

Report of the Vice President of Legislation, UC-AFT

Trevor Griffey, vplegislation@ucaft.org

UC-AFT Statewide Council, 2023-01-22

My Asks for UC-AFT Leaders:

- We need to recruit delegates to the CFT Convention in San Francisco for March 17-19, 2023 (<https://www.cft.org/convention-2023>). Please email me if you're interested in attending. We'll have an election in February, but the challenge is finding people willing to attend. Delegates will vote on the following:
 - Electing CFT leaders, including possibly Katie Rodger as a CFT Vice President, and Mia McIver as President of CFT's Universities Council Division.
 - Whether to increase the amount of money CFT currently collects from its member unions. We currently pay CFT approximately \$1 million per year.
 - Electing delegates to the California Labor Federation (CLF) and American Federation of Teachers (AFT) 2024 Conventions, where our labor federations will endorse candidates and set policies.
 - Vote on resolutions, including ones put forward by UC-AFT to get CFT to endorse and lobby for legislation to 1) restore funding UC Merced and Riverside Expansion; 2) restore funding to the UC Berkeley Clean Energy Project; 3) establish a right for public sector workers (or just higher education public sector workers) to engage in sympathy strikes; and 4) revise the UC charter to compel the UC to comply with state of California labor law
- I would like to organize a campaign to restore funding in the 2023 budget to UC Merced and Riverside campus expansion. Please email me if you'd like to get involved.
- The UC-AFT Legislative Committee lacks representatives from the UCLA, UCI, UCSB, and UCR campuses. In addition, representatives from UCSD and UCSC have stopped attending meetings and responding to polls to set meeting times. If someone from your chapter would be interested in serving on the committee, please email Katie at president@ucaft.org.

Activity Report Since 2022/11/06 UC-AFT Council Meeting

- Developing a Legislative Agenda for 2023 following Jan. 10 release of Gov's budget
 - Facilitated Legislative Committee on January 12 to report on the Governor's budget and solicit feedback on developing an agenda for 2023
 - Served as UC-AFT representative to the California Labor Federation (CLF) Labor Advocates meetings, which meet weekly now the legislature is in session
 - Brought issue of sympathy strikes to the UCUC, encouraged Teamsters to develop legislation, and encouraged CFT to support legislation being developed
 - Encouraged CFT to support AFSCME 3299's legislation to extend state labor law to UC when it rolls out
 - Have begun outreach to Merced and Riverside campus leadership to try to organize to restore funding for UC campus expansion

- Met with CUCFA leadership on Jan. 16 to discuss its advocacy plans and the potential for partnership with UC-AFT to lobby to increase funding for UC
- Will attend January 17 UC Green New Deal Coalition meeting to discuss whether it plans to campaign to restore funding for the UC Berkeley Clean Energy Project in the 2023 and discuss opportunities for partnership
- Communication on behalf of UC-AFT
 - In response to a request from UAW leadership, sent a letter to Gov. Newsom on Dec. 9 asking him to intervene in the UAW strike and tell UCOP to provide NRST tuition remission for ASEs and student researchers. (see attached)
 - In response to requests from multiple member leaders, raised concerns to the UCUC about the UC's \$4 billion bailout of Blackstone, and supported AFSCME 3299 taking the lead in drafting a union coalition letter to UCOP (<https://afscme3299.org/media/uc-union-coalition-condemns-universitys-blackstone-investments-calls-for-a-new-strategy-to-address-california-housing-crisis/>). (see attached)
- UC-AFT Meetings
 - Attended 5 UC-AFT eboard meetings
 - Participated in planning meetings for bargaining over UAW strike effects, and participated in first bargaining session/ meeting with UCOP on January 5 to discuss our cease and desist letter and convey our desire to bargain
 - Participated in 4 Higher Education Labor United (HELU) meetings in November and December, 2022.
 - Served as primary UC-AFT representative to the University Union Coalition (UCUC), which meets twice a month
 - Attending Jan. 16 pre-meeting and Jan. 17 meeting with UCOP to discuss UCUC objections to Blackstone investment (see letter above)
 - Participated in 2 Union of Field Representative Employees (UFRE) bargaining sessions in November, 2022



Friday, December 9, 2022

Gavin Newsom, Governor
State of California

Dear Governor Newsom,

I'm writing to ask that your office clarify your position on the important issue of whether international students who serve as academic student employees and student researchers at the University of California (UC) should receive full remission of non-resident supplemental tuition (NRST).

