

University of Washington
Faculty Council on Benefits and Retirement
November 27th, 2017
2:30 pm – 4:00 pm
Gerberding 26

Meeting Synopsis:

1. Call to order
 2. Review of the minutes from October 30th, 2017
 3. FCBR topics for 2017/18
 - a. Availability of information on retirement income from the Supplemental Retirement Plan
 - b. Benefits associated with emeritus status
 - c. Comparison of 403b contributions between UW and peer institutions
 - d. Childcare near/on campus
 - e. Sabbatical frequency and salary cap
 - f. Other
 4. UW Housing Resources (Sally Clark and/or Aaron Hoard, UW External Affairs: Regional & Community Relations)
 5. Report from the FCBR ad hoc sub-committee on faculty pre-retirement planning (Míceál Vaughan)
 6. Good of the order
 7. Adjourn
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1) Call to order

Siegel called the meeting to order at 2:30 p.m.

2) Review of the minutes from October 30th, 2017

The minutes from October 30th, 2017 were approved as written.

3) Chair's report

Siegel thanked Shankar for joining the Fund Review Committee (FRC) as FCBR's representative.

He explained the FCBR small group working on faculty parental leave policy is currently in the process of revising their legislative proposal based on initial feedback from the Senate Executive Committee (SEC) and Board of Deans and Chancellors (BoDC) and could use additional members. He noted any interested FCBR members should contact Wright for more information.

4) FCBR topics for 2017/18

Siegel explained the items following are to be discussed given they have arisen as items of interest to FCBR or because they were raised externally during the summer of 2017.

Availability of information on retirement income from the Supplemental Retirement Plan

After brief discussion and a background given on the topic, Amy Hawkins (Director, Benefits Office) noted she would update FCBR on the topic in the council's January meeting.

Benefits associated with emeritus status

Chamberlin explained all of the benefits available to UW emeritus faculty used to be listed in a document and available online, but the information has since been taken offline and does not seem to be otherwise centralized anywhere at the university. He brought a handout of the document as it appeared in the past. The council considered avenues to have the item addressed. Following discussion, Siegel asked that the item be added under the purview of the ad hoc subcommittee on faculty pre-retirement planning.

VEBA issues in Workday

Chamberlin mentioned he has heard anecdotally from two retirees that their VEBA Health Reimbursement Account (a tax-free health reimbursement account which can continue year over year) was unavailable during the last pay period. Hawkins explained an issue within the new HR system Workday caused the problem, which has since been corrected and all funds distributed. She explained since that issue, a system has put in place to help UW employees with any further issues.

It was clarified UW faculty are not entitled to the VEBA benefit because they do not accrue sick leave, however the VRI (Voluntary Retirement Incentive) is available to them at the discretion of their Dean and the Provost. It was noted an automatic notification is sent to eligible faculty on an annual basis.

Comparison of 403b contributions between UW and peer institutions

Siegel explained contribution levels to 403b plans at the UW in comparison to other institutions became a topic of interest to the FCBR in the previous academic year. Katy Dwyer (Executive Director of Benefits, Human Resources) recalled that a similar analysis took place in the FCBR 5 years or less in the past, and findings should be available in the council's archives to be checked.

Childcare near/on campus

Siegel noted that at the end of the 2016-2017 academic year, FCBR members were asked to consult with their department heads on the question of if childcare constraints in the region negatively affected faculty recruitment. He explained he spoke with the head of his own department and found that the issue was of high importance. There was some discussion, and other faculty members had little to report from their own units. Hawkins noted she may have some information to report on the topic in a future meeting.

Sabbatical frequency and salary cap

Siegel reported an Academic HR policy has recently become of interest, which mandates that a faculty member's salary while on sabbatical may not exceed the current median UW full professor's salary (salary cap). He noted he is curious of the rationale for such a policy.

After some discussion, it was noted the Faculty Council on Faculty Affairs (FCFA) should be asked to look into the policy and return information to FCBR.

There was some additional discussion of the difficulties associated with faculty taking sabbaticals who are primarily supported on grants. It was noted those concerns should be also be raised with the FCFA.

Other

A member recommended that the FCBR pay close attention to federal level legislation relating to healthcare. It was recommended that a member of the School of Public Health be consulted on questions of federal level legislation, and faculty member Aaron Katz was identified as one potential resource to FCBR. Siegel noted he would follow-up with Katz.

5) UW Housing Resources (Sally Clark and/or Aaron Hoard, UW External Affairs: Regional & Community Relations)

Sally Clark (Director, Regional & Community Relations, External Affairs) and Aaron Hoard (Deputy Director, External Affairs Regional Relations) were present to discuss resources available to UW employees relating to affordable housing.

Clark explained weather, traffic, and the growing housing market seem to be the most-commonly discussed topics in Seattle currently. She noted in relation to the university, there are affordability challenges in every population: students, staff, and faculty. She explained the following presentation to the council most directly corresponds with the lower-paid employees of the university, of which the President and Provost have a special interest. A PowerPoint was shown as part of the presentation (Exhibit 1).

