ACADEMIC VILLAGE FINANCE AUTHORITY

BOARD OF DIRECTORS OF
ACADEMIC VILLAGE FINANCE AUTHORITY

MINUTES OF MEETING

December 5, 2025, at 1:00 p.m.

AGENDA

[Pursuant to Government Code §Section 54954
and Government Code §6592.1]

1. Roll Call

The Chair called the meeting to order at 1:01 p.m., and the Secretary called the roll.

Directors Present:
- Director Chip Robertson, Chair
- Director Claes Lewenhaupt, Vice Chair
- Director David Seward, Treasurer and Secretary
- Director David L. Faigman

Directors Absent:
- Director Tom Gede
- Director Simona Agnolucci
- Director Sandra Thompson

UC Law SF Staff Participating:
- Sandra Plenski, Chief Financial Officer (AVFA) and Controller
- Rhiannon Bailard, Chief Operating Officer
- John DiPaolo, General Counsel
- Jenny Kwon, Assistant Chancellor and Dean
- John Kepley, Chief Communications Officer
- Mark Goodrich, Director of Housing Operations

2. Approval of the Minutes – September 12, 2025

The minutes of the meeting of September 12, 2025 were presented. The chair called for a motion to approve. Motion made and motion seconded. The minutes were approved.

3. Academe at 198 – Budget Report for 2025-26 as of September 30, 2025

Treasurer and Secretary David Seward provided a brief overview of the budget report. Currently, the College is running at 85% economic occupancy. This necessitates an additional rent subsidy to achieve a 1.2 debt service coverage ratio. This will not affect the budget, as all costs have been accounted for. Treasurer and Secretary Seward continued to note that the prospective tenant, whom the College had anticipated to rent the restaurant space, withdrew since they did not want to contribute financially to the renovations. Director Chip Robertson asked about the retail space: Is it just a cold shell right now, or have the brokers recommended any market-ready improvements? Treasurer and Secretary Seward responded that it is currently a cold shell, and the brokers have not suggested any market-ready enhancements until there is clarity about what will go into the space.

Chief Operating Officer Rhiannon Bailard provided a brief update on San Francisco State University's College of Business. The College has a non-binding letter of intent to relocate the College of Business to the UC Law campus by July 1, 2026. Chief Operating Officer Bailard is currently working on negotiating a binding agreement, aiming to finalize it by February 1, 2026, aligning perfectly with the design and construction schedule. To accommodate SF State, the College will build out two classroom spaces and an office suite on the second floor of 198 McAllister. SF State will primarily use these two classrooms and the office suite. Finalizing the agreement by February 1 will synchronize with the contractor bidding process and the completion of all construction. While the initial focus is on the College of Business, the goal is that, by bringing the College of Business here, other programs will follow in the coming years as alternatives to their downtown campus closing in June 2026. Treasurer and Secretary Seward noted that, currently, the at-risk money is that the College is funding the design elements. If this comes together, the College will have fronted the design costs and will have actual documents to submit for bidding. However, the College will not enter into any construction contracts until an executive agreement is reached, which would most likely be discussed at an Executive Committee meeting.

Regarding events, Chief Operating Officer Bailard shared that Treasurer and Secretary Seward recommended her to serve as a board member of the Housing Action Coalition after he stepped down. The Housing Action Coalition hosts two major events: their spring symposium and the Housing Heroes Award, where they typically recognize individuals who have made significant contributions to the housing sector, often including elected officials. Senator Weiner and other legislators were honored at this year's Housing Heroes. Last year, the spring symposium was held at UC Law, and they plan to hold it again at UC Law this year on April 29th.

4. Academic Village – Academe at 198 – Rent Structure for 2026-27

Treasurer and Secretary Seward presented the proposed rent structure for the upcoming year. There will be a 3% rent increase for continuing students and a 4.5% increase for new students. The College did not get strong participation from UCSF in the demand survey, so now that the College has the financing, the team can go back and be more proactive in encouraging participation from other institutions for the demand survey. Treasurer and Secretary Seward also noted that 100 McAllister will have units with a cost structure below that of Academe at 198. Without debt burdening 100 McAllister, the College is in a better position to offer lower rent. Director Claes Lewenhaupt asked whether this would impact demand for Academe at 198. Treasurer and Secretary Seward said there is a study from Brailsford & Dunlavey indicating there will be sufficient demand at 198 McAllister. However, the best way to address that potential is to use the net income from 100 McAllister to lower the rent at Academe at 198. Director Robertson asked whether these studies consider changes in student loans. Treasurer and Secretary Seward replied that none of the studies do so, because it depends on various demands on higher education.

Treasurer and Secretary Seward proposed a resolution. Director Lewenhaupt moved, Director Faigman seconded it, and all approved. Motion carried.

5. Academic Village – McAllister Tower Seismic Upgrade Project Update

Chief Operating Officer Bailard provided an update on the McAllister Tower Seismic Upgrade Project. While there have been complications, they are expected when working with an adaptive reuse historic building that has two creeks running beneath it. The team is doing good work; some redesigns have been necessary due to water flows under the building, additional seismic instability issues, and neighboring property concerns, all of which have been addressed. All milestones have been met, with the key one being on December 20, 2025, when concrete will be poured for the new mat foundation. Ongoing structural demolition aims to enable seismic strengthening. Treasurer and Secretary Seward noted that this significantly reduces the risk of further subsidence in adjacent properties. Director Robertson asked about the cost difference if it were done with de novo construction. Treasurer and Secretary Seward said it would be at least 33 to 40% cheaper. The total development cost of this building is roughly the same as the new construction cost of Academe at 198. Treasurer and Secretary Seward plans to discuss with the city assessor that this project should not be taxed, since if it were purely an economically driven project, it would not happen. This should be viewed as a preservation project supported by public funds.

Treasurer and Secretary Seward reviewed the Phase 1 project cost summary. Currently, the College has everything covered, with the board authorizing $99.1 million. As identified today, the College is short by $7 million. However, based on the bidding and the current status, a funding source has been identified for that $7 million, and Treasurer and Secretary Seward is hopeful that, through the more favorable financing package approved today, specifically, the broadening of the definition of available funds to include the state appropriations, student fee revenue, and all other legally available funds. The College should be able to reduce its cost of capital and increase proceeds by achieving a higher rating. Treasurer and Secretary Seward is optimistic that the College can either narrow that gap or make scope additions. He hopes to reintroduce some of the reduced scope, but only after confirming the financing proceeds. Treasurer and Secretary Seward confirmed that by the end of January, the College will know the financial proceeds.

6. UC College of the Law, San Francisco Limited Obligation Bonds, 100 McAllister Street Tower, Federally Taxable Series 2026

Treasurer and Secretary Seward noted that this is not an action item. This is an informational item regarding the College's limited obligation bonds.

7. Expanding Financing Tools for the Renovation of Historic Public Educational Facilities and Proposed Legislation

Treasurer and Secretary Seward presented the expanding financing tools for the renovation of historic public educational facilities and emphasized the proposed legislation to authorize the AVFA to broaden its scope to support similar efforts by other California institutions of public higher education. Starting in 2027, the AVFA will have significant responsibilities. The AVFA will establish its own for-profit, 501(c)(3), which is how the tax credits will be monetized. There, the AVFA will have a key role, effectively managing 100 McAllister and Academe at 198.

8. UC Law SF Five-Year Infrastructure Plan (2026 - 2030)

Chief Operating Officer Bailard emphasized that the 5-year infrastructure plan and the long-range campus plan do not, by themselves, represent a formal commitment by the College or the Board of Directors to allocate funds for these initiatives. Each project will return to both the Board of Directors and the Finance Authority for approval as it moves toward implementation. The long-term plan within the long-range campus plan and the 5-year infrastructure plan outline what is planned in the near term over the next five years. The 5-year infrastructure plan, in turn, results in funding requests for specific projects submitted to the Department of Finance and Sacramento. All procedures will follow the College's Purchasing and Procurement procedures, and individual projects will be brought back to the Board of Directors for approval once they are ready.

Treasurer and Secretary Seward mentioned that the Academic Village concept is gaining support among more local political figures. He believes that finding a way to work more closely with the mayor's office should be a strategic goal, as the mayor is pro-development. The College should aim to include the Academic Village as part of San Francisco's revitalization efforts, making it part of the mayor's portfolio. Director Robertson suggested highlighting the affordability of the Academic Village and the efficiency of higher education to Politico for an article. Then, involve the mayor to showcase his economic redevelopment efforts in San Francisco. Treasurer and Secretary Seward is hesitant to proceed with public relations activities until the financing is completed; this was tabled until after February.

