

CALIFORNIA EDUCATIONAL FACILITIES AUTHORITY (Authority or CEFA)

California Student Housing Revolving Loan Program

Draft Regulations and Stakeholder Feedback

February 29, 2024

Overview

On September 27, 2022, the California Student Housing Revolving Loan Fund Act of 2022 was chaptered into law with the passing of AB 190, the Higher Education Trailer Bill (Chapter 572, Statutes of 2022), authorizing CEFA and the California School Finance Authority (CSFA) to develop the California Student Housing Revolving Loan Program (CaSH RLF or the Program) to provide zero-interest loans to qualifying colleges and universities to construct affordable student, faculty, and staff housing. It would require CSFA to develop an application and consider applications from qualifying California Community Colleges (CCC), as provided, and CEFA to consider applications from qualifying applicants of the University of California (UC) or the California State University (CSU) systems, as specified. It was the intent of the Legislature to appropriate \$900,000,000 in the 2023-2024 fiscal year and \$900,000,000 in the fiscal year 2024-2025.

However, on July 10, 2023, SB 117 was chaptered into law (Chapter 50, Statutes of 2023), amending the funding levels for the CaSH RLF Fund and allocating \$200,000,000 for the 2023-2024 fiscal year, with the intent to appropriate \$300,000,000 for each fiscal year starting from FY 2024–2025 through FY 2028–2029, totaling \$1.7 billion, to be deposited in the Program Fund. Per SB 117, 75 percent of the \$200,000,000 allocation was to be available for UC and CSU applicants and 25 percent was to be available for CCC applicants.

Subsequently, the Governor’s 2024-25 Proposed Budget released on January 10, 2024, included a number of cost-saving measures intended to address projected budget shortfalls, and unfortunately included the reversion of the CaSH RLF program funding. Considering this development, CEFA will pause the further development of the CaSH RLF program.

Program Development Status

Since the last update to the Authority on September 28, 2023, CEFA staff, along with CSFA; its consultants, Barbara Lloyd of IMPACTS USA Advisory Services and Mike Kremer of Montague DeRose and Associates, LLC; and STO counsel continued to work on clarifying statutory language and further refining key issues for the development of the proposed program regulations. Additionally, CEFA staff met with key stakeholder groups, including the University of California Office of the President, California State University, and California Competes, a nonpartisan policy and research organization, to discuss each organization’s concerns related to the implementation of the Program. Subsequent to the stakeholder outreach, CEFA drafted proposed program regulations, attached here in Attachment C, which includes among other topics: definitions, information related to Program eligibility, eligible project costs, application periods and deadlines, application and scoring evaluation criteria to be considered, reporting requirements, and records retention. CEFA staff provided the stakeholders a draft of the proposed Program regulations with the request to review and provide comments on December 22, 2023. The stakeholders offered various comments on several topics and below are the key elements of concern summarized.

1. **Security:** The Authority and UC and CSU stakeholders have not yet agreed upon the appropriate security mechanisms for the loans. CEFA staff and its consultants initially proposed that the UCs and CSUs provide a similar security as is pledged for other housing projects undergone by the systems or with pledged revenues of the facilities financed by CEFA through this Program. UC and CSU stakeholders' feedback was for CEFA to only require unsecured loans that would be backed by the full faith and credit of the UC and CSU systems. CEFA staff cannot make a determination of the appropriate security for the Program without hiring and consulting with bond counsel first. Determination of the security type will affect how financial feasibility is scored and evaluated.
2. **Financial Feasibility:** Stakeholders questioned whether a project's financial feasibility, its ability to have strong debt coverage, is too heavily weighted or whether it is in fact needed as a scoring evaluation criterion as it may be at odds with a project's ability to maintain affordable rates. To have a strong debt coverage would mean that rents would likely need to be higher so that strong rents can yield more monies for a strong debt coverage ratio. For example, if the project's revenues/performance will be scored and evaluated, there may be a scoring evaluation incentive to increase rents, which is opposite to what this Program is trying to accomplish. Again, CEFA staff cannot make a determination on this issue until the appropriate security package is addressed, which will require consulting with bond counsel first.
3. **Loan Terms and Financing Agreement:** discusses the requirements to be fulfilled by each borrower, including the security and the covenants that are required to be met and further details on these cannot be finalized without consulting with bond counsel first. Additionally, stakeholders suggested further clarifying language related to the applicable timing of any sale or transfer of the project – whether the restrictions apply prior to payment of loan or even after to ensure that the project will continue to provide a public benefit/affordable housing.
4. **Reporting Requirements:** Feedback was shared on clarifying how long a Borrower would have to report on units being provided at affordable rents, and how much rents can increase on an annual basis prior to and after repayment of the loan and for how long. This ties into the issue of how project affordability will be ensured (e.g. covenants recorded against the project versus a strictly contractual obligation) and for what term, including whether repayment of the loan would cease affordability.
5. **Affordability:** Stakeholders noted that the definition of “affordability” in the criteria considered is too vague and that it should be more defined and include a metric.
6. **Local Match:** Stakeholders commented that the points associated with the local match criteria should be reduced, noting that some campuses may lack additional financial resources to afford a local match.
7. **Public Benefit:** Stakeholders suggested to increase the points associated with this criterion to underscore the importance of public benefit.

8. **Unmet Demand:** Stakeholders requested to further define in more set detail the way to determine unmet demand for student housing for each applicant.
9. **Scoring:** Stakeholders offered various options to redistribute points within the application scoring evaluation criteria.

Next Steps

As previously mentioned, the reversion of the Program funding has led to a pause on any further development of the Program. Luckily, CEFA was able to receive stakeholder feedback on the current version of the proposed program regulations and application. In the event program funding becomes available again in the future, CEFA will be well-positioned to pick up developing the Program where it left off. When the Program is funded, CEFA would resume stakeholder engagement; further refine the regulations and application, including definitions, scoring evaluation criteria, and reporting requirements; and engage bond counsel to assist with determining appropriate security for Program financings, the financial feasibility criteria, the loan terms, and the financing agreement. Then, CEFA would proceed to seek approval from the CEFA board to adopt emergency regulations and submit the regulations, including the application and any forms to the Office of Administrative Law for approval. After adoption of the regulations, CEFA would begin accepting applications.

Attachments

- 1) Attachment A – California Student Housing Revolving Loan Fund Act (AB 190, 2022)
- 2) Attachment B – Funding of the Program (SB 117, 2023)
- 3) Attachment C – Text of the proposed regulations for CaSH RLF (includes minor revisions made after considering certain stakeholder feedback)
- 4) Attachment D – Application for CaSH RLF

Attachment A – California Student Housing Revolving Loan Fund Act (AB 190, 2022) Authorizing Statute

SEC. 2.

Chapter 14.28 (commencing with Section 67329.1) is added to Part 40 of Division 5 of Title 3 of the Education Code, to read:

CHAPTER 14.28. California Student Housing Revolving Loan Fund Act of 2022

Article 1. Title

67329.1.

This chapter shall be known, and may be cited, as the California Student Housing Revolving Loan Fund Act of 2022.

Article 2. Definitions

67329.2.

As used in this chapter, unless the context requires otherwise, the following definitions apply:

- (a) “Allocation” means the portion of the initial California Student Housing Revolving Loan Fund Act of 2022 appropriation allocated to each designated authority to provide loans pursuant to this chapter.
- (b) “Authority” means, for a college applicant, the California School Finance Authority created and authorized pursuant to the California School Finance Authority Act (Chapter 18 (commencing with Section 17170) of Part 10 of Division 1 of Title 1). For a university applicant, “authority” means the California Educational Facilities Authority created and authorized pursuant to the California Educational Facilities Authority Act (Chapter 2 (commencing with Section 94100) of Part 59 of Division 10). The meaning of “authority” as used in this chapter depends on the college or university system of which the applicant is a member.
- (c) “Campus” means a community college district, or a campus of the University of California or the California State University.
- (d) “College applicant” means a community college district, or the Office of the Chancellor of the California Community Colleges on behalf of a community college district.
- (e) “Faculty and staff housing project” means one or more housing facilities to be occupied by faculty or staff of one or more campuses, and owned by a participating college or university or participating nonprofit entity.
- (f) “Fund” means the California Student Housing Revolving Loan Fund established by this chapter.

(g) “Participating nonprofit entity” means an entity within the meaning of paragraph (3) of subsection (c) of Section 501 of Title 26 of the United States Code.

(h) “Project” means a student housing project or a faculty and staff housing project.

(i) “Student housing project” means one or more housing facilities to be occupied by students of one or more campuses and owned by a participating college or university or participating nonprofit entity. These facilities are determined to be educational facilities, which also may include dining, academic and student support service spaces, and other necessary and usual attendant and related facilities and equipment.

(j) “University applicant” means a campus of the University of California or the California State University, the Office of the President of the University of California on behalf of one or more campuses of the University of California, or the Office of the Chancellor of the California State University on behalf of one or more campuses of the California State University.

Article 3. The California Student Housing Revolving Loan Fund

67329.3.

(a) (1) The California Student Housing Revolving Loan Fund is hereby established in the State Treasury to provide zero-interest loans to qualifying college and university applicants for the purpose of constructing affordable student housing and affordable faculty and staff housing. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are hereby continuously appropriated without regard to fiscal years for purposes of this chapter.

(2) It is the intent of the Legislature to appropriate, in the annual Budget Act, the sum of nine hundred million dollars (\$900,000,000) in the 2023–24 fiscal year and nine hundred million dollars (\$900,000,000) in the 2024–25 fiscal year, to be deposited in the California Student Housing Revolving Loan Fund.

(b) The Treasurer may pledge any or all of the moneys in the fund as security for payment of the principal of, and interest on, a particular issuance of bonds by a designated lending authority pursuant to this chapter. For that purpose, or as convenient or necessary to the accomplishment of any other purpose of this chapter, the Treasurer may divide the fund into separate accounts or subaccounts.

