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Affordable Homes Earn High Marks at Cal State

Many campuses are offering below-market houses and rentals as a way to attract and keep qualified faculty and staff.

By FRED ALVAREZ
Times Staff Writer

Each day after work, university professor Jeanne Grier embarks on a commute most Southern Californians would envy.

Exactly 952 steps from Grier's office at Cal State Channel Islands is the front door of her new home in the University Glen housing project, tucked into a cactus-studded canyon at the foot of the Santa Monica Mountains, where deer, coyotes and jack rabbits outnumber people.

The budding subdivision, built to attract top-notch faculty and staff by offering housing at a deep discount, was among the chief reasons the education professor traveled 2,000 miles from a college in Illinois to the fledgling university near Camarillo.

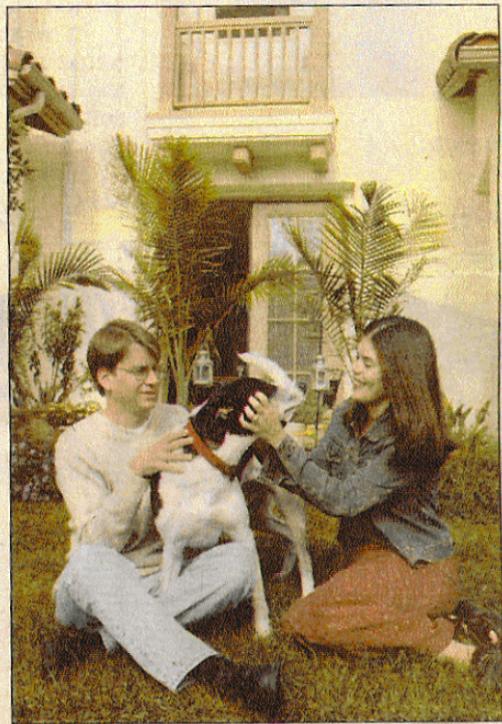
"We feel lucky to be here," said Grier, 35,

a first-time home buyer who moved with her husband to the campus community in 2002, after discovering there were few houses they could afford in the surrounding real estate market. The couple paid \$265,000 for a three-bedroom home.

The first phase of the 900-unit project, a mix of rental units and single-family homes, is already occupied, and the second phase is set to welcome its first residents this week. Channel Islands faculty and staff will occupy more than a third of the 98 units for sale in those phases, where homes have sold for as little as 70% of what they would fetch on the open market.

"We'd be renting now if it wasn't for this," said Grier, who is so enamored of university living that she has already arranged to stay after retiring decades from now. "If you want to attract quality candidates, you have to have a place where people can afford to come, raise families and build a community."

Cal State University officials have gotten the message. Responding to a runaway real estate market that has put housing out of reach for many employees, an increasing

