



2026 ANNUAL CONFERENCE OAKLAND, JANUARY 11 - 13

AUXILIARY ORGANIZATIONS ASSOCIATION

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THE NEXT ERA OF AUXILIARIES  
SHAPING TOMORROW

# Auxiliaries in Action

Accelerating Housing through  
P3 Innovation



University Enterprises, Inc.  
SACRAMENTO STATE

GREYSTAR

 BRAILSFORD & DUNLAVEY



PROPERTY DEVELOPMENT  
AND MANAGEMENT

# AGENDA

- 1. Panel Introduction**
- 2. University Context**
- 3. The Opportunity**



# Panel Introduction



**John Melikian**

Executive Director  
University Enterprises, Inc.



**Eric Anderson**

Executive Director  
The CSU System



**Gabe Gardner**

Senior Director  
Greystar



**Matt Bohannon**

Vice President  
Brailsford & Dunlavey



**David Prokopenko**

Senior Associate  
Brailsford & Dunlavey



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# University Context

## Shifting the Culture

Sacramento State University is committed to realigning its culture to that of a residential campus.

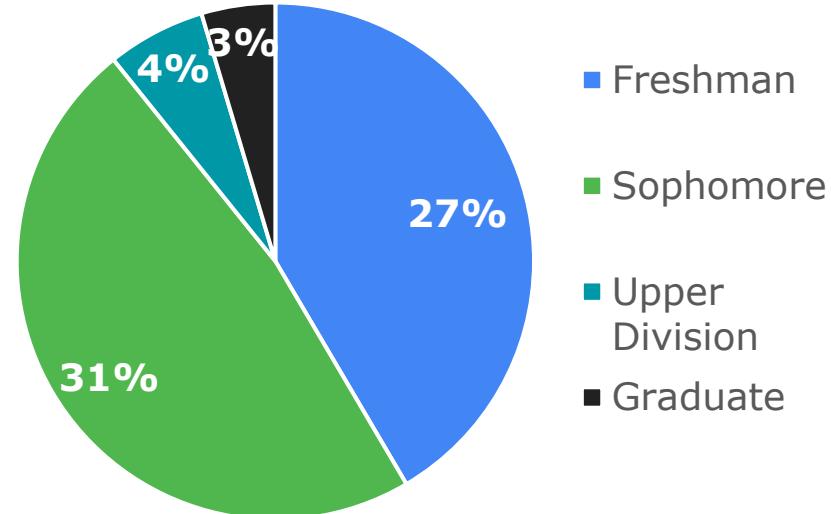
## Diversifying Housing Options

Roughly **70%** of the current housing supply is in residence hall configurations.

## Enhancing Student Success

Students who live on campus persist, perform, and graduate at higher rates because of their greater access to support services, stronger peer networks, and fewer barriers to learning.

## Est. Student Capture



**11%** Weighted Average Capture



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# The Opportunity

Phase One: 5 Months

Project Definition  
Financial Conceptualization

Phase Two: 4 Months

Solicitation &  
Partner Selection

Phase Three: 11 months

Negotiation of Agreements, CEQA  
City of Sacramento & CSU  
Approvals  
Design Oversight

