

The Public Cost of the Housing Crisis for Frontline Workers at the University of California





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Executive Summary

This research brief analyzes how escalating housing costs, lagging wages, and a shortage of affordable housing impacts the University of California's lowest-paid workers. Using data from state and federal housing assistance programs, UC payroll, and the housing market to examine the public cost of UC's wage-housing imbalance, this research finds:

- Between 2017 and 2023, the share of UC's frontline service and patient care workers who meet the U.S. Department of Housing and Urban Development's (HUD) definition of "low" or "very low" income nearly doubled, and now comprises more than two-thirds of this workforce segment.
- This growth has been dramatic across all UC work locations. UC Santa Cruz has seen the largest spike in "very low" income—from 0 percent to 80 percent of this workforce segment in just six years. UC Merced has seen the largest increase in the "low" income category—from 0 percent to 67 percent over the same period.
- By 2023, 97 percent of service workers could be defined as "low" or "very low" income. Since 2017, the percentage defined as "very low" income has increased more than eight-fold—from 5 to 43 percent. The percentage of patient care workers at UC medical centers and campuses who would qualify as "low" income increased from 31 percent to 57 percent.
- Between 2017 and 2023, the estimated number of UC service and patient care workers eligible for housing assistance through the federal Housing Choice Voucher program nearly tripled, rising from 3,400 to 9,400.
- Frontline workers eligible for housing vouchers include all service and patient care workers at UC Santa Barbara and UC Santa Cruz, as well as 76 percent at UC San Diego and 43 percent at UC Irvine.
- Rental assistance for eligible UC workers could cost the public as much as \$164 million per year.
- Declining housing security for UC workers imposes additional downstream costs on both UC and California taxpayers—including rising labor shortages for critical frontline positions at UC, longer

wait times for other families eligible for housing assistance, greater demand for other public safety net programs, and worse developmental outcomes for children.



A previous 2023 analysis of the minimum wage needed to afford housing found that 70 percent of frontline service and patient care workers could not afford a one-bedroom rental close to work. Because housing cost inflation continues to outpace wage growth, that figure has risen to nearly 80 percent today. The statewide housing wage now stands at \$38.11 per hour. At some campuses, the University would need to more than double median wages before these workers could afford housing close to work. These findings underscore the continued severity of the housing crisis and the need for a range of policy interventions.

- The University has repeatedly acknowledged difficulties competing in the labor market, stating in 2023 that its staff vacancy rate tripled.

- Since 2017, rents have increased by 43 percent across the U.S., and by as much as 64 percent in California.
- After adjusting for inflation, service and patient care workers' real wages have declined 8 percent since 2017 while senior administrators' real wages increased by as much as 36 percent.
- Lower-paid frontline workers are not eligible for many of the housing assistance programs offered to UC's senior managers and executives, including a low-interest mortgage program with nearly \$300 million in loan commitments in fiscal year 2022-23.
- UC's dramatic expansion—including acquisitions of nine hospitals and new satellite campuses—currently make no provisions to house all students, nor thousands of new UC employees.
- In instances where the University has developed workforce housing, units are generally unaffordable or inaccessible to frontline workers—either because they earn wages that are too low to meet eligibility requirements, or because UC policies give them the lowest priority.
- In addition to its “surplus land” holdings, UC currently holds at least \$9.4 billion in unrestricted capital reserves that could be repurposed to address its systemwide workforce housing deficit.

UC's constant expansion, including new satellite campuses and acquisitions, continues to drive housing demand throughout the state. The University does not construct sufficient housing to accommodate this growth. It does, however, have an opportunity—if not an obligation—to utilize its “surplus land” and billions of dollars in excess capital reserves to support new affordable housing developments near UC locations, and expand access to UC-administered housing assistance programs to its most economically vulnerable employees.



I. Introduction

While U.S. households have seen some relief since inflation peaked in 2022, the rate of inflation has not returned to pre-pandemic levels.¹ Volatility remains as overall price increases continue to defy forecasts.² Housing costs remain the biggest driver of inflation.³ In March 2024, the index for shelter, a component of the consumer price index, continued its climb for the 47th consecutive month and rose by 5.7 percent over the last year. Excluding housing costs, inflation would have risen just 2.3 percent over the last 12 months.⁴ Zillow nationwide rental data reveals that rent prices are nearly 30 percent higher than they were in February 2020 before the pandemic.⁵

As the state's third largest employer, and largest landlord, the University of California's wage rates, housing assistance programs, investments, and development activities shape the supply, demand, and affordability of housing throughout the state. UC's rapid expansion alongside insufficient housing development contributes to unmet housing demand throughout California. Meanwhile, its compensation policies and housing assistance programs determine whether housing remains within reach of its employees.

Today, UC's most diverse and lowest-paid workforce is acutely at risk. These workers include custodians, food service workers, security guards, groundskeepers, nurse's aides, hospital secretaries, and other employees who help patients and students. More than 80 percent of these workers are people of color and 60 percent are women. Many of them volunteered for assignments at hospitals during the

COVID-19 pandemic. Since then, their wages have fallen behind price increases and ballooning housing costs—fueling a staff vacancy crisis at UC and adding to the population of California's working poor. They often also lack sufficient savings to cover rental deposits or mortgage down payments required to secure housing.

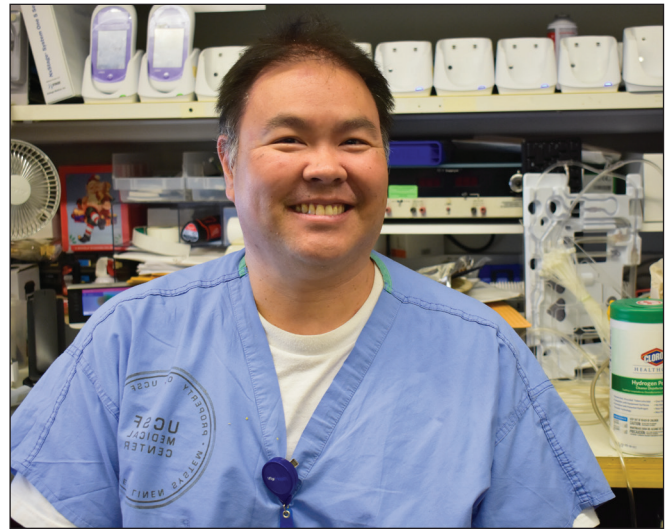
UC's failure to do more to address the housing crisis in the communities in which it operates imposes measurable public costs on California taxpayers. This research brief expands and updates AFSCME's prior analysis of wages and housing costs in "Priced Out: The University of California's Role in the Affordability Crisis" to better understand the growing ranks of UC workers eligible for public housing assistance and UC's impact on the housing crisis.