This was treated as an informational item.

9. UC Law SF Long Range Campus Plan (2025)

Chief Operating Officer Bailard gave a brief overview of the long-range campus plan, stating that this is just the plan itself. She will provide more details on individual initiatives and their associated costs once they are ready for implementation.

Treasurer and Secretary Seward added that once the financing proceeds are received, the current status of the College needs to be assessed, the scope should be evaluated for potential expansion, and if so, identify what can be added. Then, develop a plan to address those items lacking funding. Treasurer and Secretary Seward believe it will be very important in the legislative process that, even if all the residential units cannot be completed, there should be a plan to do so and the floors should be pre-stocked with the necessary materials.

This was treated as an informational item.

10. Adjournment

There being no further business before the Board of Directors, the Open Meeting was adjourned at 1:40 p.m.

Action Item: Adjournment

Respectfully submitted,

DocuSigned by:

75E676B8D4B64C8...

David Seward, Secretary

REPORT ITEM

1. REPORT BY: Treasurer and Secretary David Seward

2. SUBJECT: The Academe at 198 & AVFA – Budget Report for 2025-26 as of March 31, 2026

3. REPORT:

Attached are budget reports for the Academe at 198 McAllister and the Academic Village Finance Authority (AVFA) as of March 31, 2026. Significant variances and key highlights are discussed below.

THE ACADEME AT 198

Revenues

- **Residential Rent, Rent Subsidy, DSCR Grant, Housing Stipend** – Rental revenue is projected at $13.9 million based on 85% occupancy, supplemented by a $2.9 million subsidy, a $2.45 million DSCR Grant, and $996,000 in housing stipend. As of March 31, 2026, all these categories remain consistent with the forecast, given the varying recognition timing throughout the year. The DSCR Grant distribution commenced in October, and lower stipend disbursements were recorded in July due to the academic cycle. As a result, both categories remain below three-quarters of the budget.
- **Other Revenue** – Revenue in this category derives from space rental and on-site laundry machines. As of March 31, 2026, actual revenue attained 106% of the budget, attributable to higher-than-anticipated space rental income.

Expenditures

- As of March 31, 2026, all expenditures performed in line with budget expectations for the end of the third quarter. Budget utilization for key high-value categories ranges from 59% to 83%, averaging near the Q3 target. The minor variances are mainly due to outstanding invoices and timing differences in expense distribution. Insurance and computer software budgets are nearly or fully utilized, reflecting upfront annual payments.

ACADEMIC VILLAGE FINANCE AUTHORITY (AVFA)

Operating Revenues / (Expenses)

- **Special Repairs / Other Revenue** – Special repairs expenditures this year were caused by two water leak incidents. The first was remediated for $433,696, with insurance coverage provided net of a $250,000 deductible. This amount is now subject to subrogation, though the final recovery remains uncertain. A second leak occurred in late April and has not yet been accounted for in the budget, with an estimated cost of $205,000. As the amount is below the deductible, it will be funded by internal resources.

Non-Operating Revenues / (Expenses)

- **Investment Income** – Investment income reached 80% of the budget by the end of Q3 and is expected to slightly exceed the annual forecast due to interest rates remaining high. This income is generated from funds held in trust and is restricted solely to debt service.

SUMMARY

Change in net assets for the Academe at 198, and the AVFA for the 2025-26 fiscal year is projected at $4.4 million.

	The Academe at 198		AVFA					
	2025-26 Midyear Revised Budget	Actual as of Mar-26	2025-26 Midyear Revised Budget	Actual as of Mar-26	2025-26 Total Beginning Budget	2025-26 Total Midyear Revised Budget	Total Actual as of Mar-26	Budget Variance (%)
Revenues	22,994,018	16,717,926	450,000	183,696	22,878,768	23,444,018	16,901,622	72%
Expenditures Total	3,023,338	1,980,407	557,950	3,722,078	3,269,932	3,581,288	5,702,485	159%
Net Operations	**19,970,680**	**14,737,519**	**(107,950)**	**(3,538,382)**	**19,608,836**	**19,862,730**	**11,199,137**	**56%**
Nonoperating Revenues/(Expenses)								
Investment Income	-	-	1,233,000	991,688	666,000	1,233,000	991,688	80%
Other Revenue	-	-	-	-	-	-	-	--
Funded from Bond Proceeds	-	-	-	-	-	-	-	--
Debt Service	-	-	(16,655,500)	(10,763,773)	(16,655,500)	(16,655,500)	(10,763,773)	65%
Building Improvements	-	-	-	-	-	-	-	--
Transfers between between 198 and Authority	-	-	-	-	-	-	-	--
CIP Offset	-	-	-	45,759	-	-	45,759	--
Capital, Buildings	-	-	-	(45,759)	-	-	(45,759)	--
Transfers from Other Funds	-	-	-	-	-	-	- *	--
Transfers to Other Funds	-	-	-	-	-	-	- *	--
Sub-total	-	-	**(15,422,500)**	**(9,772,085)**	**(15,989,500)**	**(15,422,500)**	**(9,772,085)**	**63%**
TOTAL CHANGE IN NET ASSETS*	**19,970,680**	**14,737,519**	**(15,530,450)**	**(13,310,467)**	**3,619,336**	**4,440,230**	**1,427,052** **	**32%**

*Transfers within the Authority (AVFA/ the Academe at 198, Bonds Series A and Series B) are excluded.
** As of March 2026, the change in Net Asset is $4,708,320, excluding the $3,281,269 depreciation.

Attachments:

- Housing Authority Programs 2025-26 Budget Report as of March 31, 2026

UC LAW SAN FRANCISCO
Campus Housing Authority Programs
2025-26 Budget Status Summary - March 31, 2026

6/22/2026

	The Academe at 198		AVFA					
	2025-26 Midyear Revised Budget	Actual as of Mar-26	2025-26 Midyear Revised Budget	Actual as of Mar-26	2025-26 Total Beginning Budget	2025-26 Total Midyear Revised Budget	Total Actual as of Mar-26	Budget Variance (%)
Revenues	22,994,018	16,717,926	450,000	183,696	22,878,768	23,444,018	16,901,622	72%
Expenditures Total	3,023,338	1,980,407	557,950	3,722,078	3,269,932	3,581,288	5,702,485	159%
Net Operations	**19,970,680**	**14,737,519**	**(107,950)**	**(3,538,382)**	**19,608,836**	**19,862,730**	**11,199,137**	**56%**
Nonoperating Revenues/(Expenses)								
Investment Income	-	-	1,233,000	991,688	666,000	1,233,000	991,688	80%
Other Revenue	-	-	-	-	-	-	-	--
Funded from Bond Proceeds	-	-	-	-	-	-	-	--
Debt Service	-	-	(16,655,500)	(10,763,773)	(16,655,500)	(16,655,500)	(10,763,773)	65%
Building Improvements	-	-	-	-	-	-	-	--
Transfers between between 198 and Authority	-	-	-	-	-	-	-	--
CIP Offset	-	-	-	45,759	-	-	45,759	--
Capital, Buildings	-	-	-	(45,759)	-	-	(45,759)	--
Transfers from Other Funds	-	-	-	-	-	-	- *	--
Transfers to Other Funds	-	-	-	-	-	-	- *	--
Sub-total	**-**	**-**	**(15,422,500)**	**(9,772,085)**	**(15,989,500)**	**(15,422,500)**	**(9,772,085)**	**63%**
TOTAL CHANGE IN NET ASSETS*	**19,970,680**	**14,737,519**	**(15,530,450)**	**(13,310,467)**	**3,619,336**	**4,440,230**	**1,427,052 ** **	**32%**

