

ACADEMIC SENATE
of
THE CALIFORNIA STATE UNIVERSITY

Item 8

AS-2695-05/FGA
May 5-6, 2005

Creation of a Task Force to Develop Housing Programs

RESOLVED: That the Academic Senate of the California State University (CSU) urge the Chancellor's Office to form a task force that includes members of the Academic Senate CSU to develop creative programs that address the high cost of employees purchasing homes in California; and be it further

RESOLVED: That this task force consider a variety of programs such as offering employees a forgivable second trust deed loan to assist in purchasing a first home, as well creating campus subsidized housing communities.

RATIONALE: Housing costs in California are among the highest in the nation. Salaries for new faculty and other new employees in most areas of the state in which CSU campuses are located are lower than the compensation necessary to purchase homes under HUD guidelines. To address this situation, one approach could be to offer a forgivable loan program that would provide 15% of the cost of a home (up to \$90,000) interest free and forgiven over a 15-year period. This could enable many employees to purchase a home and would cost the system less than \$10,000 per year per employee (assuming current interest rates). In turn, this could improve our recruitment and retention of employees. Another approach might be to expand housing programs already developed by several campuses for their employees.

APPROVED UNANIMOUSLY – May 5-6, 2005