

UCSC snaps up housing complex

Two-part plan will help
faculty become homeowners

UCSC - Growth
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SANTA CRUZ — UC Santa Cruz plans to buy a privately owned apartment complex at the foot of campus to ease the housing crunch hampering faculty and staff recruitment.

Sale of the 64-unit Laureate Court apartments, at Bay and High streets, is expected to be completed in July.

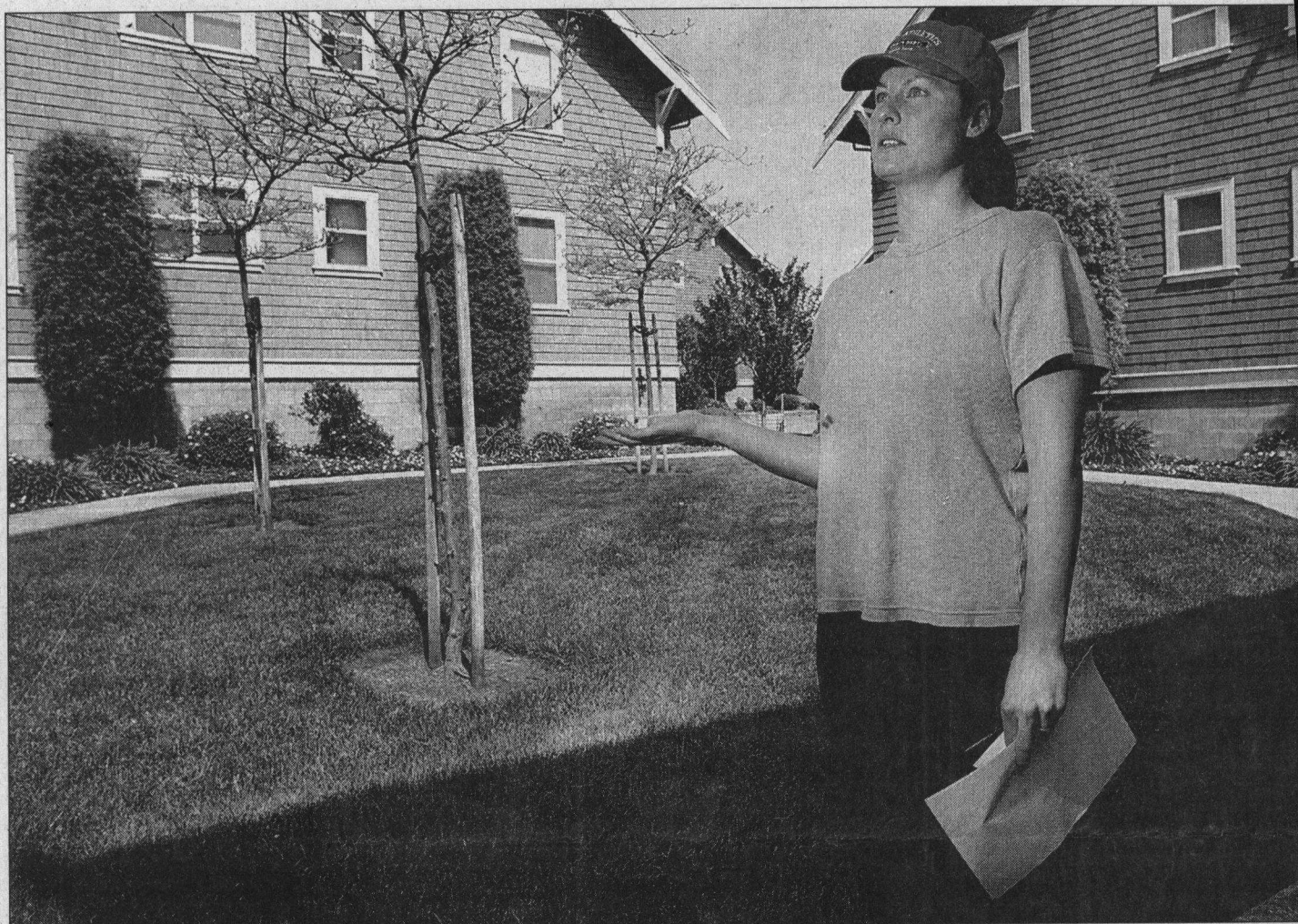
The purchase is part of a two-pronged plan. The university will also convert 50 Hagar Court faculty apartments on campus to for-sale condominiums, enabling teaching staff to become owners instead of renters. Prices tentatively will range from \$170,000 to \$200,000, though prices could creep higher depending on the cost of cosmetic improvements scheduled for September.

