

[In these minutes: 1. Sweatshop/WRC Update and Information, 2. Off-Campus Housing]

SOCIAL CONCERNS COMMITTEE

MINUTES

THURSDAY, MAY 4, 2000

3:00 - 4:30

229 NOLTE

[These minutes reflect discussion and debate at a meeting of a committee of the University of Minnesota Senate or Twin Cities Campus Assembly; none of the comments, conclusions, or actions reported in these minutes represent the view of, nor are they binding on the Senate or Assembly, the Administration, or the Board of Regents.]

PRESENT: George French (chair), John Beatty, Mike Davey, Selma de Ridder, Wesley Matson, Jean Niemiec, Amelious Whyte, Jennifer Young.

REGRETS: Robert Brown, Catherine Forseide-Hussain, John Jensen, Margaret Kuchenreuther, Luis Ramos-Garcia, Angelita Reyes, Julie Sweitzer, Sheila Warness.

ABSENT: Mallika Arudi, Joel Nelson, Mary Steinke.

GUESTS: Ian Maitland, Jan Morlock, Mary Ann Ryan.

1. SWEATSHOP/WRC UPDATE AND INFORMATION

Ian Maitland, Professor of Strategic Management and Organization, spoke about the University's involvement with sweatshops and the WRC since he has written a book on the ethics of international sweatshops. He tried to have input into the information being presented to the task force, but there was no response from Mark Rotenberg and materials Professor Maitland sent were never received. Since the committee will continue to review the University's relationship with the WRC, he asked to speak today.

He distributed copies of a memorandum to Mark Rotenberg and an article on sweatshops. Professor Maitland said that there is a gap between people's understanding of the situation and what the actual facts are. Regarding a living wage, there is an economic concern that the wage being proposed is too high for many countries. Most people do not realize that the living wage being proposed for factory workers would result in higher annual salaries for them than many professionals in these countries. Industries might also pull out of these countries which would leave no jobs to employ the native people.

Professor Maitland then turned to a description of the WRC. One mission of the organization is to provide less incentives to companies who want to out-source their production. As for the board of directors, half the members are chosen by the advisory council, which itself is largely made up of members of the labor movement, one-fourth are chosen by the student group USAS,

and one-fourth are chosen by the universities. Five of the board members are former union leaders and have relationships with AFL-CIO and UNITE. The WRC also states that its mission is not to approve/certify labor practices but to simply publish the abuses by companies. All these factors will need to be taken into account when the committee reviews the University's relationship with the WRC.

Committee members then made the following comments:

- College representatives met last week to discuss their position within the WRC
- Nike is taking a hard-line approach to the WRC by cutting ties with Brown University and the University of Michigan and by pulling a pledge from Oregon State
- Money from collegiate merchandise is such a small portion of Nike's revenue that they can afford to take this stance
- Outside input was needed by the task force, but they did not reach out to informed individuals or well-publicize the forum

Q: Isn't the FLA board slanted too much towards the industries to be truly effective?

A: I do not defend the FLA since there is too much industry influence, but the WRC does not solve the problem by excluding industries from participation. Both boards need to change their structures so that all parties are equally represented. Also, since no monitoring has been started yet by either organization, how their words on paper translate to actions will also need to be assessed.

Professor French then thanked Professor Maitland for providing more information to the committee and said that diligent monitoring of the WRC will be a committee issue for next year.

2. OFF-CAMPUS HOUSING

Mike Davey started by distributing a revised handout comparing University housing and upscale housing alternatives. Since the last meeting, square footage and staffing was added and he noted that University housing costs would be changing. From the handout, he determined that the University has the best staffing option. The University is also working on improving current on-campus housing and adding additional housing in Stadium Village and on the West Bank, although many new developments are more expensive than private landlords.

He would like to know what role the University can play in helping private developers construct affordable housing options close to campus for students as well as staff and faculty. There are various items, such as no property taxes, that should allow the University to work for better deals and more options with non-profit developers.

Mary Ann Ryan, Director of Housing and Residential Life, realizes that students are in a hard position, but the current situation of decreased vacancy rates and increased building costs has everyone in a hard position. She then distributed a handout on living off-campus which provides information for students who choose not to live on-campus.

