MEMORANDUM

November 29, 2022



| Via Email

TO: Chief Executive Officers Chief Business Officers

Chief Student Services Officers

FROM: Dr. Lizette Navarette, Interim Deputy Chancellor

California Community Colleges Chancellor's Office

RE: Affordable Student Housing Grant Application Process

This memorandum provides information about the application requirements, timeline, and submission process for the Affordable Student Housing Grant Program. Since the first round of applications were received in October 2021, elements of the grant application requirements and submission process have changed consistent with statute. In addition, this memorandum provides notice that the administration of the Affordable Student Housing Grant Program has transitioned from the California Department of Finance (DOF) to the California Community Colleges Chancellor's Office (Chancellor's Office).

Background

As part of the 2021-22 California Budget package, the Postsecondary Education Trailer Bill, SB 169 (2021), established the Higher Education Student Housing and Capacity Expansion Grant Program as well as codified it the in California Education Code sections 17200-17203.5. California Community Colleges refer to the Higher Education Student Housing program as the Affordable Student Housing Grant Program. This program provides California Community Colleges the opportunity to apply for student housing grants over three-year period with three rounds of grant awards.

The first round of grant applications were submitted by districts to the DOF in October 2021. The DOF subsequently reviewed these applications, and they selected 12 construction grants and 70 planning grants. These grants were awarded in the Higher Education Trailer Bill, AB 183 (2022). California Community Colleges received a total of \$560 million for affordable student housing grants, \$542.1 million was awarded for construction grants and \$17.9 million for planning grants.

In addition, AB 183 transferred the administration of the Affordable Student Housing Grant Program from the DOF to the Chancellor's Office. All future applications must be submitted to the Chancellor's Office newly formed Affordable Student Housing Unit for review.

Applications Timelines

Applications for Round Two awards must be submitted to the Chancellor's Office on or before Wednesday, January 25, 2023. The third round of applications will be due on July 3, 2023, which coincides with the deadline for districts' 2025-29 Five-Year Capital Outlay Plans. For Round Two grant applications, districts may re-submit previous construction grant applications

that were not selected for award or were deemed ineligible. Additionally, new applications for construction grants will be accepted. No new planning grant applications will be accepted going forward. Applications submitted by January 25, 2023, will receive consideration for inclusion in the 2023-24 state budget.

For Round Three grant applications, the Chancellor's Office will accept construction grant applications by the submission deadline of July 3, 2023. Applications submitted by the deadline will receive consideration for inclusion in the 2024-25 California Budget.

The timeline below summarizes application submission details:

- **January 25, 2023**: Round Two construction grant applications are due.
- **Summer 2023:** Round Two construction applications will be considered and may be awarded in the 2023-24 state budget.
- July 3, 2023: Round Three construction grant application are due.
- **Summer 2024**: Round Three construction applications will be considered and may be awarded in the 2024-25 state budget.

Application Submission Process

For Round Two applications, the Chancellor's Office will accept Affordable Student Housing Grant applications through email. Districts will select their highest priority student housing project and submit <u>only one application per district</u>, including any intersegmental student housing project. Districts must complete all attached documents in order to have a complete student housing application. Applications should be emailed to the Affordable Student Housing unit at studenthousing@cccco.edu.

A new module is being created in FUSION to facilitate the submission of Affordable Student Housing Grant applications. Once completed, districts will be able to input required information for the construction grant application including the student housing project's scope, schedule, and costs. In addition to inputting construction project details for Affordable Student Housing Grant applications in FUSION, districts are required to complete and upload a form DF-151, Capital Outlay Budget Proposal, and the Higher Education Student Housing Grant Program Supplemental Application form.

As part of the application process, construction grant applications <u>must</u> consist of the following:

- 1. Title Page
- 2. Student Housing Checklist
- 3. Approval Page Student Housing Proposal
- 4. DF-151 Capital Outlay Budget Change Proposal
 - a. Project description and scope
 - b. Justification
- 5. Higher Education Housing Grant Program Supplemental Application form
- 6. Project costs set at California Construction Cost Index (CCCI) 8903 and Equipment Price Index (EPI) 4671

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- 7. JCAF 31 Analysis of Building Space Use
- 8. Quantities and Unit Costs supporting the JCAF 32(architect's project costs)
- 9. JCAF 32 Cost Summary
 - a. Estimate project cost
 - b. Final project costs at mid-point
 - c. Contingency 10% of construction costs
- 10. JCAF 33 Group 2 Equipment Cost
- 11. Board of Governors Energy and Sustainability Policy
- 12. Pre-schematic Plans Campus plot, site, and floor plans and exterior elevations
- 13. CEQA California Environmental Quality Act
 - a. Provide documentation to demonstrate that the project will meet CEQA or the requirements of <u>SB 886</u> (2022) for CEQA exemption
- 14. Justification of Additional Costs (as needed)
- 15. Exhibit that demonstrates that the district has assessed the total cost of ownership of developing and maintaining affordable student housing facilities as well as developing and operating the program for students. (Recommended)

Grant Application Review and Award Selection

The Chancellor's Office Affordable Student Housing Unit will review Round Two and Three grant applications based on the enclosed scoring rubric. Once reviewed by the Chancellor's Office, the applications and project scores will be shared with the DOF for final review. As with the first round of grant awards, the California Legislature has final authority over selection of applications and will include appropriations for successful applicants in the annual Budget Act.