(c) The Treasurer may invest moneys in the fund that are not required for its current needs, including proceeds from the sale of bonds, in eligible securities specified in Section 16430 of the Government Code, and may include deposit for investment in the Surplus Money Investment Fund pursuant to Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code. Notwithstanding Section 16305.7 of the Government Code, all interest or other increment resulting from the investment or deposit of moneys from the fund shall be deposited in the fund. Moneys in the fund shall not be subject to transfer to any other funds pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, except to the Surplus Money Investment Fund.

(d) If the Treasurer sells bonds for either authority that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and for the investment of earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

Article 4. Criteria and Process

67329.4.

(a) Each authority shall develop a uniform application that includes requests for relevant information, such as project goals, costs, number of students or faculty and staff to be housed, timeline for the project, financial feasibility of the project, and other information deemed necessary for evaluation of creditworthiness and public benefit criteria established by each authority pursuant to this chapter. The applications shall be available no later than April 1, 2024, in accordance with each authority's existing regulations or any necessary amendments, which shall be undertaken as emergency regulations, if necessary.

(b) The initial preliminary applications for projects to be considered pursuant to this chapter shall be submitted to the designated authority no later than July 1, 2024. Thereafter, the authority may establish subsequent application periods, as necessary.

(c) Applications may be submitted to the designated authority by college and university applicants as set forth in this chapter pursuant to the following:

(1) The California Educational Facilities Authority shall consider applications from university applicants.

(2) The California School Finance Authority shall consider applications from college applicants.

(d) Applications shall demonstrate all of the following:

(1) Construction on the project could begin by June 30, 2025, or by the earliest possible date thereafter, as stated in the application.

(2) The rate for student, staff, and faculty housing supported by the fund will be below local market rental rates for comparable student, staff, and faculty housing, and may take into account the costs of utilities, food service, operations, maintenance, and other services included in the student, staff, and faculty housing rent.

(3) Receipt of a loan from the authority shall result in a public benefit, such as the ability to reduce rents, serve more students, provide additional onsite student support services, or other tangible benefits that would not be practical without receipt of the loan.

(4) The project will comply with the requirements of Section 67329.5.

(5) The project will be owned by a participating college or university or participating nonprofit entity.

(e) In the event that an authority receives or anticipates receiving more applications than its allocation of state funding can support, the authority may consider any of the following criteria in selecting projects:

(1) The timeline for construction, with priority given to projects that can begin construction the earliest.

(2) The campus' unmet demand for student housing, with priority given to applicants with greater unmet demand for student housing.

(3) A local match is available, with priority given to applicants with a local match.

(4) When considered as a whole, the applications approved pursuant to this chapter are fairly representative of various geographical regions of the state and the University of California, the California State University, and the California Community Colleges.

67329.5.

A project financed pursuant to this chapter shall meet all of the following requirements:

(a) For projects financed pursuant to this chapter that are not University of California projects, all work traditionally performed by employees of the college or university applicant shall be performed only by those employees.

(b) For projects financed pursuant to this chapter that are projects of the University of California or projects benefiting the University of California, the following requirements apply:

(1) As a condition of receiving money financed pursuant to this chapter, the University of California shall certify that all cleaning, maintenance, groundskeeping, food service, or other work traditionally performed by persons with University of California Service Unit (SX) job classifications shall be performed only by employees of the University of California at each beneficially affected facility, building, or other property.

(2) This subdivision does not apply to, and shall not restrict the performance of, work done under contract and paid for in whole or in part out of public funds, when the work is either of the following:

(A) Construction, alteration, demolition, installation, or repair work, including work performed during the design, preconstruction, and postconstruction phases of construction.

(B) Carpentry, electrical, plumbing, glazing, painting, and other craft work designed to preserve, protect, or keep any publicly owned facility in a safe and continuously usable condition, including repairs, cleaning, and other operations on machinery and other equipment permanently attached to the building or real property as fixtures.

(3) The Department of Finance shall approve new or additional money for University of California projects financed pursuant to this chapter only after the University of California has demonstrated ongoing and continuous compliance with this subdivision. A demonstration of compliance shall include a certification of compliance signed by the President of the University of California, or their duly authorized designee, indicating that at each project facility, building, or other property benefiting from money financed pursuant to this chapter the following will occur or has occurred:

(A) All work specified in paragraph (1) of this subdivision will be performed exclusively by University of California employees.

(B) Either of the following:

(i) All work described in paragraph (1) of this subdivision has been performed exclusively by University of California employees at all times since the University of California received money for the project pursuant to this chapter.

(ii) The University of California shall provide a written report detailing any noncompliance with paragraph (1) of this subdivision, specifying how many contract workers performed work at each project facility, building, or other property benefiting from money financed pursuant to this chapter, for what periods of time, and what the University of California has done to remedy the noncompliance, and, on or before February 1 of each calendar year, shall certify to the satisfaction of the Department of Finance that it has maintained subsequent compliance with paragraph (1) of this subdivision.

(4) The University of California shall include the certification required pursuant to this subdivision with the certification required pursuant to subdivision (e) of Section 92495.

67329.51.

(a) For projects financed pursuant to this chapter, participating colleges and universities and participating nonprofit entities shall do all of the following:

(1) At least seven days before issuing a bid solicitation for the project, send a notice of the solicitation that describes the project to the following entities within the jurisdiction of the proposed project site:

(A) Any bona fide labor organization representing workers in the building and construction trades who may perform work necessary to complete the project.

(B) Any organization representing contractors that may perform work necessary to complete the project.

(2) Ensure that all contractors and subcontractors performing work on the project will be required to pay prevailing wages for any proposed construction, alteration, or repair in accordance with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code. All of the following shall occur:

(A) The participating college or university or participating nonprofit entity shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(B) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(C) Except as provided in subparagraph (E), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code, and make those records available for inspection and copying as provided therein.

(D) Except as provided in subparagraph (E), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(E) Subparagraphs (C) and (D) shall not apply if all contractors and subcontractors performing work on the development are subject to a multicraft building trades project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(3) For projects financed pursuant to this chapter with onsite construction, alteration, or repair costs totaling twenty-five million dollars (\$25,000,000) or more, seek bids containing an enforceable commitment that all contractors and subcontractors performing work on the project will use a skilled and trained workforce to perform any rehabilitation, construction, or alterations work on the project that falls within an apprenticeable occupation in the building and construction trades.

(4) For the purpose of establishing a bidder pool of eligible contractors and subcontractors that satisfy the skilled and trained workforce requirements, establish a process to prequalify prime contractors and subcontractors, including, but not limited to, electrical, mechanical, and plumbing subcontractors. This process shall include, but is not limited to, all of the following requirements:

(A) The participating college or university or participating nonprofit entity shall only accept bids from prime contractors that have been prequalified and listed as eligible contractors.

(B) If the participating college or university or participating nonprofit entity receives at least two bids from prequalified prime contractors, the contract shall be awarded to the lowest qualified bidder and the participating college or university or participating nonprofit entity shall certify to the authority that a skilled and trained workforce will be used to perform all construction work on the development.

(C) If the participating college or university or participating nonprofit entity receives fewer than two bids from prequalified prime contractors, the contract may be rebid and awarded to the lowest responsive bidder without the skilled and trained workforce requirement applying to the prime contractor's scope of work.

(D) Prime contractors shall only accept bids and list subcontractors from the prequalified list. If the prime contractor receives bids from at least 2 subcontractors in each tier listed on the prequalified list, the prime contractor shall require that the contract for that tier or scope of work will require a skilled and trained workforce.

(E) If the prime contractor fails to receive at least 2 bids from subcontractors listed on the prequalified list in any tier, the prime contractor will not require that a skilled and trained workforce be used for that scope of work, and may list subcontractors that do not appear on the prequalified list.

(F) The participating college or university or participating nonprofit entity shall establish minimum qualifications that are, to the maximum extent possible, quantifiable and objective. Only criterion, and minimum thresholds for any criterion, that are reasonably necessary to ensure that any bidder awarded a project can successfully complete the proposed scope shall be used by the project proponent.

(G) All bids submitted by prime contractors and subcontractors shall be sealed, opened in a public process that is open to all bidders and other interested parties, and listed on the participating college's or university's or participating nonprofit entity's internet website.

(H) The Subletting and Subcontracting Fair Practices Act established pursuant to Chapter 4 (commencing with Section 4100) of Part 1 of Division 2 of the Public Contract Code shall apply.

(5) (A) Except as provided in subparagraph (B), provide to the authority on a monthly basis while the development or contract is being performed a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the authority pursuant to this subparagraph shall be a public record under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) and shall be open to public inspection. A participating college or university or participating nonprofit entity that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars (\$10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars (\$200) per day for each

worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(B) Subparagraph (A) shall not apply if all contractors and subcontractors performing work on the development are subject to a multicraft building trades project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(6) Notify the Department of Industrial Relations within five calendar days of the contract award.

(b) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

Article 5. Repayment and Bond Issuance

67329.6.

(a) For each loan made by an authority, the authority shall establish a schedule of payments, the primary source of which may be lease or rent payments for occupancy of the project financed by that loan, and the sum of which shall be calculated to result in full payment of the loan within a reasonable period of time not to exceed 30 years.

(b) The California Educational Facilities Authority may issue revenue bonds and enter into related agreements, and take all other actions necessary and convenient for the issuance of revenue bonds for university applicants for projects in accordance with this chapter and its authorizing statutes, as amended from time to time.

(c) Each authority may use amounts deposited in the fund, including, but not limited to, loan repayments, as a source of reserve and security for the payment of principal and interest on revenue bonds, the proceeds of which are deposited in the fund or in a designated fund or account of the authority established for that purpose. The purpose of any such revenue bonds is to augment the fund.

(d) (1) Notwithstanding any other law, revenue bonds issued under this chapter are not and shall not be deemed to constitute a debt or liability of the state, or any political subdivision thereof, and are not and shall not be deemed to be a pledge of the faith and credit of the state, or any political subdivision thereof, other than the authority. Revenue bonds of the authority shall be payable solely from funds provided under this chapter.

(2) Each revenue bond of the authority shall include a statement on the face of the bond that neither the State of California nor the authority is obligated to pay the principal or interest thereon, except from revenues of the authority, and shall also include a statement that neither the faith or credit, nor the taxing power of the State of California, or any political subdivision, is pledged to the payment of the principal or interest of the bonds.

