



TO: Chief Executive Officers
Chief Business Officers
Facilities Director

FROM: Dr. Lizette Navarette
Executive Vice Chancellor, Institutional Supports & Success

RE: Scheduled Maintenance for Affordable Student Housing Facilities - Guidance on Changes to Title 5 of the California Code of Regulations

This memo is to provide guidance related to changes to Title 5 of the California Code of Regulations (Title 5) relating to the use of Scheduled Maintenance to support projects meeting affordable student housing criteria.

Background and Purpose

The State's investments in affordable student housing were historic and celebrated by community colleges for recognizing the importance of addressing students' basic needs and providing affordable, low-cost housing options for public postsecondary students in California. Historically, the Chancellor's Office and the California Department of Finance have interpreted the Board's construction regulations as not authorizing revenue-generating project proposals, particularly with tax-exempt general obligation bond dollars. Regulatory action adopted by the Board of Governors (Board) on September 26, 2023 and approved by Department of Finance on October 23, 2023, aligns to definitions in the Higher Education Student Housing and Capacity Expansion Grant Program of 2021 (Education Code sections 17200-17204), and implements recommendations by the [Affordable Student Housing Taskforce](#), to eliminate barriers to the maintenance of affordable student housing facilities.

Summary of Regulatory Changes

Effective Date: December 2, 2023

The approved changes to Title 5 Section 57001 define "affordable student housing" in alignment with the 2021 grant program and amend the Board's existing regulations governing community college district construction "projects" to include affordable student housing facilities. These changes allow affordable student housing facilities to access funds made available through the Physical Plant and Instructional Support Program. As part of this program, the Scheduled

Title 5 - Scheduled Maintenance for Affordable Student Housing Facilities

December 8, 2023

Maintenance and Special Repair category will ensure affordable student housing facilities remain in good repair.

A copy of the regulations can be found here (<https://www.cccco.edu/-/media/CCCCO-Website/docs/regulatory-action/bgccc-final-reg-text-for-scheduled-maint-of-stdt-housing-facilities-a11y.pdf?la=en&hash=4F5E8EB99B88ACF6BEB51F2C371BCBB496C723CD>)

Definitions

The following definitions and changes to Title 5, Section 57001 of the facility construction regulations are in effect beginning December 2, 2023:

- *Project*: Section 57001.5: The definition of "project" permitted under the regulations is revised to include "affordable student housing facilities."
- *Affordable Student Housing*: A definition of "affordable student housing" is added. To meet the criteria of affordable student housing, the rents for low-income students must be calculated at 30 percent of 50 percent of the Area Median Income (AMI) for a single-room occupancy unit type.

Understanding the Definition of "Affordable Student Housing"

To determine affordable student housing rents for low-income students at 30 percent of 50 percent of the AMI for a single-room occupancy (SRO) unit type, the following steps can be taken:

Area Median Income (AMI): The Area Median Income is the midpoint of a region's income distribution. It is typically determined by the U.S. Department of Housing and Urban Development (HUD) or a similar local agency. Ensure that you have the most up-to-date AMI data for the specific geographic area where the student housing is located.

Calculate 50 Percent of AMI: Determine 50 percent of the AMI for the geographic area. This can be calculated by multiplying the AMI by 0.50.

- $50\% \text{ AMI} = 0.50 \times \text{AMI}$

Calculate 30 Percent of 50 Percent of AMI: Calculate 30 percent of 50 percent of the AMI. This represents the portion of income that is deemed affordable for housing costs.

- $\text{Affordable Rent} = 0.30 \times (50\% \text{ AMI})$

Determine Monthly Affordable Rent: Convert the annual affordable rent to a monthly amount. This is typically done by dividing the annual amount by 12.

Title 5 - Scheduled Maintenance for Affordable Student Housing Facilities

December 8, 2023

- Monthly Affordable Rent = Affordable Rent/12

For example, the 2022 AMI for Fresno County is \$56,200. The \$56,200 AMI multiplied by 30% = \$16,860 and then multiplied again by 50% = \$8,430. Calculated over 12 months, the affordable student housing monthly rental rate is \$702.50.

Reporting Requirements

Districts' Scheduled Maintenance Five-Year Plans are designed to demonstrate long-term physical plant needs. In addition, the Chancellor's Office uses districts' physical plant data to advocate for state funding. To use available Scheduled Maintenance funds for affordable student housing facilities, districts will need to: 1) meet the affordability definition in Title 5, Section 57001, and 2) input details into the Project Funding Proposal (PFP) scope of work indicating it is an eligible affordable student housing project. A future and forthcoming update to FUSION will allow districts to select from a drop-down menu and categorize the submission as an affordable student housing project. For more information about the Physical Plant and Instructional Support program, project eligibility, or information about how to enter projects into FUSION, please use the [Physical Plant and Instructional Support Guidelines](#).

For more information or questions, please contact the Student Housing Unit at StudentHousing@CCCCO.edu.

cc: Ronnie Slimp, Director, Affordable Student Housing
Hoang Nguyen, Director, Facilities Planning