II. Housing Costs Continue to Outpace Worker Wages

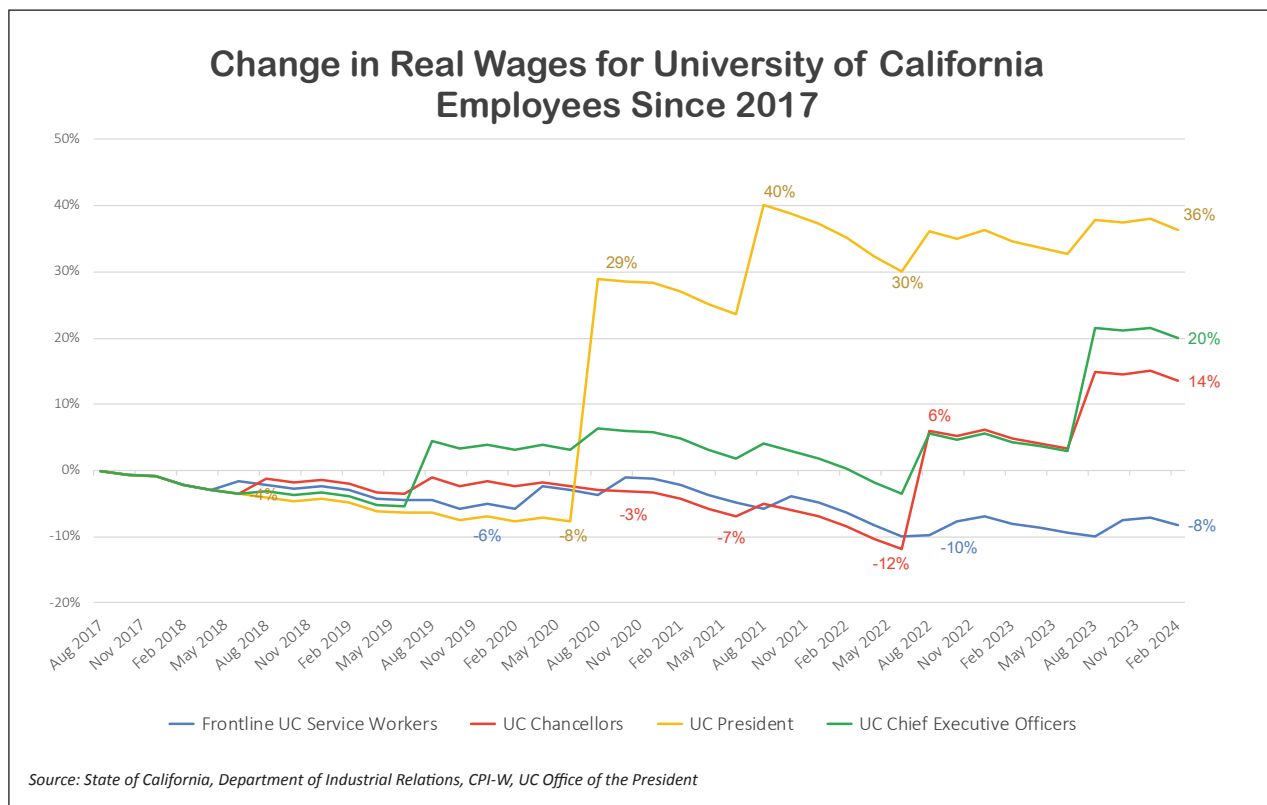
Wages for essential frontline service and patient care workers have not kept pace with the rapid increase in costs. Since the expiration of the UC service workers' last contract in 2017, prices in California have risen by 29 percent and rents have increased by as much as 64 percent.⁶ Wage increases workers agreed to in their new contract in 2020 have not kept pace with accelerated inflation and UC refused demands made by its lowest-paid frontline workers to provide further wage adjustments. As a consequence, patient care and service worker real wages have declined by more than 8 percent since 2017.⁷

In contrast, pay for UC's top executives has climbed sharply. Since 2017, UC Chancellor base pay has grown by 46 percent, UC Medical Center CEO's by 55 percent, and the UC President's by 76 percent.⁸ After adjusting for inflation, these market adjustments amount to real pay increases of 14 percent, 20 percent, and 36 percent, respectively.⁹



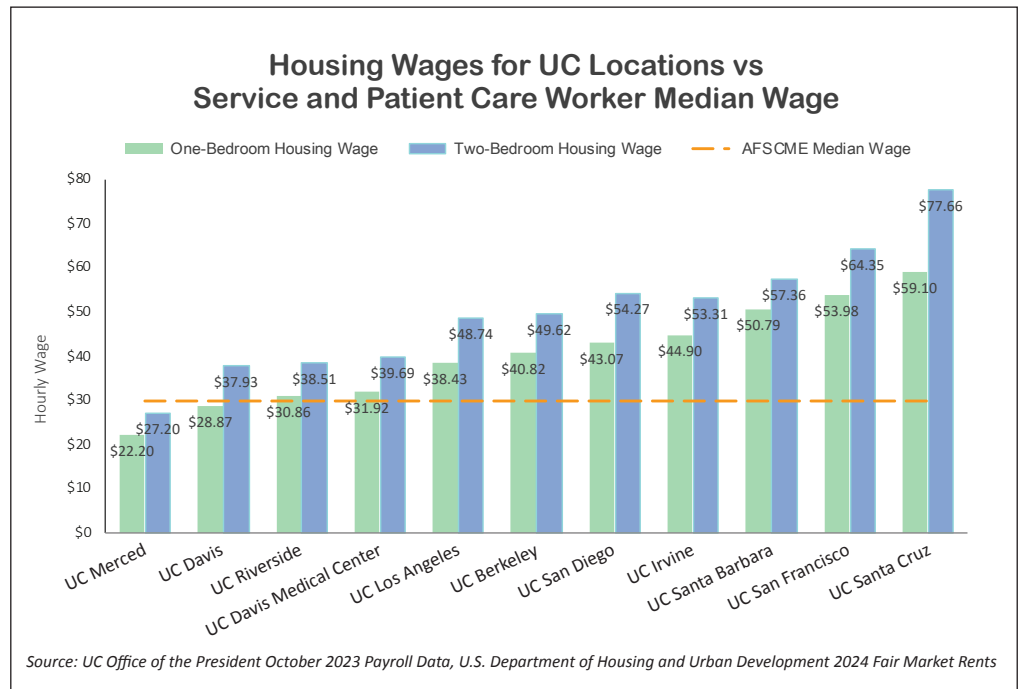
University of California officials acknowledge that wage increases are imperative to address severe recruitment and retention challenges, including a tripling of vacancy rates since the beginning of the pandemic.¹⁰ While UC's highest-paid administrators received the largest wage increases of any workforce segment, UC's lowest-paid employees, frontline service and patient care workers, did not receive similar increases.