(3) The issuance of revenue bonds under this chapter shall not directly, indirectly, or contingently obligate the state, or any political subdivision thereof, to levy or pledge any form of taxation, or make any appropriation for their payment.

Article 6. Rulemaking

67329.7.

Each authority may adopt, amend, or repeal rules and regulations pursuant to this chapter as emergency regulations. The adoption, amendment, or repeal of these regulations is conclusively presumed to be necessary for the immediate preservation of the public peace, health, safety, or general welfare within the meaning of Section 11346.1 of the Government Code.

Article 7. Reporting

67329.8.

Each authority shall provide a report to the Department of Finance and the budget committees of the Assembly and Senate by March 15, 2025. The report shall include, but shall not necessarily be limited to, all of the following information:

- (a) The number of projects receiving loans.
- (b) The total dollar amount of loans made.
- (c) The dollar amount of the loan provided for each project.
- (d) The terms of the loan for each project.

Article 8. Administrative Costs

67329.9.

Each authority may charge against the fund its administrative costs, which shall not exceed 3 percent of the authority's respective allocation amount or proportion of the fund, as the fund may be augmented by revenue bonds over time.

Attachment B – California Student Housing Revolving Loan Fund Act (AB 190, 2022) Authorizing Statute

(Chapter 50, Budget Act of 2023, (AB 117))

SEC. 5.

Section 67329.3 of the Education Code is amended to read:

67329.3.

(a) (1) The California Student Housing Revolving Loan Fund is hereby established in the State Treasury to provide zero-interest loans to qualifying college and university applicants for the purpose of constructing affordable student housing and affordable faculty and staff housing. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are hereby continuously appropriated without regard to fiscal years for purposes of this chapter.

(2) (A) For the 2023–24 fiscal year, the sum of two hundred million dollars (\$200,000,000) is hereby appropriated from the General Fund, to be deposited in the California Student Housing Revolving Loan Fund.

(B) It is the intent of the Legislature to appropriate three hundred million dollars (\$300,000,000) in the 2024–25 fiscal year, three hundred million dollars (\$300,000,000) in the 2025–26 fiscal year, three hundred million dollars (\$300,000,000) in the 2026–27 fiscal year, three hundred million dollars (\$300,000,000) in the 2027–28 fiscal year, and three hundred million dollars (\$300,000,000) in the 2028–29 fiscal year, to be deposited in the California Student Housing Revolving Loan Fund.

(3) Of the total amount appropriated pursuant to subparagraph (A) of paragraph (2), and intended to be appropriated pursuant to subparagraph (B) of paragraph (2), in support of this chapter, 75 percent of the available funds shall be available for University of California and California State University applicants and 25 percent of the available funds shall be available for community college applicants.

(4) Notwithstanding paragraph (3), the amounts designated in paragraph (3) for the postsecondary segments may be adjusted to shift unused funds from a segment to accommodate excess demand from another segment, upon written notification by the Director of Finance to the Joint Legislative Budget Committee, and approval by the Joint Legislative Budget Committee. This written notification may be submitted 12 months after the funds for a fiscal year have been appropriated.

(b) The Treasurer may pledge any or all of the moneys in the fund as security for payment of the principal of, and interest on, a particular issuance of bonds by a designated lending authority pursuant to this chapter. For that purpose, or as convenient or necessary to the accomplishment of any other purpose of this chapter, the Treasurer may divide the fund into separate accounts or subaccounts.

(c) The Treasurer may invest moneys in the fund that are not required for its current needs, including proceeds from the sale of bonds, in eligible securities specified in Section 16430 of the Government Code, and may include deposit for investment in the Surplus Money

Investment Fund pursuant to Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code. Notwithstanding Section 16305.7 of the Government Code, all interest or other increment resulting from the investment or deposit of moneys from the fund shall be deposited in the fund. Moneys in the fund shall not be subject to transfer to any other funds pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, except to the Surplus Money Investment Fund.

(d) If the Treasurer sells bonds for either authority that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes, subject to designated conditions, the Treasurer may maintain separate accounts for the investment of bond proceeds and for the investment of earnings on those proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

Attachment C – Text of the proposed regulations for CaSH RLF (includes minor revisions made after considering certain stakeholder feedback)

**California Code of Regulations
Title 4, Division 12, Chapter 4
California Educational Facilities Authority
California Student Housing Revolving Loan Program**

9113. Definitions

- (a) “Affordable Housing/ Affordability” means that the lease or rental rate for occupancy of the student, staff and faculty housing Project will be below the local market lease or rental rates for Comparable Housing.
- (b) “Applicant” means an entity that meets the eligibility requirements as described in Section 9114 for submission of an Application and submits an Application.
- (c) “Application” means the written request for a loan under the California Student Housing Revolving Loan Fund Act in the form and format of the Student Housing Revolving Loan Program Application, Form No. CEFA SHRL-01 (12/2023), which is hereby incorporated by reference, including all supporting information and documents, as further described in Section 9116.
- (d) “Authority” shall mean the California Educational Facilities Authority.
- (e) “Authority Staff” means employees of the Authority.
- (f) “Borrower” means an Applicant or a Co-Applicant, as designated in the Authority’s Resolution for an approved Loan.
- (g) “Campus” means a campus of the University of California or the California State University.
- (h) “Capital Asset” means any of the following: (1) a tangible physical property with an expected useful life of no less than 15 years; (2) reconstruction and demolition for purposes of reconstruction or expansion of facilities, and retrofitting work that is ordinarily done no more often than once every 5 to 15 years; (3) expenditures that continue or enhance the useful life or expand the capacity of the Capital Asset; and (4) equipment with an expected useful life of two years or more when purchased as an integral part of a student housing project or faculty or staff housing project.
- (i) “Chapter” means Chapter 14.28 of the Education Code, Section 67329.1 et seq, entitled California Student Housing Revolving Loan Fund Act of 2022.
- (j) “Co-Applicant” means a Participating Nonprofit Entity designated by the Applicant as the Owner of the Project or another University or a College in the event of an Intersegmental Project, as described in the Application.

- (k) “Comparable Housing” means housing with similar characteristics in the local market, taking into consideration factors such as age of facilities, proximity to campus and other community destinations, character of neighborhood, available community amenities, flexibility of contract terms, the size of space provided for tenancy, and on-site facilities, food service, parking, recreation, public spaces, amenities, utilities and services. If some features are unique to either the project or to the comparable housing in the local market, such distinctions should be noted in the Application where applicable.
- (l) “Executive Director” means the executive director of the Authority.
- (m) “Financing Agreement” means a written agreement detailing the financial terms of the Loan (and any related agreements) between the Authority and a Borrower.
- (n) “First Application Period” means the first time period during which Applications may be submitted for consideration of financing by the Authority.
- (o) “Fund” means the California Student Housing Revolving Loan Program Fund, from which Loans for the Program will be disbursed and to which repayments will be deposited.
- (p) “Intersegmental Project” means a student housing project intended for occupancy by students of more than one sector of four-year public postsecondary institutions and community colleges, and with a documented purpose, among others, to support transfer pathways between community colleges and four-year public postsecondary institutions. See also “Co-Applicant”.
- (q) “Loan” means funds approved to be lent from the Fund to a Borrower to be repaid back to the Authority pursuant to terms of a Financing Agreement.
- (r) “Loan Approval” means an approved Loan in an amount specified in the Resolution adopted by the Authority.
- (s) “Loan Recommendation” means the recommendation by Authority Staff to the Authority regarding an Application for a Loan under the Program, as further described in Section 9121.
- (t) “Local Match” means funding, Other Financing, or in-kind resources made available by a College Applicant or a Co-Applicant to cover project costs including but not limited to any dedication of land or other tangible property for use for the Project.
- (u) “Other Financing” means loans, bonds, certificates of participation or evidence of indebtedness for the Project other than a Loan pursuant to the Program.
- (v) “Participating Nonprofit Entity” shall mean an entity within the meaning of the United States Internal Revenue Code Section 501(c)(3) that has been designated by the Applicant as a Co-Applicant, intended Owner of the Project, or Borrower.

(w) “Program” means the Student Housing Revolving Loan Program as codified in Chapter 14.28 of the Education Code entitled California Student Housing Revolving Loan Fund Act of 2022.

(x) “Project” means a student housing project, or a faculty and staff housing project described in the Application.

(y) “Project financed pursuant to this Chapter” means the portion of the Eligible Costs of the Project, as described in section 9115, equal to the amount of the Loan Approval.

(z) “Subsequent Application Period” means any specified time period, after the First Application Period, during which Applications may be submitted to be considered for financing by the Authority, subject to the availability of funds.

Note: Authority cited: Section 67329.7, Education Code.

Reference: Sections 67329.2, 67329.4 - 67329.51, Education Code.

Section 9114. Eligibility

(a) The following entities are eligible to apply for a Loan under the Student Housing Revolving Loan Program:

(1) The Regents of the University of California on behalf of one or more campuses of the University of California.

(2) Office of the Chancellor of the California State University on behalf of one or more campuses of the California State University.

(3) Campus of the California State University.

Note: Authority cited: Section 67329.7, Education Code.

Reference: Sections 67329.2, Education Code.

Section 9115. Eligible Project Costs

(a) Loan funds shall be used solely for Eligible Costs of the Project as specified in (b) below:

(b) Eligible Costs means Capital Asset related expenses of the Project, including any of the following:

(1) Property acquisition, which also may include an existing facility for rehabilitation or expansion, and necessary easements.

(2) Refinancing of existing long-term debt or other financing of Capital Asset related expenses of the Project.

