UCI Faculty Housing Town Hall FAQs December 6, 2023 – Updated February 2024

The best place to get questions answered is ICHA, as they operate University Hills for the campus. Additional questions can be directed to the Office of Academic Personnel. Some common questions are addressed here.

Eligibility and Waitlists

1. How do you see where you are on the waitlist?

Employees on the waitlist are listed within their employee category based on the date of their application to the waitlist. An applicant may request their position on the waitlist from ICHA staff. Applicants can contact sales@icha.uci.edu or call (949) 824-7345. Please remember, any waitlist numbers stated in this document are a snapshot from the date the numbers were pulled. These numbers are not static, and they change regularly.

2. What can be done to improve one's chances of getting a house?

ICHA staff provide the following as a standard response for applicants regarding potential opportunities: There is currently high demand for homes in University Hills, especially the larger single-family detached homes. While ICHA cannot guarantee a home, applicants can maximize their opportunity to purchase in University Hills by selecting a broad list of home series numbers as preferences on their application, rather than individual floor plans (to include as many model types as possible). Home series may be found on the website at https://icha.uci.edu/sale-page/. Applicants can email a request to update their preferences at any time.

Approximately 20-30 resale homes become available every year. Unfortunately, ICHA is not able to project a timeframe for the availability of resale homes. The reason is because homeowners decide to sell their homes at different times for a range of reasons. Once a home is offered for sale, ICHA does not know which applicants ahead on the waitlist may decide to purchase those homes.

It is recommended to be open to all offers or opportunities for a home. Please be sure to speak to the ICHA Sales Department before rejecting any opportunities. If an applicant passes on a home, it will not affect their position on the waitlist. However, consideration is given during the annual review of the definition of Newly Recruited Senate Faculty whether there have been offers to purchase.

Additional information is available on ICHA's website:

- <u>https://icha.uci.edu/wp-content/uploads/2023/04/Faculty-Staff-Recruits-Guide-to-</u> <u>Housing-10-</u> <u>2023.pdf</u>
- <u>https://icha.uci.edu/wp-content/uploads/2021/09/9_21-Priority-Categories-Visual-1.pdf</u>
- <u>https://icha.uci.edu/wp-content/uploads/2023/04/How-the-Waitlist-Works_10_2023-.pdf</u>
- 3. How does the offering process work when a house becomes available? The offering process, which is covered in Section 3.05 of the ground sublease, is summarized below:

- During the first 30 days after a Notice of Intent is signed, the University has the option to purchase property at the lesser of the price offered by homeowner or Maximum Resale Price (MRP).
- In the next 60 days after the University declines, the home is offered to members of the Academic Senate or equivalent (Senior Management Group).
- 60 days following the offer to the Academic Senate, the home is offered to members of the Academic Staff/Management Senior Professionals (MSP) group.
- 60 days following offer to Academic Staff/MSP, the home is offered to salaried nonacademic UCI staff.
- 30 days after that, the University may purchase at the lower of: (a) price offered by the homeowner,

(b) 90% of the MRP, or (c) 90% of approved appraisal.

• If the University declines to purchase the home, the seller can offer the home to the public at the same terms.

4. How long can an applicant expect to wait for University housing?

The length of time depends on the employee category. Those in Category 1 are more likely to be offered a home than Category 2, and so forth. It is important to understand that with more than 1,900 UC Irvine employees on the waitlist for 20 to 30 resales annually, it could take years to be offered a home, if at all. Historically, if a Category 1 applicant is open to purchasing a condo, townhome or single-family home, the wait may be between one and five years. However, if an applicant narrows their preferences strictly to detached single-family homes, ICHA may be unable to provide a wait time because of the high demand for those floorplans. While UC Irvine offers one of the largest for-sale faculty and staff housing programs in the nation, there are many individuals on the waitlist.

5. Are there "wait time" statistics that can be shared?

Waitlist statistics depend on preferences, resale homes that become available any given year and new home offerings. Because of the many variables, ICHA does not provide specific wait time statistics but offers historical perspectives to applicants on opportunity.

6. How many applicants are on the house waitlist in total (not just new faculty)?

There are nearly 2,000 total applicants on the waitlist. This includes newly recruited and current Senate faculty, non-Senate faculty, and staff. An applicant will be listed in one of the categories listed below according to their eligibility. Please remember, the total number of applicants on the waitlist is a snapshot as of December 2023. This number is not static, and it changes regularly.