Figure 1: Change in Real Wages for University of California Employees Since 2017



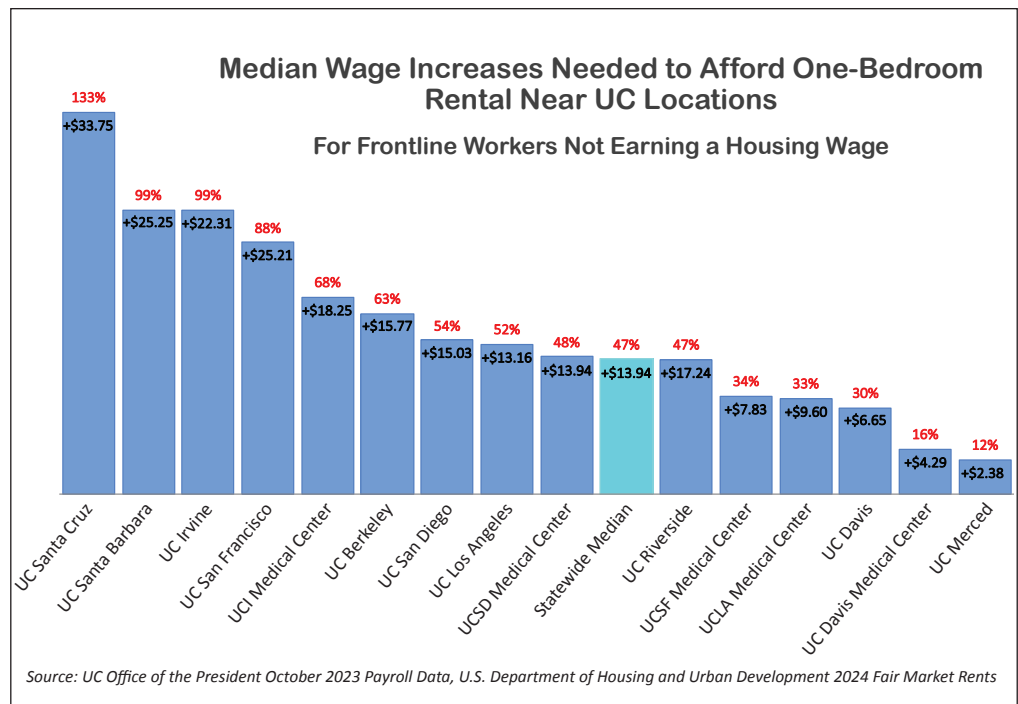
As a result, UC frontline workers' housing insecurity continues to worsen. Prior research found that over 70 percent of UC's frontline service and patient care workers could not afford a one-bedroom rental close to work because housing cost growth has dramatically outpaced wage growth. Updated analysis finds that this gap continues to grow. A year later, nearly 80 percent of frontline service and patient care workers are unable to afford a one-bedroom home close to where they work.

Figure 2: Housing Wages for UC Locations vs Service and Patient Care Worker Median Wage



The statewide average housing wage is now \$38.11 per hour for a one-bedroom home.^{i 11} At some campuses, the University would need to more than double median wages before workers could afford housing close to work.^{ii 12} The magnitude of this gap indicates that wage increases alone are insufficient to address the housing crisis absent efforts to make housing more affordable.

Figure 3: Median Wage Increases Needed for Service and Patient Care Workers to Afford a One-Bedroom Rental at Each UC Location



ⁱ A "housing wage" is the hourly wage a full-time employee would need to afford housing in the local market, where affordability means housing costs are less than 30 percent of income so that households can pay for other essential goods and services.

ⁱⁱ At UC Santa Cruz, the housing wage for a one-bedroom home increased from \$47.93 to \$59.10 in just one year (from October 2022 to October 2023). Frontline service and patient care workers at UC Santa Cruz would need a median wage increase that more than doubles current wages to afford a one-bedroom home close to work.

III. Percentages of Frontline UC Workers Considered “Low” Income or “Very Low” Income Have Increased Sharply

As the wages paid to UC workers fail to keep up with inflation, the number and share of workers who now qualify for income-based public assistance has significantly expanded. The U.S. Department of Housing and Urban Development (HUD) sets income eligibility limits for assisted housing programs, including for its Housing Choice Voucher (HCV) program (also known as Section 8), based on estimates of Median Family Income and Fair Market Rents for each area. Income limits are generally set in relation to the Area Median Income (AMI): households earning less than 80 percent of their area’s median income are defined as “low” income, those earning less than 50 percent, “very low” income, and those under 30 percent, “extremely low” income. Income limits in areas of unusually high or low income may be adjusted based on the assumption that “families should be defined as low-income if they are unable to afford standard quality housing.” Income limits are also adjusted to account for household size.^{iii 13}

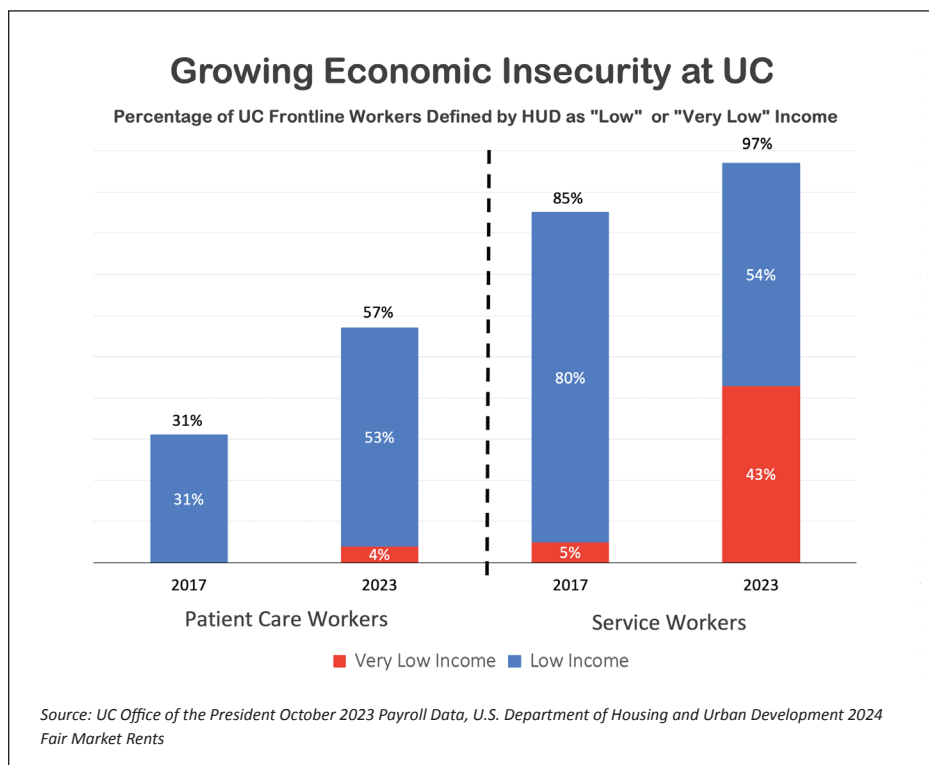
Between 2017 and 2023, there was a dramatic increase in the number of UC workers who meet HUD’s definitions of “low” or “very low” income. Of the 32,000 service and patient care employees at UC medical centers and campuses, the number who would qualify as “low”

income in the counties where they work grew from 12,800 workers to more than 22,100. The number of employees who qualify as “very low” income grew 10-fold, rising from under 500 individuals to more than 5,200.¹⁴

During this period, among patient care workers, the percentage falling into the “low” or “very low” income categories grew from 31 percent to 57 percent. Among service workers, these numbers increased from 85 percent to 97 percent. The growing number of service workers who qualify as “very low” income is especially notable. In 2017, just 5 percent would have qualified as “very low” income. By 2023, this figure had increased to 43 percent.