- (3) Fixtures, furnishings and equipment.
 - (4) Demolition, construction and rehabilitation work.
 - (5) Offsite improvements, such as sewers, utilities, and streets, directly related to, and required by, the Project.
 - (6) Onsite improvements related to the Project.
 - (7) Architectural, appraisal, engineering, legal, construction management and other consulting costs, and fees, which are directly related to the planning and execution of the Project.
 - (8) Development and construction costs of a residential unit reserved for an onsite manager, childcare, afterschool care, student services spaces and other amenities and common spaces integrally linked to, and addressing the needs of, the residents of the Project.
 - (9) A reasonable developer fee, as applicable, based on factors described in the Application.
 - (10) Costs incurred for marketing and preparing units for occupancy prior to initial rental.
 - (11) Carrying costs during construction, including insurance, construction financing fees and interest, taxes, and any other expenses necessary to hold the property while the Project is under construction.
 - (12) Building permits and state and local fees.
 - (13) Project contingency reserves for completion of construction.
 - (14) Escrow, title insurance, recording and other related costs.
 - (15) Costs for items intended to assure the completion of construction, such as contractor bond premiums.
 - (16) Environmental hazard reports, surveys, and investigations.
 - (17) Site preparation, early works and required mitigations.
 - (18) Installation of broadband internet trunk line or fixed wireless infrastructure;
 - (19) Any other costs of rehabilitation or new construction approved by the Authority;
 - (20) For a student housing project, on-site dining or food service space;
 - (21) For a student housing project, on-site academic space for use by students residing in the Project;
 - (22) Necessary and usual attendant and related facilities and equipment, such as study halls and conference rooms.
- (c) Eligible Costs of the Project incurred prior to the Loan Approval for a Project may be reimbursable, subject to the terms of the Financing Agreement.

Note: Authority cited: Section 67329.3, Education Code.
Reference: Sections 67329.4 - 67329.51, Education Code.

Section 9116. Workforce

(a) All Projects financed pursuant to this Chapter shall comply with the relevant provisions of Education Code Section 67329.5. The Authority shall not be responsible for affirming such compliance nor ensuring that the Applicant and Borrower carry through compliance.

Note: Authority cited: Sections 67329.7, Education Code.
Reference: Sections 67329.5 - 67329.51, Education Code.

Section 9117. Construction Procurement

(a) All Projects financed pursuant to this Chapter shall comply with the relevant provisions of Education Code Section 67329.51. The Authority shall not be responsible for affirming such compliance nor ensuring that the Applicant and Borrower carry through compliance. A Loan in the amount of \$25,000,000 or more shall be obligated to comply with Education Code Sections 67329.51(a)(3)-(5).

Note: Authority cited: Section 67329.57, Education Code.
Reference: Sections 67329.5 - 67329.51, Education Code.

Section 9118. Application Forms and Submission

(a) Entities that meet the eligibility requirement of Section 9114 may apply for a Loan.

(b) Applicants may submit Applications to the Authority solely on their own behalf or with a Co-Applicant.

(c) Applications with multiple Applicants or Co-Applicants shall designate one of the Applicants or Co-Applicants as the Borrower.

(d) Applications shall be made on the form prescribed by the Authority that will be available as described below. The Authority will accept Applications during the Application periods described in Section 9119.

(e) Application forms, instructions and a list of any required additional documentation shall be available on the Authority's website at [www.treasurer.ca.gov/cefa] and will be referred to as the California Student Housing Revolving Loan Program Application, Form No. CEFA CaSH RLP-01 (xx/xxxx). Any updates also will be made available on the Authority's website.

(f) Applications shall be considered if received by the respective deadline for the First Application Period or Subsequent Application Periods described in Section 9119, as applicable, and determined by Authority staff to meet the eligibility and compliance requirements identified in *Section I.D. Eligibility and Compliance Certification* of the Application form.

(g) The Authority reserves the right to request additional clarifying information from an Applicant or Co-Applicant at any time.

Note: Authority cited: Sections 67329.7, Education Code.

Reference: Sections 67329.4 - 67329.51 Education Code.

Section 9119. Application Periods and Application Deadlines

(a) Application periods and deadlines shall be posted on the Authority's website at [www.treasurer.ca.gov/cefa/____] and sent to the Authority's listserv to which anyone may subscribe at [www.treasurer.ca.gov/cefa].

(1) The deadline for the First Application Period shall be posted on the Authority's website at www.treasurer.ca.gov/cefa within ten (10) business days following the date the regulations are filed with the Secretary of State.

(2) If funds are available, the deadline for Subsequent Application Periods shall be posted on the Authority's website at [www.treasurer.ca.gov/cefa/_____](http://www.treasurer.ca.gov/cefa/).

Note: Authority cited: Sections 67329.7, Education Code.

Reference: Section 67329.4 Education Code.

Section 9120. Application Evaluation Criteria and Scoring Process.

(a) Authority Staff shall review each Application submitted by the deadline to determine if it is complete and meets the eligibility and compliance requirements specified in *Section I.D. Eligibility and Compliance Certification* of the Application form. Such review may include any necessary documentation of the information specified under Section I.D. of the Application Form.

(b) Authority Staff shall further review Applications determined to be compliant in subdivision (a) above shall be scored based on the following criteria:

Criteria Considered	Relevant Application Sections	Maximum Score
<p>(1) Project addresses the unmet demand for student housing at the relevant Campus (or Campuses in the case of an Intersegmental Project). The Authority shall consider evidence of total unmet demand for student housing in the context of the Campus student population as a whole and the Project's contribution to meeting such the demand, with a focus on Affordability and priority provided, if any, for homeless, low-income, student parents, disabled students, veterans, and other students with highest current unmet needs.</p>	VI.A.	25
<p>(2) Project has a Local Match. The Authority shall consider the total amount and percentage of total project costs covered by one or more sources of Local Match, as well as the documentation of commitment of funds related to such sources.</p>	VI.B.	10
<p>(3) Demonstrated financial feasibility of the Project. The Authority shall consider the following:</p>	II. VI.A. VI.B. VI.C. VI.D. VI.E.	35
<p>i. Project readiness, as demonstrated by a comprehensive project schedule indicating when construction is expected to begin together with other milestone start dates and completion dates determined by the Authority to be reasonable by industry standard.</p>	II.	<i>(included in 35 point maximum above)</i>
<p>ii. How the Project aligns with and addresses the unmet demand for student housing and any supportive services, including basic needs and childcare services, beyond housing, or the demand for faculty and staff housing, as applicable, including the</p>	VI.A	<i>(included in 35 point maximum above)</i>

Criteria Considered	Relevant Application Sections	Maximum Score
numbers and categories of residents to be served by the Project.		
iii. Completeness and reasonableness of Project budget, pro-forma projections.	VI.C. VI.D.	<i>(included in 35 point maximum above)</i>
iv. The degree to which the pro-forma projections and other Application documentation demonstrate the financial feasibility of the Project. The Authority shall evaluate the ability of the Borrower to repay the Loan on a timely basis, over the repayment period, from the pledged revenues as provided through the related security structure, and any need for and availability of any additional pledges or sources and the conditions of receipt of any such additional pledges or sources of funds, each as specified in the Application or otherwise agreed between the Borrower and the Authority.	VI.D.	<i>(included in 35 point maximum above)</i>
v. The credit quality of the pledged revenues and security structure.	VI.D.	<i>(included in 35 point maximum above)</i>
vi. Financial statements of the Applicant and any Co-Applicant that demonstrate financial capacity to meet any Local Match or Loan repayment obligations. Financial statements that are free from material issues or qualifications that could impair the financial feasibility of the Project or otherwise impose undue risks to the completion of the Project or repayment of the Loan.	VI.B. VI.E.	<i>(included in 35 point maximum above)</i>
(4) Demonstrated Project benefits. The Authority shall consider the following:	IV.	<i>(See below)</i>

Criteria Considered	Relevant Application Sections	Maximum Score
<p>i. Affordability of Project delivery costs. The Authority shall consider the Project “unit costs” (e.g., cost per bed or unit for student housing, or the cost per residential unit for faculty/staff housing), with consideration also given to student services spaces and other amenities and common spaces of value to residents.</p>	IV.A.	5
<p>ii. Level of Affordability of rental rates. The Authority shall consider the degree to which the lease or rental rates and any other fees or charges for occupancy of the student, staff, and faculty housing Project will be below local market rental rates and any other fees or charges for comparable student, staff and faculty housing (in both total dollars and as a percentage of market rates), taking into account the similar and unique characteristics of the facilities and the costs of utilities, internet service, food service, operations, maintenance, and other services included in the student, staff and faculty housing lease or rental rates. The Authority shall also consider the quantity and quality of evidence provided by the Applicant to support its analysis comparing the Project rates to local market rates for comparable housing.</p>	III.A. III.B.	20

Criteria Considered	Relevant Application Sections	Maximum Score
iii. Public benefits that will result from receipt of the Loan, compared to outcomes without receipt of the Loan. The Authority shall consider the level of public benefits, including, but not limited to, the ability to reduce project rents, serve more students, increase the useful life of the facility, provide additional onsite student support services, [advance diversity, equity and inclusion, reach populations that have demonstrated need for more Affordable Housing and supportive services], or other tangible benefits that would not be practical without receipt of the Loan. For an Intersegmental Project, the Authority shall also consider the benefits provided through the collaboration between the applicable University and College partners and how the Loan from this Authority will improve such benefits. In all cases, the Authority also shall consider the quantity and quality of evidence of these public benefits provided by the Applicant to support its analysis of public benefits of the Loan.	IV.B.	5
Maximum Score		100

Note: Authority cited: Section 67329.7, Education Code.
 Reference: Sections 67329.4 - 67329.51, Education Code.

Section 9121. Loan Recommendation

- (a) Following the assignment of a total score to each compliant Application pursuant to Section 9120, the Authority Staff will develop a Loan Recommendation for each compliant Application.
- (b) Loan Recommendations for Loan Approval may be made for Applications that receive a cumulative total score of at least 55 points under the criteria described in subdivision (b) in Section 9120.

- (c) Loan Recommendations for Loan Approval shall be limited to Applications that receive a score of at least 20 points for demonstrated financial feasibility of the Project.
- (d) Loan Recommendations may be for less than the amount requested in the Application to fund more Loans or otherwise advance the purposes and priorities of the Program.
- (e) Notwithstanding subdivision (b) above, Loan Recommendations for Loan Approval for Applications may be given priority based on any of the following:
- (1) Intersegmental Projects;
 - (2) Diverse geographical area;
 - (3) Earlier project start date; and
 - (4) Applicant has not previously received a Loan Approval.
 - (i) This factor is only relevant in Subsequent Funding Rounds.
- (f) Notwithstanding subdivision (b) above, Loan Recommendations for Loan Approval for Applications that receive a cumulative total score of less than 55 points may be made to achieve legislative objectives, including representation of various regions of the State and of the State's various higher education segments.
- (g) The amount of a Loan Recommendation shall not exceed the expected Eligible Project Costs of the Project financed pursuant to this Chapter.
- (f) Notification of Loan Recommendations will be sent to Applicants before the public meeting at which the Authority will consider Loan Approvals.