Hoard explained the average apartment in Seattle rents at a cost of \$2133 monthly, while \$695,000 is the average cost for a single family home. There was some discussion of area median income (AMI) for UW employees. He explained for one person, 80% of the AMI would be an annual salary of \$50,400-\$72,000, while 60% AMI would be \$40,320-\$57,400. He explained many employees at the university are in the 60% AMI realm, and this is the target population of most of UW's affordable housing programs. He noted recent data from UW Transportation Services demonstrate that staff have been moving further away from UW Seattle since 2014, while faculty are generally moving closer to the campus.

Existing programs for UW employees

There are two existing affordable housing programs for UW employees. The first is the Hometown Home Loan Program, which is an affiliate program run by Hometown Bank that offers reduced closing costs, down payment assistance, and homebuyer education. The program has helped 3300 employees since its inception in 1998, and roughly 1300 first time home buyers. The second program is Bridges@11th, an apartment complex which gives priority access to UW employees at 70% AMI or lower. The complex is located in the U-District and includes 35 relatively low-rent units. The balance on the unit is based on market rate, and there is currently a waiting list to rent there.

Expanding housing programs

Hoard explained the UW acquiring housing and subsidizing it for employees is another option, however it is likely debt would have to be used to purchase properties, and university debt is currently tied up in the development of new buildings. More options were shown (Slide 4, Exhibit 1).

Filer Site Project

He noted in relation to developing housing on existing UW land, there is land that the UW owns and is not currently using, which has led to a formal site being identified for housing being called the “Filer Site.” It is located at 4201 Roosevelt Way NE. The site is 22,407 square ft. with 240’ mixed use zoning, and capacity for 150-200 units plus retail/office/other uses. The site is located nearby to campus and the UW light rail station, and currently has no identified UW-related uses.

Hoard explained the project to develop the Filer Site for additional employee housing is underway. Project goals include (Slide 6, Exhibit 1):

- ❖ Use existing property to develop affordable housing project
- ❖ Target those with incomes at 60% AMI; priority access for UW employees
- ❖ Explore opportunities to include housing for formerly homeless young people
- ❖ Explore opportunities to include childcare in project
- ❖ Explore opportunities to include social service space
- ❖ Partner with a housing authority to develop project

He explained the UW is partnering with the Seattle Housing Authority on the project, and they are leading a RFQ/RFP process to select the developer (selection anticipated by late spring, 2018). Hoard noted the site could be fully developed by 2021 if all project elements go as planned.

It was noted there are not many other UW properties that could be developed for housing given their size, existing uses/structures, and the cost of developing the land. Though the project only targets UW employees at 60% AMI, it is a good start to providing housing aid to those who need it at the university.

There was some discussion of what other universities are doing for lower-paid staff. Chamberlin asked what other universities, particularly those in California, and what they are doing for their employees and students. Various methodologies are used at other institutions, Hoard noted. He explained many do nothing, others have their own rental housing, financing and housing subsidies, and so on, depending on their situation.

Hoard and Clark were thanked for presenting, and they left the meeting.

6) Report from the FCBR ad hoc sub-committee on faculty pre-retirement planning (Míceál Vaughan)

Siegel explained the subcommittee was established last spring, and this is their first report to the FCBR.

Vaughan explained the committee has met monthly since September, and its membership includes the Ombud, head of Academic HR Cheryl Cameron, several deans and faculty members, and is planning to soon meet with the Provost. The subcommittee was originally asked to produce a report and recommendations to the SEC and FCBR by the end of December, 2017. The body petitioned to have the due day on the report be postponed until the end of February, which was agreed to. There are currently 12 recommendations. Members may view these online on the subcommittee’s Google Drive.

The recommendations fall into three categories, general retirement information, specific resources for faculty who are approaching retirement, and how the UW continues to involve retired faculty in the community of the university. He noted service on faculty councils is one facet for the third category.

For the first category, they are recommending the provost or deans send a notice to their faculty on retirement options, and that that information be centralized online for faculty to access. He explained many faculty are not aware of several retirement options, such as 40% rehire, VRI, and other possibilities. He noted there are anxieties related to approaching retirement on behalf of faculty, and assistance (similar to a concierge program) may be an option to provide more details to faculty who are curious. The goal is to provide clear, transparent, personalized information to faculty thinking about retirement. Vaughan explained retired members of the UW are still faculty of the university and should be treated as such. He reiterated that UW online resources for faculty thinking about retirement are currently insufficient.

Vaughan explained the UWRA has invited guest speakers with expertise on the matter to host several public meetings, a meeting with the president and provost, and to be a resource in other venues. He noted FCBR may be involved and any interested council members should attend. Vaughan noted he hopes these efforts will spur the FCBR to also address faculty pre-retirement planning.

There was some discussion. A member noted an organizational chart would help spell out the resources to UW faculty. Dwyer gave some information on the division of offices surrounding benefits given the implementation of Workday. Dwyer noted there is support from the benefits office, as three consultants help faculty 1v1, and there are general seminars. The consultants will begin working when Workday becomes more stable in its implementation. There was some discussion.

