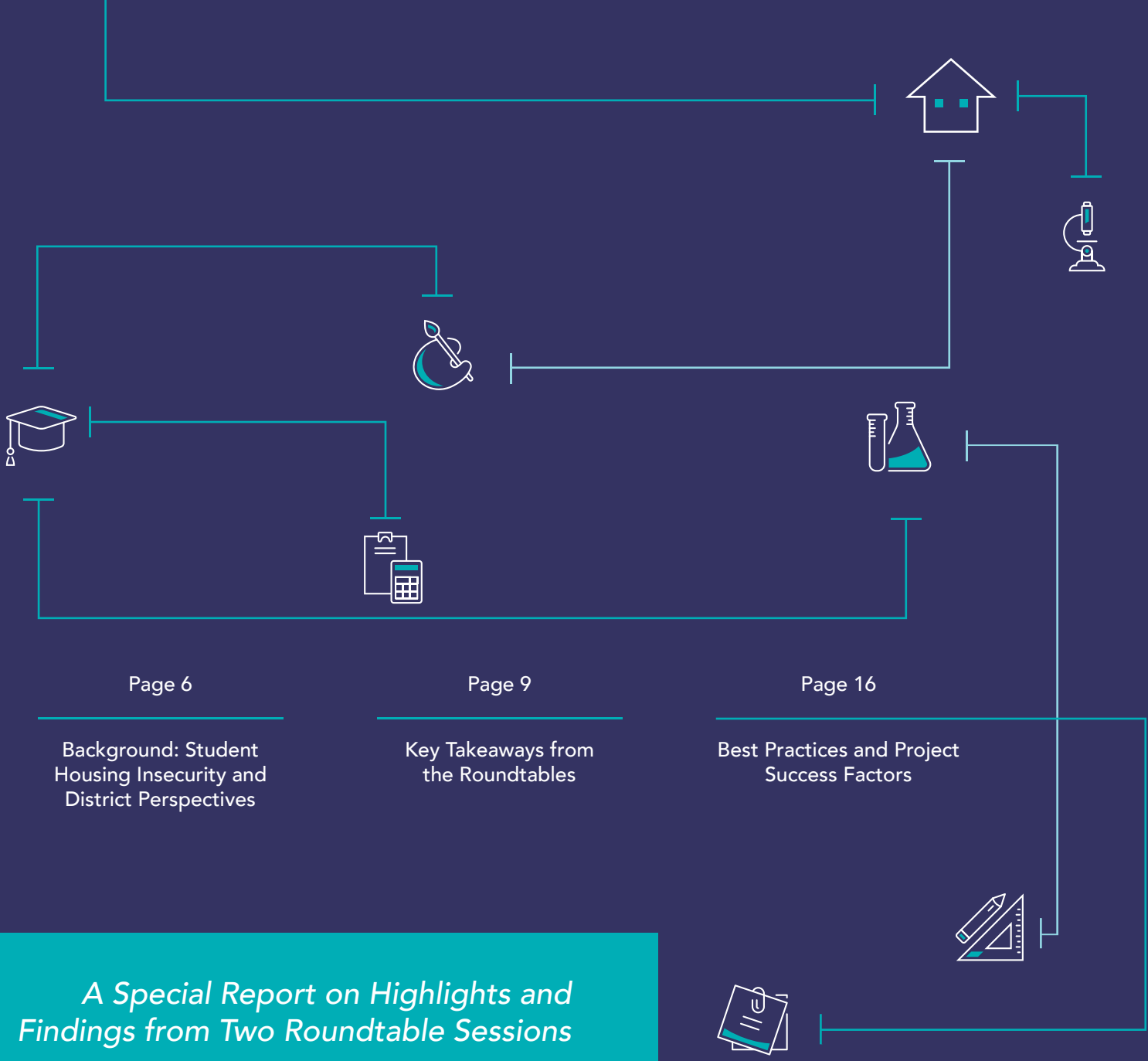


# COLLABORATIONS TO SUPPORT EDUCATIONAL HOUSING:

Serving the Needs of California's Underserved Community College Students



*A Special Report on Highlights and Findings from Two Roundtable Sessions*



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## ACKNOWLEDGEMENT:

This report and collaboration was made possible by the financial support of the ECMC Foundation. Based in Los Angeles, it is a national foundation working to improve postsecondary outcomes for students from underserved backgrounds. It is one of several affiliates under the ECMC Group enterprise based in Minneapolis, which together work to help students succeed.