- Category 1 Newly recruited Senate faculty* and Senior Management Group (SMG)
- Category 2 Current Senate faculty and SMG members
- Category 3 Newly recruited non-Senate faculty, academic staff and Management Senior Professionals (MSP) members
- Category 4 Current non-Senate faculty, academic staff and MSP members
- Category 5 Other UCI staff

*Current definition of a "New Recruit" is members of the Academic Senate appointed on or after 7/1/2020. The ICHA Board reviews this definition annually in consultation with the Provost's office. ICHA formally notifies an Academic Senate applicant by email when they have been moved to the Current Senate Faculty category.

7. How long do faculty new hires stay on the Category 1 priority list?

This has varied depending on the pace of construction. Historically, applicants on the Category 1 priority list remained in the highest category for two years. After two years, the list was reviewed by the ICHA Board and the Provost's Office prior to moving individuals to the Category 2 list, which includes current Senate faculty. In the past, Category 1 applicants had an opportunity to purchase new or resale homes within the two-year timeframe.

Beginning in 2017, due to increased demand and lack of opportunity to purchase homes, the period for applicants to remain on the Category 1 list was extended up to three years. Now, applicants on the Category 1 list have been extended to a maximum of five years from their appointment date to allow for an opportunity to purchase a new or resale home.

- 8. How long can an applicant stay on the University Hills waitlist? An applicant can stay on the University Hills waitlist until they decide to be removed or they purchase a home in University Hills. ICHA does not remove individuals on the waitlist unless they ask to be removed, separate from UC Irvine or purchase a home in University Hills. Only full-time employees are eligible to be on the waitlist.
- 9. Will priority waitlist status be extended given limited availability of homes for sale over the last few years?

The Category 1 waitlist has been extended from two years to three to five years based on a lack of opportunity to purchase new and resale homes in recent years. Each year the Category 1 section is reviewed by the ICHA Board in consultation with the Provost's Office.

Provost's and Deans' Priority Lists

- 1. What is the Provost's priority list? Is it the same as the Dean's priority list? There is one priority list from which individuals are offered homes for purchase in University Hills. It is maintained by the Provost's Office. Individuals on the list include new Senior Management Group (SMG) members and deans, as well as faculty placed on the list by their dean (usually new recruits or retention cases). Each academic dean can place 1-2 individuals (depending on size of school) on the Provost's priority list. Because the number of slots available to a dean is limited, many deans maintain an internal list that the Dean uses to identify the next several individuals for their school slot(s) when a space becomes available.
- 2. On average, how many people are on the Provost's and Deans' priority lists? There are approximately 20 Senior Management Group (SMG)/Dean and new faculty hires/retentions slots on the Provost's priority list. Dean's priority list is an internal list maintained by the dean's office within each school.

Area 12 Townhomes

- 1. What will be Area 12's eligibility criteria and who set the criteria? ICHA anticipates that Area 12 eligibility criteria will include Category 1 applicants within a date range recommended by ICHA Board and approved by the Provost.
- 2. When will faculty on the waitlist be notified of their eligibility for the new Area 12 townhome drawing?

The notification and application period is estimated to be from April-August 2024.

- When will the next drawing be held and what rate is estimated? While the Area 12-1 New Home Drawing date has not yet been set, it is anticipated for June 2024. Please find Area 12 updates here: <u>https://icha.uci.edu/area12/</u>.
- 4. Will faculty on the waitlist have the option to be entered into the drawing for new housing being built?

Only eligible faculty will have the option to be entered into the drawing. This would be Category 1 applicants only within a date range recommended by ICHA Board and approved by the Provost.

Category 1 - Newly recruited Senate faculty* and Senior Management Group (SMG) *Current definition of a "New Recruit" is members of the Academic Senate appointed on or after July 1, 2020. The ICHA Board reviews this definition annually in consultation with the Provost's office. ICHA formally notifies an Academic Senate applicant by email when they have been moved to the Current Senate Faculty category.

5. How far in advance should an applicant get on the waitlist for the new townhouse drawing?

For the upcoming new townhome drawing, the notification and application period is estimated to be from April-August 2024. Those who are considered "eligible" are Category 1 applicants only within an approved date range. ICHA will distribute information about the Area 12-1 Townhomes and New Home Drawing to Deans and Chairs in April 2024. ICHA will then email applications to those who are eligible based on the University's Category 1 approved eligibility date range. We anticipate that the drawing will be held in June 2024. Following the new home drawing, all applicants may add the Area 12-1 Townhomes as a preference for resale home opportunity.

Priority Categories:

- Category 1 Newly recruited Senate faculty* and Senior Management Group (SMG) members
- Category 2 Current Senate faculty and SMG members
- Category 3 Newly recruited non-Senate faculty, academic staff and Management Senior Professionals (MSP) members**
- Category 4 Current non-Senate faculty, academic staff and MSP members Category 5 - Other UCI staff

*Current definition of a "New Recruit" is members of the Academic Senate appointed on or after 7/1/2020. The ICHA Board reviews this definition annually in consultation with the Provost's office. ICHA formally notifies an Academic Senate applicant by email when they

have been moved to the Current Senate Faculty category. ** Applicants remain in this category for one year after their hire date.