At every UC campus and medical center, the economic position of frontline UC employees deteriorated significantly. At UC Santa Cruz, four out of five UC service and patient care employees now qualify as “very low” income. In 2017, less than one percent fell

Figure 4: Growing Economic Insecurity at University of California: Percentage of UC Frontline Workers Defined by HUD as “Low” or “Very Low” Income



ⁱⁱⁱ HUD’s income limits are based on location and household size. For example, in LA County, the 2023 Area Median Income (AMI) for a four person household is \$98,200. A family of four is defined as “very low” income if total household income is less than \$63,050. For a one person household, that limit is reduced to \$44,150.

below this threshold. Similar large increases can be observed in the number of “very low” income workers at UC Berkeley, UC Santa Barbara, UC Irvine, UC San Francisco, UC San Diego, and UC Los Angeles.

Table 1: UC Frontline Workers Qualifying as “Very Low” Income

	2017	2023
UC Santa Cruz	0% →	80%
UC Berkeley	13% →	43%
UC Santa Barbara	0% →	35%
UC Irvine	5% →	32%
UC San Francisco	5% →	20%
UC San Diego	0% →	18%
UC Los Angeles	0% →	11%

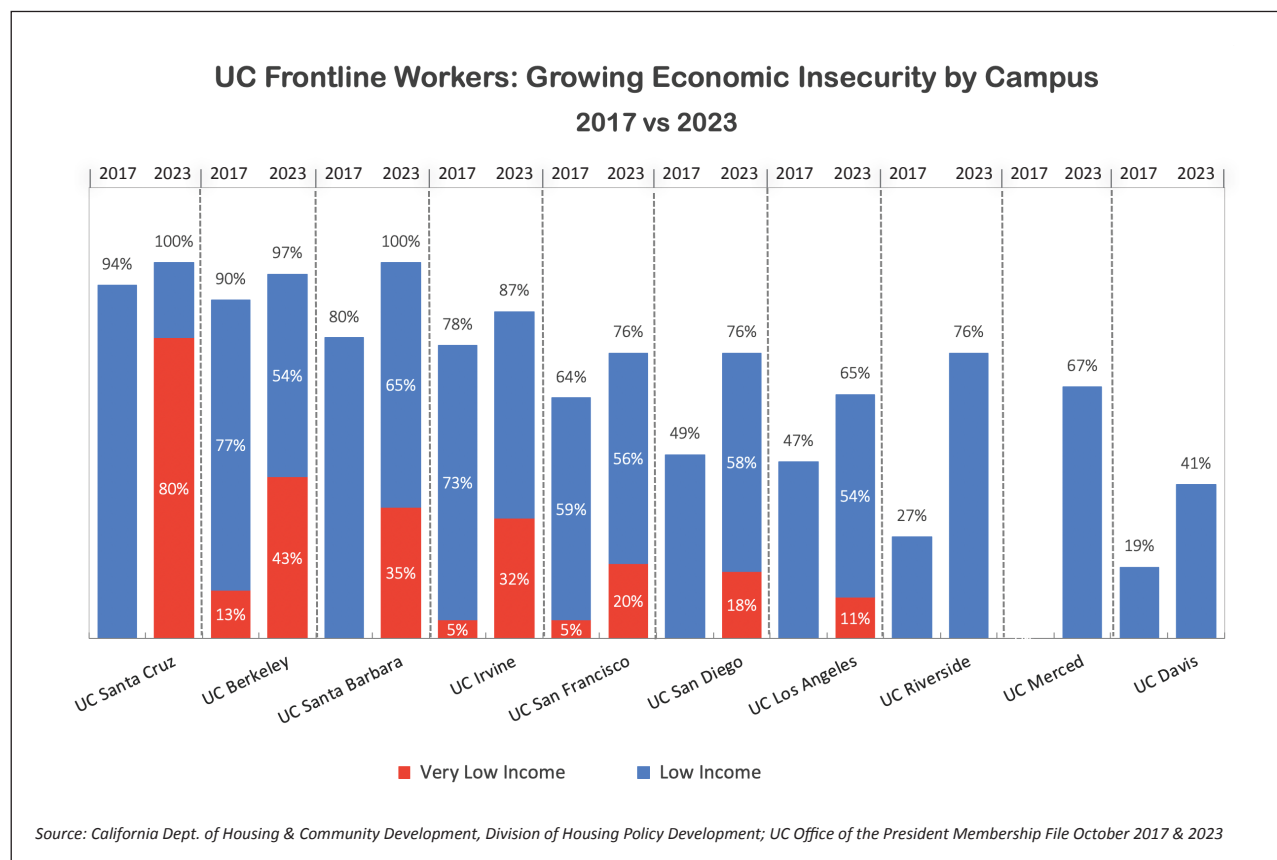
The eroding value of UC wages at UC Davis, UC Riverside, and UC Merced is also evident in housing and income data. While historically more affordable than UC’s coastal locations, a surprising percentage

of workers at these inland locations are now classified as “low” income. In 2017, based on HUD criteria for the area, all service and patient care employees at UC Merced would have qualified as “moderate” income. By 2023, more than two-thirds would be considered “low” income. Similarly, at UC Riverside, a majority of frontline workers qualified as households of “moderate” income in 2017, but by 2023, three out of four would fall below the “low” income threshold. And, at UC Davis campus and medical center, the percentage of “low” income workers more than doubled, growing from 19 percent to 41 percent.

Table 2: UC Frontline Workers Qualifying as “Low” Income

	2017	2023
UC Davis	19% →	41%
UC Merced	0% →	67%
UC Riverside	27% →	76%

Figure 5: Percentage of UC Frontline Workers By Campus Defined by HUD as “Low” or “Very Low” Income



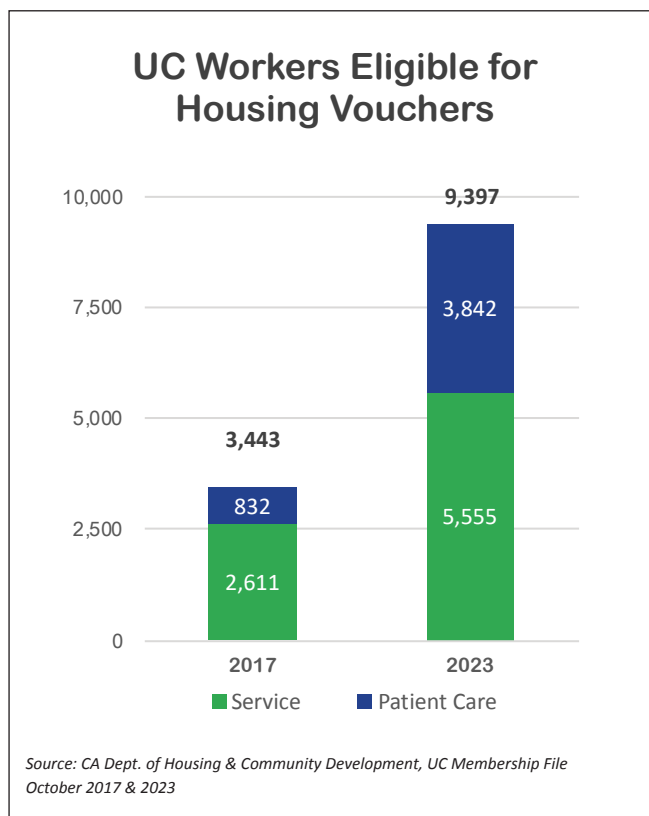
IV. Public Costs of Low Wages for Frontline Service and Patient Care Workers