Your doing so would help bring the month-long strike by academic student employees, student researchers and postdoctoral scholars at the UC to an end. This strike has thrown the UC into chaos, and threatens to massively disrupt our entire school year if it is not quickly resolved.

The UC Office of the President (UCOP) and workers represented by United Auto Workers (UAW) Local 2865 and Student Researchers Union (SRU) have recently entered mediation, with a couple major points of contention remaining between the parties. And unfortunately UCOP has a bad habit of claiming that your office, or the state legislature, opposes particular demands by UAW as a way of bargaining in bad faith. Clarifying that you can accommodate particular UAW proposals can help the two parties bargain directly instead of pulling you in.

The UC's refusal to remit NRST is a particular point of contention, and one that UCOP has told UAW your office might oppose. Tuition remission is already available to UC graduate students who are U.S. citizens. Out of fairness, and to remain competitive with private institutions, the UAW believes that it should be available to international students as well. Telling UCOP that you support, or at least could help fund international student NRST for student researchers and academic student employees would hopefully help the two parties bargain over the merits of this issue and help push them both toward a settlement.

Thank you for your consideration, and for your leadership,

Trevor Griffey, PhD

Lecturer, U.S. History at UC Irvine and Labor Studies at UCLA

Vice President of Legislation, University Council-American Federation of Teacher (UC-AFT)

UC-AFT represents over 5,000 non-senate faculty and 350 librarians in the UC system.



UC UNION COALITION CONDEMNS UNIVERSITY'S BLACKSTONE INVESTMENTS, CALLS FOR A NEW STRATEGY TO ADDRESS CALIFORNIA HOUSING CRISIS

Posted On Jan 13th, 2023

Oakland, CA — Unions representing approximately 110,000 University of California workers—almost half the total workforce at California's third-largest employer—today called on the University of California to divest more than \$6 billion from Blackstone Investments, including nearly \$4 billion in recently acquired holdings from Blackstone's Real Estate Income Trust (BREIT).

[Click Here to read the UC Union Coalition's Letter to University of California Chief Investment Officer Jagdeep Bachher.](#)

The letter details how Blackstone and similar private equity real estate investments have fueled rents rising at two to three times the rate of inflation, alongside displacement of working families and evictions—even during the COVID 19 pandemic. It notes that Blackstone also spent millions to defeat a California rent control measure in 2018, even as the vast majority of UC's represented workforce struggle with housing affordability.

"UC investments are funded by its workers, pensioners, students and alumni—each of whom are struggling with the crushing burdens of California's housing affordability crisis," said **AFSCME 3299 President Kathryn Lybarger**, who is also an advisor to the UC Regents' Investment Committee. "To then push those hard earned dollars into investments designed to push housing prices even higher is beyond negligent—it is a betrayal of this institution's core obligations to its workers, students and the communities in which it operates."

AFSCME 3299, which represents 30,000 UC service and patient care workers, reports that 95% of its service worker members are unable to afford single-bedroom housing near work, according to an analysis of recent data from the US Department of Housing and Urban Development.

Late last year, 48,000 UAW-represented UC graduate student workers, postdocs, and academic researchers waged the largest higher education strike in US history, with low wages and housing affordability at its core. UAW noted that more than 92% of UC's graduate student workers were paying more than 30% of their incomes on housing.

"If UC is serious about addressing the affordability crisis plaguing its students and workers, it will immediately divest from Blackstone and make investments that actually reduce housing cost burdens for more Californians," said **Michael Kennedy, a Registered Nurse at UC San Diego**.