Phase Four: 6 months/  
24 months

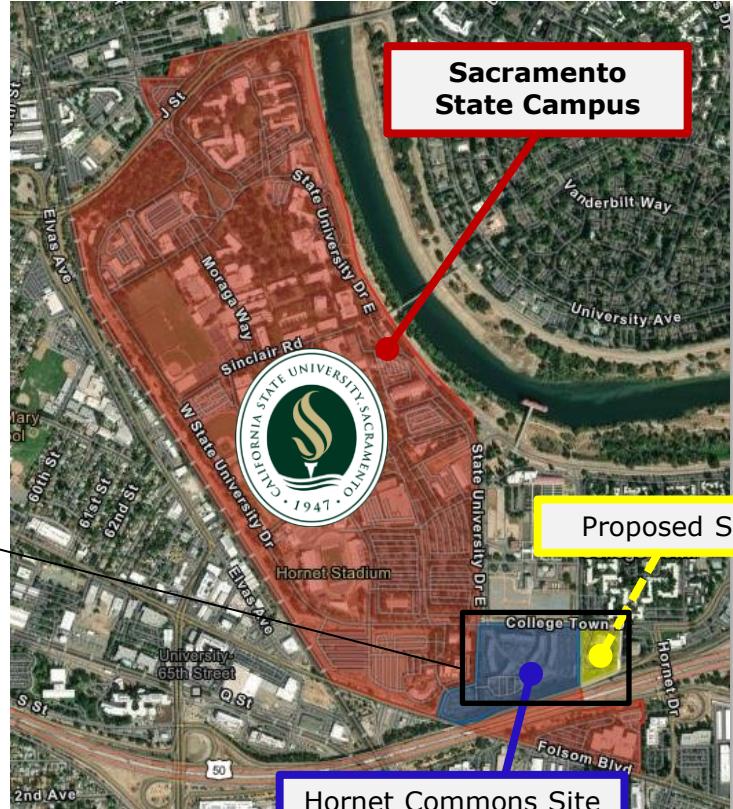
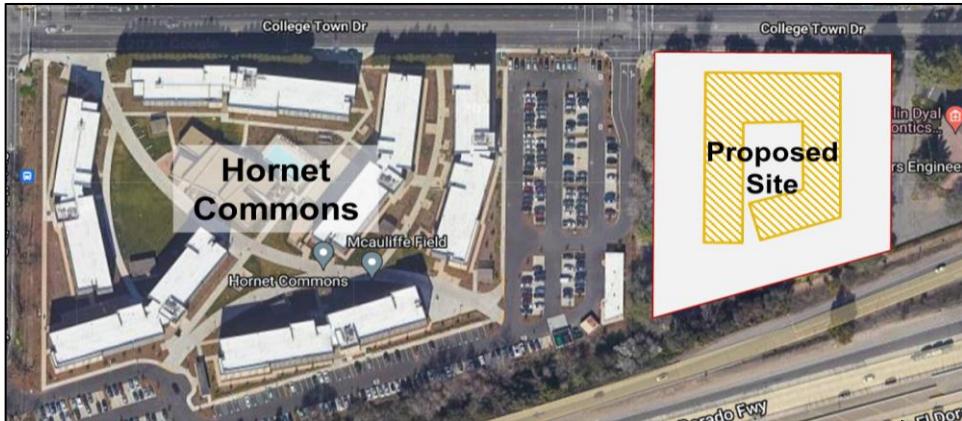
Implementation/Construction  
Ballfields Construction: Spring  
2019 Completion  
Housing: Summer 2021 Opening



*Hornet Commons, 2021*



# The Opportunity



# The Opportunity

## CSU Process

- Stage 1: Concept
- Stage 2: LDRC Concept Review
- Stage 3: Board of Trustees Concept Approval
- Stage 4: Due Diligence
- Stage 5: LDRC Final Review
- Stage 6: Board of Trustees Approval