Note: Authority cited: Section 67329.7, Education Code.
Reference: Sections 67329.4 - 67329.6, Education Code.

Section 9122. Appeals.

- (a) An Applicant may appeal the Loan Recommendation made on its Application. No Applicant may appeal a Loan Recommendation made on an Application to which they are not a party.
- (b) Any appeal shall be submitted to the Executive Director by email to [insert appropriate email address] no later than five business days following the date of the notification to the Applicant of the Loan Recommendation.
- (c) The Executive Director shall review the appeal based on the Application as it existed at the time of the Loan Recommendation, although the Executive Director may request clarifications in writing from the Applicant if needed to understand the basis of the appeal.
- (d) The Executive Director shall make a decision on the merits of the appeal and notify the Applicant of the decision no later than 10 calendar days after receipt of the appeal.

- (e) The decision of the Executive Director may be appealed to the Authority, by written notification to the Executive Director within five calendar days of the date of the Executive Director's notification to the Applicant of the Executive Director's decision.
- (f) The Authority shall make a final decision on any appealed decision of the Executive Director's decision at a public meeting, as described in paragraph (g), below.
- (g) A successful appeal may affect the status or amount of a potential Loan Approval on other Applications, as compared to the information in a Loan Recommendation on such other Applications.
- (h) Adjustments to any Loan Recommendation following any appeals may not be appealed.

Note: Authority cited: Sections 67329.7, Education Code.

Reference: Section 67329.6, Education Code.

Section 9123. Loan Terms and Financing Agreements

(a) Each Loan shall be evidenced by a Financing Agreement in substantially the form approved by the Authority and executed by an authorized representative of the Borrower and the Executive Director and any other parties in interest as specified in the Authority Resolution authorizing the Loan. The Borrower shall have the obligation to make payments under the Financing Agreement and primary responsibility for the fiscal management of the Loan funds, records retention, reporting and all other aspects of compliance with requirements of the Financing Agreement, the terms of the Program and provisions of this Article as approved.

(b) Financing Agreements shall include provisions for the following, among others, as necessary:

- (1) Loan Disbursement Schedule or Process
- (2) Loan Repayment Schedule and Early Repayment Events
- (3) Repayment Pledge or Security Interest and Related Provisions
- (4) Representations and Warranties
- (5) Conditions Precedent
- (6) Covenants
- (7) Events of Default and Remedies
- (8) Succession of Interest

(c) Disbursement of any Loan funds is subject to execution of a Financing Agreement not later than 180 days following adoption of the Resolution approving the Loan.

(d) Total disbursements under a Loan shall not exceed the lesser of the amount of the approved Loan and the expected Eligible Costs of the Project.

(e) The Financing Agreement shall be structured to provide for repayment over a reasonable time period, not to exceed 30 years from the execution date of the Financing Agreement, from revenues or other funding sources pledged by the Borrower, which funding sources may include, but not be limited to, lease or rent payments for occupancy of the Project.

(f) In determining the time period for repayment of the Loan, the Authority shall consider any or all of the following:

- (1) Impact on the Affordability of rents;
- (2) Anticipated useful life of the facility;
- (3) Creditworthiness of the Borrower;
- (4) Implications for revenue bonds that may be issued under this Program; and
- (5) Program objectives to recycle funds from Loan repayments.

(g) The Authority shall establish a schedule of level annualized payments over the term of the Loan, unless there is evidence of the pledged funding sources being available in accordance with a different schedule that is acceptable to the Authority and mutually agreeable to the parties. Any increase in annual loan repayments will not exceed the anticipated increase in pledged revenues or other funding sources, including annual lease or rent payments for occupancy of the Project unless mutually agreed to by the Authority and the Borrower in writing.

(h) The Authority may establish a shorter repayment period when it deems such shorter period to be appropriate and prudent in consideration of multiple factors.

(i) Any sale or other transfer of ownership of the Project shall require consent of the Authority and such consent may be conditioned upon partial or full repayment of the Loan from the proceeds of such sale or other transfer of ownership.

(j) The Authority may issue revenue bonds to augment the Fund upon approval by its Board, in accordance with this Program and its authorizing statutes, as amended from time to time.

(k) The cumulative amount of Loans made by the Authority shall not exceed the total funds appropriated for Applicants, the net proceeds of any revenue bonds issued to augment the Fund, plus interest earned thereon, less the Authority's administrative costs.

Note: Authority cited: Section 67329.7, Education Code.
Reference: Section 67329.6, Education Code.

Section 9124. Disbursements and Documentation of Loan Funds.

(a) Loan funds shall be disbursed only after the following requirements have been met:

(1) Execution of a Financing Agreement as described in Section 9123 by the Borrower and the Authority.

(2) For any advance disbursement of up to 20 percent of the approved Loan amount, the Borrower has submitted to the Authority applicable documentation of one or more contracts for the Project, such as:

(a) For construction or renovation, an executed construction or renovation contract;

(b) For real property acquisitions, an executed purchase and sale agreement;

(c) For acquisition of furniture and equipment, a list of items to be purchased and a copy of related purchase orders; or

(d) For other eligible costs, contracts and/or purchase orders.

(3) For subsequent disbursements, the Borrower has submitted to the Authority copies of invoices or other documentation evidencing the eligible costs incurred and due or paid pursuant to one or more contracts for the Project previously submitted to the Authority. The format for disbursement requests may be specified by the Authority in the Financing Agreement.

Note: Authority cited: Section 67329.7, Education Code.
Reference: Section 67329.6, Education Code.

Section 9125. Recovery of Funds for Non-Performance and Unused Loan Funds; Remedies

(a) If the Authority determines that Loan funds were not spent in accordance with Program requirements or the Financing Agreement, the Authority retains the right to all its remedies, including the forfeiture and return of unspent and/or misspent Loan funds to the Authority.

(b) If the Borrower fails to timely begin or complete the Project, the Authority retains the right to all its remedies, including forfeiture and return of the Loan funds to the Authority.

(c) Unspent and/or misspent Loan funds, and any investment earnings thereon, shall be returned by the Borrower to the Authority no later than 45 calendar days following the date of the Certificate of Completion or as required pursuant to any remedy eligible to, and exercised by, the Authority.

Note: Authority cited: Section 67329.7, Education Code.
Reference: Section 67329.6, Education Code.

Section 9126. Reporting Requirements

(a) For a Project meeting the requirements of Education Code Section 67329.51(a)(3), the Borrower shall submit the reports described in Education Code Section 67329.51(a)(5)(A) within 20 days of the end of each monthly period for which a report is required.

(b) Within 90 days of Project completion, the Borrower shall submit a completed Certificate of Completion and Final Report Form No. _____ and the following documentation:

(1) Certificate of Occupancy.

(2) Summary of sources and uses of funds accounting for all Loan proceeds and identifying any investment earnings on Loan funds. Such summary should verify the extent to which the combination of Loan proceeds and investment earnings exceeded the eligible costs of the Project, as applicable.

(3) Project's outcomes, including actual rents to be charged to students, faculty or staff as a result of the Loan, and the number and types of units developed. For Projects that include reduced rents for certain units, beds, or residents, the number of standard rent and reduced rent units, beds, or residents and the respective rents charged for each.

(c) After submission of the Certificate of Completion and Final Report, and until the Loan is repaid in full, Borrowers shall submit annual reports to the Authority within 60 days following the end of the campus normal academic year specifying the following, at a minimum:

(1) The actual annual rents charged to students, faculty or staff occupying the Project;

(2) The Number and types of units occupied in the past year; and

(3) For Projects that include reduced rents for certain units, beds, or residents, the actual number of standard rent and reduced rent units, beds, or residents and the respective rents that were charged for each in the past year.

Note: Authority cited: Section 67329.7, Education Code.
Reference: Sections 67329.4 – 67329.51, Education Code.

Section 9127. Records Retention, Inspections and Audits.

(a) Borrowers shall retain all Project documentation and financial records necessary to substantiate the purposes for which the Loan funds were spent for a period of seven (7) years after the date of the Certificate of Completion and Final Report.

(b) The Authority may conduct or require periodic audits to ensure Borrowers are using funds consistent with the requirements of the Financing Agreement, the terms of the Program, and the provisions of this Article as approved.

(c) The Authority reserves the right to perform site visits to inspect the Project and may inspect and/or audit Project records to ensure the Loan funds are used consistent with the requirements of the Financing Agreement, the terms of the Program, and provisions of this Article as approved.

Note: Authority cited: Section 67329.7, Education Code.

Reference: Sections 67329.4 - 67329.51, Education Code.

WORKING DRAFT FOR PUBLIC COMMENT

DRAFT OF 12/22/2023



**California Student Housing Revolving Loan Fund
(CaSH RLF)**

Application

[Authority Name
Address,
Phone,
email address
website]

CaSH RLF Application

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INSTRUCTIONS

1. Applicants are responsible for the completeness and accuracy of their Applications and compliance with applicable state law found in the [California Student Housing Revolving Loan Fund Act of 2022](#) (*hyperlink*) and with Authority Regulations found in [insert respective Authority's regulatory citation here]. [These regulations can be found on the Authority's website at: [insert link to general website, program website or actual regulations PDF]].
2. This Application template, including these Instructions, is incorporated by reference in Authority Regulations.
3. Whenever a system-level entity is serving as the Applicant, it is expected that the respective campus on behalf of which the Application is being submitted will be listed as a Co-Applicant.
4. When completing tables and similar line items in the Application, responses should **replace "blank spaces"** and text *in italics only*. Text in normal font **should be retained**, as it is an integral part of the Application form.
5. Applicants must complete all sections and indicate whenever any given line item is not applicable and why. Applicants also must indicate where specified whenever reference should be made by the Authority to an additional file provided by the Applicant to be incorporated into the Application package, including listing the file name where requested. Also use the provided space for Explanations in each section for any necessary explanation of responses in the Application.
6. Any requested information provided by the Applicant in the form of an Appendix to the Application must be listed in the respective Appendix table provided in each relevant section of the Application, including the Appendix name and file name or URL, as applicable. It is the responsibility of the Applicant to properly list all appendices and include the relevant files or links in the materials sent to the Authority with the Application form.
7. For information about the relevant Application deadlines for each Application Period, see Section [insert respective CEFA section number][10200.28 for CSFA] as well as the Authority's website at: [insert respective authority website]
8. Applications shall be emailed as one or more attachments [as Portable Document Format (PDF), Microsoft Excel (Excel) or Microsoft Word (Word) files] to [csfa@treasurer.ca.gov][cefa@treasurer.ca.gov]. The Authority is not responsible for email transmittal delays or failures of any kind.

