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Office of the President

TO MEMBERS OF THE BOARD OF REGENTS:

ACTION ITEM

For Meeting of July 15, 2026

ENDORSEMENT OF VETERANS AND AFFORDABLE HOUSING BOND ACT OF 2026

EXECUTIVE SUMMARY

On June 25, 2026, the Governor signed Senate Bill 417 (Limón), the *Veterans and Affordable Housing Bond Act of 2026*. The measure placed Proposition 1 on the November 3, 2026 ballot, which asks voters to approve an $11.25 billion statewide housing bond. The bond includes $350 million for the Higher Education Student Housing Grant Program to be divided equally between the University of California and the California State University system. If the bond passes, the University would be eligible for $175 million to develop affordable student housing projects. The President recommends that the Board of Regents endorse Proposition 1, the Veterans and Affordable Housing Bond Act of 2026.

RECOMMENDATION

The President of the University recommends that the Regents endorse Proposition 1, the Veterans and Affordable Housing Bond Act of 2026.

BACKGROUND

One of the most significant challenges to affordability facing students is the cost of housing, which constitutes a significant portion of total cost of attendance. This is particularly true in the high-cost markets that host UC campuses. While UC has added more than 42,000 student beds since 2010, enrollment over that time has grown by almost twice that amount. Expanding UC's academic housing supply supports the University's affordability, access, and student success goals while reducing demand on surrounding residential communities. Currently, UC's capital planning process has identified approximately 8,000 beds in planning and another 7,000 beds that could be built when financing becomes available.

The University has pledged to leverage State bond funds with significant additional investment. Based on current assumptions by UC's Chief Financial Officer, the University's anticipated $175 million allocation will support at least $700 million in student housing construction activity. At an estimated $300,000 per bed, UC expects to build roughly 2,300 new student beds across the system. The State's share of this cost – approximately $75,000 per bed – represents a remarkably sound investment.

During a previous round of funding for the Higher Education Student Housing Grant Program, the University quickly put together plans to construct over 5,000 units. UC is ready and able to advance housing projects across the system as supported by the proposed housing bond.

Regents Policy 8301, *Policy on Higher Education Bond Measure Information and Advocacy Implementation Plan*, establishes the process by which the University evaluates and communicates regarding statewide higher education bond measures. The policy directs the President to keep the Regents informed regarding proposed bond measures and, following legislative passage, prepare a Regents item for consideration of whether the University should endorse the measure. Following any endorsement, the University may undertake informational and educational activities, as permitted by law, regarding the measure's impact on the University.