The Foundation makes investments in two focus areas: College Success and Career Readiness; and uses a spectrum of funding structures, including strategic grantmaking and program-related investments, to fund both nonprofit and for-profit ventures. For more information, visit the ECMC Foundation website: <https://www.ecmcfoundation.org/who-we-are>



# I. Preface

A 2019 study prepared by the Southern California Association of Nonprofit Housing (SCANPH) with UCLA's cityLAB provided insight into the opportunities and challenges of developing affordable housing for community college students, using three campuses of the Los Angeles Community College District as case studies.

## Building on Past Collaboration

The 2019 Study by SCANPH and UCLA's cityLAB included a site strategy analysis of three LACCD campuses to document the potential for developing affordable housing that integrates seamlessly with existing campus infrastructure. Campuses and typologies studied are as follows:

Pierce College – 200 units, courtyard housing typology

LA Valley College – 200 units mixed with commercial and supportive services, town center typology

Harbor College – 200 units in a live/learn hub with education space

Following the dissemination of the SCANPH and cityLAB study, a number of agencies and stakeholders commenced discussions about how to move the conversation forward in Southern California. At the same time, the Chief Executive Officers of the California Community Colleges (CEOCCC) were continuing their efforts under the Affordability, Food & Housing Access Task Force to provide system-wide recommendations and spread awareness of best practices.

By early 2020 SCANPH, the California State Treasurer's Office, the Mayor's Office of the City of Los Angeles, and the California School Finance Authority (CSFA) had partnered to convene a series of roundtable discussions to further explore the barriers and potential opportunities to build affordable housing for vulnerable and/or underserved students on community college campuses.



*The Aspire is a new project being developed by Innovative Housing Opportunities (IHO), a SCANPH member. IHO partnered with the Riverside Community College District to fulfill the housing needs of homeless students. An array of services and programming will be provided to students at no cost.*

## ABOUT THE STATE TREASURER'S OFFICE:

Fiona Ma is California's 34th State Treasurer. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. Her office processes more than \$2 trillion in payments within a typical year and provides transparency and oversight for an investment portfolio of more than \$90 billion, approximately \$20 billion of which are local government funds. She also is responsible for \$85 billion in outstanding general obligation and lease revenue bonds of the state. See a brochure from the State Treasurer's Office on available programs and services:

<https://www.treasurer.ca.gov/publications/programs-services.pdf>

## ABOUT SCANPH:

SCANPH, the Southern California Association of Nonprofit Housing, is the leading voice representing the affordable housing industry in a region of over 18 million residents, and our advocacy efforts have contributed greatly toward assisting the financially vulnerable in our communities since 1985. SCANPH's mission is to facilitate affordable housing development across Southern California by advancing effective public policies, sustainable financial resources, strong member organizations, and beneficial partnerships. For more information, please visit [www.scanph.org](http://www.scanph.org)

## ABOUT CSFA:

The California School Finance Authority (CSFA) was created in 1985 to finance educational facilities and working capital on behalf of school districts and community college districts. Since its inception, the Authority has developed a number of financing programs primarily focused on assisting non-profit borrowers, school districts and community colleges with meeting their facility and working capital needs. The Authority is chaired by State Treasurer Fiona Ma, CPA, and the Superintendent of Public Instruction and the Director of Finance serve as members.

## ABOUT MAYOR ERIC GARCETTI'S HOUSING OFFICE

Eric Garcetti is a fourth-generation Angeleno and the 42nd Mayor of Los Angeles. To combat the City's housing affordability crisis, Mayor Garcetti set an ambitious agenda that focuses on expanding the supply of housing, strengthening rent stabilization, making development more equitable, and keeping Angelenos from falling into homelessness. His initiatives have streamlined development processes for housing, established incentives for the construction of more affordable units, and substantially expanded financial resources for building long-term, stable homes for those experiencing homelessness.

## ROUNDTABLES

The housing needs of students and the colleges' interest in addressing those needs served as the impetus for our collaborating organizations to convene the roundtable sessions. The objectives were to facilitate idea-sharing and foster greater understanding of how to best address student housing needs at the community college level.

Two roundtables were scheduled for Spring 2020 and converted from in-person to virtual formats due to the global COVID-19 pandemic:

- Los Angeles Roundtable: April 22, 2020
- Regional Roundtable: May 13, 2020

We sought insight from diverse perspectives, as demonstrated by the participating organizations listed below (in alphabetical order). These organizations represented an important cross-section of non-profits, public agencies, businesses, and political leaders who are invested in tackling the housing challenges faced by this overlooked population and alleviating the affordable housing crisis faced by community college students.