UC LAW SAN FRANCISCO
The Academe at 198
2025-26 Budget Status - March 31, 2026

6/22/2026

	Beginning Budget 2025-26	Midyear Revised Budget 2025-26	Actual as of 31-Mar-26		Actual Mar-26 as a Percent of Revised Budget	Year-end Actual 2024-25	Actual as of 31-Mar-25	Actual Mar-25 as a Percent of 2024-25 Year-end
REVENUES								
Residential Rent	13,747,544	13,947,544	10,307,610	*	74%	13,674,982	9,226,101	67%
Residential Rent Subsidy	2,900,000	2,900,000	2,175,000	*	75%	2,810,200	2,160,200	77%
DSCR Grant	2,450,000	2,450,000	1,500,000	*	61%	2,200,000	1,000,000	--
Housing Stipend	1,120,000	996,000	670,250	*	67%	-	-	--
Commercial Rent	2,497,124	2,497,124	1,872,843		75%	2,424,391	1,818,293	75%
Retail Leases	72,900	72,900	54,360		75%	70,250	52,250	74%
Other Revenue	91,200	130,450	137,863	*	106%	97,957	64,035	65%
TOTAL OPERATING REVENUES	**$ 22,878,768**	**$ 22,994,018**	**$ 16,717,926**		**73%**	**$ 21,277,780**	**$ 14,320,879**	**67%**
EXPENDITURES								
Salaries and Wages	324,277	331,202	242,643		73%	294,674	214,224	73%
Student Wages--Regular & Work-study	-	-	-		--	-	-	--
Staff Benefits	136,058	139,358	95,616		69%	117,042	87,525	75%
Regular Contract Services	539,862	463,693	279,636		60%	474,806	375,916	79%
Other Contract Services	71,000	98,000	63,633		65%	46,266	34,655	75%
Utilities	1,426,367	1,376,190	812,261		59%	1,034,667	733,333	71%
Maintenance & Special Repairs	206,568	228,268	158,939		70%	150,720	134,078	89%
Legal Services	-	10,000	6,530		65%	-	-	--
Insurance	251,965	166,742	166,742		100%	209,971	209,971	100%
Supplies	162,885	75,885	62,817		83%	57,146	45,995	80%
Credit Card Fees	-	-	-		--	-	-	--
Computer Software	100,000	100,000	85,727		86%	91,971	91,971	100%
Printing & Reproduction	1,000	2,000	1,375		69%	3,890	2,534	65%
Marketing	10,000	-	-		--	14,979	13,729	92%
Miscellaneous	32,000	32,000	4,487		14%	136,468	21,712	16%
TOTAL OPERATING EXPENDITURES	**$ 3,261,982**	**$ 3,023,338**	**$ 1,980,407**	*	**66%**	**$ 2,632,600**	**$ 1,965,642**	**75%**
NET OPERATIONS	**$ 19,616,786**	**$ 19,970,680**	**$ 14,737,519**		**74%**	**$ 18,645,181**	**$ 12,355,237**	**66%**
NONOPERATING REVENUES (EXPENSES)								
Building Improvements	-	-	-		--	-	-	--
Transfers between 198 and Authority	-	-	-		--	-	-	--
Transfers from Other Funds	-	-	-		--	-	-	--
Transfers to Other Funds	-	-	-		--	-	-	--
CIP Offset	-	-	-		--	-	-	--
Capital Asset Additions/Deductions	-	-	-		--	-	-	--
TOTAL NONOPERATING REVENUES (EXPENSES)	**$ -**	**$ -**	**$ -**		**--**	**$ -**	**$ -**	**--**
TOTAL CHANGE IN NET ASSETS	**$ 19,616,786**	**$ 19,970,680**	**$ 14,737,519**		**74%**	**$ 18,645,181**	**$ 12,355,237**	**66%**

* See attached narrative report.

UC LAW SAN FRANCISCO
Academic Village Finance Authority
2025-26 Budget Status - March 31, 2026

6/22/2026

	Beginning Budget 2025-26	Midyear Revised Budget 2025-26	Actual as of 31-Mar-26		Actual Mar-26 as a Percent of Revised Budget	Year-end Actual 2024-25	Actual as of 31-Mar-25	Actual Mar-25 as a Percent of 2024-25 Year-end
REVENUES								
Other	-	450,000	183,696	*	41%	-	-	--
TOTAL OPERATING REVENUES	**$ -**	**$ 450,000**	**$ 183,696.20**		**--**	**$ -**	**$ -**	**-**
EXPENDITURES								
Consultants	3,000	3,000	2,998		100%	3,000	3,000	--
Audit Services	3,450	3,450	3,125		91%	3,450	3,450	--
Ground Lease	-	-	1,000		--	-	-	--
Miscellaneous	1,500	1,500	-		0%	-	-	--
Building Depreciation	-	-	3,281,269		--	4,375,025	3,281,269	75%
Special Repairs	-	550,000	433,686	*	79%	-	-	--
TOTAL OPERATING EXPENDITURES	**$ 7,950**	**$ 557,950**	**$ 3,722,078**		--	**$ 4,381,475**	**$ 3,287,719**	--
NET OPERATIONS	**$ (7,950)**	**$ (107,950)**	**$ (3,538,382)**		--	**$ (4,381,475)**	**$ (3,287,719)**	--
NONOPERATING REVENUES (EXPENSES)								
Investment Income	666,000	1,233,000	991,688	*	80%	1,434,561	1,088,121	76%
Other Revenue	-	-	-		--	202,995	149,654	74%
Funded from Bond Proceeds	-	-	-		--	-	-	--
Capital, Buildings	-	-	(45,759)		--	-	-	--
Capital Asset Additions/Deductions	-	-	-		--	-	-	--
CIP Offset	-	-	45,759		--	-	-	--
Debt Service (Principal & Interest)	(16,655,500)	(16,655,500)	(10,763,773)		65%	(18,836,574)	(10,597,261)	56%
Transfers between 198 and Authority		-	-		--	-	-	--
Transfers from Other Funds	-	-	-		--	-	-	--
Transfers to Other Funds	-	-	-		--	-	-	--
TOTAL NONOPERATING REVENUES (EXPENSES)	**$ (15,989,500)**	**$ (15,422,500)**	**$ (9,772,085)**		**63%**	**$ (17,199,018)**	**$ (9,359,486)**	**54%**
TOTAL CHANGE IN NET ASSETS (OPERATIONS)	**$ (15,997,450)**	**$ (15,530,450)**	**$ (13,310,467)**		**86%**	**$ (21,580,493)**	**$ (12,647,205)**	**59%**

* See attached narrative report.

ACTION ITEM

1. **REPORT BY:** Treasurer and Secretary David Seward

2. **SUBJECT:** The Academe at 198 & AVFA – 2026-27 Proposed Budget

3. **RECOMMENDATION:**

That the AVFA Board of Directors approves the attached 2026-27 proposed budget for the Academe at 198 McAllister and the Academic Village Finance Authority (AVFA).

4. **BACKGROUND:**

The Academe at 198 building offers a total of 656 residential units, retail spaces, and academic spaces. The Occupancy Agreement with UCSF provides that 230 housing units be allocated to UCSF at stipulated rents. The Series 2020A and 2020B financing indenture requires stipulated revenue levels to support debt service and achieve requisite coverage ratios.

THE ACADEME AT 198

Revenues

- **Residential Rent, Rent Subsidy, and Housing Stipend** – Residential rent revenue for the FY 26/27 is budgeted at $15.1 million. The 9% increase, compared to the 25/26 revised budget, is driven by a projected rise in occupancy from 85% to 90%, and rent increases of 3% for continuing residents and 4.5% for new residents. A proposed $2 million rent subsidy will enable Academe at 198 to offer rental rates approximately 8.2% below pro forma for new residents and 8.8% for continuing residents (these rents are currently 25% below market rents for comparable structures). Additionally, a $1.75 million DSCR grant enables the project to meet the 1.2 DSCR stipulated in the indenture by covering expenses exceeding pro forma estimates and offsetting the variance from the 95% occupancy target. The College will continue to provide housing stipends of $250 to $300 per month to non-UCSF residents. Accordingly, the budget allocates $1.3 million for housing stipends.

- **Commercial Rent** – The 11% increase in commercial rent revenue compared to the current fiscal year is attributable to 3% annual rent increase for the space leased by the College, as well as a new lease agreement with SFSU for two classrooms and office space, contributing $208,946 in annual revenue.

- **Other Revenue -** The budget for next year has been increased by 26% to reflect the current performance, which is trending above original revenue targets.

Expenditures

- **Regular Contract Services** – This reporting category includes contracted janitorial, engineering, and window washing services. The proposed budget for FY 26/27 reflects a 7% decrease in comparison to the revised budget for FY 25/26. This is attributable to reduced maintenance costs following the implementation of fees for excessive cleaning or repairs.

- **Other Contract Services** – The budget for this category remains unchanged in terms of core operational costs. The 12% decrease is due to a one-time $12,000 funding request for a window decal project in FY 25/26. Excluding this non-recurring expense, the base budget remains consistent at $86,000 for both years.

- **Utilities** – Despite an anticipated 5% increase in occupancy for FY27, the proposed utilities budget remains at current year levels. The increased consumption driven by higher occupancy is projected to be offset by lower costs compared to the current budget, resulting from smaller seasonal price changes.

- **Legal Services** – The legal services budget has been established to fund eviction proceedings. This allocation was established based on the current trends.