"These two actions were planned together," said Jean Marie Scott, associate vice chancellor for housing, dining and child care.

The deal was driven by the university's need to offer more for-sale housing to faculty, both exist-

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Laureate Court resident Catherine Wolchina and her husband will have to move from her apartment when their lease expires, since neither of them studies or works at UC Santa Cruz.



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ing and future, she said. Buying the apartment complex allows the university to accommodate Hagar Court tenants who might be displaced.

The university was approached by one of the property owners who wanted to sell. The location was right, and so was the price, although Scott declined to say what UCSC will pay, saying that information would be made public later.

Buying existing housing is a solution to the shortages experienced by colleges from UCLA to Quinnipiac College in Hamden, Conn.

Longtime history professor Mark Traugott praised the university's response to faculty concerns that housing prices are scaring away top candidates for teaching positions.

"They put a fair amount of thought into it," he said. Traugott, who commutes 30 minutes to Boulder Creek, said Laureate Court is attractive. The development was built 10 years ago by city residents Rick Moe, Craig Rowell and Donald Johnson with Los Gatos partner Gene Smith. The property is sprinkled with cherry trees in bloom.

"It's at least comparable, if not nicer, than on-campus housing," Traugott said, adding more on-campus housing, like the proposal for 95 homes near the Arboretum, is still needed.

About 80 faculty members have their names on a waiting list to buy university-owned homes. That doesn't include staff.

A new faculty member living in the Hagar Court units said Thursday she needed time to think about buying. She only learned the day before that she and her husband must move by September for the renovations, which include new flooring, roofing and fresh paint.

Scott said the renovations at Hagar Court will take place in two phases so tenants can relocate temporarily to other apartments in the complex or to units that open up at Laureate Court.

City officials were told of the university's plans last week when Chancellor M.R.C. Greenwood talked with Mayor Christopher Krohn.

"They were sensitive to what the impact would be," Assistant City Manager Martin Bernal said.

Town-gown relations have been strained since September, when the university leased the Holiday Inn on Ocean Street for student housing, cutting off about \$500,000 in annual hotel tax to the city.

Scott said this real estate deal is different because the owners of the apartment complex allowed disclosure of the transaction while the hotel owner did not.

Bernal said the deal may end up being a wash for the city financially. Though the university will stop paying the roughly \$54,000 in property taxes for the Laureate Court complex — state agencies are exempt from paying the tax — the Hagar apartments will be added to the tax rolls once they are sold to faculty members.

In talking with city officials, university administrators discovered affordability restrictions put in place when the City Council approved the development 11 years ago.

"Certain units are reserved as affordable for a certain period," Bernal said. "They have to comply with that."

About a third of the apartments are already occupied by university faculty, staff or students, which means people living in 40 of the units will have to start looking for a new place to live.

One-bedroom units rent for \$1,400; two-bedroom units go for \$1,600.

Campus administrators will offer a six-month extension to tenants at Laureate Court when their leases are up, and help those not affiliated with the university in their housing searches. Scott said the university is required only to honor the current leases.

After the extension is up, tenants will be able to stay on a month-to-month basis if the units aren't needed by faculty or staff.

With new housing in the works downtown at Chestnut and Laurel streets, and another project slated for the Westside, "this is a better period to look for housing," Scott said.

Laureate Court tenants had mixed reactions to the deal.

Wesley Allen, an anthropology student at UCSC, said the sale wouldn't affect him because he will graduate this summer.

But Catherine Wolchina, 33, was disappointed. She had just signed a yearlong extension to her lease with her husband, who commutes over the hill.

"We've lived here a year and we love it," she said. "You've got the campus to walk and bike."

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