Los Angeles Roundtable – April 22, 2020	Regional Roundtable – May 12, 2020
Abode Communities Brailsford & Dunleavy California School Finance Authority California State Treasurer's Office cityLAB UCLA Community Corp. of Santa Monica Compton College IMPACTS USA Advisory Services LA Room & Board Los Angeles Community College District Los Angeles Mayor Garcetti's Office: Housing Los Angeles Unified School District Pasadena City College Rio Hondo College Servitas Collegiate Real Estate Services Southern California Association of Nonprofit Housing Stifel Financial Corp	California School Finance Authority California State Treasurer's Office City of Riverside Coast Community College District IMPACTS USA Advisory Services Innovative Housing Opportunities Irvine Community Foundation KPMG KTG Pao Strategies Peterson & Associates Project Finance Advisory Limited Riverside Community College District San Bernardino Valley College Southern California Association of Nonprofit Housing The Michaels Organization UCLA

## OVERVIEW

**This Report** does the following:

- Provides background information on the need for more community college student housing;
- Describes our roundtables and participating organizations;
- Summarizes highlights and key takeaways from the roundtables;

- Compiles the diverse perspectives of roundtable participants; and
- Concludes with a discussion of next steps for consideration by stakeholders committed to moving forward to address the needs and obstacles identified in this report.

*As organizers and collaborators for these roundtable sessions, we are committed to being trusted partners to community colleges and other stakeholders in the ongoing evaluation of on-campus housing and any prioritization of resources to address the needs of the most marginalized students. There is much more work to be done and these roundtables are just a few among many steps to solve the housing affordability challenges of low-income and homeless community college students in the Southern California region and the State.*



*The Village, a project by Cerritos College, opened in 2020. It is California’s first housing exclusively for homeless students. More than half of the college’s 22,000 students are either homeless or struggle to pay their rent.*

## II. Executive Summary

### BACKGROUND: STUDENT HOUSING INSECURITY AND DISTRICT PERSPECTIVES

The California Community College (CCC) system is the largest system of higher education in the country with more than 2.1 million students at 115 campuses. In addition to the primary mission of academic and vocational instruction, the California Education Code directs community colleges to provide support services to help students succeed at the postsecondary level as an “essential and important function” of community colleges. Furthermore, providing community services courses and programs is authorized so long as that is compatible with the institution’s ability to accomplish its primary missions.

Historically, student housing has been uncommon at community colleges in California, with only 11 of the

### California Student Housing Projects

#### “Legacy” Housing Campuses

- Cerro Coso Community College – Mammoth Lakes, CA
- College of the Redwoods – Eureka, CA
- College of the Siskiyous – Weed, CA
- Columbia College – Sonora, CA
- Feather River College – Quincy, CA
- Lassen College – Susanville, CA
- Reedley College – Reedley, CA
- Shasta College – Redding, CA
- Sierra College – Rocklin, CA
- Taft College – Taft, CA
- West Hills College Coalinga – Coalinga, CA

#### New Housing Campuses\*

- Orange Coast College – Costa Mesa, CA
- Santa Rosa Junior College – Santa Rosa, CA
- Sierra College (expansion) – Rocklin, CA
- Rio Hondo College – Whittier, CA
- Cerritos College – Cerritos, CA
- The Aspire, near Riverside Community College District – Riverside, CA

*\* list is not exhaustive*

115 campuses in the California Community College (CCC) system offering student housing. However, the State's severe housing shortage has forced campuses to re-evaluate their traditional roles as commuter campuses.

The recent state of student housing at California's community colleges is illustrated by a few key statistics gathered from surveys of students and community college districts:



*Santa Rosa Junior College is building a 360-bed student housing project. Prices will start at below market-rate for students.*

### STUDENT EXPERIENCES

- 30%:** The proportion of CCC students solely responsible for their housing costs
- 33%:** The share of a CCC student's total cost of attendance covered by grant aid (and relatively few students have access to loans)
- 43%:** The share of a CCC student's total cost of living represented by housing costs
- 56%:** The proportion of CCC students reporting food insecurity
- 35%:** The proportion of CCC students reporting housing insecurity
- 14%:** The proportion of CCC students reporting a period of homelessness

Source: *CRHH (College Ready, Hungry, and Homeless: An Overview of Basic Needs Insecurity in California's Public Higher Education System, published by California Assembly Speaker's Office of Research and Floor Analysis (July 2018).*

### DISTRICT PERSPECTIVES

In order to inform strategic planning, in 2020 the Center for Equitable Higher Education South, in collaboration with the Community College League of California Affordability, Food, & Housing Access Task-force, administered a questionnaire to CCC leadership surveying interest in the development of housing facilities.

