

Approved

Approved as amended

Accepted

Notice served

Deferred

Withdrawn

Disapproved

COMMITTEE ON FINANCE

July 21, 1995

TO THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

C. *Approval of License for Construction and Sale, Groundlease with Home Buyers, and Related Documents, Faculty Housing at Aggie Village, Davis Campus*

The Committee recommends that:

- (1) The Regents approve the annexation of approximately 9 acres of Davis campus land into the City of Davis in furtherance of the Davis campus Faculty Housing Project at Aggie Village (Project).
- (2) The President, acting on behalf of The Regents, in consultation with General Counsel, be authorized to execute a license for an initial four-year term with two one-year extensions to Pyramid Construction/Tandem Properties, Inc. (Developer) to build 16 townhomes and 21 detached single family homes, 17 of which shall include cottages, on 4.5 acres of Davis campus land.
- (3) The President, in consultation with General Counsel, be authorized to designate, describe, and subdivide the Project parcel of approximately 4.5 acres into 37 residential lots, prepare a map indicating such subdivision, and record said map in the County of Yolo.
- (4) The President, in consultation with General Counsel, be authorized to execute groundleases, the Declaration of Covenants, Conditions and Restrictions, home purchase contracts, and other related documents as necessary for the completion and sale of residences in the Project, said documents to contain the following provisions:
 - a. The duration of the groundleases shall be 99 years;
 - b. Each lessee shall pay The Regents an annual ground rent subject to annual increases, such annual rents and annual increases to be established by the Chancellor in consultation with the President;

- c. The purchasers of the homes shall be selected from persons determined to be eligible by the Chancellor; priorities shall be assigned by the Chancellor to facilitate the recruitment and retention of faculty and staff for whom adequate, well-located, and affordable housing is not readily available in the private market;
 - d. Upon each resale of a home and the associated assignment of the groundlease and the resale of a home, the owner shall offer the home to buyers in the priority established in accordance with (4)c. above, at a price which conforms with (4)e. below, with the understanding that The Regents have prior options to acquire the home; provided, however, that if there is no such priority sale and if The Regents fail to exercise said options, the unit, while remaining subject to further resale limitations, may be sold to a member of the general public at a price and on terms agreeable to buyer and seller; and
 - e. Resale prices shall be limited to the lesser of:
 - i. the price negotiated between the buyer and seller; or
 - ii. the sum of:
 - (a) the original purchase price of the home paid by the owner, plus
 - (b) the product of the original purchase price of the residence paid by owner and the fractional change, for the period from the month immediately preceding the date on which the owner originally purchased the residence to the date of the offer to sell, in one of the following indices which shall result in the largest product:
 - (i) the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U), all items,
 - (ii) the faculty salary index, established and maintained by University's Office of Loan Programs,
- or other comparable indices adopted by The Regents, plus

- (c) the aggregate appraised value of the capital improvements to the home made by the owner, but only to the extent that the value of each such capital improvement exceeds \$1,000.
- (5) The President, in consultation with General Counsel, be authorized to approve and the Secretary be authorized to execute deeds and other documents required for the dedication of the common areas of the Project to the City of Davis for use as streets and parks, said common areas to be maintained and repaired by the City of Davis.
- (6) The President, in consultation with General Counsel, be authorized to approve and execute future amendments to the above-referenced documents and to approve and execute other Project documents as may be necessary or appropriate related to changing circumstances or unforeseen conditions, as long as such amendments or other documents do not substantially modify the basic purpose of the Project as approved by The Regents.

[Action will be released to the public following the meeting the Board; details of the agreement will be released upon request following execution of the license documents.]