HUD’s Housing Choice Voucher program is the federal government’s most significant program for assisting lower-income families to afford housing in the private market. Vouchers are administered by local public housing agencies (PHAs) who use locally defined income limit guidelines to determine eligibility. Generally, PHAs limit housing eligibility to households with incomes below 50 percent of the area median income—those typically defined as “very low” income or below. San Diego, Santa Barbara, and Santa Cruz, which have especially high housing costs compared to their Area Median Income, expand eligibility for housing assistance to the broader “low” income category.

By comparing employee income data to the local PHA requirements, the number of workers who would be eligible for vouchers near their respective UC work locations nearly tripled over the last five years—rising from 3,400 in 2017 to 9,400 in 2023. While service workers remain the majority of those eligible for vouchers, patient care worker numbers grew at a significantly faster rate.^{iv 16}

At UC Santa Cruz, UC Santa Barbara and UC San Diego, where local PHAs use higher eligibility limits, the vast majority of service and patient care workers would be eligible for rental assistance programs in 2023. This includes nearly 100 percent of those working at UC Santa Cruz and UC Santa Barbara campuses, and 76 percent of those employed at the UC San Diego campus and medical center. Even at locations where the local PHA restricts eligibility to “very low” income households, 43 percent of service and patient care workers at UC Berkeley, 32 percent at UC Irvine, 20 percent at UC San Francisco, and 11 percent at UC Los Angeles would still qualify for housing vouchers.

Figure 6: UC Frontline Workers Eligible for Housing Vouchers by Bargaining Unit in 2017 versus 2023



^{iv} Each employee’s income was compared to the eligibility limit established by the County or City PHA for the UC campus or medical center where they work. The San Diego Housing Commission, Santa Cruz County Housing Authority, and Housing Authority of the City of Santa Barbara use the “low income” threshold for determining eligibility. The PHA’s corresponding to all other UC locations limit HCV eligibility to those households which fall under the more restrictive “very low” income limit.

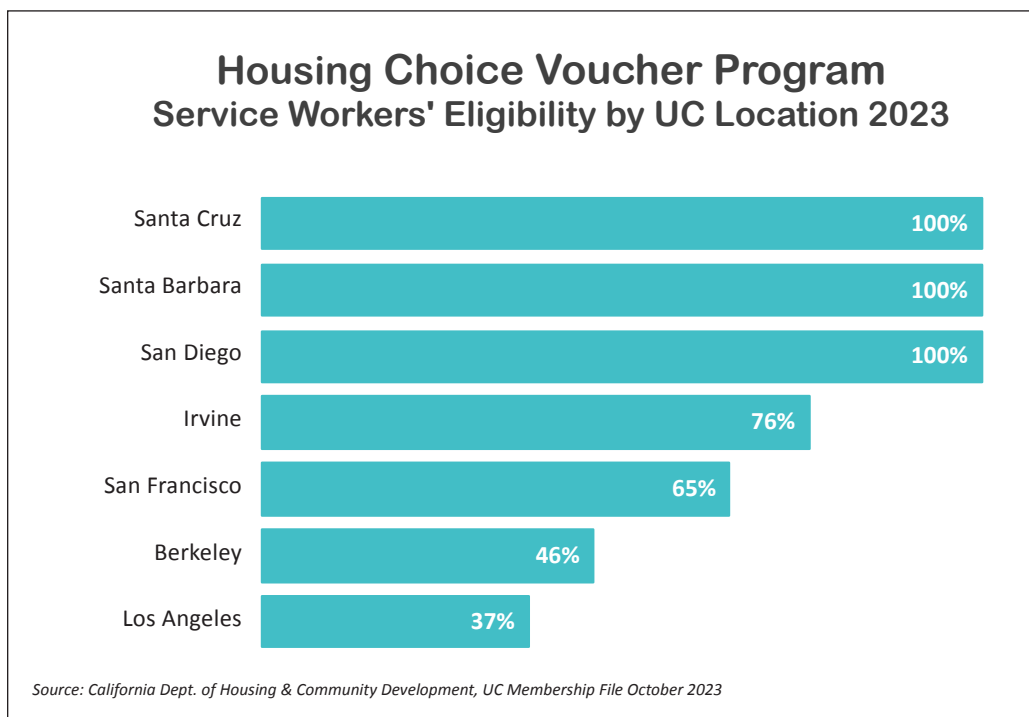
The affordability crisis is especially acute for UC's frontline service workers. Practically all service workers employed at UC Santa Cruz, UC Santa Barbara, and UC San Diego would qualify for housing vouchers, as well as 76 percent at UC Irvine, 65 percent at UC San Francisco, 46 percent at UC Berkeley, and 37 percent at UC Los Angeles.

Despite the demonstrated benefits of rental assistance, and the effectiveness of vouchers specifically, studies estimate only 1 in 4 households eligible for rental assistance receive it due to funding limitations.¹⁷ Many eligible families wait for years to receive any rental assistance.¹⁸ Assuming that just one quarter of the 9,400 employees eligible for vouchers received them, at an average public cost of \$1,450 per voucher per month, UC's failure to pay frontline workers wages sufficient to afford housing is estimated to cost the public \$41 million per year. If all employees eligible for housing vouchers were to actually receive this benefit, annual costs could balloon to \$164 million.¹⁹

Estimating the cost of housing vouchers highlights the gap in housing affordability and identifies public costs. However, there are also indirect public costs: by other Californian families who must wait longer to receive housing assistance; by the workers themselves who endure significant hardships to obtain decent, safe, sanitary housing; by children whose developmental outcomes are linked to economic and housing security; and by taxpayers via a variety of other social safety net programs directly and indirectly linked to housing insecurity and homelessness.²⁰ Over the long term, a growing population of households with wages insufficient to meet rising housing costs will put greater strain on public programs, especially if they lack resources to meet emergencies or save for retirement.

The University also bears a cost as an institution when it cannot recruit or retain sufficient staff. Persistently high staff vacancy rates impact the quality of care and services, whether in hospitals, classrooms, or cafeterias. These public costs are ultimately borne by students, patients, and their families.