**32.9%** of those surveyed said they were planning or conducting feasibility studies for student housing.

Only **6.3%** said they planned to open student housing within the next two years or indicated they had a student housing project in their current master plan.

Almost **46.8%** of survey participants indicated that they had a high interest in providing housing for students.

Concerns about a lack of adequate staff or resources were most noted as a limitation or drawback that may discourage building on-campus student housing.

Overall, the survey's results indicated a high level of interest among CCC leaders to learn more about public-private partnerships, financing models, and existing successful community college student housing projects.

## KEY TAKEAWAYS FROM THE ROUNDTABLES

Roundtable participants collectively provided over seven hours of insights and expertise during the two sessions that were convened this year. We are grateful for their invaluable contribution of time and willingness to share their input. Below is a sampling of key takeaways.

### **Covid-19 Impacts**

- There will be adjustments to CCC budgets due to the COVID-19 global pandemic; most districts are experiencing uncertainty about what the next fiscal year has in store.

### **Funding**

- State funding is critical to advancing more projects and to avoid an unfunded mandate for student housing.
- Title 5 of the Education code needs to be addressed because housing is not recognized in campus funding packages and would be vulnerable to cuts.
- Campuses need additional funding to conduct a broad study regarding housing on CCC land and the full spectrum of options, as well as any barriers that need to be addressed for siting/funding/leasing units.

### **Understanding the Student Population to be Served**

- Must distinguish between traditional and nontraditional students. According to the National Center for Education Statistics, non-traditional students are usually 24 and older. They often face educational challenges from work, family situations, delayed enrollment in school, and more.
- 40 percent of CA community college students are over the age of 25.
- The meaning of affordability varies across the student population.

### **Project Costs & Affordability**

- Campuses providing land is foundational for success of nonprofit developers.
- Financial aid packages for CCC students do not provide sufficient support to cover housing; if housing is built without subsidies for those who need them, it may go to the least needy students.
- Current regulatory structure for community college facilities drives high costs for districts to deliver housing as compared to the standards applied to private projects in the community.

### **Policies and Partnerships**

- Community college student housing will not solve housing / homelessness crises but could add to the supply of the market with underutilized land; can be part of broader market solution.



- Community colleges need assurances that if an investment in housing is made that it can be made available for students with highest need; development partnerships can muddy the water on such an arrangement.
- It will be critical to find a broad partnership of organizations (local and state), particularly government entities, to tackle the issue of land acquisition and affordability of projects.
- Advocacy should look at mandating housing more broadly on public land; support utilization of surplus land for a critical public need.

### **Opportunities for Innovation**

- Each campus should take a tailored approach to factor in district-specific needs and local ecosystem.
- The needs will vary across traditional and non-traditional, foster youth, students with children, or homeless students, for example.
- Maximize the efficiency that already exists within our ecosystems, such as partnering with other institutions with vacant dorm rooms.
- Advancing additional projects should include short-, mid-, and long-term housing strategies, building on what has been proven to work, including providing supportive services to students before housing is available.
- The use of modular construction may provide a cost-effective and scalable alternative for community colleges to build student housing.

## **III. Participant Perspectives - Detailed Discussion Points**

Our two virtual roundtables successfully brought together dozens of district representatives, housing and financial experts, and student advocates to discuss a variety of perspectives on the feasibility of advancing community college student housing development. Roundtable discussions explored financing models, legal and policy issues related to funding and Fair Housing law, developer considerations for successful financing and project siting, and current best practices, among others. They also identified challenges to providing student housing, including affordability of rents, targeting the right students, regulatory impacts on costs, lack of property, community relations, and funding gaps.

Below is a compilation of diverse perspectives shared during the Roundtable discussions on April 22nd and May 13th. These discussion points summarize the views of one or more individual participants, and should not be viewed as a “consensus” view of all participants or organizations, nor as policy positions of the roundtable sponsors.

### **COVID-19**

- The CARES Act allocated roughly \$30.75 billion to education, of which roughly \$14 billion is available to higher education in the form of an Emergency Relief Fund.

- According to KPMG, in the absence of formal regulatory guidance, recipients of the funds are grappling with how best to approach distributions to students from an administrative, equity, and access standpoint. Overall, the funds represent a first step to supporting institutions and the students they serve, even if the total allocation may be insufficient to cover all costs borne by the recipient institution and whether their budgets remain precarious.
- College representatives noted that perspectives on community college housing may change in light of the COVID-19 pandemic and multi-family housing may be more appealing given lost revenue if dorms are empty.
- More students are couch-surfing due to housing instability, so hotel vouchers have been considered for those with nowhere to go. The pandemic has exacerbated housing instability among students.
- Services during a period of hardship are being made available, such as online mental health counseling, grocery gift cards, and partnerships with local food banks.
- There will be adjustments to CCC budgets due to the pandemic; most districts are experiencing uncertainty about what the next fiscal year has in store.

