

# **Proposed Revisions to Title 5, California Code of Regulations Related to the Maintenance of Affordable Student Housing Facilities (First Reading)**

This document contains underlined and stricken text, which may require adjustments to screen reader settings. Underlined text denotes additions to existing regulations; ~~stricken~~ text denotes deletions from existing regulations.

## **SECTION 57001, OF SUBCHAPTER 1, OF CHAPTER 8, OF DIVISION 6, OF TITLE 5, OF THE CALIFORNIA CODE OF REGULATIONS IS AMENDED TO READ:**

57001. Definitions.

For the purposes of this chapter:

(a) “A small community college” means a college with 35,000 or fewer weekly student contact hours (WSCH) in credit and noncredit courses and programs.

(b) “Affordable student housing” means rental housing with a recorded affordability restriction for the life of the facility and rented to public, low-income higher education students at a below market rate calculated at 30 percent of 50 percent of the area median income for a single-room occupancy unit type, unless adjusted pursuant to Education Code section 17201.

(c) “Leased or rented” means a building for which rental costs are paid, and the use of which will be discontinued upon the completion of the project for which application has been submitted.

(d) “Permanent building” means a building for which there is no plan for removal or demolition.

(e) “Temporary building” means a building of limited worth which, according to the capital construction master plan, is anticipated to be demolished or replaced within five years. All other buildings are to be considered permanent.

(f) As used in this chapter, “weekly student contact hours” means the product of the number of students and the scheduled class periods in which they are enrolled, in graded and ungraded community college classes convened prior to 10 o'clock p.m. during a census week. A class period is not less than 50 minutes and not more than 60 minutes.

NOTE: Authority cited: Sections 66700, 70901, 81805, and 81836, Education Code.

Reference: Sections 17201-17202, 81836 and 81837, Education Code.

**SECTION 57001.5, OF SUBCHAPTER 1, OF CHAPTER 8, OF DIVISION 6, OF TITLE 5, OF THE CALIFORNIA CODE OF REGULATIONS IS AMENDED TO READ:**

Section 57001.5. Project.

(a) As used in this chapter “project” means the purpose for which a community college district has applied for assistance under the Community College Construction Act chapter 4 of part 49 of the Education Code for one or more institutions under its authority or for district wide facilities. A “project” may include the planning, acquisition, ~~and or~~ improvement of community college sites; the planning, construction, reconstruction, or remodeling of ~~any~~ permanent structures ~~necessary~~ for use as a classrooms, a laboratories, ~~a libraries~~, a performing arts facilities, ~~a gymnasium~~, the basic outdoor physical education facilities, the basic food service facilities, ~~or~~ child development centers, ~~pursuant to section 79120 of the Education Code~~; affordable student housing facilities; ~~or related facilities necessary for the instruction of~~ to instruct students or ~~for administration of the~~ to administer educational programs; essential maintenance or utility facilities; ~~essential to the operation of the foregoing facilities~~ and the initial furnishing or, and initial acquisition of equipment for, a project described above. ~~A project may also include the initial furnishing of, and initial acquisition of equipment for, any facility leased or lease-purchased by a community college district as of August 1, 1987, for educational purpose or purposes.~~

(b) A project may also include the reconstruction or remodeling of any facility leased or lease-purchased for educational purposes. The Chancellor's Office shall require transfer to the community college district of title or any other interest considered sufficient by the district, in and to facilities presently leased or to be leased in the future by the district, to the extent of the funds appropriated for reconstruction or remodeling of leased facilities. When sufficient title or interest has not been transferred, the term of the lease shall be of sufficient duration to completely amortize the reconstruction or remodeling cost. Such amortization shall be determined by utilizing generally applicable accounting principles. ~~current interest rates and normal accounting principles~~. If the lease is terminated prior to amortizing the reconstruction or remodeling costs the district shall repay the state for any unamortized state costs.

~~A project~~ Projects constructed on property leased from the federal government, the state, or any county, city and county, city, or district are consisting of the construction of any facilities listed in subdivision (a) on property that conforms to subdivision (b) of section ~~81530 of the Education Code~~ shall be eligible for state funding. ~~For any project that is constructed under this paragraph, the term of the lease shall be of sufficient duration to completely amortize the cost of the project and The governing board of the community college~~ The district shall provide in the lease agreement that the lessor will be held

~~harmless for district activities conducted on leased real property. a hold harmless clause satisfactory to the lessor.~~ The amortization shall be determined by utilizing generally applicable accounting principles. ~~current interest rates and normal accounting practices.~~ If the lease is terminated prior to amortizing the project, the district shall pay the state for any unamortized state costs.

(c) The projects defined by subdivisions (a) and (b) of this section shall not be construed as a commitment by the Board of Governors as to the type or possible number of projects that may be considered during any fiscal year.

(d) A project shall not include the planning or construction of ~~dormitories,~~ student centers other than cafeterias, stadia, the improvement of sites for student or staff parking, or single-purpose auditoriums.

NOTE: Authority cited: Sections 70901, Education Code. Reference: Sections 17201-17202, 70901, 79120, 81530, 81800 through 81839, Education Code.

###