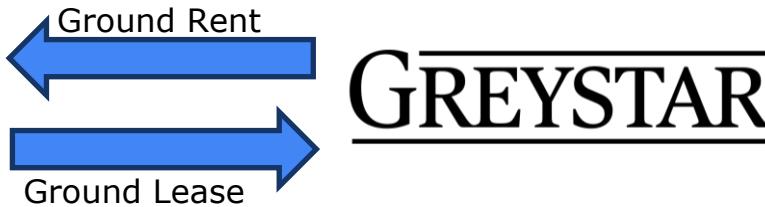
| Task                                 | Date          |
|--------------------------------------|---------------|
| BOT Approved Financing               | November 2023 |
| Land Acquired                        | November 2023 |
| Legal Opinion on Prevailing Wage     | January 2024  |
| Initial Terms Agreed                 | February 2024 |
| HPRC/LDRC Meeting                    | February 2024 |
| BOT Concept Approval                 | July 2024     |
| Pre-Development Agreement Signed     | April 2025    |
| Final HPRC/LDRC Meeting              | April 2025    |
| Design Complete / Final GMP          | May 2025      |
| BOT Meeting/Appr. of Ground Lease    | July 2025     |
| Building Permit Received             | July 2025     |
| Construction Begins                  | August 2025   |
| Construction Completed               | March 2027    |
| Testing, Fit-Out, Punchlist Complete | April 2027    |
| Students Move In                     | August 2027   |



# The Opportunity



University Enterprises, Inc.  
**SACRAMENTO STATE**



## P3 and Risk Transfer

Utilizing a P3 Equity partnership allowed UEI to progress the project in a more time efficient, and cost effective way.

- UEI was able to sole-source the partnership with Greystar, building off of the prior collaboration at Hornet Commons, and ensuring similar terms and structure.
- Greystar was able to utilize existing project designs to expedite their own design process without needing to adhere to campus architect and design standards.
- The project did not utilize any state-funding, with UEI being fully reimbursed at financial close, ensuring limited financial risk for the auxiliary and university.
- Greystar will develop, own, and manage/maintain the housing during the duration of the ground lease.



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# The Opportunity

## Greystar Relationships and Expertise Secured Healthy Budget

- Representative of current 352 bed program of 140,401 gross square feet.
- Greystar will fund with combination of private equity and debt.
- Budget was developed assuming non-prevailing wage per outside counsel and OGC guidance on applicability, pursuing entitlements and permits through the City of Sacramento, and the project would be exempt from certain impact and development fees such as parks, recreation, and schools.

| Cost Item   | Amount*             | Per Bed Amount    |
|---|---------------------|-------------------|
| Upfront Contribution to UEI                         | \$1,750,002         | \$4,972           |
| Hard Costs  | \$41,299,753        | \$117,329         |
| Soft Costs  | \$11,999,019        | \$34,088          |
| Financing Costs                                     | \$7,091,498         | \$20,146          |
| <b>Total Budget</b>                                 | <b>\$62,140,272</b> | <b>\$176,535</b>  |
| <i>Comparable CSU Housing Project Cost Averages</i> |                     | <b>\$311,000*</b> |

# The Opportunity



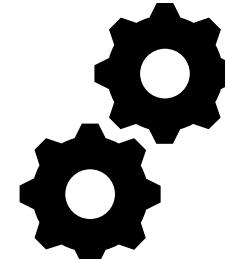
## Cost & Capital Pressures

- Rising Construction & Labor Costs
- Challenging Equity/Debt Market
- Operating Cost Escalation (utilities, insurance)



## Student Needs & Affordability

- Pressure to deliver truly affordable beds
- Rising basic-needs expectations
- Balancing amenities/programming with cost



## Campus & External Constraints

- Procurement/ oversight complexity
- Enrollment uncertainty
- Neighborhood & political sensitivities

# The Opportunity

## Pre-Opening

1. Demolition costs reimbursed by Greystar → **\$250,000**
2. Land acquisition costs reimbursed → **\$1,000,000**
3. Pre-development costs reimbursed → **\$750,000**
4. All city and impact fees included in project cost, no cost to UEI

## Project Operations

1. 7.25% of gross revenue
2. Additional security cost reimbursement
  - \$60K from Greystar for Hornet place
  - \$190K from GEDR for Hornet Commons (amendment to Cooperation Agreement)

**\$350K+**

contributing to UEI's annual revenue

**\$121M+**

UEI anticipated cumulative cash flow over 80 years

**9%+**

Levered IRR to Greystar



# The Opportunity





# Q&A Discussion



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THANK  
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