## **Funding and Financing**

- Historically two core financing models have been used to own and operate housing on campuses: (1) underlying institutional funds or (2) equity models / equity-funding partnerships.
- Now we are seeing use of 501(c)(3) model, which has no outside equity. Bonds are sold for the purpose of building the project. While rents have to be high enough to cover the debt service, excess funds go back to the college each year rather than to equity investors.
  - Over time (10-20 years) the rent increases will be relatively low, despite high upfront costs.
  - Still need additional subsidies or creative structuring to make rents affordable for some; a foundation could provide the subsidy.
- State funding is critical to advancing more projects and to avoid an unfunded mandate for student housing.
- Most existing community college general obligation bond funds cannot be used for housing, so Public-Private Partnerships (P3 models) may be promising.
- Most of the existing 11 housing facilities at community colleges were funded internally and not through P3-type models. Most are also old enough that they have minimal debt obligations remaining, if any.

- Sierra College is replacing and expanding existing housing and will make it a center element of the campus. They will be financing through a revenue bond.
- Colleges have to prepare to offset costs incurred due to residents being on campus 24/7 and for direct operations and increased student services.

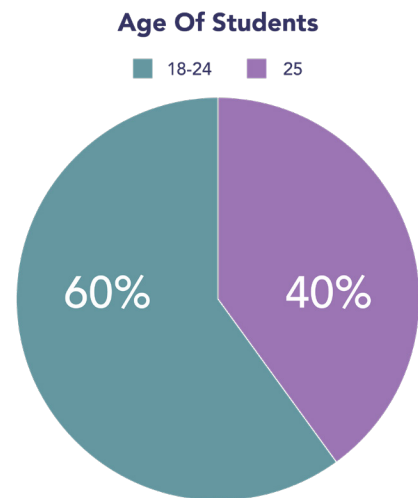


*Sierra College is replacing and expanding existing housing.*

- Real estate trusts could be viable partners to get community investment.
- Attracting equity is not as big of a challenge as reducing upfront development costs.
- Rents may still be too high for students without subsidies tied to project.
- Vouchers are necessary for some districts and a strong connection to local housing authority; Low Income Housing Tax Credits for student housing would be helpful too.
- The creditworthiness of student housing projects may be challenging in the aftermath of Covid-19. In terms of financing, this could be a challenge if rating agencies are sensitive to the shift to online learning, as they may be looking to see if such a shift will be an enduring shift in student behavior that over the long term reduces demand for student housing.
- Layering of financing tools designated for “affordable housing” makes it more difficult to service a specific student population, which can delay projects.

### Understanding the Student Population to be Served

- Should distinguish between traditional and nontraditional students
  - 40% of CA community college students are over 25
  - 60% of Pasadena’s students commute from outside the district
- Meaning of affordability varies across student population
- Must recognize that not all students have the same needs
  - Dorms may not be sufficient for students over the age of 25
  - Consider needs of homeless students (with and without cars)



### Project Costs & Affordability

- Attracting equity is not as big of a challenge as reducing upfront development costs.

- Campuses providing land is foundational for success of nonprofit developers.
- Rents may still be too high for some students to afford without subsidies tied to the project or targeted to needy students.
- Current regulatory structure for community college facilities drives high costs for districts to deliver housing as compared to the standards applied to private projects in the community.
- Innovation and creativity will be needed to identify the types of housing solutions that can be delivered efficiently and affordably – from hostels and co-ops to sharing projects among multiple institutions.

### **Legal / Policy/ Regulatory Implications**

- Financial aid packages for CCC students do not provide sufficient support to cover housing; if housing is built without subsidies for those who need them, it may go to the least needy students.
- Advocates should support SB 291 (Leyva) to cover the true/full costs of CC attendance.
- Community colleges need assurances that if an investment in housing is made that it can be made available for students with highest need; development partnerships can muddy the water on such an arrangement.
- Title 5 of the Education code needs to be addressed because housing is not recognized in campus funding packages and would be the first item cut.
- Developers could consider a hybrid model in which a student is given a year to transition out of on-campus housing and move into another unit owned by the developer off campus.
- Advocacy should look at mandating housing on public land; utilization of surplus land for a critical public need.
- AB 1486 provisions, re: surplus land, are a complication because student housing was rejected as an exemption. The bill clarifies and approves enforcement of the Surplus Land Act.
- Just like affordable housing has income restrictions, the 501(c)3 projects have qualified student restrictions. If you have residents that are not students, you risk losing your tax-exempt status on the bonds.