Allocations

Districts' that were approved for student housing program funding in the FY 2022-23 Budget Act will see their share of the student housing program funding on the attached *2022-23 Affordable Student Housing Allocations*. These allocations will be distributed via the Apportionment process in November 2022.

Resources

For more information about the Affordable Student Housing Grant Program and to locate application documents, please visit the Chancellor's Office Affordable Student Housing <u>website</u>.

Contact

For more information, please contact the Director of Facilities Planning, Hoang Nguyen:

Phone: (916) 327-5363 Email: hnguyen@cccco.edu

Enclosure

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- 1. DF-151 Capital Outlay Budget Change Proposal
- 2. Higher Education Housing Grant Program Supplemental Application
- 3. Student Housing Template
- 4. 2022-23 Student Housing District Funding Allocation
- 5. Affordable Student Housing Scoring Rubric
- 6. Total Cost of Ownership Calculator

Appendix

SB 886, Wiener. California Environmental Quality Act Summary

California Environmental Quality Act (CEQA) Exemptions for Public University Housing Development Projects

The California Environmental Quality Act (CEQA) requires a lead agency to certify the completion of an environmental impact report on a project that may significantly impact the environment or adopt a negative declaration if not impacted. Senate Bill 886 passed on September 28, 2022, which allows CEQA exemptions until January 1, 2030, for university housing development projects on real property owned by the public university to gain exemption if certain requirements are met. The full text of Public Resource Code (PRC) 21080.58 (SB 886) can be found here is a summary of the CEQA exemptions per PRC 21080.58 that impact California Community Colleges:

Characteristics of Housing Project on Real Property Owned by Community Colleges

- 1. Housing development projects on real property owned by community colleges must have the following characteristics:
 - a. The university housing development project is consistent with the most recent master plan environmental impact report and certified no more than 10 years before the determination of this exemption.
 - b. The project is consistent with the relevant environmental impact report or applicable tiered environmental analysis.
 - c. No more than one-third of the project square footage shall be used for dining, academic, or student support service spaces, or other necessary and usual attendant and related facilities and equipment.
 - d. The project is either within one-half mile of a major transit stop or one-half mile of the campus boundary, as defined by the community college's long range development plan or master plan, as appropriate, or has 15 percent lower per capita vehicle miles traveled as compared to that for the jurisdiction in which the university housing development project is located.
 - e. The project has a transportation demand management program.
 - f. The project's construction impacts are fully mitigated consistent with applicable law.

Leadership in Energy and Environmental Design (LEED) Certification

- 1. Each building within the project is certified as LEED platinum or better by the United States Green Building Council:
 - a. Determine all construction impacts of the project have been fully mitigated and issue a notice of that determination.
 - b. File the LEED certification and the notice with the Office of Planning and Research and the county clerk of the county in which the project is located.
 - c. Require the Office of Planning and Research and the county clerk to make the certification and notice available to the public.

Eligibility to Issue Certificate of Occupancy

The lead agency can issue a certificate of occupancy only if the following conditions are met:

- 1. The lead agency receives certification of LEED platinum or better from the United States Green Building Council for the building.
- 2. The lead agency determines that the construction impacts of the project have been fully mitigated and issues a notice making that determination.

Project Location and Federal Emergency Management Agency (FEMA) Requirements

- 1. Project is not located, in whole or in part, on certain types of sites, including a site that is:
 - a. Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction.
 - b. Wetlands, as defined in the United States Fish and Wildlife Service Manual.
 - c. Within a very high fire hazard severity zone, as determined by the State Fire Marshal.
 - d. Either a hazardous waste site or a hazardous substances release site designated by the Department of Toxic Substances Control.
 - e. Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist.
 - f. Within a special flood hazard area subject to inundation by a 1 percent annual chance flood (100-year flood) as determined by FEMA. If a community college can satisfy all applicable federal qualifying criteria to demonstrate eligibility to be exempt, a local government shall not deny an application on the basis that the community college did not comply with any additional permit requirement, standard, or action adopted by that local government that is applicable to that site. A project may be located on a site described if either of the following are met:
 - i. The site has been subject to a Letter of Map Revision prepared by the FEMA and issued to the local government.
 - ii. The site meets FEMA requirements necessary to meet minimum flood plain management criteria of the National Flood Insurance Program

- g. Within a regulatory floodway as determined by the FEMA in any official maps published by the FEMA, unless the project has received a no-rise certification in accordance with the Code of Federal Regulations.
- h. Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act.
- Habitat for protected species identified as candidate, sensitive, or species of special status by a state or federal agency, fully protected species, or species protected by the federal Endangered Species Act of 1973 and the California Endangered Species Act
- j. Lands under conservation easement.

