

Recommendation from the FHDA Affordable Housing Taskforce

The Foothill De Anza Community College district was granted \$264,000 by the State of California to explore the demand and feasibility of constructing affordable housing for our students. The feasibility study has estimated demand for district housing at 972 beds annually. Housing can be built using district bond funds and/or state grant dollars. In focus groups, students have stated a level of approximately \$700 per month that they would consider affordable. This amount would fall within the measure of affordable housing in our region, and would therefore qualify for state funding. The \$700 per month rate would cover current operating costs and maintenance, build a reserve for repairs such as roofing, and allow for increased district burdens such as police, landscaping and janitorial. Over the life of the project, there will be no projected demands on the general fund.

The State of California is offering grant funding for the construction of student housing. In the first round of funding, community colleges received between \$32 million and \$80 million to support affordable student housing projects. While the amounts requested in the first round of funding exceeded the dollars budgeted for the program, the state backfilled the program with additional monies. Brailsford & Dunlavey, our feasibility study contractor, estimates that we could request \$80 million from the state in round three. Applications for round three are due on 7/3/23, and Brailsford & Dunlavey is ready to prepare an application on behalf of the district with a contract extension of approximately \$100,000. We have more than enough funds remaining in our planning grant, which was specifically allocated for this purpose.

Our grant application will be competitive. Few districts have the matching dollars that we have, which benefits our application in two rubric categories. Few districts face the median rent levels that we do. Even our lack of “shovel-readiness” will not hold us back significantly, as the rubric allows some credit for projects breaking ground as late as 2025.

Brailsford & Dunlavey will take on the lion’s share of the burden of completing the application. Over the two-month period of developing the application, B&D will ask for the following:

- Four to Six hours with the FHDA finance team
- One hour with senior leadership to review the final application
- Four additional hours with senior leadership *only if* we choose to start with five possible sites and then select one to go forward.

Districts in our region will be building housing for students. If we do not develop housing soon we risk underserving our most vulnerable students and losing our place as a district of distinction.

To summarize, in order to receive potentially tens of millions of dollars from the state and start a path toward actually housing students, we need to:

- Spend money from the state that was given to us for this exact purpose

- Allocate four to six hours of finance team time and one to five hours of senior leadership time over the next two months.

The opportunity to bring tens of millions of dollars to the district and accelerate the process of providing affordable housing with a small investment of time and with dollars that were designed for this purpose is too rich to let go. We urge the district to use these grant funds for their intended purpose and apply for round three funding. Please do not leave this money on the table.

Foothill De-Anza Affordable Housing Task Force.