## Leveraging Existing Affordable Housing Tools

- Defining eligibility for tenancy will be important in moving forward to leverage any targeted affordable housing funding and financing tools.
- Traditional low-income housing funding sources often preclude flexibility, such as co-locating on a campus or having mixed populations or even more than one resident per unit.
- Existing workforce projects constructed by LAUSD on their district-owned land provide examples for how complex subsidized transactions can be.
  - These projects have presented issues with Fair Housing law because public subsidy dollars funded them; while initially projects had 85% district staff, that number is now 61% with inability to control the tenancy over time if a resident ceases to be a district employee.
  - Moving forward, LAUSD is exploring alternative financing options and how to restrict workforce housing to district employees, particularly after employees leave the District.
  - Community colleges would be advised to obtain experienced legal, technical, and financial advisors to navigate these issues in advance.
- For a project in Riverside, tenant preference has been an on-going issue, as the developer is getting vouchers from the City but due to fair housing, it is not possible to designate the housing to college students.
  - The ability to serve “vulnerable youth” is one way to meet the needs of some students, and the developer will closely monitor the application process and work closely with the CC district to assist such students to qualify.
- The so called “student rule” for tax credit purposes has been a subject of several modifications over the past few years. House Resolution 3077 seeks to amend current law to allow re-designation of any carryover bond authority and use it for either single-family or multifamily housing during the carryover period.
  - HR 3077, like all tax credit bills, needs to be affixed to a piece of legislation.

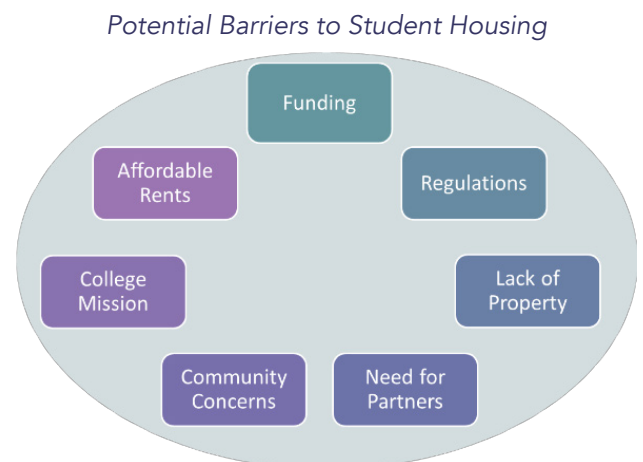
## Siting / Market Issues

- Funding is necessary to conduct a broad study regarding housing on CCC land and the full spectrum of options as well as any barriers that need to be addressed for siting/funding/leasing units.
- Need to explore options both near campus and on campus; partner with other public land-owners, such as public agencies.

- Expand the notion of what affordable housing could be and how it might integrate/be sited on CCC land:
  - For instance, hostels or overnight accommodations
  - Co-ops are another option that may be considered, but may be difficult to fund
- Abode Communities has a project in Northern CA advancing due to a private donation of land but still unresolved how to target students; campuses providing land is foundational for success of nonprofit developers.
- CC housing will not solve housing/homelessness crises but could add to the supply of the market with underutilized land; can be part of broader market solution.
- Development, workforce housing, and supporting the homeless all get neighborhoods upset and engaged in siting process; necessary to have leadership that doesn't balk and maintains clarity of purpose i.e. coalescing around mission and pursuing strategies that support educational institution.
- A regional approach to student housing is helpful to overcome limited site selection or strict parking requirements—particularly in dense areas.
- Integrating supportive services on site must be carefully considered when developing a project, including on-site case management or community space.

### Other Overarching Barriers

- Costs to build in California remain very high, including labor, regulatory compliance, materials, and land, if not provided by a college.
- Local zoning issues and property taxes may present challenges for campuses.
- Rural schools will face issues in attracting a workforce to build locally.
- NIMBY/neighborhood opposition to having students housed nearby.
- Forming key partnerships with community organizations and building a strong ecosystem takes trust/solidarity with a common mission.
- There are limitations presented by the board of trustees and campus administration; advancing a project is problematic if – as is often the case – stakeholders at the campus and the district level don't interact well and campuses may be wedded to their own facilities plans. Financial markets want consensus; otherwise, could be seen as riskier deal, i.e. higher interest rates.