6. Why will faculty on the Category 1 waitlist be moved to the Category 2 waitlist by December 31, 2024, if they don't opt for the Area 12-1 new home drawing? This specific parameter currently only applies to Senate members with appointments from June 2, 2018 through June 30, 2020, who are eligible to participate in the Area 12-1 New Home Drawing if they have the following conditions: those who participated in their designated new home drawing and were not offered a home, and/or applicants who put their names on the resale list within six months of being hired and have not yet been offered a home that meets self-selected criteria. If they decline to participate in the drawing they can remain on the "new recruit" list through December 31, 2024, but would not have the option of participating in any subsequent drawings.

The demands on the housing program do not allow for UCI to guarantee an applicant an offer for a detached single-family home. Historically, the program has never supported this guarantee and with increased demand, it is more apparent than ever. Category 1 faculty who fall within the specific parameters noted above and elect to remain on the resale waitlist rather than participate in the Area 12-1 new home drawing will be encouraged by ICHA staff to add condominium, townhome and single-family homes to their preferences to increase their opportunity of being offered a home prior to the expiration of their Category 1 extension in December 2024.

Area 12 Environmental Impacts

 What will happen to the trees by the pathway where construction is happening? ICHA held a community webinar on November 30, 2023, regarding the final elements of demolition that UC Irvine's Design and Construction Services is completing. You can watch the video and hear in-depth answers to attendees' questions at icha.uci.edu/area12/.

2. What will the parking situation entail?

Parking generally meets the requirements of the City of Irvine. Each Area 12 home has a two-car garage. Additionally, there are guest parking stalls at the site. Unlike prior neighborhoods in University Hills, Area 12 residents will be required by their HOA to park the first two cars in their garage, as opposed to using all or a portion for storage. The HOA will provide annual checks and enforcement. For those with more than two cars, ICHA has arranged for those vehicles to be parked at certain parking lots for a fee. Details will be provided to future buyers regarding parking and contacts at UCI Parking and Transportation Services.

Recruitment/New Faculty

1. Is housing still being used as a recruitment tool?

Yes, however, all recruits are told by ICHA that housing is a possibility, but not a guarantee. We continue to emphasize to deans, department chairs, and faculty the various campus tools beyond the University Hills waitlist, including the Mortgage Origination Program (MOP) loan, Zero Interest Program (ZIP) loan, and other resources. Some new recruits in recent years are opting to purchase in the larger Orange County housing market instead of University Hills, choosing to secure housing earlier rather than waiting for the limited options in University Hills.

MOP loan program information link: <u>https://www.ucop.edu/loan-programs/loan-programs/mortgage-origination-program.html</u>

ZIP loan information link: https://dfa.uci.edu/faculty-housing/shlp/zip.php

For questions regarding the loan programs, please contact Jessica Alvarez, Home Loan Coordinator: <u>jrsoto@uci.edu</u>

2. How often is the "New Recruit" (Category 1) redefined?

The current definition of a "New Recruit" is a member of the Academic Senate appointed on or after July 1, 2020. The ICHA Board reviews this definition annually in consultation with the Provost's office. ICHA formally notifies an Academic Senate applicant by email when they have been moved to Category 2 – the current Senate faculty category.

3. The cost of housing is a serious impediment to hiring new faculty. What steps can be taken to help them?

In addition to University Hills rental and for-sale purchase opportunities, MOP loans and ZIP loans are available.

Moving within University Hills

1. Is there a process to move from one home to another in University Hills?

The University has created a Move Down policy and an Exchange Policy related to moves within University Hills. While there have been some such moves, they remain rare. University Hills residents can find the relevant policies listed here: https://icha.uci.edu/find-housing/for-sale-housing/. All University Hills owners are able to rejoin the resale waitlist. However, with the current demand and limited availability, the majority of homes are accepted by Senate faculty in Category 1 who have not yet had the opportunity to purchase a home in University Hills.

2. What are the options for those who may want to downsize from their current single-family home?

If the homeowner is a full time UC Irvine employee, they are eligible to rejoin the waitlist or explore the exchange and/or move down policy. If the homeowner is an emeriti faculty member, they can explore the move down policy. The exchange policy may be an option for those with changed household needs who would like to consider exchanging homes with another homeowner within University Hills. Exchanges will be considered by the Provost's Office on a case-by-case basis under the following conditions:

- All parties must be in same priority category.
- Both homes are bought and sold "as is" for Maximum Resale Price (MRP).
- Both parties pay all customary closing costs, including but not limited to shared appreciation, escrow, and title costs.
- Both parties use an ICHA facilitator.