- **Supplies** – The proposed budget of $95,885 represents a 26% increase compared to the previous year, consistent with the revised cost allocation between the college and the Academe.

- **Computer Software** – The proposed budget of $115,000 represents a 15% increase compared to the previous year, to fund the automation of data transfer between the tenant billing system and financial systems.

ACADEMIC VILLAGE FINANCE AUTHORITY (AVFA)

<u>Non-Operating Revenues / (Expenses)</u>

- **Investment Income** – All funds managed by the Trustee currently earn interest designated solely for debt service. In FY 26/27, interest income is budgeted to be $1.25 million. Part of this amount is derived from fixed-rate income earned on the Debt Service Reserve Funds at 4.45% per annum. The remaining funds are subject to a variable interest rate due to investment eligibility constraints.

SUMMARY

The projected change in net assets for the Academe at 198 and the AVFA in FY2027 is $4.7 million. Total subsidies are budgeted at $5 million, assuming a 90% occupancy level, a reduction of -$1.3 million (-20%) from 2025-26.

	The Academe at 198	AVFA	Total Proposed Budget 2026-27
Revenues	23,188,540	-	23,188,540
Expenditures	3,072,924	7,950	3,080,874
Net Operations	**20,115,616**	**(7,950)**	**20,107,666**
Nonoperating Revenues/(Expenses)			
Investment Income	-	1,245,000	1,245,000
Other Revenue	-	-	-
Funded from Bond Proceeds	-	-	-
Debt Service	-	(16,645,750)	(16,645,750)
Building Improvements	-	-	-
Transfers between 198 and Authority	-	-	-
CIP Offset	-	-	-
Capital, Buildings	-	-	-
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Sub-total	**-**	**(15,400,750)**	**(15,400,750)**
TOTAL CHANGE IN NET ASSETS*	**$ 20,115,616**	**$ (15,408,700)**	**$ 4,706,916**

*Transfers within the Authority (Authority / The Academe at 198 / Bonds Series A and Series B) are excluded as they net out.

5. PROPOSED RESOLUTION:

Resolved that the AVFA Board of Directors approve the attached 2026-27 proposed budget for The Academe at 198 and the Academic Village Finance Authority.

Attachment:

- 2026-27 Academic Village Finance Authority Programs Proposed Budgets

UC LAW SAN FRANCISCO
Campus Housing Authority Programs
2026-27 Proposed Budget Summary

6/22/2026

	The Academe at 198	AVFA	Total Proposed Budget 2026-27
Revenues	23,188,540	-	23,188,540
Expenditures	3,072,924	7,950	3,080,874
Net Operations	**20,115,616**	**(7,950)**	**20,107,666**
Nonoperating Revenues/(Expenses)			
Investment Income	-	1,245,000	1,245,000
Other Revenue	-	-	-
Funded from Bond Proceeds	-	-	-
Debt Service	-	(16,645,750)	(16,645,750)
Building Improvements	-	-	-
Transfers between 198 and Authority	-	-	-
CIP Offset	-	-	-
Capital, Buildings	-	-	-
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Sub-total	**-**	**(15,400,750)**	**(15,400,750)**
TOTAL CHANGE IN NET ASSETS*	**$ 20,115,616**	**$ (15,408,700)**	**$ 4,706,916**

UC LAW SAN FRANCISCO 6/22/2026

The Academe at 198

2026-27 Proposed Budget

	Proposed Budget 2026-27	Midyear Revised Budget 2025-26		Percentage Change 2026-27 Proposed to 2025-26 Revised Budget	Year-end Actual 2024-25
REVENUES					
Residential Rent	15,143,000	13,947,544	*	9%	13,674,982
Residential Rent Subsidy	2,000,000	2,900,000	*	-31%	2,810,200
DSCR Grant	1,750,000	2,450,000	*	-29%	2,200,000
Housing Stipend	1,274,816	996,000	*	28%	-
Commercial Rent	2,780,984	2,497,124	*	11%	2,424,391
Retail Leases	75,090	72,900		3%	70,250
Other Revenue	164,650	130,450	*	26%	97,957
TOTAL OPERATING REVENUES	**$ 23,188,540**	**$ 22,994,018**		**1%**	**$ 21,277,780**
EXPENDITURES					
Salaries and Wages	338,210	331,202		2%	294,674
Staff Benefits	142,896	139,358		3%	117,042
Regular Contract Services	430,126	463,693	*	-7%	474,806
Other Contract Services	86,000	98,000	*	-12%	46,266
Utilities	1,376,190	1,376,190	*	0%	1,034,667
Maintenance & Special Repairs	230,538	228,268		1%	150,720
Legal Services	20,000	10,000	*	100%	-
Insurance	175,079	166,742		5%	209,971
Supplies	95,885	75,885	*	26%	57,146
Computer Software	115,000	100,000	*	15%	91,971
Printing & Reproduction	2,000	2,000		0%	3,890
Marketing	30,000	-		--	14,979
Miscellaneous	31,000	32,000		-3%	136,468
TOTAL OPERATING EXPENDITURES	**$ 3,072,924**	**$ 3,023,338**		**2%**	**$ 2,632,600**
NET OPERATIONS	**$ 20,115,616**	**$ 19,970,680**		**1%**	**$ 18,645,181**
NONOPERATING REVENUES (EXPENSES)					
Building Improvements	-	-		-	-
Transfers between 198 and Authority	-	-		-	-
Transfers from Other Funds	-	-		-	-
Transfers to Other Funds	-	-		-	-
CIP Offset	-	-		-	-
Capital Asset Additions/Deductions	-	-		-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	**$ -**	**$ -**		**-**	**$ -**
TOTAL CHANGE IN NET ASSETS	**$ 20,115,616**	**$ 19,970,680**		**1%**	**$ 18,645,181**

* See attached narrative report.

UC LAW SAN FRANCISCO 6/22/2026

Academic Village Finance Authority

2026-27 Proposed Budget

	Proposed Budget 2026-27	Midyear Revised Budget 2025-26		Percentage Change 2026-27 Proposed to 2025-26 Revised Budget	Year-end Actual 2024-25
REVENUES					
Other	-	450,000		-100%	-
TOTAL OPERATING REVENUES	**$ -**	**$ 450,000**		**-**	**$ -**
EXPENDITURES					
Consultants	3,000	3,000		0%	3,000
Audit Services	3,450	3,450		0%	3,450
Ground Lease	-	-		-	-
Miscellaneous	1,500	1,500		0%	-
Building Depreciation	-	-		-	4,375,025
Special Repairs	-	550,000		-	-
TOTAL OPERATING EXPENDITURES	**$ 7,950**	**$ 557,950**		-99%	**$ 4,381,475**
NET OPERATIONS	**$ (7,950)**	**$ (107,950)**		**-93%**	**$ (4,381,475)**
NONOPERATING REVENUES (EXPENSES)					
Investment Income	1,245,000	1,233,000	*	1%	1,434,561
Other Revenue	-	-		-	202,995
Funded from Bond Proceeds	-	-		-	-
Capital, Buildings	-	-		-	-
Capital Asset Additions/Deductions	-	-		-	-
CIP Offset	-	-		-	-
Debt Service (Principal & Interest)	(16,645,750)	(16,655,500)		0%	(18,836,574)
Transfers between 198 and Authority	-	-		-	-
Transfers from Other Funds	-	-		-	17,439,669
Transfers to Other Funds	-	-		-	(17,439,669)
TOTAL NONOPERATING REVENUES (EXPENSES)	**$ (15,400,750)**	**$ (15,422,500)**		**0%**	**$ (17,199,018)**
TOTAL CHANGE IN NET ASSETS	**$ (15,408,700)**	**$ (15,530,450)**		**-1%**	**$ (21,580,493)**

* See attached narrative report.

INFORMATION ITEM

1. REPORT BY: Treasurer and Secretary David Seward
Chief Financial Officer Sandra Plenski
Chief Operating Officer Rhiannon Bailard

2. SUBJECT: Investor Presentation – Series 2020 Bonds - Academe at 198

3. BACKGROUND:

Attached is a copy of the most recent investor presentation provided in connection with the 198 McAllister financing, updated to reflect leasing and occupancy data as of May 8, 2026.

The presentation includes updates regarding residential occupancy and renewal activity, academic and commercial leasing, FY 2026-27 forecasts, and related marketing and retention strategies.

This item is informational and requires no Committee action.