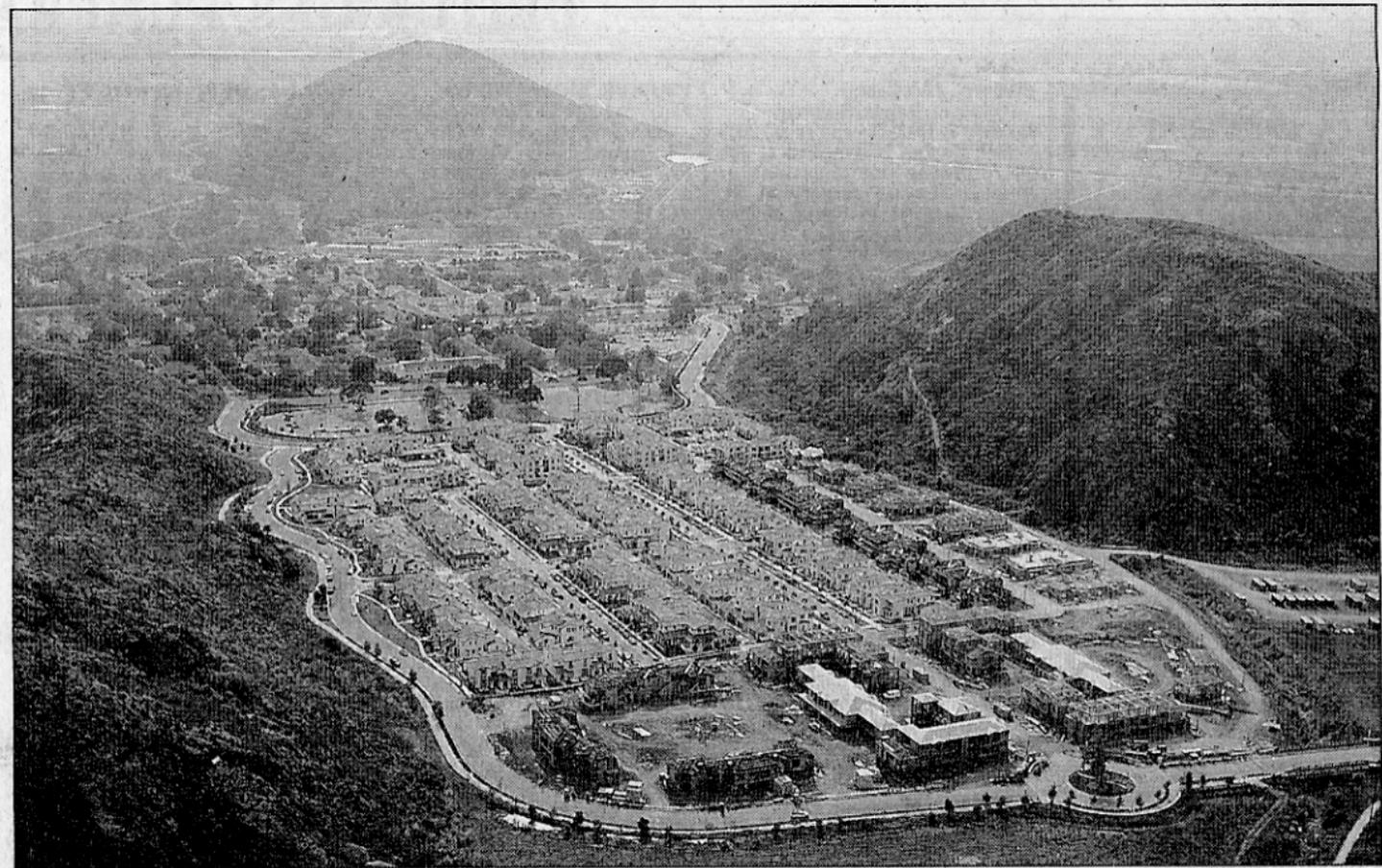


BRYAN CHAN Los Angeles Times

AT HOME: Kent and Angela Baxter live in a University Glen townhome.

number of Cal State campuses are offering affordable housing for the system's growing workforce.

From 500 units at Cal State Monterey
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Photographs by STEPHEN OSMAN *Los Angeles Times*

COMMUTER-FRIENDLY: *Cal State Channel Islands has developed University Glen to house faculty and staff members. The first phase of the 900-unit project is already occupied.*

Campuses Get High Marks With Housing

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Bay to an 86-unit project opened last year near Cal State Fullerton, officials are jumping into the real estate market in an effort to recruit workers to the university system and give them reason to stay.

Influx of Faculty

The housing crunch has become especially pronounced in recent years as CSU scrambled to fill a flood of positions that opened as a result of faculty retirement and enrollment growth. In the last five years alone, the Cal State system has added 1,200 full-time faculty.

But with starting pay for new tenure-track faculty hovering at a little less than \$60,000 a year and the median price of a California home surging to more than \$380,000, Cal State officials report that they have had a tough time filling positions.

To address the problem, San Jose State is in the midst of building a 98-unit apartment complex for faculty and staff, an eight-story structure that will be part of a larger on-campus housing development.