The reality is that many students do want to live on campus for the following reasons:

- Students are closer to campus, their classes, and events
- More amenities are provided in on-campus living
- 75% of residents are 18 years old
- All utilities, except long distance, are included in the cost
- Students are billed directly through their STARS account
- Community Advisors (CAs) have a ratio of one to approximately 40 students
- Each hall director is a full-time Master's student
- Police patrol the building every night
- There is a student instituted program fee to fund student purchases, such as a movie library or additional vacuum
- Etherjacks and laundry facilities are provided
- Apartment-style housing is open during breaks since it is a 12 month lease
- No deposits are required
- Apartment-style housing is roughly furnished (e.g. beds, dressers, desks, chairs, sofa, chair, lamps) because many of the students who choose this option are young and do not have their own furniture

She continued that housing is considered an auxiliary service so it must generate its own revenue. Therefore, the only funds housing receives are those that are raised through charges. Any marginal amount above operating costs is used to pay off the debt on building the halls.

Future plans include a Middlebrook addition next fall and the construction of the Riverbend Commons complex. The University would like to construct more housing, but the unit can only accumulate so much debt. University housing costs more in general since there are higher codes and standards in place for University housing to make it safer for students and so that it lasts longer than other housing. The cost to install sprinklers and upgrade fire alarms in all residence is also a costly project, but one that the University is committed to.

Q: Since University Village was built by a private companies, was the construction held to the University standards?

A: In these partnerships, the University suggests that its guidelines be followed but this restriction is not mandated. These buildings are only leased to the University so there is no long-term commitment to upkeep.

Q: Why does the private side of University Village quote cheaper rent than the University side?

A: The private side does not include amenities in its price as the University side does.

Q: What is the current vacancy rate? Does central administration receive profits from increased housing?

A: The halls are currently at a 97.5% occupancy rate, which is high considering that it is the end of the school year. Occupancy is usually over 100% until some students leave before Spring Semester. Any surplus that is raised is put into a reserve account to pay for the debt on the Riverbend Commons development or install sprinklers and new fire alarms.

Q: Do you feel that the University has a role to work with the city to create affordable housing with high standards in the community?

A: The University hopes that by keeping its standards high, students will want to live in on-campus housing, which will force other developers to match University standards. At present, many students are living in poor conditions. City officials need to increase their policing and Minneapolis rental licensing needs to be aware of these conditions. The University does not want to become a housing developer in the extended community, but instead engender students to make improvements in off-campus housing. The quality of housing has an impact on faculty and staff as well, and many people find that they need to live farther from campus to see a rent reduction. For these people, the new U-Pass initiative will be a great help.

Q: Is affordable housing for single 18-30 year olds ever discussed by the city?

A: Since students, many of which fall in this age range, are seen as being in a temporary position, they are not typically classified as low income and therefore do not qualify for these programs. Loans are always a possibility to help students in this situation.

Mike Davey said that with increased tuition and living expenses many students will be priced out of a an education. Possibilities need to be explored, perhaps through the efforts of a joint task force.

Q: What definition does housing use to determine its residents?

A: All residents must be full-time students. Housing preference is given to freshmen who apply by May 1, but returning students have the first choice of halls.

Q: What is the demographics of students in campus housing?

A: 19% of the Universities undergraduates live in on-campus housing, of which 75% are freshmen.

Q: Are on-campus housing costs similar across the Big Ten?

A: The University ranks in the low-middle for housing costs among the Big Ten schools.

Q: Do graduate and international students live in on-campus housing?

A: Only 1% are graduate students. The University does need more options to recruit graduate and transfer students. The new 7 Corners complex will give first preference to law students, but

it is a pricey establishment since the developers are paying \$167 per month per bedroom just in taxes.

The committee then made the following comments:

- New lost-cost options, such as co-ops, need to be developed
- Harvard just placed \$20 million in low-interest loans to invest in affordable housing for the community around the campus
- A price tag cannot be placed on the residence hall experience
- Amenities are important for many students
- Some units should be offered with decreased amenities so that more students would be able to afford on-campus housing
- Transfer students are caught off-guard by the Twin Cities housing market
- Talks should be held with the Alumni Association and the Foundation to see if money can be raised from donors
- Washington County has a land trust which might provides more options for the University
- University statistics should be compared to those at other universities
- Restricted housing affects the community since campus is dead by 5:30 p.m.

George French then thanked all the members for their hard work this past year and adjourned the meeting.

Becky Hippert
University Senate