I. SUMMARY INFORMATION

Application Date	
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I.A. APPLICANT INFORMATION

Applicant Entity Name	
Campus on whose Behalf Application is submitted, if not Applicant (also see Co-Applicant in Section I.B., as applicable)	
Institution Type(s)	<input type="checkbox"/> University of California <input type="checkbox"/> California State University <input type="checkbox"/> California Community College <input type="checkbox"/> Intersegmental Project (also check all boxes that apply above)
Applicant Street Address	
City, State & Zip Code	
Primary Contact Name	
Primary Contact Title	
Primary Contact Organization	
Primary Contact Phone	
Primary Contact Email	
Entity Designated as Borrower (see also Co-Applicant in Section I.B., as applicable)	
Describe the process required to authorize submittal of an Application and acceptance of a Loan and attach documentation of such authorization.	
Applicant Party(ies) Authorized to Approve Financing Agreement	
Applicant Party(ies) Authorized to Execute Financing Agreement	

Where requested information is provided as an Appendix, list each Appendix title and file name below:

Authorization Appendices:

Appendix Title	File Name or URL	Comments, as needed

Explanations:

Draft for Public Review and Comment

I.B. CO-APPLICANT INFORMATION

Co-Applicant Entity Name	
Institution Type(s)	<input type="checkbox"/> University of California
	<input type="checkbox"/> California State University
	<input type="checkbox"/> California Community College
	<input type="checkbox"/> Intersegmental Project (also check all boxes that apply above)
	<input type="checkbox"/> Participating Nonprofit Entity Owner
Co-Applicant Street Address	
City, State & Zip Code	
Primary Contact Name	
Primary Contact Title	
Primary Contact Organization	
Primary Contact Phone	
Primary Contact Email	
<i><u>If Co-Applicant is the Entity Designated as Borrower,</u></i> complete information below on authorized parties.	
Describe the process required to authorize the Co-Applicant to act as Borrower and attach documentation of such authorization.	
Co-Applicant Party(ies) Authorized to Approve Financing Agreement	
Co-Applicant Party(ies) Authorized to Execute Financing Agreement	

Where requested information is provided as an Appendix, list each Appendix title and file name below:

Authorization Appendices:

Appendix Title	File Name or URL	Comments, as needed

Explanations:

Draft for Public Review and Comment

I.C. PROJECT INFORMATION

Project Location	<input type="checkbox"/> On-campus: <i>[specify name of campus here]</i>	
	<input type="checkbox"/> Off-campus: <i>[describe location here]</i>	
Project Street Address		
Project Cross Streets		
Project City, State & Zip Code		
Assessor's Parcel Number(s)		
GIS Coordinates		
Project Assembly District		
Project Senate District		
Project Type(s)	<input type="checkbox"/> Student Housing	
	<input type="checkbox"/> Faculty Housing	
	<input type="checkbox"/> Staff Housing	
	<input type="checkbox"/> Hybrid (also check all boxes that apply above)	
Loan Amount Requested	\$	
Other Loan Requested - If Project is an Intersegmental Project	\$ <i>[indicate above the amount of other Loan, if any, requested from another Authority and the date of Application to such Authority]</i>	
Name of Other Authority		
Project Size (estimates)		
Gross Square Feet (Structures)		
Rentable Square Feet		
Project Common Spaces	Type of Common Spaces (check all that apply)	Square Ft
	<input type="checkbox"/> Dining / Food Service	
	<input type="checkbox"/> Market / Sundries	
	<input type="checkbox"/> On-site Laundry	
	<input type="checkbox"/> Exercise Room	
	<input type="checkbox"/> Computer Labs	
	<input type="checkbox"/> Study Rooms / Libraries	
	<input type="checkbox"/> Media Rooms	
	<input type="checkbox"/> Shared Kitchens	
	<input type="checkbox"/> Student Support Services	
	<input type="checkbox"/> Mail / Delivery Room / Package Lockers	
	<input type="checkbox"/> Bicycle Storage / Secure Parking	
	<input type="checkbox"/> Parking Lots / Structures	
	<input type="checkbox"/> Patios, Gardens, Fields	
	<input type="checkbox"/> Pool / Spa	
	<input type="checkbox"/> Other: specify	
	<input type="checkbox"/> Other: specify	

(continued on next page)

I.C. PROJECT INFORMATION (CONTINUED)

Number and Types of Units	Type of Units (check all that apply)	Number
	<input type="checkbox"/> Student Residence Hall Singles	
	<input type="checkbox"/> Student Residence Hall Doubles	
	<input type="checkbox"/> Student Residence Hall Triples or Quads	
	<input type="checkbox"/> Student Apartments / Apartment-Style	
	<i>[Specify rooms & student capacity per apartment]</i>	
	<input type="checkbox"/> Student Other <i>[specify / describe]</i>	
	Total Student Resident Capacity (People)	
	<input type="checkbox"/> Faculty / Staff Studio Apartments	
	<input type="checkbox"/> Faculty / Staff 1 BR Apartments	
	<input type="checkbox"/> Faculty / Staff 2 BR Apartments	
	<input type="checkbox"/> Faculty / Staff 3 BR Apartments	
	<input type="checkbox"/> Faculty / Staff Other <i>[specify / describe]</i>	
	Total Faculty / Staff Resident Capacity (People)	
Intersegmental Project Segment Allocation of Units	<i>[Provide breakdown of the above for each Segment's portion of the Project by replicating this table or otherwise explain the method of allocation of units among the parties.]</i>	

Where requested information is provided as an Appendix, list each Appendix title and file name below:

Authorization Appendices:

Appendix Title	File Name or URL	Comments, as needed

Explanations:

I.D. ELIGIBILITY AND COMPLIANCE CERTIFICATION

	Answer	Comments / Explanation
1. Project Construction Start Date:		
Construction on the project could begin by June 30, 2025, or by the earliest possible date thereafter, as stated in the Application.	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Application Section II <i>[Specify date of construction start]</i>
2. Below Market Rental Rates:		
The rate for student, staff, and faculty housing supported by the Fund will be below local market rental rates for comparable student, staff, and faculty housing.	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Application Sections III.A. & III.B. <i>[Specify est. % below local market rental rates]</i>
3. Public Benefits of the Requested Loan:		
Receipt of a loan from the authority shall result in a public benefit that would not be practical without receipt of loan.	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Application Sections IV.A. & IV.B. <i>[Summarize key affordability and other public benefits due to receipt of a loan]</i>
4. Compliance with EDC Section 67329.5		
(a) For projects financed pursuant to this chapter that are not University of California projects, all work traditionally performed by employees of the college or university applicant shall be performed only by those employees.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	See Application Section V.A. <i>[Summarize means of compliance]</i>
(b) For projects financed pursuant to this chapter that are projects of the University of California or projects benefiting the University of California, the requirements of section 67329.5(b)(1) through 67329.5(b)(4) will be met.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	<i>[Summarize means of compliance]</i>
5. Compliance with EDC Section 67329.51		
The project financed pursuant to this Chapter will have onsite construction, alteration or repair costs totaling \$25 million or more (indicate "Yes" if this is true or "No" if the indicated costs are below \$25 million)	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Application Section V.B. <i>[Specify requested loan amount, which will constitute the relevant costs of the project financed pursuant to this Chapter for purposes of this section]</i>
If "Yes" is indicated above, the project financed pursuant to this Chapter will comply with all requirements of Section 67329.51 (if "No" is indicated above, check "NA" here)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA	<i>[If "Yes", summarize means of compliance]</i>
6. Project Ownership		
The project will be owned by a participating college or university or participating nonprofit entity.	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Application Section V.C. <i>[Specify name of project Owner and summarize ownership structure]</i>
7. Application Completeness		
The Application includes all required forms, certifications and documentation required.	<input type="checkbox"/> Yes <input type="checkbox"/> No	See Application Section VII. <i>[Specify any exceptions and explain why Application should be considered complete without any specified element]</i>

Certification by Applicant Representative

The information contained in this Certification is true and accurate, to the best of my knowledge.

Signature:	
Name and Title:	
Applicant Organization:	

II. PROJECT SCHEDULE

<input type="checkbox"/> Check box here if information is provided in separate file and list file name below: [file name]

Milestones ¹	Start Date	Completion Date
Planning ²		
Governing Body Approval ²		
Environmental Clearance		
State Permits and Approvals ²		
Local Permits and Approvals ²		
Project Design Procurement		
Preliminary Design ²		
Final Design ²		
Project Construction Procurement		
Property Acquisition, as applicable		
Site Preparation		
Early Works		
Financial Close on Any Other Financing(s)		
Construction		
Fixtures, Furnishings / Equipment Installation		
Testing and Commissioning		
Marketing and Leasing		
Move-in / Occupancy		

¹ Applicant may add milestones applicable to the project but should not delete or ignore any listed milestones. For instance, particular components of the project may have different construction start dates and completion dates, so these could be added below the Construction milestone line item in additional rows.

² Include all state or local planning, design and permitting approvals required for the project (e.g., fire and life-safety approvals, local zoning changes or exemptions, historic preservation commission review and approval) and specify the decision-making entities involved, including approval by the Applicant’s governing body.