Blackstone is a residential and commercial landlord giant, managing a \$565 billion portfolio. The University of California is California's largest landlord. It

controls 150,000 student beds and as of June 2022, a \$6.3 billion real estate investment portfolio and has faced criticism for attempting to raise rents on some tenants by as much as 60%.

“The University’s latest investment in Blackstone has tied our school’s financial future to driving up the cost of residential housing in California and around the world,” said **Trevor Griffey, Vice President of Legislation at UC-AFT**. “This is self-defeating because it will drive more UC students into debt and make it harder for the UC to recruit and retain workers.”

SHARE ON



TAGS

BLACKSTONE

PRESS RELEASE

UC COALITION





January 13, 2023

Chief Investment Officer Jagdeep Singh Bachher
Office of the Chief Investment Officer of the Regents
University of California
Office of the President
1111 Franklin Street
Oakland, CA 94607

Dear Mr. Bachher:

On behalf of over 110,000 represented workers at the University of California (UC), we write to express our dismay and unified opposition to the Office of the Chief Investment Officer's (CIO) decision to invest \$4 billion into Blackstone Inc.'s Blackstone Real Estate Income Trust (BREIT). We call on UC to divest immediately from its recently acquired BREIT holdings, along with the additional \$2 billion the University already invests in Blackstone through the UC Retirement Plan and its General Endowment fund.¹

UC Regent Sherman's statement that this investment will "benefit the 600,000 students, faculty, staff and pensioners from [UC]'s 10 campuses and six academic health centers" underscores the University of California's apparent willful ignorance to the housing crisis impacting not only UC stakeholders but also the communities in which the University operates.²

Across the U.S., hedge fund and private equity firms—such as Blackstone Inc.—are acquiring residential properties at unprecedented rates, converting them into rental units, raising rents, and evicting and displacing residents in the process, even during the pandemic.³ This buying spree by corporate and institutional investors leaves longtime residents unable to afford homes in communities where they grew up or raised their families. In fact, the United Nations has accused private equity firms like Blackstone of exploiting tenants, "wreaking havoc" in communities, and helping to fuel a global housing crisis. "Blackstone's practices...have abruptly increased the rental payments of [single family rentals], making them unaffordable for millions of the existing residents, decreased the availability and affordability of

¹ [UC Investments Creates Strategic Venture with Blackstone to Invest \\$4 Billion in BREIT Common Shares | Blackstone Group](#)

² Ibid.

³ [Private equity landlords advance evictions during COVID-19 pandemic | Private Equity Stakeholder Project](#)

social housing, and has undertaken aggressive evictions to protect rental income streams to satisfy investors.”^{[4][5][6]}

The housing crisis significantly impacts UC students, staff, academic workers, healthcare providers, and faculty laboring to find and afford housing close to UC campuses. UC stakeholders are forced to choose between paying a significant portion of their income on rent, commuting hours each day to and from work, or quitting their jobs altogether because they cannot afford to make that choice. We need to look no further than the recent strike by 48,000 UC undergraduate and graduate student workers, postdocs, and academic researchers represented by UAW to see the enormity of the problem.

A core issue for striking UAW members was this very lack of housing affordability at the University, both on and off campus. Leading up to the strike, UAW found that the vast majority, 92 percent, of its striking graduate student workers were rent-burdened and paying more than 30 percent of their incomes on rent.⁷ This crisis is not exclusive to UAW members. For UC’s service workers represented by AFSCME, 95 percent are unable to afford a single-bedroom home close to their respective campus or medical center.⁸

As one of the largest landlords in California, the University of California already bears significant responsibility for this crisis.⁹ However, through this new partnership with Blackstone Inc., the University will become a major driver of this affordability crisis for the UC community and the rest of California.