San Francisco State has bought 60 apartments in a nearby complex to rent to new faculty and staff seeking shelter in the state's second-most-expensive housing market.

And last month, the Cal State Board of Trustees approved an environmental report for 72 units of employee housing at Cal Poly San Luis Obispo, proposed for construction on university land about half a mile from the Central Coast campus.

Other campuses, including Cal State Northridge, San Diego State and Cal State Dominguez Hills, have considered similar measures.

"We have seen a trend, particularly in California and other high-cost areas, on the part of large universities and colleges to provide this kind of housing," said Jeff Minter, vice president of Unidev, a nationwide builder of workforce housing.

Developing Projects

The Maryland-based company helped put in place Cal State's first faculty-staff housing project at Monterey Bay and is overseeing construction of the Channel Islands project. The builder has helped develop a range of other university projects, including a sprawling, master-planned community at UC Irvine considered a prototype for faculty housing.

"Even though these institutions have made an attempt to



AFFORDABLE: Professor Jeanne Grier and husband Joseph bought a three-bedroom home in University Glen for \$265,000.

'Even though these institutions have made an attempt to pay competitive salaries, a competitive salary doesn't guarantee you a house.'

Jeff Minter, official of a nationwide builder of workforce housing

pay competitive salaries, a competitive salary doesn't guarantee you a house," Minter said.

"That simply says that those people who are really critical to making your community a vibrant place to live can't really afford to live there themselves."

But critics are quick to recall mistakes made in the past by universities that have assumed the role of housing developer.

In the early 1990s, for example, UCLA built 86 faculty homes — for about half a million dollars each — 10 miles from campus. But because UCLA didn't own the land and couldn't control the prices, homes ended up costing more than faculty members could afford. All but eight were sold to buyers not affiliated with UCLA, and the university lost about \$7 million in the deal.

Neighbors of the proposed employee housing project at Cal Poly San Luis Obispo have set out to block that development, arguing that it would generate too much pollution and traffic and be located at a dangerous intersection. A neighborhood group filed suit last year, forcing the university to revise its envi-

ronmental study for the project.

And although Cal State trustees approved the revised study last month, the plan must still go before a judge for final approval.

"I think everyone would agree that affordable housing is a crucial need in [San Luis Obispo] County ... but, we believe that for this project, this is the wrong spot," said opposition leader Joan Lynch. She said she thinks communities statewide will increasingly wrestle with such issues as universities assume the task of providing housing for employees. "Some of these issues have had very little public discussion."

Support for Plans

Surprisingly, university planners encountered minimal opposition from slow-growth Ventura County when they proposed building a mini-city at Cal State Channel Islands.

Charged with converting a shuttered mental hospital into a modern-day college campus, university officials set out more than six years ago to create a range of business ventures designed to generate the cash necessary to complete that work.

Those efforts became necessary after the Cal State governing board made it clear, when it agreed in 1998 to take possession of Camarillo State Hospital, that the new university would have to generate its own capital to renovate the property.

Initial proposals for the 670-acre campus included a golf course, a film studio and a retirement complex. But those fell by the wayside as the effort solidified around a housing complex anchored by a town square with restaurants, bookstores and other amenities.

The housing will cost an esti-
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Cal State Opens Door With Faculty Housing

[Housing, from Page B18]

ated \$174 million to build and is expected to generate more than \$800 million for the university over the next 50 years, revenue that will be used to repay bonds issued to finance construction of academic facilities.

What has emerged so far is a community staked with maturing trees and striped with wide sidewalks, a place where youngsters roam freely on skateboards and scooters and families embark on weekend treks across dirt trails that crisscross the nearby hillsides.

"This is like a piece of heaven," said Cheryl Wolfe, watching her three children race up and down a street in front of her home.

Wolfe and her family moved into the university complex last year, after her husband, William, took a job as a computer science professor at Cal State Channel Islands. They paid \$310,000 for a 2,400-square-foot home with four bedrooms and four bathrooms, a fraction of its value on the open market.

