



California Community Colleges

# Information Meeting: Affordable Student Housing Statewide Lease-Revenue Bond

August 1, 2024

# Agenda

- Presenter Introductions
- Overview of the State Lease Revenue Bond
- Question and Answer



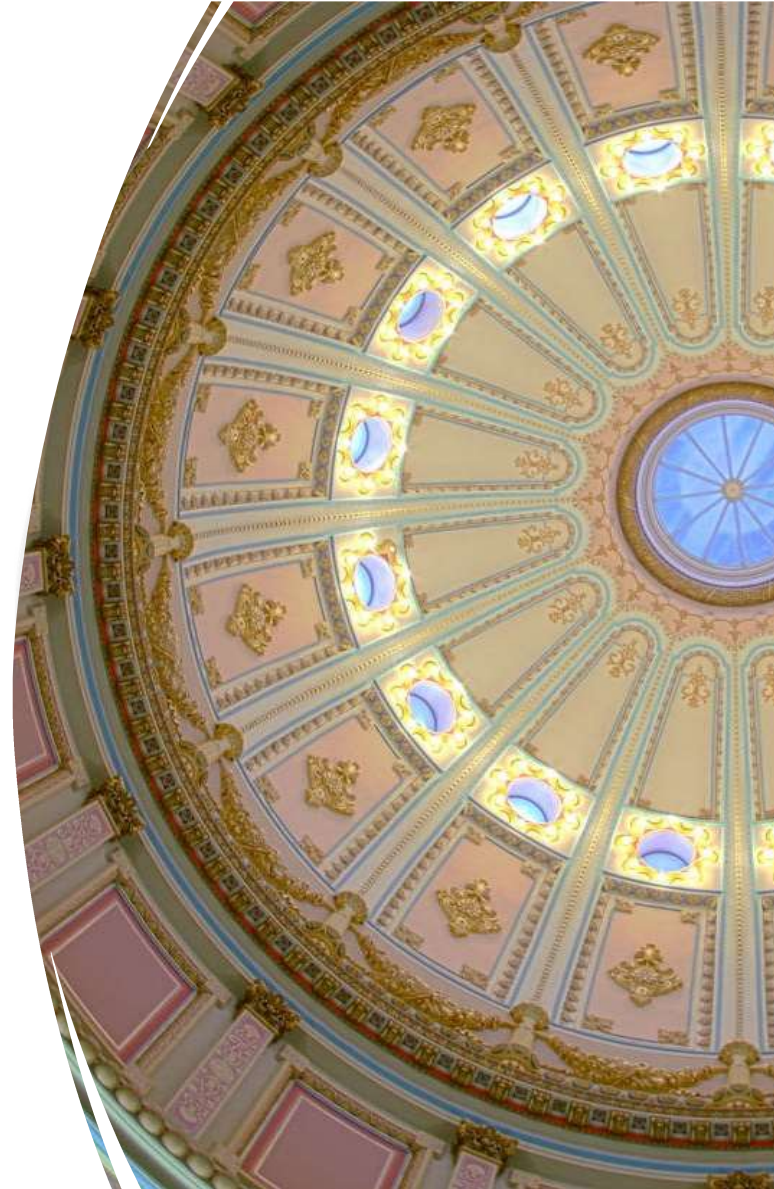
# Background: State Funding for Affordable Student Housing

## Bond Details

- Bond Total: \$804,725,000
- Bond total includes:
  - Total original appropriations awarded for projects - \$723.4M
  - Unallocated – \$81.3M

## Projects Eligible for State Lease Revenue Bond

1. Fresno City College
2. College of the Siskiyous
3. Ventura College
4. Sierra College
5. Consumnes River College
6. Lake Tahoe Community College
7. Compton College
8. Bakersfield College
9. College of the Canyons
10. San Diego City College
11. Cerritos College
12. College of San Mateo
13. College of the Redwoods





# Statewide Lease-Revenue Bond: Agreements to Develop Housing

- **Real Estate Due Diligence:** Department of Finance (DOF) and State Public Works Board (PWB) assess each participating college's (PC) housing project.
- **Project Delivery Agreement:** If the project advances past due diligence assessment, then the PWB, CCC Board of Governors (BOG), and PC will agree to project scope, budget, certifications, etc.
- **Simultaneous Agreements:** PWB, BOG, and PC will all agree to Ground Lease, Easement Agreement, and Right of Entry to develop the housing project.



# Statewide Lease-Revenue Bond: Agreements to Develop Housing

## Authorizing Statute

**Real Estate Due Diligence:** PWB requests documentation from PC to determine if the project is suitable for bond funding

CCC Board of Governors (BOG)

Participating College (PC)

CA Public Works Board (PWB)

**Project Delivery Agreement:** project cost, scope, and certifications



### 3 Simultaneous Agreements

1) **Ground Lease:** PC Leases project site to BOG. PC is lessor, BOG is lessee, and PWB consents

2) **Easement Agreement:** PC enters into an agreement with BOG and PWB to grant easements for access, utilities, and repairs

3) **Right of Entry:** BOG grants a right of entry to a PC to allow construction activities on project site

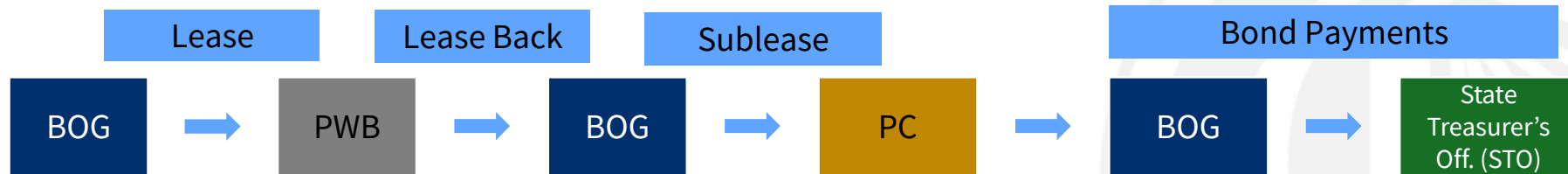
# State Lease-Revenue Bond: Lease and Financing Structure

- **Lease Process:** PWB will lease the site and project from BOG, the PWB will lease back to the BOG, and the BOG will sublease it to PC.
- **Lease Payments:** The lease payments made by the BOG under the PWB lease to BOG will secure the bonds. An appropriation to the BOG for the lease payments will be reflected in annual State Budget Acts.
- **Interim and Bond Financing:** District allocations will be funded and financed through a combination of interim financing taken out by the PWB in the short-term and lease-revenue bonds in the long-term.



# State Lease-Revenue Bond: Lease Agreement and Financing Process

## Authorizing Statute



**Ground Lease:** PC Leases project site to BOG

**Site Lease:** BOG leases project site to PWB

**Facility Lease:** Bond is secured  
**Financing:** PWB secures interim financing for projects and State Lease Revenue Bond

**Facility Sublease:** Equal to the term of the applicable Facility Lease to operate

**Lease Payments:** Appropriation to the BOG for the lease payments will be reflected in annual State Budget Acts

**Bondholders:** BOG agrees to make lease payments to STO, STO pays bondholders

**Continuing Disclosure Agreement and Post-Issuance Compliance :** PWB, STO, and BOG are required to disclose project info to bondholders for the term of the bond + 3 years



# Question & Answer





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Thank you!

<https://www.cccco.edu/About-Us/Board-of-Governors>