Figure 7: UC Service Workers' Housing Choice Voucher Program Eligibility by UC Location in 2023



V. Frontline Workers Ineligible for UC Housing Benefits

UC's existing housing assistance programs could significantly alleviate housing insecurity for frontline service and patient care workers. However, despite the challenging housing market conditions, these workers are not eligible for the University's current programs. Unlike lower-paid employees, senior executives can receive low-cost mortgages and below market-rate down payment assistance. The University's Office of Loan Programs administers several programs to support and subsidize home ownership for UC's senior managers. The Mortgage Origination Program (MOP) provides low-cost mortgages, while the Supplemental Home Loan Program (SHLP) provides secondary financing to reduce the cash down payment required to as little as five percent of a home's price.²¹

During the 2022-23 fiscal year, the MOP Program provided 300 loans with an aggregate value of \$296 million to UC faculty and executives, and an average loan value of \$985,358. Near a high-cost location like UC San Francisco, the average loan exceeds \$1.5 million. The average salary among senior executives who participate in the program is \$370,000.²² As rising interest rates have made this benefit more desirable, participation has increased substantially. Compared to the prior year, the number and total value of loans tripled.²³ UC Chancellors, who are already provided with free lavish on-campus residences, recently successfully lobbied the Regents to be included in these programs to subsidize their acquisition of second homes.²⁴



In instances where the University develops workforce housing, units are often unaffordable or inaccessible to frontline workers. At planned workforce housing projects at UC San Francisco, for example, one-third of frontline service and patient care workers earn wages too low to meet the University's eligibility requirements.²⁵ At UC Irvine's University Hills, the largest on-campus workforce for-sale housing community in the country, frontline workers have the lowest priority of eligible employees and rarely secure a housing unit.²⁶

VI. UC Continues to Pursue Expansion, Declines to Pursue Solutions to Housing Affordability

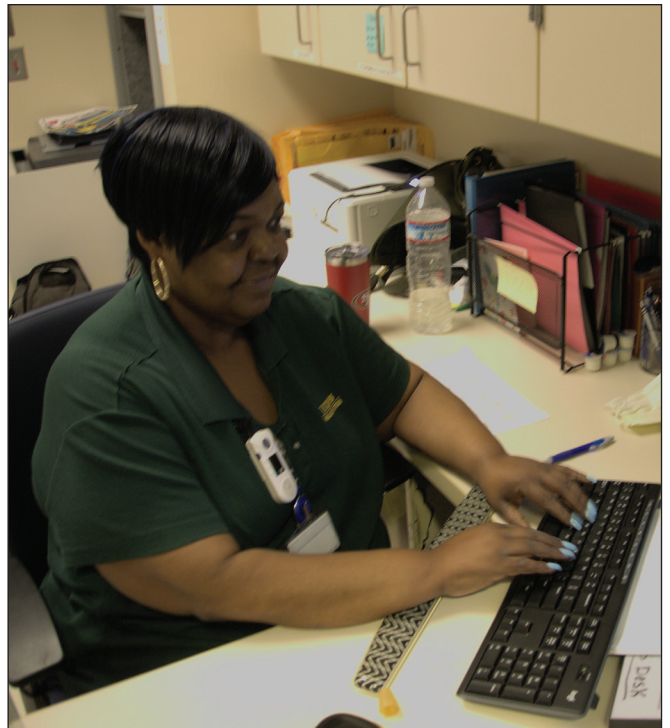
The University's failure to construct sufficient housing also impacts its growing student population, resulting in a systemwide deficit of over 185,000 student beds. UC does not provide housing to 62 percent of its students.²⁷ Consequently, students flood the private housing market, increasing housing costs for surrounding communities. This trend is likely to continue as the University expands its statewide footprint. For example, the University recently acquired properties to create satellite campuses, including UCLA's purchase of the shuttered Marymount California University in Rancho Palos Verdes with plans to add up to 1,000 more students as well as faculty and staff.²⁸ Also, UC Berkeley has entered into a public-private partnership to develop a 36-acre, \$2 billion Berkeley Space Center in Silicon Valley with more than 6,000 research positions alone.²⁹

The University's expansion efforts contribute to a considerable increase in its workforce. In the last eight months, UC medical centers acquired or announced intentions to acquire nine hospitals across the state which add thousands of new UC employees.³⁰ Systemwide, UC's medical center workforce grew by 49 percent from 2011 to 2021, and this trend is likely to accelerate.³¹

The University could use its significant developable land for student, faculty, and staff housing, including its "surplus land" that a 2022 state audit identified as suitable for affordable housing development.³² However, UC instead prioritizes development of public-private research centers.^{v 33} UC Berkeley, for example, plans to build an "Innovation Zone" in downtown Berkeley, a portion of which will be reserved for private, corporate use.³⁴

What housing plans exist are inadequate to accommodate UC's growth. At its planned satellite campus in Rancho Palos Verdes, UCLA expects to be able to house approximately half of its new students. At this time, there are no plans to develop workforce housing to accommodate new staff associated with the expansion.³⁵ In Silicon Valley, University officials indicate the Berkeley Space Center will partially rely on local private housing to support the several thousand new jobs it plans to add to the region. However, Mountain View's current Regional Housing Needs Allocation (RHNA) indicates there's already a need for over 11,000 more housing units, of which 39 percent need to be "low" or "very low" income units.³⁶

In addition to developable land, UC possesses significant financial resources. UC campuses hold more than \$2.7 billion in "long-term excess capital reserves" invested in UC's Blue & Gold Endowment. UC holds a total of \$12.9 billion in "funds functioning as endowments"—funds that provide a return on excess campus capital—\$9.4 billion of which have no spending restrictions.³⁷



^v As of March 2024, the University has three public-private partnership research centers in the development pipeline: the Innovation Zone at UC Berkeley, the Science Research Park at UC San Diego, and the Research Park at UCLA. Components of each development will be used by private, corporate entities.

Instead of deploying funds to alleviate its housing impacts, the University invests in companies profiting from the housing affordability crisis. This includes \$4.5 billion committed to Blackstone's Real Estate Investment Trust (BREIT). This fund controls \$110 billion in real estate assets including 267,891 rental units. Notably, UC's share of the fund is equivalent to 18,827 rental units—all of which are vulnerable to Blackstone's predatory and extractive business model.³⁸

UC could use its substantial financial resources to provide housing assistance to its lowest-paid workers. The University could deploy capital into developing new affordable units for its rapidly expanding workforce and establishing lower affordability thresholds for existing staff housing. It could establish a housing assistance fund for UC employees resisting displacement, facing eviction, or seeking homeownership. The University could also provide frontline patient care and service workers a fraction of the market adjustments already provided to executives so that wages for lower-paid frontline workers keep pace with increases to housing and other costs.



Conclusion

While the University of California’s expansion continues to drive housing demand, its lowest-paid frontline workers find housing increasingly beyond their reach. This crisis shifts costs onto California taxpayers and local communities by creating thousands of potential new recipients for public housing assistance. As California’s largest landlord and third-largest employer, UC’s policies have an outsized impact on communities throughout the state. Access to the University’s housing assistance programs and affordable housing units could be extended to its lower-paid service and patient care workers. The University could also prioritize development of affordable housing on its “surplus land” and other properties, and leverage its excess capital reserves for this purpose. Through these and other measures, the UC system could help solve, rather than exacerbate, the state housing crisis.