Today, Blackstone is the residential and commercial landlord for a vast \$565 billion real estate portfolio at a time when rents across the country have increased two to three times the rate of inflation.^{[10][11]} Its standing as a corporate landlord giant leaves little doubt as to why the private equity firm spent millions of dollars in 2018 to help kill Proposition 10, the California ballot measure that would have allowed cities in the state to re-establish rent control laws.¹² Initiatives like Proposition 10 have the potential to help create and preserve affordable housing for millions of families across the state. In 2022 alone, nearly 65 percent of low-income renters across the entire state were rent-burdened.¹³

Contrary to Regent Sherman’s statement, this type of corporate plunder does not benefit UC’s 600,000 students, staff, academic workers, healthcare providers, faculty and pensioners. In fact, Blackstone’s business model is predicated on extracting more from UC communities. As a Blackstone principal admitted, “We’re a big owner of student housing, and in our student housing portfolio we’re signing leases today for next academic year at 9 per cent [sic] higher rents than this year. So we know what this growth will look like.”¹⁴

⁴ [UN accuses Blackstone Group of contributing to global housing crisis | US news | The Guardian](#)

⁵ [United Nations Communications to U.S.A. on Blackstone Group](#)

⁶ [United Nations Communications to Blackstone Group](#)

⁷ [University of California Students Strike for Higher Pay | The New York Times](#)

⁸ This data derives from October 2022 AFSCME 3299 pay rate data, and HUD’s 2023 Fair Market Rents for the campus or medical center’s Metropolitan Statistical Area or HUD Metro Fair Market Rent Area, whichever is applicable. The federal government’s standard of affordability asserts gross housing costs should be no more than 30% of a household’s gross income in order to be affordable.

⁹ [The High Cost of Housing is a UC-created Crisis | San Francisco Examiner](#)

¹⁰ [Blackstone expands further into rental housing in the United States | The New York Times](#)

¹¹ [Blackstone | Real Estate](#)

¹² [Blackstone Spends Huge to Kill California Rent Control | The American Prospect](#)

¹³ [2022 California Housing Profile | National Low Income Housing Coalition](#)

¹⁴ [Blackstone’s Plans to Juice BREIT | Financial Times](#)

Unfortunately, UC already behaves as a corporate, private developer of market rate housing in its own real estate investments, much like Blackstone, as it takes property away from campuses that could otherwise be used for affordable housing. Just last year, after its purchase of a 168-unit apartment building near UC Santa Cruz, long term residents were initially threatened with rental increases of up to \$1300 per month (or 60 percent) following the completion of a superficial renovation.^{[15][16]}

The University of California's current housing investment strategy combined with the bolstering of Blackstone's BREIT will only further deepen a hostile housing market for millions across California. To truly serve its constituents, the University of California must make investments that work to actually expand the availability of affordable housing throughout California.

As UC's represented workforce whose salaries help fund these real estate investments, we reiterate our steadfast opposition to this partnership between Blackstone Inc. and the University of California. We call on the UC to divest its estimated \$6 billion investment from all of Blackstone's funds and instead develop an investment model that protects and expands affordable residential units in and around its communities. The University has the ability and opportunity to establish itself as an investor and landlord committed to the creation and preservation of affordable housing. UC students, staff, academic workers, healthcare providers and faculty depend on it, as do the communities in which the University resides.

Sincerely,

Kathryn Lybarger, President
AFSCME Local 3299

Dan Russell, President
UPTE-CWA Local 9119

Stephanie Short, Asst. Director, UC Division
CNA/NUU

Rafael Jaime, President
UAW Local 2685

Constance Penley, President
Council of UC Faculty Associations (CUCFA)

Neal Sweeney, President
UAW Local 5810

Dr. Lorenzo Gonzalez, President
Committee of Interns & Residents, SEIU

Union of American Physicians and Dentists
(UAPD)

Katie Rodger, Ph.D., President
UC-American Federation of Teachers (AFT)

cc: UC President Drake
UC Regents

¹⁵ [Hilltop Apartments Residents Face Exorbitant Rent Increase by Owner, UC Regents | Santa Cruz Sentinel](#)

¹⁶ [UC Regents Buy Hilltop Apartments | KSQD Community Radio](#)