Attachment:

- Academic Village Finance Authority, Investor Presentation, Series 2020A and 2020B Bonds, March 31, 2026

198 McAllister Campus Housing Project

Investor Presentation

Series 2020 A & 2020 B

March 31, 2026

UC Law San Francisco

Meeting Agenda

1. **Introductions**
2. **Overview of the Academic Village**
3. **Leasing Status – 2025-26 and 2026-27 Forecast**
4. **Financial Status – 2025-26**
5. **Financial & Operational Outlook - 2026-27**
6. **Questions**

Overview of the Academic Village

Overview of the Academic Village

- The Academic Village is a shared campus model administered by UC Law SF that provides academic and residential spaces to higher education institutions and their affiliates.
- The Academic Village model utilizes UC Law SF facilities and its central location to support academic programs, student housing, and intersegmental collaboration.
- The campus is located at the nexus of the Civic Center, Tenderloin, and Mid-Market neighborhoods and located near transit hubs.

Overview of the Academic Village – Campus Housing

- 198 McAllister (The Academe) - UC Law SF provides 656 units (667 beds) of housing to students and higher education affiliated professionals. Units are primarily studios and efficiencies, with a limited number of one- and two-bedroom units. Residents have access to all campus amenities including study and common areas, outdoor space, on- and off-site dining, and discounted parking. Currently in its 2nd full year of operation having opened in August 2023 (was scheduled for July 2023).
- 100 McAllister (The Tower): Currently under renovation with 40 units (198 beds) with 77 additional beds to follow. Completion is scheduled for July 2027.
- Housing is provided to multiple higher education institutions including:
  - UC Systemwide: 230 units (35%) under a 20-year occupancy agreement
    - UCSF is the primary user of UC-allocated units for students and employees
    - UC Davis: students enrolled in the Master of Business Analytics program
  - University of the Pacific, Dugoni School of Dentistry
  - University of San Francisco
  - Other institutions (e.g., HBCU, internship summer programs, etc.)
- In January 2026, a letter of intent was executed with the Chancellors Office for California Community Colleges to explore housing options for Bay Area community colleges.

Overview of the Academic Village: Instructional and Program Space

- UC Law SF provides classrooms, meeting rooms, event spaces, and related academic facilities for use by partner institutions. Leasing or licensing of academic space by an institution includes access to campus amenities.
- Current Academic Partners:
  - UCSF/UC Law SF Master of Science in Health Policy and Law (HPL)
  - UC Davis, Master of Business Analytics
  - San Francisco State University, College of Business (beginning July 1, 2026)

Leasing Forecast: 2026-27

Unit Count	
Total Units	656
Pro Forma Occupancy Level (95%)	623

Institution	2023-24	2024-25	2025-26	Goal 2026-27	Actual Growth Rate from 2024-25 to 2025-26	Target Retention % from 2025-26 to 2026-27
UC Law San Francisco						
First Year Students	162	147	156	163	6%	N/A
Second Year Students	40	54	71	115	31%	74%
Third Year Students	17	30	44	55	47%	77%
Others (LLM, MSL, Staff, etc,)	18	17	14	15	-18%	100%
Office uses	22	22	0	0		
Sub-Total	***259***	***270***	***285***	***348***		
UC*	118	195	230	230		
Sub-Total	***118***	**230**	**230**	**230**	N/A	
Academic Village Partners						
University of San Francisco	2	11	11	17		
UOP Dugoni School of Dentistry	7	5	10	17		
Other Higher Ed.	2	5	3	11		
Sub-Total	***11***	***22***	***24***	***45***	100%	
Unit Total	***388***	**522**	**539**	**623**		
Occupancy Rate	***59%***	**80%**	**82%**	**95%**		

Notes:

* UC 20-year Occupancy Agreement is in effect for 100% of their 230 unit allocation. Primary user is UCSF.

Marketing Strategy

In-Person Strategies
- Physical tours with model units (drop-in and by appointment)
- Participation in "Admitted Students Day" on March 21, 2026

Marketing Priorities
- Close coordination with the Admissions Office
- Developed transit maps for academic partner institutions
- Produced a **new promotional video** for use in direct marketing campaign
- Conducted 4 Zoom townhalls to provide incoming students with detailed housing information
- Discounted on-campus parking (50% or $112/month) for new or renewed licenses

Renewal Strategy
- Hosted 6 Renewal Drop-In Hours to assist residents with the renewal process
- Organized 3 resident retention events to encourage lease renewals
- Conducted door-to-door outreach by posting individual renewal offers on residents' doors
- Implemented direct phone outreach to follow up with residents regarding their renewal status
- Sent targeted email communications promoting renewal incentives and deadlines
- As of March 5, 2026, **71%** of our renewal goal has been achieved

UCSF Direct Marketing Strategies

- No Term Limits at Academe at 198: Unlike UCSF properties with a 5-year term limit, Academe at 198 offers unlimited residency beyond five years.
- In-Person Model Tours: Academe at 198 is the only UCSF housing option that offers in-person model tours, giving residents a firsthand look at their future home.
- Discounted monthly parking, 50% or $112/month, offered to all UCSF residents

Leasing Status: Office & Retail Spaces

- **SF State University - Lam College of Business**
  - 2 new classrooms and program office suite occupying 3,273 sq. ft.
  - Annual revenue of $186,000 ($15,547/month) with 3% annual escalation (excludes use of shared classrooms billed on a per use basis)
  - Agreement Executed: March 16, 2026
  - Lease begins on July 1, 2026
  - 5-year term with two 2-year options to renew
- **Lobby Retail Tenant: Spro Café**
  - Annual revenue of $71,000 ($5,922/month) with 3% annual escalation
  - Term of 8 years
- **Golden Gate & Hyde Retail Tenant: Under Pursuit**
  - Space available: 4,500 sq. ft.
  - Accessible via separate entrance located on Golden Gate
  - Retail Broker: Maven, commercial real estate broker, specializing in San Francisco market

Financial Status: 2025-26

Occupancy	Prior Year Actual 2024-2025 79%	Pro Forma Budget 2025-2026 95%	Approved Budget 2025-2026 85%	Projected Actual as of 2.17.2026 83%
Revenue	$16,470,775	$22,921,953	$16,648,018	$16,572,413
Rent Subsidy	$2,810,000		$2,900,000	$2,900,000
College Grant	$2,200,000		$2,450,000	$2,450,000
Housing Stipend			$996,000	$996,000
Investment Income	$1,434,561	$118,712	$1,233,000	$1,301,857
Revenues as defined in the Indenture	$22,915,336	$23,040,665	$24,227,018	$24,220,270
Total Expenses (Depreciation exclud.)	$2,639,049	$2,273,165	$3,029,788	$2,965,352
Replacement reserve	$139,186	$143,366	$143,366	$143,366
Operating Expenses as defined in the Indenture	$2,778,235	$2,416,531	$3,173,154	$3,108,718
Net Revenues Available for Debt Service	$20,137,101	$20,624,134	$21,053,864	$21,111,552
Interest Senior Debt	$16,655,500	$16,655,500	$16,655,500	$16,655,500
Principial Senior Debt		$390,000	$390,000	$390,000
Total Senior Debt Service	$16,655,500	$17,045,500	$17,045,500	$17,045,500
Subordinate Debt Service	$0	$0	$0	$0
Senior Debt Service Coverage	1.21%	1.21%	1.24%	1.24%
Subordinate Debt Service Coverage	1.21%	1.21%	1.24%	1.24%
Water damage:				
Insurance proceeds			$300,000	$300,000
Repair Expenses			$550,000	$550,000
Potential exposure *			$(250,000)	$(250,000)

*subrogation is being evaluated

NOTE : See appendix for detailed information for FY 2025-2026

Financial Status: 2026 Market to Academe 2026-27 Rents
Rent Comparison to Institutional Market Rate Benchmarks

Institutional Market Rate Benchmarks for Studio Units (a)

	Property	Address	Number of Studio Units	Avg. Size	Year Built	CoStar Data Avg. Rent	Website Data Avg. Rent (b)
1	Fifteen Fifty	1550 Mission St	78	618	2020	$3,897	$3,835
2	The George	434 Minna St	107	423	2022	$3,354	NA
4	Prism Apartments	1028 Market St	95	423	2022	$2,819	$2,813
5	AVA 55 Ninth	55 9th St	40	558	2014	$3,109	$3,345
6	50 Jones	1066 Market St	88	446	2020	$2,510	$2,485
7	1188 Mission	1188 Mission St	2	377	2009	$2,512	NA
8	1190 Mission	1190 Mission St	3	448	2013	$2,136	NA
		Total / Wgt. Average	413	478	NA	$3,117	$3,053
	The Academe	198 McAllister	412	256	2023	$2,260	$2,260
					vs. Comps	73%	74%

Notes:

(a) Property information for all projects has been updated to reflect current CoStar data at time of 2026-2027 survey.