3. If project has begun, include in the Explanation below a description of the activities taken to date.

Explanations:

III. PROJECT RENTS & COMPARISON TO LOCAL MARKET RATES

III.A. PROJECT RENTS

<input type="checkbox"/> Check box here if information is provided in separate Excel file and list file name below:
<i>[file name]</i>

Type of Units (check all that apply)	Number of Units (Table I.B)	Number of Beds	Rents ¹ / Bed	Total Annual Rents ²
<input type="checkbox"/> Student Residence Hall Singles				
<input type="checkbox"/> Student Residence Hall Doubles				
<input type="checkbox"/> Student Residence Hall Triples or Quads				
<input type="checkbox"/> Student Apartments / Apartment-Style				
<input type="checkbox"/> Student Other <i>[specify / describe]</i>				
Total Student Resident Capacity (People)				
	Number of Units (Table I.B)		Rents ¹ / Unit	Total Annual Rents ²
<input type="checkbox"/> Faculty / Staff Studio Apartments				
<input type="checkbox"/> Faculty / Staff 1 BR Apartments				
<input type="checkbox"/> Faculty / Staff 2 BR Apartments				
<input type="checkbox"/> Faculty / Staff 3 BR Apartments				
<input type="checkbox"/> Faculty / Staff Other <i>[specify / describe]</i>				
Total Faculty / Staff Resident Capacity (People)				

¹ Use monthly rent amounts charged, before any off-sets for vacancy factors or other adjustments. Explain any relevant adjustments below.

² Use initial year rents and assume 100% occupancy for the above table, and specify vacancy rate assumptions used in financial projections below, for informational purposes, using initial year rents.

Vacancy Rate Assumptions	Avg % Vacancy	Avg Annual \$ in Reduced Revenue
<input type="checkbox"/> Student Housing – All Units		
<input type="checkbox"/> Faculty / Staff Housing – All Units		

Explanations:

III.B. COMPARABLE LOCAL MARKET RENTS AND PROJECT AFFORDABILITY

<input type="checkbox"/> Check box here if information is provided in separate file and list file name below:
<i>[file name]</i>

1. Describe the area(s) of the local market assumed for the comparison and why the particular area (or areas) represent the local market.

[enter response, using as much space as needed, as box will expand]

2. Provide information about comparable local market rents, fees and charges in the local market. Such comparable local market costs should account for any concessions, incentives or rebates that are common in the local market at the time of the analysis. Comparable information should take into account the similar and unique characteristics of the housing, such as age of facilities, proximity to campus and other community destinations, character of neighborhood, available community amenities, flexibility of contract terms, the size of the space provided for tenancy and the value of any additional on-site facilities, food service, parking, recreation, public spaces, amenities, utilities, internet and other operations and maintenance services for which access is included in the comparable local market rents and any that are subject to additional fees and charges. Provide information about the combined all-in cost of the comparable local market's inclusive rents and typical additional fees and charges.

[enter response, using as much space as needed, as box will expand]

3. Provide information on any other additional on-site facilities, food service, parking, recreation, public spaces, amenities, utilities and services for which access is included in the project rents and any such services that are subject to additional fees or charges. In the case of the latter, provide typical estimates of and the basis for such additional fees or charges. Provide information about the combined all-in cost of the project's inclusive rents and typical additional fees and charges.

[enter response, using as much space as needed, as box will expand]

4. Provide information about key similarities and differences between the project and comparable local market projects, such as age of facilities, proximity to campus and other community destinations, character of neighborhood, available community amenities, flexibility of contract terms, the size of the space provided for tenancy and the value of, on-site facilities, food service, parking, recreation, public spaces, amenities, utilities, internet and other operations and maintenance services (all-in costs) included in the student, staff, and faculty housing rents, as applicable.

[enter response, using as much space as needed, as box will expand]

5. Estimate the amount (and percentage) by which the all-in costs for the project are below such all-in costs for the comparable local market.

[enter response, using as much space as needed, as box will expand]

6. Include evidence of these market comparisons, such as Applicant’s own research, independent databases, publicly available information and/or independent appraisal or market analysis. Where such information can be accessed online, include a live link to the URL in the response below.

[enter response, using as much space as needed, as box will expand]

Where requested information is provided as an Appendix, list each Appendix title and file name below:

Comparable Local Market Appendices:

Appendix Title	File Name or URL	Comments, as needed

IV. PROJECT BENEFITS

IV.A. AFFORDABILITY OF PROJECT DELIVERY COSTS (PROJECT UNIT COSTS)

<input type="checkbox"/> Check box here if information is provided in separate Excel file <u>and</u> list file name below:

Type of Units (check all that apply)	Number of Units (Table I.B)	Sq Ft / Unit	Capital Cost / Sq Ft	Total Capital Cost
<input type="checkbox"/> Student Residence Hall Singles				
<input type="checkbox"/> Student Residence Hall Doubles				
<input type="checkbox"/> Student Residence Hall Triples or Quads				
<input type="checkbox"/> Student Apartments / Apartment-Style				
<input type="checkbox"/> Student Other [specify / describe]				
Total Student Resident Capacity (People)				
<input type="checkbox"/> Faculty / Staff Studio Apartments				
<input type="checkbox"/> Faculty / Staff 1 BR Apartments				
<input type="checkbox"/> Faculty / Staff 2 BR Apartments				
<input type="checkbox"/> Faculty / Staff 3 BR Apartments				
<input type="checkbox"/> Faculty / Staff Other [specify / describe]				
Total Faculty / Staff Resident Capacity (People)				
Type of Amenities (check all that apply)		Total Sq Ft	Capital Cost / Sq Ft	Total Capital Cost
<input type="checkbox"/> Dining / Food Service				
<input type="checkbox"/> Market / Sundries				
<input type="checkbox"/> On-site Laundry				
<input type="checkbox"/> Exercise Room				
<input type="checkbox"/> Computer Labs				
<input type="checkbox"/> Study Rooms / Libraries				
<input type="checkbox"/> Media Rooms				
<input type="checkbox"/> Shared Kitchens				
<input type="checkbox"/> Student Support Services				
<input type="checkbox"/> Mail / Delivery Room / Package Lockers				
<input type="checkbox"/> Bicycle Storage / Secure Parking				
<input type="checkbox"/> Parking Lots / Structures				
<input type="checkbox"/> Patios, Gardens, Fields				
<input type="checkbox"/> Pool / Spa				
<input type="checkbox"/> Other: specify				

Explanations:

IV.B. PUBLIC BENEFITS THAT WILL RESULT FROM RECEIPT OF A LOAN

1. Provide information indicating the public benefits that will result from receipt of the loan, compared to outcomes without receipt of the loan, including, but not limited to, the ability to reduce Project rents, serve more students, increase the useful life of the facility, provide additional onsite student support services, or other tangible benefits that would not be practical without receipt of the loan.

[enter response, using as much space as needed, as box will expand]

2. If the Project is an Intersegmental Project, describe the benefits being provided through this collaboration and how the Loan from this Authority will improve such benefits.

[enter response, using as much space as needed, as box will expand]

3. Describe how the Project financed under this chapter advances diversity, equity and inclusion and reaches populations that have demonstrated need for more affordable housing and supportive services for completing their higher education goals, as applicable.

[enter response, using as much space as needed, as box will expand]

4. Include evidence of these public benefits, such as Applicant’s own research, independent databases, publicly available information and/or independent analysis. Where such information is presented elsewhere in the Application, provide a reference to the relevant section. Where such information can be accessed online, include a live link to the URL in the response below.

[enter response, using as much space as needed, as box will expand]

If requested information is provided as an Appendix, list each Appendix title and file name below:

Public Benefits Appendices:

Appendix Title	File Name or URL	Comments, as needed

V. PROJECT COMPLIANCE

V.A. COMPLIANCE WITH EDUCATION CODE SECTION 67329.5

[\[EDC 67329.5 hyperlink\]](#)

1. For projects financed pursuant to this Program that **are not** University of California projects, describe how the Applicant will comply with the requirement of Education Code Section 67329.5(a) that all work traditionally performed by employees of the college or university applicant shall be performed by those employees.

[enter response, using as much space as needed, as box will expand]

2. For projects finance pursuant to this Program that **are** projects of the University of California or projects benefiting the University of California, describe how the Applicant will comply with the requirements of Education Code Section 67329.5(b)(1) through 67329.5(b)(4).

[enter response, using as much space as needed, as box will expand]

V.B. COMPLIANCE WITH EDUCATION CODE SECTION 67329.51

[\[EDC 67329.51 hyperlink\]](#)

1. For any project financed pursuant to this Chapter requesting Loan Approval of twenty-five million dollars or more, describe how the Applicant and any Co-Applicant will comply with the requirements of Education Code Section 67329.51.

[enter response, using as much space as needed, as box will expand]

Draft for Public Review and Comment

V.C. PROJECT OWNERSHIP

1. Provide information on the ownership structure of the project, including whether it will be owned by the Applicant or by the Participating Nonprofit Entity designated as a Co-Applicant.

[enter response, using as much space as needed, as box will expand]

2. In the event the project Owner will be a Participating Nonprofit Entity, provide the following information.

Name of Participating Nonprofit Entity Owner	
Evidence of Nonprofit Status	
Describe Governance Structure	
Contact Person Name and Title	
Contact Person Phone and Address	
Organization Website	
Process required for Project Approval by the Board of the Participating Nonprofit Entity	
Evidence of Project Approval by the Board of the Participating Nonprofit Entity	

If any requested information is provided in an Appendix, list each Appendix title and file name or URL below.

Ownership Appendices:

Appendix Title	File Name or URL	Comments, as needed

VI. PROJECT DEMAND AND FINANCIAL FEASIBILITY

VI.A. APPLICANT’S UNMET DEMAND FOR STUDENT HOUSING

1. Provide information about the campus population as a whole and the unmet demand for student housing. In presenting the unmet demand, an applicant should describe the categories of students, their numbers and their levels of unmet demand (e.g., students experiencing or at risk of homelessness, low-income students, student parents, disabled students, veterans, etc.). Such unmet demand may include supportive services beyond housing.

[enter response, using as much space as needed, as box will expand]

2. Describe how the project aligns with and addresses the unmet demand described above for the categories of students described above, including any supportive services beyond housing. Include information about what percentage of the unmet demand the project will meet for each of the categories of students described above.