- CCC culture can be a deterrent; many still believe CC students should commute and that it is not a college's role to provide housing. The mission of CCCs does not include language about housing.
- Providing students safe parking options to stay overnight prioritizes those who have cars and does not get them on the path to housing, food or job security.
- Schools must conform to higher buildings standards, and possibly energy standards, which will affect the price of a project; affordable housing also has other design requirements that add to the cost.
- Focusing on commercial/retail components to a CCC housing project may detract from the problem we're trying to solve, namely housing needy students.
- The Division of the State Architect (DSA) needs a better understanding of housing and in-house expertise in order to provide value for CCC student housing projects.
- The Building Code is robust and complex in California, which can create hurdles. Prevailing wage requirements also may be an impediment to incentivizing developers to work on CCC projects.

## Opportunities for Innovation

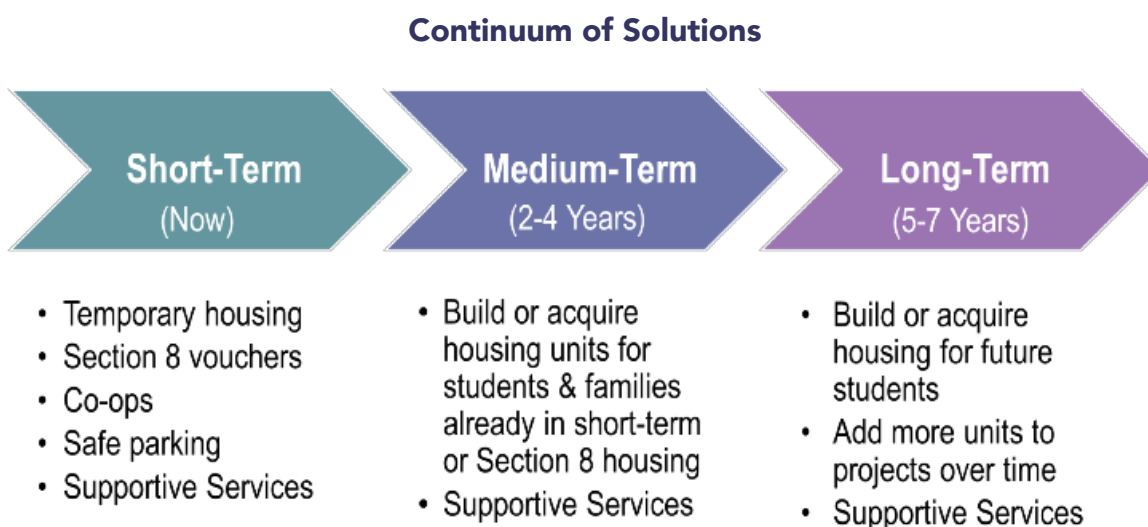
- Each campus should take a tailored approach to factor in district-specific needs and local ecosystem. For instance:
  - **Pasadena City College** does not have surplus land, so is providing resources, services, and connections to students.
  - **Orange Coast College's** new on-campus project is designed for a residential community experience for students that is comparable to the environment at a four-year institution. This unique situation drives the opportunity to rely on third-party partnerships.



*Orange Coast College's 800-bed project, constructed for \$89 million.*

- **Colorado Mountain College's** model is to fund housing across several campuses with one bond to take a system-level approach. This also is a way to avoid cannibalizing interest in other campuses that might occur if only one campus has housing. Also, they can balance out occupancy needs across the system. They also are cost-effective with same design/layout plans across the system.

- o **Tacoma Housing Authority** allows students to use Section 8 vouchers to afford housing in the community.
- o **At UC Riverside** housing units, students are not issued a lease; rather, they are issued a bed contract which renews at an academic or annual year. This type of contract is not the level of tenancy as a typical lease in CA, and by extension that makes bond investors a bit more comfortable.
- o **Compton College** is exploring the use of modular construction as a way to provide a cost-effective and scalable alternative for community colleges to build student housing.
- Maximize the efficiency that already exists within our ecosystems. For instance:
  - o Partner with public and private four-year institutions that have vacant dorm rooms.
  - o CCCs should look at partnering with nearby CSUs since they also may have housing affordability and occupancy concerns to manage.
- Advancing additional projects should include short-, medium-, and long-term housing strategies, building on what has been proven to work, including providing supportive services to students before housing is available.



### Best Practices and Project Success Factors

- Risk mitigation: financial pro-formas should include the following: Conservative Occupancy Assumption (80%); Annual Repair & Maintenance Budget; “Turn Cost;” Construction Contingency
- It will be critical to find a broad partnership of organizations (local and state), particularly government entities, to tackle the issue of land acquisition and affordability of projects.