(b) 'NA' indicates that no studio units are listed as available on website at time of 2026-2027 survey.

(c) Rents for the Academe at 198 for 2026-27 reflect a 3% increase for renewing residents and a 4.5% increase for new licenses.

(d) Rents for the Academe at 198 include all utilities and all units are fully furnished.

Financial & Operational Outlook: 2026-27

	Pro Forma 2026-2027	Projected 2026-2027	Variance $
Occupancy	95%	90%	
Gross Residential Revenue 95% occupancy	$ 19,941,322	$ 15,907,872	$ (4,033,450)
College Subsidy		$ 2,000,000	
DSCR Grant		$ 1,600,000	
Housing Stipend		$ 1,274,816	
Auxiliary and Other Income	$ 3,668,289	$ 2,995,616	$ (672,673)
Interest Income	$ 118,712	$ 1,301,857	
Revenues as defined in the Indenture	$ 23,728,323	$ 25,080,162	$ 1,351,839
Total Expenses	$ 2,340,068	$ 3,598,234	$ 1,258,166
Replacement Reserve	$ 147,667	$ 147,667	
Operating Expenses as defined in the Indenture	$ 2,487,735	$ 3,745,901	$ 1,258,166
Net Revenues Available for Debt Service	$ 21,240,588	$ 21,334,261	$ 93,673
Interest Senior Debt	$ 16,636,000	$ 16,636,000	
Principal Senior Debt	$ 920,000	$ 920,000	
Total Senior Debt Service	$ 17,556,000	$ 17,556,000	
Total Subordinate Debt Service	$ -	$ -	
Senior Debt Service Coverage	1.21%	1.22%	0.01%
Subordinate Debt Service Coverage	1.21%	1.22%	0.01%

Appendix
Budget to Actual 2025-2026

Occupancy	Pro Forma Budget 2025-2026 95%	Approved Budget 2025-2026 85%	Projected Actual 2025-2026 83%
Rental Revenue	$ 19,360,506	$ 13,947,544	$ 13,954,789
Rental Support from UC Law SF	$ -	$ 2,900,000	$ 2,900,000
Housing Stipend	$ -	$ 996,000	$ 913,150
DSCR Grant	$ -	$ 2,450,000	$ 2,450,000
UC Law Space Lease Payment	$ 1,967,970	$ 2,497,124	$ 2,497,124
UC Law Space Lease CAM Expenses	$ 246,744	$ -	$ -
Retail Lease Income	$ 323,131	$ 72,900	$ 72,900
Office - Reading/Class Conv. Sublease Incremental Revenue	$ 74,317	$ -	$ -
Auditorium Rental/ Space rental	$ 109,273	$ 70,450	$ 70,450
Utility Recovery From Tenants	$ 716,108	$ -	$ -
Interest income	$ 118,712	$ 1,233,000	$ 1,301,857
Other Income	$ 123,904	$ 60,000	$ 60,000
Revenues as defined in the Indenture	$ 23,040,665	$ 24,227,018	$ 24,220,270
G&A Payroll/Benefits (Incl. Leasing)	$ 341,185	$ 470,560	$ 470,560
Marketing	$ 31,827	$ 15,000	$ 15,000
Computer Software	$ -	$ 100,000	$ 100,000
Custodial Services	$ 420,116	$ 142,192	$ 123,639
Engineering Services	$ 241,885	$ 288,000	$ 288,000
Building Systems - Maint. & Testing	$ 19,627	$ 102,200	$ 102,200
Building Maint. - Other	$ 19,096	$ 114,568	$ 114,568
Elevator Maintenance	$ 59,410	$ 60,000	$ 60,000
Window Washing	$ 23,340	$ 33,501	$ 33,501
Landscaping	$ 20,369	$ 30,000	$ 30,000
Pest Control	$ 19,096	$ 21,000	$ 21,000
Supplies	$ 11,458	$ 77,885	$ 77,885
Miscellaneous	$ 10,185	$ 25,500	$ 25,500
Utilities	$ 716,108	$ 1,376,190	$ 1,330,307
Insurance	$ 190,962	$ 166,742	$ 166,742
TL Community Benefits District Assessment	$ 38,938	$ -	$ -
Issuer / Audit / Trustee	$ 109,563	$ 6,450	$ 6,450
Replacement Reserve	$ 143,366	$ 143,366	$ 143,366
Operating Expenses as defined in the Indenture	$ 2,416,531	$ 3,173,154	$ 3,108,718
Net Revenues Available for Debt Service	$ 20,624,134	$ 21,053,864	$ 21,111,552
Interest Senior Debt	$ 16,655,500	$ 16,655,500	$ 16,655,500
Principal Senior Debt	$ 390,000	$ 390,000	$ 390,000
Total Senior Debt Service	$ 17,045,500	$ 17,045,500	$ 17,045,500
Total Subordinate Debt Service	$ -	$ -	$ -
Senior Debt Service Coverage	1.21%	1.24%	1.24%
Subordinate Debt Service Coverage	1.21%	1.24%	1.24%
Water damage			
Insurance proceeds		$300,000	$300,000
Repair Expenses		$550,000	$550,000
Potential exposure*		$(250,000)	$(250,000)

*subrogation is being evaluated

Questions?

Agenda Item: 6
Academic Village Finance Authority
Board of Directors
June 22, 2026

REPORT ITEM

1. REPORT BY: Chief Operating Officer Rhiannon Bailard

2. SUBJECT: Academic Village – McAllister Tower Seismic Upgrade Project Update

3. REPORT:

Activities substantially completed to date include abatement and soft demolition; installation of tower steel bracing to support structural demolition; permeation grouting for soil improvement; and completion of the structural demolition work. The seismic retrofit work is ongoing, including construction of the new elevator core, with work anticipated to reach Level 12 by the end of May. Other ongoing field activities include installation of the new structural shear walls, collector beams tying into the new core, and the metal deck and structural steel framing. Façade repair and interior buildout are projected to commence in June. Project construction is currently targeted for completion in July 2027.

Attachment:

- McAllister Tower Seismic Upgrade Project Update

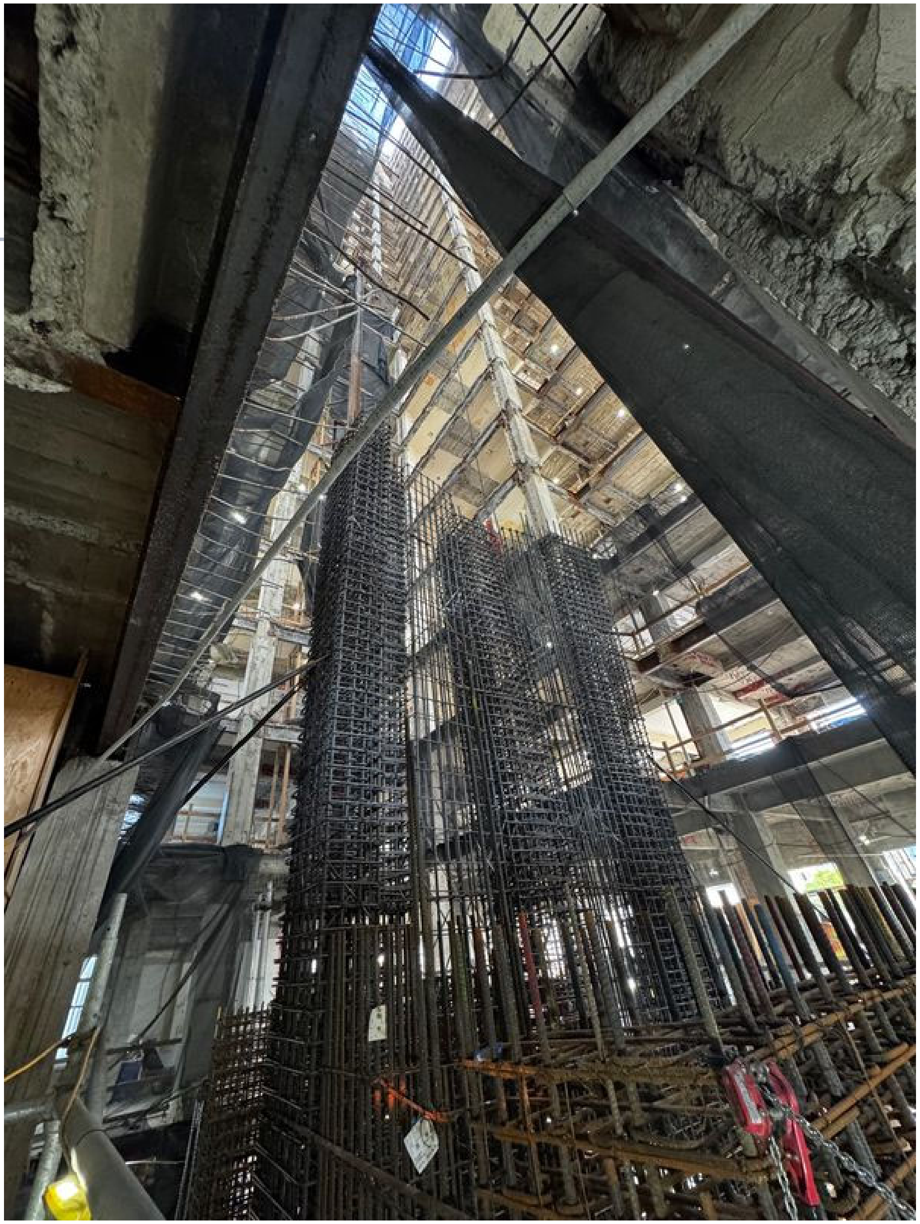
McAllister Tower Seismic Upgrade Project – Status Report