7) Good of the order

Dwyer send-off

Katy Dwyer was presented a few gifts thanking her for her service on the FCBR throughout the years, as it was noted she plans to retire from the university before the start of winter quarter. She noted the FCBR is one of the working councils that has achieved a lot over the years, and she has enjoyed participating.

8) Adjourn

Siegel adjourned the meeting at 4:00 p.m.

Minutes by Joey Burgess, jmbg@uw.edu, council support analyst

Present: **Faculty:** Russel Fernandes, John Mittler, Gowri Shankar, Stephan Siegel (chair), Mary O’Neil, Jason Wright
Ex-officio reps: Laura Lillard, Navid Azodi, Jacob Ziegler, Charles Chamberlin
President’s designee: Mindy Kornberg
Guests: Miceal Vaughan, Katy Dwyer, Amy Hawkins, Patricia Dougherty

Absent: **Faculty:** Julia Metzner, Nicole Hoover
Ex-officio reps: Erick Winger

Exhibits

Exhibit 1 – FCBR Housing Presentation 11-27-17

UW Employee Affordable Housing

Housing prices are a challenge for UW employees

- > Housing prices continue to rise in Seattle
 - \$2133/mo average for apartment
 - \$695,500 average for single family home
- > Approximately \$85,000/yr income to afford average apartment; \$120,000/yr* to afford average house
- > Area Median Income: \$63,000 (one person) to \$90,000 (four people)



Existing programs for UW employees

- > Hometown Home Loan Program**
 - Reduced Closing Costs
 - Down Payment Assistance
 - Homebuyer Education

- > Bridges@11th**
 - Priority access for university employees
 - 34 units @ 75% AMI rents



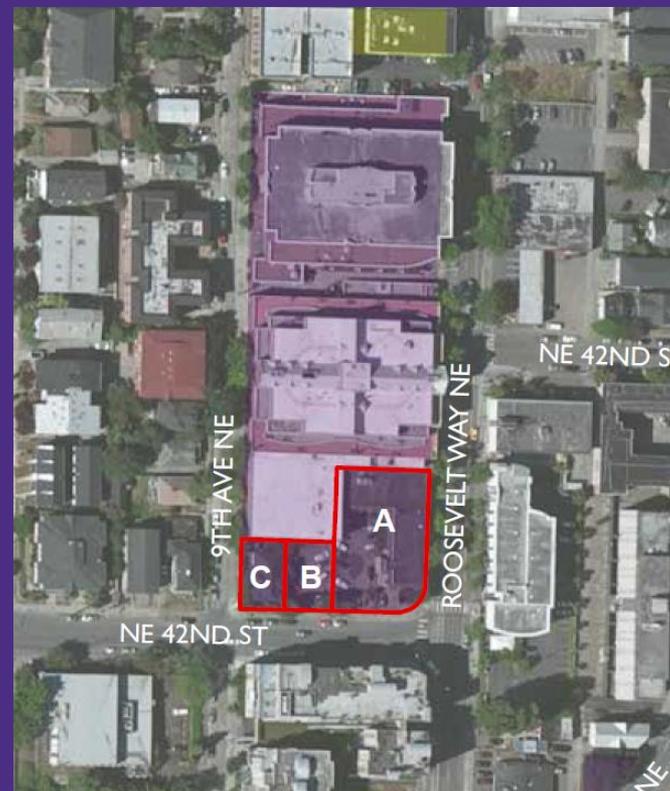
Evaluated Different Concepts to Expand Housing Programs

- > Sale Programs: Lending or Development**
- > Housing Subsidy**
- > Acquire Housing: Apartments or Single Family**
- > Use Existing Land to Develop**



Filer Site

- > Located at 4201 Roosevelt Way NE
- > 22,407 sq ft with 240' Mixed Use Zoning
- > Capacity for 150-200 units plus retail/office/other uses
- > Near campus and light rail
- > No identified UW uses



Project Direction & Goals

- > Use existing property to develop affordable housing project**
- > Target those with incomes at 60% AMI; priority access for UW employees**
 - Explore opportunities to include housing for formerly homeless young people**
 - Explore opportunities to include childcare in project**
 - Explore opportunities to include social service space**
- > Partner with a housing authority to develop project**



Partnership with Seattle Housing Authority

- > **MOU with Seattle Housing Authority to develop project on behalf of University**
 - Experience with affordable housing projects
 - Ability to do homeless housing component

- > **RFQ/RFP process to select developer**
 - Due diligence underway
 - RFQ anticipated in February 2018; RFP in April 2018
 - Developer selected in late-Spring 2018
 - Project opens in 2021



What next?

- > **Work with SHA to develop high-quality project that serves employees**
- > **Not done yet...**
 - **Need more housing to meet the needs of broad range of incomes and employees**
 - **Continue to explore different programs and housing types**
- > **Questions?**