Endnotes

- ¹ U.S. Bureau of Labor Statistics, TED: The Economics Daily, “Consumer Prices up 9.1 Percent Over the Year Ended June 2022, Largest Increase in 40 Years,” July 18, 2022. <https://www.bls.gov/opub/ted/2022/consumer-prices-up-9-1-percent-over-the-year-ended-june-2022-largest-increase-in-40-years.htm>
- ² Rachel Siegel, “Inflation Ticked Up in February as Fed Weighs Interest Rate Cuts,” *Washington Post*, March 12, 2024. <https://www.washingtonpost.com/business/2024/03/12/fed-inflation-cpi-february/>
- ³ Chris Anstey, “Here Are the Key Takeaways From U.S. CPI Report for February,” *Bloomberg*, March 12, 2024. <https://www.bloomberg.com/news/articles/2024-03-12/us-cpi-report-february-2024-5-key-takeaways-on-inflation-core-measure?sref=kCxHz37O>
- ⁴ U.S. Bureau of Labor Statistics, News Release, “Consumer Price Index - March 24,” April 10, 2024. <https://www.bls.gov/news.release/pdf/cpi.pdf>; U.S. Bureau of Labor Statistics, Economic News Release, “Table 3: Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average, Special Aggregate Indexes,” accessed April 10, 2024. <https://www.bls.gov/news.release/cpi.t03.htm>
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- ⁶ The Zillow Observed Rent Index (ZORI) measures changes in asking rents over time across a given region for units of all sizes, and can capture the current dynamics of market rate rent inflation. In Fresno County, the percentage increase in average rental rates between August 31, 2017 and March 31, 2024 is 64 percent. Zillow, Housing Data, Zillow Observed Rent Index (Smoothed): All Homes Plus Multifamily Time Series, County, accessed April 16, 2024. <https://www.zillow.com/research/data/>; State of California, Department of Industrial Relations, August 2017 to February 2024, CPI-W, California Consumer Price Index Chart (1955-2022), accessed April 12, 2024. <https://www.dir.ca.gov/oprl/cpi/entireccpi.pdf>
- ⁷ The erosion of purchasing power is calculated by comparing negotiated across-the-board wage increases for AFSCME-represented workers against California CPI-W for the period of August 2017 through February 2024. During this time period, the California Consumer Price Index for Urban Wage Earners and Clerical Employees (CCPI-W) grew by more than 29 percent. The first month of data maintained by the State of California, Department of Industrial Relations following the expiration in June of collective bargaining agreement (CBA) between Service workers and the University of California is August 2017. Patient Care Technical workers’ CBA expired in December 2017. State of California, Department of Industrial Relations, August 2017 to February 2024, California Consumer Price Index Chart (1955-2023), accessed April 12, 2024. <https://www.dir.ca.gov/oprl/CPI/EntireCCPI.PDF>
- ⁸ University of California, Annual Report on Executive Compensation for Calendar Year 2018: Incumbents in Senior Management Group (SMG) positions and Certain Managers and Senior Professionals (MSP), accessed April 5, 2024. <https://www.ucop.edu/institutional-research-academic-planning/content-analysis/employees/2018/2018-annual-report-executive-compensation.pdf>; University of California, Annual Report on Executive Compensation for Calendar Year 2019: Incumbents in Senior Management Group (SMG) positions and Certain Managers and Senior Professionals (MSP), accessed April 5, 2024. <https://www.ucop.edu/institutional-research-academic-planning/content-analysis/employees/2019/annual-report-on-executive-compensation-2019.pdf>; University of California, Annual Report on Executive Compensation for Calendar Year 2020: Incumbents in Senior Management Group (SMG) positions and Certain Managers and Senior Professionals (MSP), accessed April 5, 2024. <https://www.ucop.edu/institutional-research-academic-planning/content-analysis/employees/2020/executive-compensation-report-2020.pdf>; University of California, Annual Report on Executive Compensation for Calendar Year 2021: Incumbents in Senior Management Group (SMG) positions and Certain Managers and Senior Professionals (MSP), accessed April 5, 2024. <https://www.ucop.edu/institutional-research-academic-planning/content-analysis/employees/2021/executive-compensation-2021.pdf>; University of California, Compensation for the University of California, University of California Employee Pay, <https://ucannualwage.ucop.edu/wage>, accessed on March 28, 2024; Regents of the University of California, Materials for the Board, Item B1: “Approval of Compensation Components for a Chancellor,” April 6, 2023. <https://regents.universityofcalifornia.edu/regmeet/april23/b1.pdf>; Regents of the University of California, Materials for the Governance Committee, Item G2: “Approval of Appointment of and Compensation for Michael Reese as Interim Senior Vice President – External Relations and Communications, Office of the President as Discussed in Closed Session,” Attachment 1, “2023 UC Systemwide Salary Program - For Regental Approval,” May 18, 2023. <https://regents.universityofcalifornia.edu/aar/mayg.pdf>
- ⁹ Purchasing power for UC senior executives was calculated by comparing changes in average base pay of each job classification (UC Chancellors, UC Chief Executive Officers and UC President) against California CPI-W for the period of August 2017 through February 2024. State of California, Department of Industrial Relations, August 2017 to February 2024, California Consumer Price Index Chart (1955-2024), accessed April 12, 2024. <https://www.dir.ca.gov/oprl/CPI/EntireCCPI.PDF>
- ¹⁰ Regents of the University of California, Joint Meeting of the Academic and Student Affairs Committee & Finance and Capital Strategies Committee, January 18, 2023. Remarks made by Executive Vice President & Chief Financial Officer Nathan Brostrom during discussion on Item J1: “Overview of the Multi-Year Compact Between the Governor and UC.” <https://regents.universityofcalifornia.edu/regmeet/jan23/joint.pdf>
- ¹¹ Following the methodology used by the National Low Income Housing Coalition (NLIHC), the statewide housing wage was calculated by first finding the statewide Fair Market Rent, then multiplying the statewide Fair Market Rent by 12 to obtain an annual cost of rental housing. In turn, the annual cost was divided by 30 percent to determine the annual income needed to afford rent at the 30 percent affordability threshold, and subsequently, converted to a full-time hourly housing wage. All housing wages assume single-earner households. Because HUD does not publish a statewide Fair Market Rent, the statewide FMR was found by averaging Fair Market Rents for all counties in California and weighting by the total number of renter-occupied housing units in each county, according to 2017-2021 ACS data. National Low Income Housing Coalition, “Out of Reach: The High Cost of Housing,” accessed February 28, 2023. <https://nlihc.org/oor>; The United States Department of Housing and Urban Development (HUD), Office of Policy Development and Research, Datasets, Fair Market Rents (40th Percentile Rents), accessed March 2, 2023. <https://www.huduser.gov/portal/datasets/fmr.html>; U.S. Census Bureau, “Tenure,” 2022. American Community Survey, ACS 5-Year Estimates Detailed Tables, Table B25003, 2022, accessed April 15, 2024. [https://data.census.gov/table/ACSDT5Y2022.B25003?q=B25003&g=040XX00U06,06\\$0500000&moe=false&tp=true](https://data.census.gov/table/ACSDT5Y2022.B25003?q=B25003&g=040XX00U06,06$0500000&moe=false&tp=true)
- ¹² The methodology used to calculate each campus’ housing wage is the same methodology cited in endnote 11. Here, rather than using the statewide average Fair Market Rent, the campus-specific housing wages use the Fair Market Rent of each county where a UC campus or medical center is located. National Low Income Housing Coalition, “Out of Reach: The High Cost of Housing,” accessed February 28, 2023. <https://nlihc.org/oor>; The United States Department of Housing and Urban Development (HUD), Office of Policy Development and Research, Datasets, Fair Market Rents (40th Percentile Rents), accessed April 15, 2024. <https://www.huduser.gov/portal/datasets/fmr.html>

