financing rates: vary from 3-6%
    - Amortization terms; 30-35 years
    - Some projects are interest only for 1-10+ years, then principal + interest payments
    - Bond re-financing occur during the life of the loan if market interest rates
    - Increase/decrease (via UCOP and bond counsel)
    - Proactive about refinancing

- Part 3: Graduate Housing
  - Graduate housing budget FY20/FY21
    - Showed a graph
    - 2018-19
      - Surplus/deficit: -1,208,195
    - 2019-20
      - Surplus/deficit: -18,288,217
    - 2020-21
      - Surplus/deficit: -8,370,000
  - HDH debt
    - FY18 – 39 million
    - FY19- $43 million
    - FY20- $53 million
    - FY21- $82 million
    - FY22- $96 million
    - FY-23- $101 million
  - Graduate housing debt
    - FY18 – 15 million
    - FY19- 19 million
    - FY20- 27 million
    - FY21- 31 million
    - FY22- 40 million
    - FY23- 40 million
  - Rate proposal
    - 5% annual rate increase for all existing graduate inventory (excl. Mesa Nueva) and future grad housing.
    - 6% annual increase at Mesa Nueva till parity with Nuevo East and Nuevo West.
    - Nuevo West opens Spring 2020 with furnishing
    - Nuevo East opens summer 2020 unfurnished
    - Mesa Nueva and all current Graduate Housing will continue to be ~20-40% below market rate
    - Nuevo West and East pricing to be ~20% below market rates in ~5 years
    - Proposed rates will not get graduate housing budget at break-even for FY20 and FY21

Questions:
- Petia asked if HDH covers when something break in a building.
  - Erwin confirmed. HDH must cover it all.
- Petia asked if it was all graduate students on the waitlist.
  - Jana responded yes with some undergrad couples and families.
• Valerie asked about a charge for shuttles.
  o Jana confirmed shuttles are part of Transportation not HDH.
  o Robert added they assessed a fee to transport students from east campus to main campus.
  o Valerie responded if they are paying, ARCHAC should have a say.
    ▪ Jana responded there is a transportation committee.
    ▪ Robert added ARCHAC had an opportunity to share feedback. There have been changes based on the feedback.
  o Gautam clarified Valerie’s point: HDH is a customer so they should have a say.
  o Marybeth added students are paying a quarterly fee and HDH is paying a fee.
  o Burgundy shared this was also happening for the internet.
• Burgundy asked if HDH received part of the student’s fees.
  o Jana confirmed they aren’t
• Anindita had a question about parking and transportation.
  o Jana shared it would be a good idea to have the director of Transportation come to a meeting.
• Hana clarified the fee difference:
  o HDH pays for internet at housing facilities vs tuition is for internet outside of HDH (library, etc.)
  o Shuttle around campus vs shuttles to housing
    ▪ Bob added HDH doesn’t cover the campus fees, only their part.
• Gautam asked if all projects are interest only.
  o Erwin responded it varies by projects. Older are about 10 years and the newer ones are about 2 years.
• Valerie asked if they are historically low, why doesn’t HDH get a low rate.
  o Erwin responded they are working towards it. Helps them keep the cost low and affordable housing
  o Jana added they are trying to lock the best rate.
• Anindita asked if it was the best time to lock rates.
  o Erwin responded in general. Better rate historically than other times.
  o Bob added there are three factors: waitlist, UCOP asked for growth and interests growing.
• Anindita asked why do interest only.
  o Erwin responded it lowers the payment.
  o Anupam asked if the overall cost would increase the second half.
    ▪ Erwin responded it depends on the bond and the terms.
  o Anindita asked if the payment would go up after interests.
    ▪ Erwin explained.
  o Anindita asked how much it could increase.
    ▪ Erwin responded it could double.
• Petia asked who provides the funding.
  o Erwin responded banks that UCOP works with.
• Marybeth asked why they would get rid of Rita. She added she doesn’t get why they get rid of the graduate student housings. She understands it from housing assets, but not from the graduate assets.
  o Erwin responded it’s part of the campus portfolio.
  o Jana added they needed to look at the whole portfolio. In the same plan, the village will no longer be transfers. They are tasks with the whole portfolio.
    ▪ Marybeth feels it’s at the cost of the graduate students.
• Anupam shared he is concerned that they will have more debt with more project and asked if the university will be willing to provide loans.
  o Erwin responded they are willing to lend to help with the growth.
  o Anupam asked if they could also lend to keep costs down.
  o Erwin responded discussions have happened.
• Anindita asked for data of the amount of debt per year and the percentage of students they will be able to house. She asked for a comparison by increasing numbers of graduate students versus number of beds.
  o Jana responded they are working with those numbers.
• Anupam asked if it was more beneficial to give spaces from Mesa Nueva instead of Rita.
Erwin responded it’s only been interest. The principle hasn’t been paid.
Anupam responded they have paid a percentage.
Erwin explained the difference between interest and principle.
• Anindita shared Rita is the only affordable housing so the graduate students don’t want to let it go.
  Anupam explained they have 20 years left of Rita but 30 of Mesa Nueva.
  Jana responded what they are proposing is different to what was proposed. They will take that information to upper management.
• Petia shared running in red is expected with construction.
  Erwin responded it’s not expected as an auxiliary.
  Bob added they need to be back to the black in the next 2-3 years.
• Burgundy asked what where the possibilities for no rent increase.
  Jana responded there isn’t a proposal not to cover costs.
  Burgundy shared the rates are below La Jolla rates. She asked for numbers without a rent increase.
    Valeria added she would also like to see the numbers.
• Valerie asked how many years would HDH be on the red. She added the current students are paying for future structures.
  Jana shared that’s been consistent for the university. As a student herself, she also paid for buildings.
  Burgundy responded it’s the idea that it’s getting worse.
• Melissa asked where the 5-6% increase came from.
  Edwin responded with 3% HDH would run in the red for decades.
  Melissa asked if HDH would consider 3%.
• Hana asked if UCOP would be willing to release a bigger loan.
  Bob responded an increase loan is an increase cost.
  Erwin responded there is still a cost, it’s not free.
• Anupam asked about having a rent increase at the rate of stipend increase.
  Bob responded when they say they are covering, it’s still a loan.
• Anupam shared if they take these numbers to constituents they might say HDH should stop building.
  Bob responded he wasn’t sure if by not building they are helping anyone.
• Anindita asked if it was possible for HDH to look for grants.
• Petia shared one of her goals is to be quantitative to have a visual aid. She shared a graph. She shared one year the rates actually went down. She added it would be helpful to see historically what happened.
• Jana responded they had given good input.
• Burgundy asked if they were allowed to say they can’t give Rita up.
  Jana responded as a committee they can recommend but leadership has the final decision. She added it has not been approved.
• Valerie shared some students go 12 to an apartment, have homeless people, and have people living at Mexico.
  Bob responded they developed a model to keep their rents affordable and beneficial to the most possible. He added they are working towards building to resolve that.
  Marybeth added the Rita is the least expensive.
• Gautam added there are two competing tensions: affordability and accommodating more students. He would like to see models projected further. He feels they can’t vote on anything higher than 3%.
  Petia added it makes a difference as to who can live on housing. She added she wouldn’t be able to afford it somewhere else.

Meeting adjourned around 4:55pm. Next meeting will be on 3/5/2019 from 2-3:30 at the Barrett Room.