[enter response, using as much space as needed, as box will expand]

3. Provide evidence of the described unmet demand, which may include, but is not limited to, wait lists, surveys, homeless counts, market demand studies or other objective information.

[enter response, using as much space as needed, as box will expand]

If any requested information is provided in an Appendix, list each Appendix title and file name or URL below.

Unmet Demand Appendices:

Appendix Title	File Name or URL	Comments, as needed

VI.B. APPLICANT’S LOCAL MATCH

1. Describe the amount(s) and source(s) of Local Match to be provided for the project. Indicate the percentage of total project capital costs estimated to be met by the Local Match. In the event the Local Match is intended to be used for other costs of the project (e.g., to subsidize student rents, fund operating costs, establish reserves, etc.), please specify the intended use of such Local Match.

[enter response, using as much space as needed, as box will expand]

2. Describe any necessary actions or other conditions to receipt of such Local Match, which may include, but are not limited to, issuance of bonds, appropriation of Applicant funds or other funds, acquisition of property, financial contributions by other parties, etc., including the involved parties and anticipated timing of completion of any such actions or other conditions.

[enter response, using as much space as needed, as box will expand]

3. Provide evidence of the dedication / appropriation of such Local Match, if currently available, which may include, but is not limited to, budget documents, financing documents, governing body resolutions and meeting minutes receipts, for external contributions, etc.

[enter response, using as much space as needed, as box will expand]

If any requested information is provided in an Appendix, list each Appendix title and file name or URL below.

Local Match Appendices:

Appendix Title	File Name or URL	Comments, as needed

VI.C. PROJECT CAPITAL BUDGET – ANNUAL SOURCES AND USES OF FUNDS

Use separate Excel file provided as Attachment B with Application template. Below images are for informational purposes only.

SOURCES OF FUNDS	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6		
Applicant Equity							\$	- 0%
CaSH RLF Loan (1)	-	-	-	-	-	-		- 0%
Project Financing (s)								- 0%
SB169 (if applicable)								- 0%
Other Local Match								- 0%
[Other Source]								- 0%
[Other Source]								- 0%
[Other Source]								- 0%
[Other Source]								- 0%
TOTAL SOURCES OF FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
ELIGIBLE COSTS (2)								
1. Property acquisition							\$	- 0%
2. Refinancing								- 0%
3. Fixtures, furnishings & equipment								- 0%
4. Demolition, construction & rehabilitation								- 0%
5. Offsite improvements								- 0%
6. Onsite improvements								- 0%
7. Architectural and various consulting costs and fees								- 0%
8. Development and construction of eligible other spaces serving the Project								- 0%
9. Reasonable developer fee (3)								- 0%
10. Unit preparation costs								- 0%
11. Carrying costs								- 0%
12. Building permits & state/local fees								- 0%
13. Project contingency reserves for completion of construction								- 0%
14. Escrow, title, recording, etc.								- 0%
15. Completion bonds, etc.								- 0%
16. Environmental reports, etc.								- 0%
17. Site prep., early works & mitigations								- 0%
18. Broadband / wireless internet infrastructure								- 0%
19. Other rehab or new construction approved by the Authority (4)								- 0%
20. On-site dining/food service space								- 0%
21. On-site academic space								- 0%
22. Necessary & usual attendant and related facilities & equipment								- 0%
TOTAL ELIGIBLE COSTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
INELIGIBLE COSTS (5)							\$	- 0%
TOTAL PROJECT COSTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
ANNUAL SURPLUS / (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
ENDING BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

Notes

¹ Add Year 6 column if needed.

² Line item labels have been shortened for space. See “Eligible Costs” pursuant to Section [10200.26][9115] of [CSFA][CEFA] Regulations for additional details that apply to each line item.

³ In the event a developer fee is requested to be financed by a Loan, use the “Explanation” section, below, to describe how Applicant has determined such developer fee to be reasonable (e.g., fee was determined as a result of a competitive process, or was negotiated with the benefit of industry benchmarks, or resulted from another objective process, etc.)

⁴ In the event of any other costs of rehabilitation or new construction the Applicants requests to be financed by a Loan, use the “Explanation” section, below, to describe why Applicant believes the Authority should approve such other costs, including any impacts to the Project if the Authority does not approve the request.

⁵ If less than the full amount of Eligible Costs, above, is requested to be financed pursuant to this Chapter, use the “Explanation” section below to describe the portion of such Eligible Costs of the Project financed pursuant to this Chapter.

If the project has already begun, use the “Explanation” section below to describe the amount of funding expended for the Project, the funding source(s), purpose(s) and whether reimbursement will be requested from the Program.

Explanation

Draft for Public Review and Comment

VI.D. PROJECT PRO-FORMA PROJECTIONS AND FINANCIAL FEASIBILITY

Use separate Excel file provided as Attachment B with Application template.

1. Provide project pro-forma projections in a **readable Excel file** showing the forecast operating revenues, operating expenses, maintenance and renewal reserves, debt service costs, CaSH RLF loan repayment costs and any other material financial obligations for at least the first ten (10) years of project operations. In the event of any ramp-up period at less than [80%] occupancy, the pro-forma projects should be extended to include 10 years at full occupancy (which may include normal vacancy allowances). **Utilize the Project Pro-forma Projections worksheet in the Financial Model included in the Application Template package as Attachment B for this purpose. Complete the list of key assumptions that are used in the pro-forma calculations.**
2. Explain how the project pro-forma projections demonstrate the financial feasibility of the project, including the ability of the Borrower to repay the CaSH RLF loan on a timely basis. Specify the requested repayment period for the CaSH RLF loan. Specify the pledged revenues and related security structure for repayment of the CaSH RLF loan. If any additional sources of funds beyond project operating revenues are assumed to be received, explain such additional sources and the conditions of receipt of such additional sources of funds.

[enter response, using as much space as needed, as box will expand]

3. In the event the Authority does not have sufficient capacity to award the full amount of the requested Loan, what is the minimum amount of Loan that would enable the project to proceed? Explain the impact on the project, other funding or financing sources, or changes to the project rents or other impacts, as applicable, in the event of a reduced Loan amount.

[enter response, using as much space as needed, as box will expand]

4. In the event the Applicant is requesting a Loan from another Authority for an Intersegmental Project, what is the minimum amount of Loan from the other Authority that would enable the project to proceed? Explain the impact on the project, other funding or financing sources, or changes to the project rents or other impacts, as applicable, in the event of a reduced Loan amount from the other Authority.

[enter response, using as much space as needed, as box will expand]

If any requested information is provided in an Appendix, list each Appendix title and file name or URL below.

Pro-forma and Additional Sources of Funds Appendices:

Appendix Title	File Name or URL	Comments, as needed

VI.E. APPLICANT AND CO-APPLICANT AUDITED FINANCIAL STATEMENTS

1. Provide copies of the audited financial statements for the **two most recently completed fiscal years for the Applicant and any Co-Applicant**. If audited financial statements for the most recently completed fiscal year are not yet available, provide unaudited financial statements for the most recent fiscal year and audited financial statements for **two prior** fiscal years. Indicate in the table below the periods covered for audited financial statements and unaudited financial statements, as applicable, and indicate the relevant party (Applicant or Co-Applicant) in the indicated column.

Audited Financial Statement Periods (list years covered below)	Unaudited Financial Statement Periods (list years covered below)	Applicant or Co-Applicant / Comments

2. If the Applicant's audited financial statements are consolidated with system-wide financial statements, provide such consolidated audited financial statements for the **two most recently completed fiscal years for the Applicant and any Co-Applicant** and specify in the comments column below the location of Applicant's relevant information within the consolidated statements. If audited financial statements for the most recently completed fiscal year are not yet available, provide unaudited financial statements for the most recent fiscal year and audited financial statements for **two prior** fiscal years. Indicate in the table below the periods covered for audited financial statements and unaudited financial statements, as applicable, and indicate the relevant party (Applicant or Co-Applicant) in the indicated column.

Consolidated Audited Financial Statement Periods (list years covered below)	Consolidated Unaudited Financial Statement Periods (list years covered below)	Comments, as needed

Copies of the listed financial statements may be provided as PDF files or via live links. List each Appendix title and file name or URL below.

Financial Statement Appendices:

Appendix Title	File Name or URL	Comments, as needed

VII. REQUIRED ATTACHMENTS

Provide the following required attachments as PDF files or via live links. List each Attachment title and file name or URL below.

Required Attachments:

Attachment Title	File Name or URL	Comments, as needed
<input type="checkbox"/> A. Legal Status Questionnaire		
<input type="checkbox"/> B. Project Financial Model		

ATTACHMENT A

LEGAL STATUS QUESTIONNAIRE

[Submit a separate Attachment A for each Applicant and Co-Applicant, as applicable.]

1. Disclose material information relating to any legal or regulatory proceeding or investigation in which the Applicant / Co-Applicant is or has been a party and which might have a material impact on the financial viability of the project or the Applicant / Co-Applicant. Such disclosures should include any parent, subsidiary, or affiliate of the Applicant / Co-Applicant that is involved in the management, operation, or development of the project.

[enter response, using as much space as needed, as box will expand]

2. Disclose any civil, criminal, or regulatory action in which the Applicant / Co-Applicant, or any current board members (not including volunteer board members of non-profit entities), partners, limited liability corporation members, senior officers, or senior management personnel has been named a defendant in such action in the past ten years involving fraud or corruption, or matters involving health and safety where there are allegations of serious harm to employees, the public, or the environment.

[enter response, using as much space as needed, as box will expand]

Disclosures should include civil or criminal cases filed in state or federal court; civil or criminal investigations by local, state, or federal law enforcement authorities; and enforcement proceedings or investigations by local, state or federal regulatory agencies. The information provided must include relevant dates, the nature of the allegation(s), charters, complaint or filing, and the outcome.

Certifications on behalf of *(enter Name of Applicant or Co-Applicant Entity, as applicable):*

I attest that *(enter Name of Applicant or Co-Applicant Entity, as applicable)* has provided full disclosure as indicated in response to the items #1 and #2 above.

Signature _____

Date: _____

Print or Type Name: _____

Title: _____