- Developers and districts should explore a master lease model, which involves a nonprofit housing provider engaging in a long-term lease with a property owner, i.e. the district or campus.
- Participants discussed best practices and project success factors, such as having an empowered and dedicated housing project champion, as well as addressing community relations issues. Other factors are illustrated below.

### Student Housing Project Success Factors

Goals	Leadership
<ul style="list-style-type: none"> <li>Realistic view</li> <li>Clear project goal</li> <li>Clearly stated rent goals</li> <li>Determine ideal tenant profiles, needs, blend of opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Project champion is critical</li> <li>Owner-driven project</li> <li>Trustee &amp; administration buy-in</li> <li>Institutional will</li> </ul>
College Team	Communications
<ul style="list-style-type: none"> <li>Strong team</li> <li>Equally committed</li> <li>Long-term commitment</li> <li>Prepared for surprises</li> <li>Amicable relationship with developer</li> </ul>	<ul style="list-style-type: none"> <li>Send a clear message to the market</li> <li>Address community relations issues</li> <li>District &amp; campus coordination</li> <li>Be proactive about any NIMBY obstacles</li> </ul>

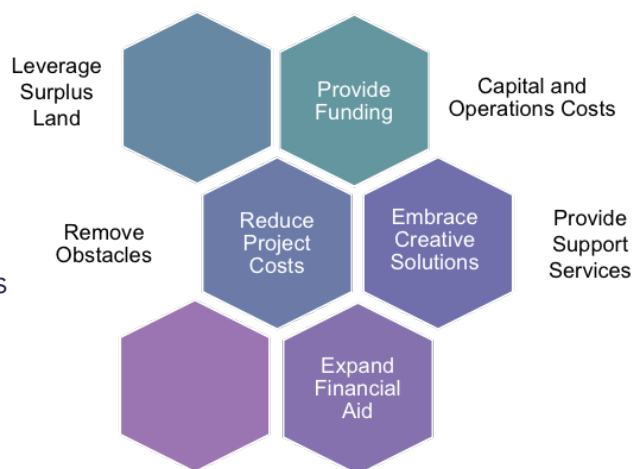
### Case Study: First CCC Student Housing Project in Southern CA

- First project on campus-owned land at Orange Coast College will open in summer of 2020 with more than 800 beds; it was 58% leased at time of May Roundtable.
- The project features below-market rents but is not “affordable housing” as defined for state and federal subsidies (e.g., low income housing tax credits). Residents will have three lease options: annual; by the semester; or summer only.
- Coast Community College District contracted for planning, design, development, construction and operation in order to build the right team; college representatives knew they were not experts in providing student housing and needed outside expertise across the project lifecycle.
- District initially examined underutilized assets for revenue optimization and ultimately pursued a housing project because it was most aligned to the core educational mission of the district.
- Using the campus’ own land made it financially feasible.
- Occupancy might extend to all the District’s three campuses if the project is not filled solely by Orange Coast College students.
- On-campus housing has operating and indirect costs that led the OCC team to budget \$900,000 per year in additional funds to support student services.
- Project development cost estimated at \$89 million, or over \$110,000 per bed.

## IV. Concluding Thoughts: Next Steps

Participants in the roundtable discussions also recommended a number of actionable next steps to advance the effort to provide affordable housing to community college students, including the following:

- Assist community colleges with funding and resources to explore their housing options.
- Reduce upfront development costs for student housing.
- Provide land for student housing on CCC property and obtain underutilized or surplus land from other public agencies to put to use for this vital purpose.
- Legislative advocacy to remove key obstacles to building affordable student housing with a focus on decreasing construction and O&M costs.
- Develop tenant eligibility and occupancy policies to better utilize cost-reducing tax credits and tax-exempt bonding strategies.
- Expand CCC financial aid budgets to provide adequately for students' rental costs.
- Explore opportunities to subsidize students' rents through outside donation, partnerships, and future project revenues.
- Identify creative affordable housing solutions beyond traditional dorm or apartment-style accommodations.
- Provide supportive and transitional services to students before housing is available.
- Colleges have to prepare to offset costs incurred due to residents being on campus 24/7 and for direct operations and increased student services.



We are immensely gratified to the roundtable participants and all those who have shared their expertise with us over the past year. As we build on these dialogues, these events were just the first of many conversations and we are excited to learn more together and amplify such knowledge sharing—with this report being a perfect example of our commitment to being a resource for all interested parties.

As is a common refrain in education, knowledge is power, and affordable housing can only empower more students to reach their learning potential and ultimately contribute their skills to our communities. ■

# SCANPH

SOUTHERN CALIFORNIA ASSOCIATION OF NONPROFIT HOUSING

Eric  
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ECMC  
Foundation