AVFA Board of Directors Meeting

June 22, 2026

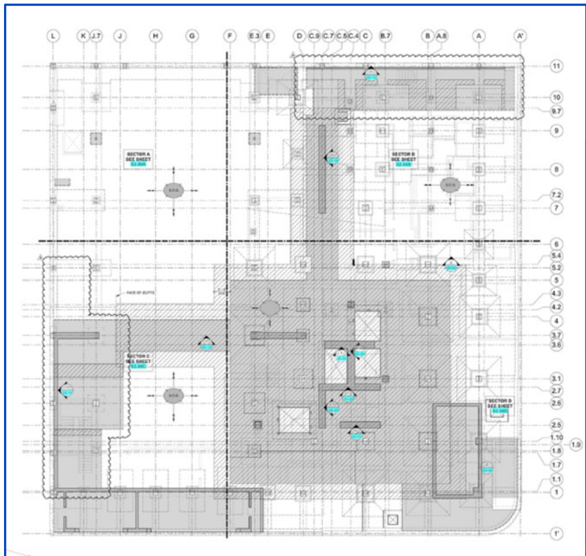
UC Law San Francisco

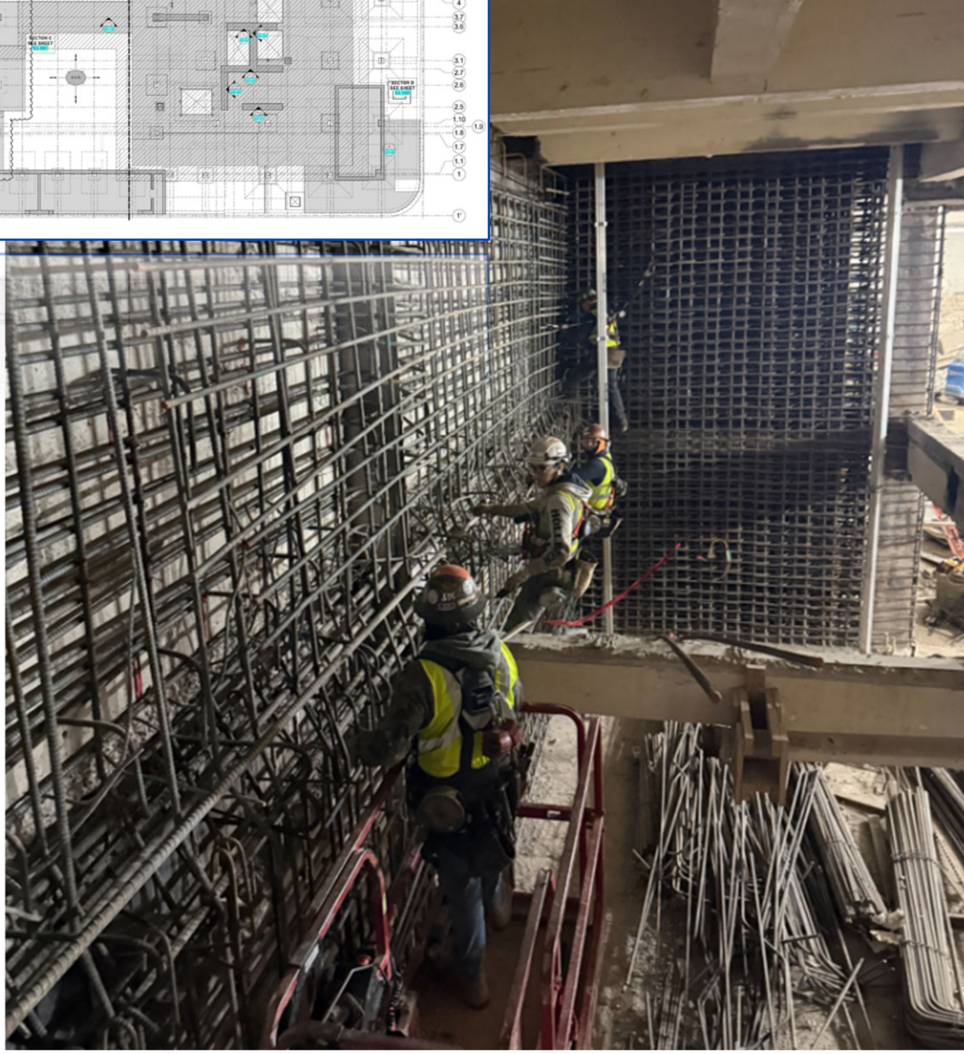
Construction Progress
New Elevator Core

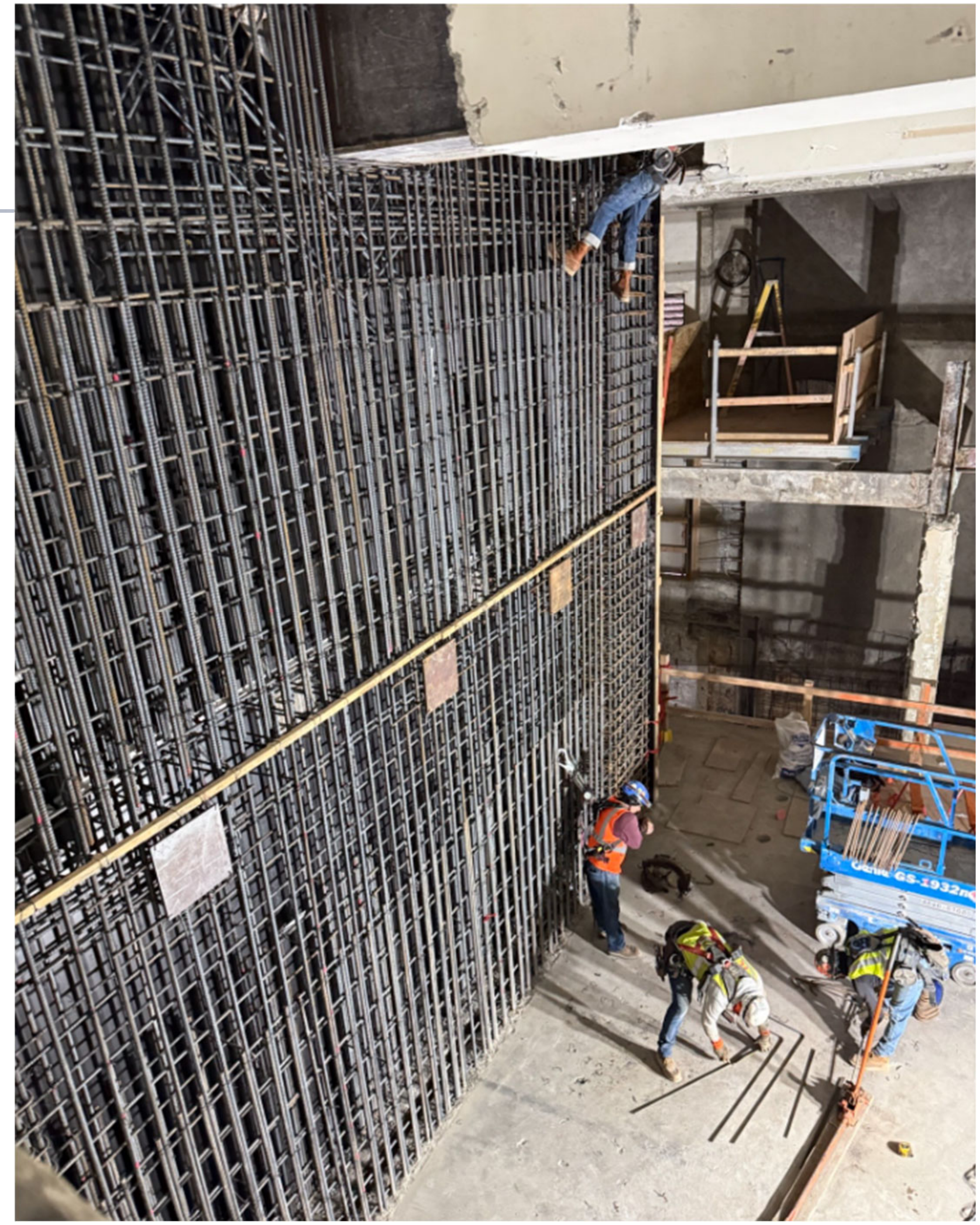


Construction Progress

New Elevator Core

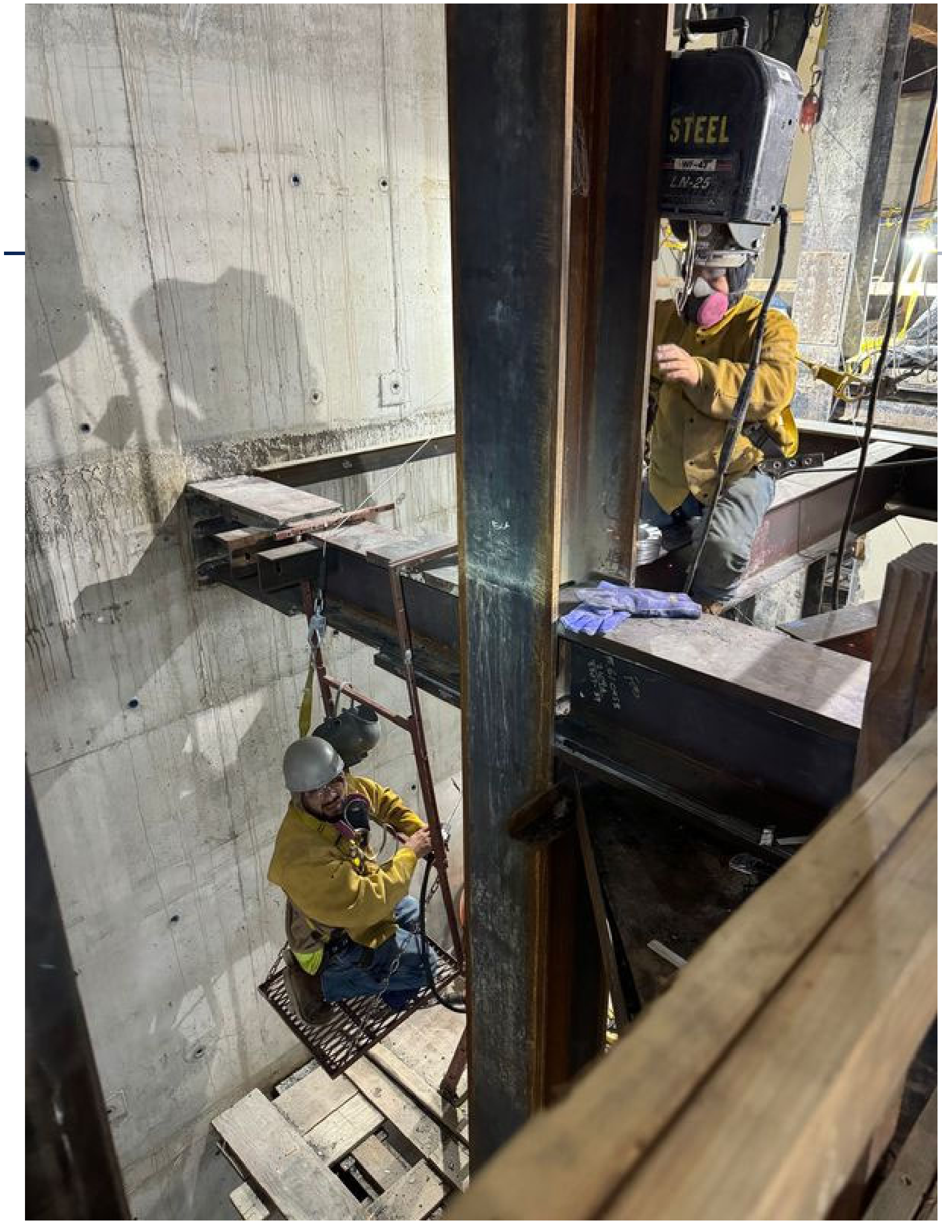






Construction Progress

Structural Connections with the New Elevator Core



Construction Progress

New Metal Deck

Construction Progress Summary

2026 Look Ahead:

- **Now – October: New building core**
- **March: Complete remaining project buyout**
- **April: Interior buildout begins**
- **May – March 2027: Façade restoration**
- **August – May 2027: Elevator installation**
- **November: Tower crane dismantling**

Project Substantial Completion – July 2027

Thank You!

ACTION ITEM

1. REPORT BY: Chief Financial Officer of the AVFA Sandra Plenski
Secretary and Treasurer of the AVFA David Seward

2. SUBJECT: Academic Village Finance Authority – Proposal to Develop an Operating Agreement

3. RECOMMENDATION:

That the Academic Village Finance Authority Board of Directors authorizes the formation of a working group to develop an operating agreement between UC College of the Law San Francisco and its affiliated Academic Village Finance Authority.

4. BACKGROUND:

An operating agreement between two related entities can provide significant legal, financial, governance, and operational benefits. The goal of the effort is to delineate roles and responsibilities of each entity and to formalize:

- Management authority (which entity controls what decisions)
- Operational responsibilities (which entity provides services, staff, etc.)
- Financial obligations (budgeting, rent setting, cost-sharing, revenue splits, etc.)
- Legal and corporate structures to support the use of Federal Historic Tax Credits.

The Academic Village Finance Authority (the "Authority") is a joint powers authority created in 2019 pursuant to a Joint Exercise of Powers Agreement between UC Law and California Public Finance Authority. The Authority was renamed in 2024 from its prior designation as the Hastings Campus Housing Finance Authority.

The Authority is authorized to issue bonds for, among other things, financing public capital improvements, working capital, liability and other insurance needs, or projects whenever there are significant public benefits, as determined by UC Law. The Authority has a broad mandate to operate, construct and finance project facilities and other activities undertaken in furtherance of the Long-Range Campus Plan ("LRCP") adopted in December 2017.