The exchange policy is listed here: <u>https://icha.uci.edu/find-housing/for-sale-housing/</u>

3. Are there plans to enable faculty with large houses to downsize without tax penalties?

Taxation issues are the purview of the Internal Revenue Service and California Board of Equalization. UC Irvine cannot change state or federal laws or regulations. For ways to research tax implications for your household, the below links may be helpful:

- California Board of Equalization: https://www.boe.ca.gov/proptaxes/prop-tax-rules.htm
- Internal Revenue Service: <u>https://www.irs.gov/publications/p530</u>

Buying and Selling

1. In University Hills, if an owner wanted to sell the home in the future but there was no demand, what would happen?

With approximately 19,000 employees at UC Irvine and a waitlist with nearly 2,000 applicants interested in purchasing a home in University Hills, demand is expected to remain high. In its 40 years of existence, ICHA has never encountered a home where there was no interested buyer. In the unlikely event that no university-related individual would want to purchase a University Hills home, there are processes covered in the Ground Lease. Please contact the ICHA sales staff to discuss further at sales@icha.uci.edu or call (949) 824-7345.

2. Why does ICHA allow retirees and faculty who leave UCI to retain their house for non-UCI family, rentals, or as vacation homes?

Per the Ground Sublease, retirees are eligible to retain their University Hills home if the home is their primary residence. This also applies to the qualifying spouse or domestic partner, should the qualifying employee become deceased. Faculty that depart for other UC campuses are permitted to retain their home if the home remains their primary residence. Homes in University Hills are not intended to be rented out outside of the approved <u>ICHA Rental Matching program</u> or used as vacation homes.

- 3. Can you explain pre-sale required seller fixes and post-sale buyer fixes as well as the implications of each on the pricing model used? This is a complex question that cannot be sufficiently answered here. Each transaction has a wide range of variables including home condition, lender requirements, legal requirements, insurance requirements, and Ground Sublease requirements. ICHA recommends contacting the ICHA sales staff at <u>sales@icha.uci.edu</u> or call (949) 824-7345.
- 4. What's the clear path of a UCI faculty member to buy a home in University Hills? Applying for the waitlist is the path to purchasing a home in University Hills. However, the number of applicants compared to the annual turnover (See answer #2 in the Waitlist section) means that applying is not a guarantee of housing. The Ground Lease determines the process of the waitlist and the Provost's priority list. ICHA does not control these processes; it simply follows the processes set out by the UC Regents.

Equity, Diversity, and Inclusion

 What is UC Irvine doing to address the economic disparities generated by the provision of a University Hills home to some but not others?
While UC Irvine currently provides the largest faculty and staff housing program in the UC system and one of the largest on-campus faculty and staff programs in the nation, the University continues to explore opportunities to expand the program, including Area 12 townhomes.

 Has UC Irvine considered programs to help with high rent prices for those living outside of faculty housing, especially faculty of color?
ICHA annually negotiates a UC Irvine employee discount with The Irvine Company Apartments: <u>https://www.irvinecompanyapartments.com/lp/uciemployee.html</u>.

Condo Maintenance

1. Who is responsible for creating reserve funds for maintaining large capital structures (e.g., roofs in condos)?

The Board of the condo Homeowners Association (HOA) is responsible. Per California law, condo boards are separate entities comprised of elected members. The Board hires a property manager who assists in reserve studies that inform the Board about the monthly HOA dues necessary to meet the reserve and monthly operational costs. The two HOA Boards in University Hills have both elected to hire ICHA for Property Management, however ICHA does not expect to be the property management company for the Area 12 townhomes.

2. What are ICHA's responsibilities to maintain condos?

ICHA is not responsible for condo maintenance. While ICHA assists the Condominium HOA Board members for both condominiums (Schubert and Whitman Court), the two condo Board members are ultimately responsible. Early on, the current condo Boards in University Hills asked ICHA to be the property manager for the two condo corporations/HOAs. This unique situation has ICHA as both the landlord (the Ground Sublease) AND the vendor of the HOA. ICHA does not expect to be the property manager for the Area 12 condo HOA.

Future Housing

1. Is the university exploring additional housing to respond to growth projections for faculty and students? Will the next Long Range Development Plan (LRDP) outline an expansion of the land footprint of University Hills?

Yes, UC Irvine is exploring additional housing for faculty, staff, and students and anticipates including additional plans for housing in the next Long Range Development Plan.