



HASTINGS CAMPUS HOUSING FINANCE AUTHORITY
BOARD OF DIRECTORS OF
HASTINGS CAMPUS HOUSING FINANCE AUTHORITY

MINUTES OF MEETING

April 17, 2024, at 2:00 p.m.

AGENDA

[Pursuant to Government Code §Section 54954
and Government Code §6592.1]

1. Roll Call

The Chair called the meeting to order at 2:02 p.m., and the Secretary called the roll.

Directors Present:

- Director David Seward, Treasurer and Secretary
- Director David L. Faigman
- Director Tom Gede
- Director Sandra Thompson

Directors Absent:

- Director Simona Agnolucci
- Director Chip Robertson, Chair

UC Law SF Staff Participating:

- Rhiannon Bailard, Chief Operating Officer
- John DiPaolo, General Counsel
- Sandra Plenski, Chief Financial Officer (HCHFA) and Controller
- Jenny Kwon, Chief of Staff and Assistant Chancellor and Dean
- Katarzyna Pacura, Senior Financial Analyst for Capital Projects

2. Approval of the Minutes – December 1, 2023

The minutes of the meeting of August 24, 2023, and December 1, 2023, were presented. The chair called for a motion to approve. Motion made and motion seconded. The minutes were approved.

3. The Academe at 198 – Financial & Leasing Status 2023-24

Chief Operating Officer Bailard presented an overview and provided an update on the rental rates, marketing, and operations status for The Academe at 198 Campus Housing Project. To ensure an accurate rental recalibration, a comprehensive analysis of the market context within San Francisco was conducted. It was identified that there is growing concern regarding the perception of inequity

among residents paying the same price for different products. The goal with the proposed rental rates is to charge rental rates consistent with the pro forma rent. Chief Operating Officer Bailard is proposing a continuation of subsidizing the units to keep rates low with an investment of \$2.6 million. Director Tom Gede raised a query regarding the occupancy level that is the basis of the \$2.6 million subsidy. In this regard, Treasurer and Secretary Seward mentioned that the subsidy would be based on a 95% occupancy level. It was noted that the subsidy would encompass all the residents currently occupying the building, renewing, and coming in. In response to Director Sandra Thompson's questions about resident preferences, Chief Operating Officer Bailard noted that students are more price-conscious and concerned about the neighborhood but love the building. Director Gede wondered about the sublease situation, to which Chief Operating Officer Rhiannon said students could delegate their units. The College has created a program, hoping to start in year one, to work with local law firms to provide housing for students working in SF during the summer, and students working UC Law SF-sponsored internships can be disaffiliated for the summer and return for Fall renewal. That said, Chief Operating Officer Bailard is asking the Board to approve the second-year rent structure and accompanying rent subsidy for the residential rental rates for the non-UCSF units at the Academe at 198 for the 2024-2025 year. Secretary and Treasurer Seward presented a motion, and all were in favor. The motion was carried.

4. The Academe at 198 – Investor Report

HCHFA Chief Financial Officer, Sandra Plenski, reviewed the Series 2020A and 2020B Investor Report that was presented to investors on January 17, 2024. Secretary and Treasurer Seward recalled that in June of last year, the College had sought authority from the Authority Board to adjust the contract to close negotiations. The Board had authorized the negotiation of up to an additional \$3.4 million on the total project budget of \$282 million. The actual cash required to close out the project, which does not come from bond sources, is \$350,000. As per the occupancy agreement with UCSF, the College will have a revenue of 230 units for the next year, and the contract stipulates which units they can choose from. The retail spaces now include Spro Café and Golden Gate & Hyde retail tenants. Based on current activities and expenses, the College is in a good financial position and should get a debt service ratio of 1.2 this school year. Director Gede inquired about the neighborhood and its drug problems. Chief Operating Officer Bailard pointed out that the College will look at mental health reforms and continue to have Urban Alchemy from 7 am to 11 pm. General Counsel John DiPaolo spoke about how the College sued the city in 2020 to reduce encampments to zero. However, encampments still exist, and the district court judge has submitted an injunction. The city is facing a new lawsuit for not being ADA compliant.

5. Name Change for Hastings Campus Housing Finance Authority

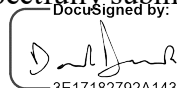
HCHFA Chief Financial Officer Sandra Plenski recommended the name 'Academic Village Finance Authority' to the Board. All were in favor of a name change, and the motion passed.

6. Adjournment

There being no further business before the Board of Directors, the Open Meeting was adjourned at 2:49 p.m.

Action Item: Adjournment

Respectfully submitted,

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David Seward, Secretary