- ¹³ U.S. Department of Housing and Urban Development (HUD), Office of Policy Development and Research, “Methodology for Determining FY 2023 Section 8 Income Limits,” accessed March 28, 2024. <https://www.huduser.gov/portal/datasets/il/il23/IncomeLimitsMethodology-FY23.pdf>; State of California Business, Consumer Services and Housing Agency, Department of Housing and Community Development, 2023 State Income Limits, June 6, 2023. <https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/income-limits-2023.pdf>
- ¹⁴ To categorize UC patient care and service workers into HUD income categories, annual salary information listed in UC payroll data from October 2017 and October 2023 was compared against the 2017 and 2023 State Income Limits provided by the California Department of Housing and Community Development. The comparison assumes employees work full-time and live in the county in which they work. While a large number of UC service and patient care workers support families with small children, information is not available on total household income or household size. For this reason, the comparison also assumes that all employees are single person households. UC Office of the President, Membership File for AFSCME Bargaining Units, October 2017; UC Office of the President, Membership File for AFSCME Bargaining Units, October 2023; State of California Business, Consumer Services and Housing Agency, Department of Housing and Community Development, Division of Housing Policy Development, 2017 State Income Limits, June 9, 2017. <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/inc2k17.pdf>; Department of Housing and Community Development, Division of Housing Policy Development, 2023 State Income Limits.
- ¹⁵ U.S. Department of Housing and Urban Development (HUD), Housing Choice Vouchers Fact Sheet, accessed April 2, 2024. https://www.hud.gov/topics/housing_choice_voucher_program_section_8
- ¹⁶ San Diego Housing Commission, Help With Your Rent, accessed April 5, 2024. <https://sdhc.org/housing-opportunities/help-with-your-rent/>; Housing Authority of the County of Santa Cruz, Housing Choice Voucher (Section 8) Program, accessed April 5, 2024. <https://hacosantacruz.org/program/housing-choice-voucher-section-8-program/>; Housing Authority of the City of Santa Barbara, Income Limits, accessed April 5, 2024. <https://hacsb.org/income-limits/>
- ¹⁷ Sonya Acosta and Erik Gartland, “Families Wait Years for Housing Vouchers Due to Inadequate Funding,” Center on Budget and Policy Priorities, July 22, 2021. <https://www.cbpp.org/research/housing/families-wait-years-for-housing-vouchers-due-to-inadequate-funding>; Joint Center for Housing Studies of Harvard University, “America’s Rental Housing 2024,” Harvard University, accessed on April 5, 2024. https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_Americas_Rental_Housing_2024.pdf
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- ²² This data is derived from information AFSCME 3299 received from the UC Office of the President in response to a Request for Information related to UC’s Housing Assistance Programs. The data specifically captures senior executives who had both an outstanding loan through the MOP program and who were on UC payroll in Calendar Year 2022. University of California Office of the President, Annual Wage Report, Calendar Year 2022.
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- ²⁴ Regents of the University of California, Materials for the Board, Item B2: “Amendment of Regents Policy 5309: Policy on the University of California Employee Housing Assistance Program and Regents Policy 7708: University-Provided Housing,” April 6, 2023. <https://regents.universityofcalifornia.edu/regmeet/april23/b2.pdf>
- ²⁵ UC San Francisco entered into an MOU with the City and County of San Francisco to build a certain number of “affordable units” for employee households earning between 60 to 120 percent AMI. In 2023, more than a third of AFSCME-represented frontline workers fell below the 60 percent AMI threshold for a one person household. MOU: Agreements & Memorandum of Understanding Mutually Entered into between the City and County of San Francisco and the Regents of the University of California, “University of California, San Francisco - Comprehensive Parnassus Heights Plan,” January 22, 2021. https://sfplanning.org/sites/default/files/documents/devagreements/UCSF_Parnassus/ucsf_parn_mou_final.pdf
- ²⁶ Regents of the University of California, Materials for the Finance and Capital Strategies Committee, Item F1D: “Approval of Business Terms for an Amendment of a Ground Lease with Irvine Campus Housing Authority, University Hills Area 12-1, Irvine Campus,” November 17, 2021. <https://regents.universityofcalifornia.edu/regmeet/nov21/f1d.pdf>; Regents of the University of California, Materials for the Finance and Capital Strategies Committee, Item F4: “Conceptual Plan for Development of North Irvine Staff Housing, Irvine Campus,” March 16, 2022. <https://regents.universityofcalifornia.edu/regmeet/mar22/f4.pdf>
- ²⁷ Regents of the University of California, Materials for the Joint Meeting of the Academic and Student Affairs Committee and the Finance and Capital Strategies Committee, Item J1: “Overview of University-Provided Student Housing,” March 15, 2023. <https://regents.universityofcalifornia.edu/regmeet/mar23/j1.pdf>
- ²⁸ Regents of the University of California, Materials for the Academic and Student Affairs Committee, Item A3: “Update on Off-Campus Opportunities,” September 20, 2023. <https://regents.universityofcalifornia.edu/regmeet/sept23/a3.pdf>
- ²⁹ The University of California, Berkeley, Berkeley Space Center, “UC Berkeley, SKS Partners Unveil Proposed 36-Acre R&D Hub in the Heart of Silicon Valley at NASA’s Ames Research Center,” October 16, 2023. <https://spacecenter.berkeley.edu/news/uc-berkeley-sks-partners-unveil-proposed-36-acre-rd-hub-heart-silicon-valley-nasa%E2%80%99s-ames>

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- ³⁴ UC Berkeley Notice of Preparation of an Environmental Impact Report for the UC Berkeley Innovation Zone, University of California Berkeley Capital Strategies, October 30, 2023. https://capitalstrategies.berkeley.edu/sites/default/files/nop_berkeley_innovation_zone_2023.10.30.pdf
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AFSCME LOCAL 3299 ■ 425 15TH ST. ■ OAKLAND, CA 94612 ■ (510) 844-1160 ■ AFSCME3299.ORG