Buying a home would not have been an option for the family had University Glen not been available, Wolfe said. "It's just a lovely situation for us."

Negative Aspects

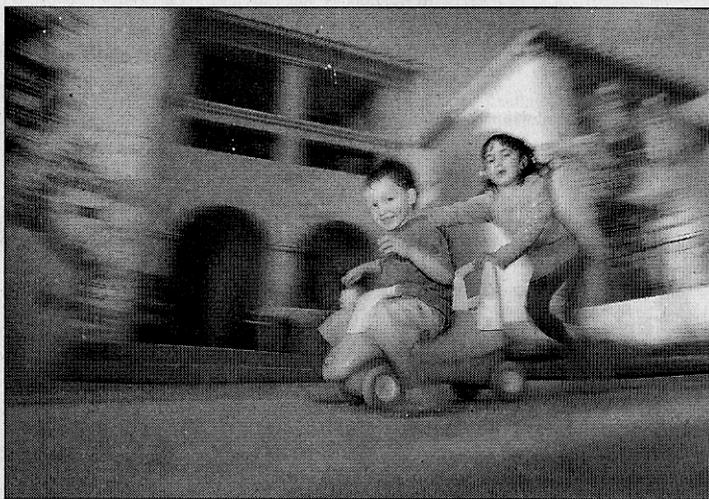
But university living has its drawbacks.

Residents don't own the land on which their homes sit and face an extra property tax assessment to pay back \$33 million in bonds used to build roads, put in utilities and install other infrastructure for the project.

Moreover, when they leave, homeowners must sell their houses to buyers on the University Glen waiting list. Plus, they are limited to how much profit they can take, with the resale price tied to annual increases in the consumer price index.

The restrictions are aimed at keeping the houses affordable and in the university family. They are complemented by other incentives, including 100% financing and a program to buy down the interest rates of loans for faculty and staff.

Under a priority system established by the university, full-



STEPHEN OSMAN *Los Angeles Times*

SUBURBAN LIFESTYLE: Elizabeth Wolfe and brother Billy play outside the family's four-bedroom University Glen home.

time faculty get first chance at home purchases, followed by university staff, employees of area colleges and school districts, selected military personnel, faculty and staff of other CSU campuses, graduates of Cal State institutions and the general public.

University employee Raudel Banuelos, 42, took advantage of his position near the top of the list to buy a three-bedroom townhouse still under construction and set to be completed in February.

Perhaps no one has a better feel for the campus than the Ventura native, a holdover from the state hospital staff who now helps direct maintenance efforts for the university. When the opportunity arose to move his family to the campus, he sold his Oxnard home in favor of a 1,900-square-foot residence in the development's second phase.

"It's like a sanctuary here; there's no other place like it," said Banuelos, who, along with wife Ruby and son Brandon, 13, is living in a campus apartment until their new home is ready.

"I just felt like this was the right thing for my family," he said. "It's especially important to have my son here. It's a very positive experience for him, and it keeps it out there in his face that a university education is the direction we want him to go."

It's also one of the most af-

fordable ways for faculty and staff to buy property in a region where home prices continue to outpace salaries, with the median price topping \$400,000 in November, a 21% jump in calendar 2003.

Just ask John Yudelson, a full-time lecturer in the business department who scoured the real estate market when he took a job at the university when it opened in August 2002.

Helping Hand

Unable to buy anywhere else, Yudelson found an eager seller in University Glen, where housing officials helped buy down the interest rate and paid two-thirds of his rent while he waited for the sale to close.

Yudelson bought the last home in the first phase, paying \$256,000 for a three-bedroom home he believes would otherwise have been worth nearly \$400,000.

"Who would have thought that a teacher in Ventura County could afford his or her own home? It's like a dream come true," said Yudelson, 50, a Van Nuys native who has grown to love the sense of community developing at University Glen, where neighbors know each other and kids are safe, qualities reminiscent of an earlier era.

"This is like 'Leave It to Beaver,' 1950s," he said. "It's the way I grew up, and it's wonderful."