The Authority is governed by a seven-member board of directors, all appointed by UC Law's Board of Directors. The by-laws establish a seven-member governing board with provision that the board may elect to appoint three members who are also serving in the employment capacities of UC Law, specifically the Chancellor and Dean, Chief Financial Officer, and General Counsel. The UC Law Board of Directors has the discretion to remove any Authority Director with or without cause.

The College undertook a similar effort working with the UC Law SF Foundation (the "Foundation") to establish an operating agreement executed in 2011. The Foundation was organized for the purpose of providing an organization for individuals dedicated to the support of the College and to provide a means for soliciting, receiving, and making financial contributions and garnering volunteer support to the College, and to assist its students, alumni, administration, faculty, and Board of Directors. The Foundation is a California nonprofit public benefit corporation exempt from federal income tax pursuant to Internal Revenue Code Section 501(c)(3) and a public charity pursuant to Code Section 170(b)(1)(A)(iv). Substantially all restricted gifts and unrestricted gifts made to the College are recognized and accounted for within the Foundation's accounts. To support the College's efforts, the Foundation allocates block grants to the College from the proceeds of unrestricted gifts made to the Foundation. These blocks grants are designated by the Foundation to support the College's alumni office and nonstate costs associated with institutional advancement functions along with funding for special events and other programs based on the Chancellor and Dean's institutional priorities. Foundation trustees are appointed whereby 50% of the members are appointed by the UC Law Board of Directors and 50% by the Foundation with the Chancellor & Dean maintaining majority control for the College as a voting member.

A further reason to begin this process is to be prepared to formalize financing structures necessary to support Federal Historic Tax Credit financing for McAllister Tower. Gibson Dunn and Farella Braun Martell are developing the necessary corporate structures and dedicating time to this effort will facilitate their work.

5. PROPOSED RESOLUTION:

Resolved, that the Academic Village Finance Authority Board of Directors approves the establishment of a working group to develop an operating agreement in conjunction with the Academic Village Finance Authority.