Greenhouse Emissions

- 1. The project does not result in any net additional emission of greenhouse gases, as determined by an independent third-party evaluation approved by the lead agency.
- 2. To maximize public health and environmental benefits, the community college shall ensure that the measures will reduce the emissions of greenhouse gases in the project area and in the neighboring communities.
- 3. Not less than 50 percent of the greenhouse gas emissions reductions necessary shall be from local, direct greenhouse gas emissions reduction measures, including, but not limited to, any of the following:
 - d. Project design features or onsite reduction measures, or both design features and onsite reduction measures, that include, but are not limited to, any of the following:
 - i. Implementing project design features that enable the project to exceed the building energy efficiency standards set forth in California Code of Regulations, except for 50 percent of emissions reductions attributable to design features necessary to meet the LEED platinum certification.
 - ii. Requiring a transportation demand management program to reduce single-occupancy vehicular travel and vehicle miles traveled.
 - iii. Providing onsite renewable energy generation, including a solar roof on the project with a minimum peak generation capacity of 500 kilowatts.
 - iv. Providing solar-ready roofs.
 - v. Providing cool roofs and cool parking promoting cool surface treatment for new parking facilities.
 - vi. Offsite reduction measures in neighboring communities, including, but not limited to, any of the following:
 - Providing funding to an offsite mitigation project consisting of replacing buses, trolleys, or other transit vehicles with zeroemission vehicles.
 - 2. Providing offsite safety or other improvements for bicycles, pedestrians, and transit connections.

- 3. Undertaking or funding building retrofits to improve the energy efficiency of existing buildings.
- 4. The community college may obtain offset credits for up to 50 percent of the greenhouse gas emissions reductions necessary to achieve the requirement of this subdivision that produce emissions reductions within the jurisdiction that the university housing development project is located.
 - a. Any offset credits shall be verified by a third party accredited by the State Air Resources Board.
- 5. If 50 percent of greenhouse gas emissions reductions necessary to achieve no additional emissions of greenhouse gases cannot be feasibly and fully mitigated by offset credits, the mitigation of the remaining emissions of greenhouse gases shall be achieved pursuant to the following priority:
 - i. Offset credits that would also reduce the emissions of criteria air pollutants or toxic air contaminants. The offsets shall be undertaken in a manner consistent with Division 25.5 (commencing with Section 38500) of the Health and Safety Code, including, but not limited to, the requirement that the offsets be real, permanent, quantifiable, verifiable, and enforceable, and shall be undertaken from sources in the community within which the project is located or in adjacent communities.
 - If the remaining emissions of greenhouse gases cannot be feasibly or fully
 mitigated by the offsets credits, the remaining unmitigated greenhouse gas
 emissions shall be mitigated through the use of offsets that would also
 reduce emissions of criteria air pollutants or toxic air contaminants and shall
 be undertaken from sources that provide a specific, quantifiable, and direct
 environmental and public health benefit to the community in which the
 project is located.

Contractors

- 1. All contractors and subcontractors at every tier on the project will be required to pay prevailing wages.
- 2. An entity shall not be prequalified or shortlisted or awarded a contract to perform work on the project unless the entity provides an enforceable commitment to the public university that the entity and its contractors and subcontractors at every tier will use a skilled and trained workforce to perform all work on the project that falls within an apprenticeable occupation in the building and construction trades.

Public Notice Requirements

- 1. Community colleges must hold at least one noticed public hearing to hear and respond to public comments before determining that the university housing development project is exempt under the bill's provisions.
- 2. The community college shall give public notice of the meeting to the last known name and address of all the organizations and individuals that have previously requested notice and shall also give the general public notice.

Not Exempt from CEOA if:

The project would require the demolition of any of the following:

- require the demolition of specified housing or a historic structure that is listed on a national, state, or local historic register
- Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.
- Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.
- Housing that has been occupied by tenants within the past 10 years.
- A historic structure that is listed on a national, state, or local historic register.
- The project is located on a site that was previously used for housing that was occupied by tenants and was demolished within 10 years before the community college submits an application.
- The project is located on a site that contains housing units that are occupied by tenants and the housing units are offered for sale, or were subsequently offered for sale, to the general public by a subdivider or subsequent owner of the site.
- The project consists of more than 2,000 units or 4,000 beds