

Higher Education Student Housing Grant Program Supplemental Application

1. Project requirements in accordance with Education Code Section 17201:

A. Construction on the project could begin by December 31, 2022:

Yes No

If no, please describe the anticipated date when construction on the project could begin:

Once the proposal is approved, project initiation and design have begun to obtain the necessary UC approvals. UCLA is proposing that construction on project would begin by June of 2023, with completion in July of 2025.

B. Rent provided in the applicable units of the development for low-income students shall be calculated at 30 percent of 50 percent of the area median income for a single-room occupancy unit type, with area median income thresholds established by the California Department of Housing and Community Development. The most recent data on area median income for 2021 can be found [here](#). Please refer to Student Housing Grant Program FAQs for instructions and an example of this calculation.

a. List the estimated monthly rent to be charged per student for each unit type (e.g. single, double, triple, quad, suite, apartment) included in the proposed project, using 2021 area median income for evaluation purposes:

Los Angeles County - 30% of 50% of the area median income for a single-room occupancy unit type is \$700 per month.

As demonstrated in the table below in Fiscal Year 2024-2025 dollars, all rents are below this threshold and represent a savings from the rent typically charged for the unit type.

Unit Type / Occupancy	Number of Beds	Comparable Market Student Rent*	Monthly Low Income Student Rent
Double Occupancy with Private Bath	358 (266 net new)	\$1,668	\$600
*The project's unit type is an inventory type currently not available in UCLA's Housing portfolio. UCLA utilized The comparison rent is for an on campus private double dorm room. The projected rent for this room type in 2024-2025 is \$1,668 per month			

b. Itemize the estimated monthly or annual costs associated with operating and maintaining the facility, not including operational costs associated

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with any ancillary facilities that may be co-located, such as dining, academic and student support services spaces, basic needs centers, and student healthcare centers:

Based on 2024-2025 dollars, the estimated annual expenses to maintain the facility are approximately \$931K or \$2,602/bed. We are projecting expense to increase by 3.0% annually. The operating expenses are itemized below.

Utilities	\$ 138,445
Custodial Expense	\$ 32,554
Facilities Expense	\$ 612,151
IT Services	\$ 51,641
Admin & Safety	\$ 80,220
Student Programming	\$ 16,738
Total	\$ 931,749

- c. Does estimated annual revenue from student rents exceed the estimated operational and maintenance expenses associated with the proposed project? Yes No

If yes, please indicate the amount of the net revenue and describe the intended use of the net revenue:

The project will stabilize financially by year 10. Thereafter, any accumulated earnings will be utilized for deferred maintenance of the building. If deferred maintenance of the building is not needed, accumulated earnings will be utilized to reduce annual rent increases.

- d. The units will be subject to a recorded affordability restriction for the life of the facility: Yes No

- C. The applicant commits to constructing the proposed Student Housing Grant project within the resource needs identified in the proposal: Yes No

- D. The applicant commits to first offer the housing available from the facilities to low-income students, as defined in Education Code Section 17200: Yes No

(Note: In meeting this requirement, a campus may calculate the rental savings and number of low-income students that would be served by the student housing constructed pursuant to this section, and place the calculated number of students qualifying for the reduced rental rate throughout the campus's available housing.)

Does the applicant intend to place low-income students who would be served by the proposed project in other student housing facilities for the campus(es)?
 Yes No

If yes, please describe the intended plan for placement of qualifying low-income students among the campus(es)' available housing stock:

- E. The applicant commits to require any students renting housing in the facilities to take a minimum average of 12 degree-applicable units per semester term, or the quarterly equivalent, to facilitate timely degree completion: Yes No

(Note: Eligible students renting housing in the facilities shall be permitted to live in the facilities for the full academic or calendar year so long as the student remains enrolled in the applicable campus, but renewal of housing in the facility in subsequent years requires the student to demonstrate compliance with unit requirements.)

Notwithstanding the statement above, students renting housing in the facilities may temporarily reduce their unit load below 12 degree-applicable units if they are able to demonstrate an exceptional circumstance necessitating a reduced unit load, which may include, but is not necessarily limited to, illness or injury, as determined by the Los Angeles campus.

- F. Describe how the receipt of a grant will result in a public benefit, such as providing low-cost student housing and reduced rents, reducing students' total cost of attendance, serving more low-income students, or other tangible benefits that would not be practical without the grant for student housing: _____

With UCLA's recent housing development projects providing 5200, UCLA is anticipating the ability to provide a guarantee of four years of housing to incoming freshmen and two years for first year transfer students. UCLA Housing is currently analyzing the pandemic's effects on demand, and what (if any) future enrollment increases will need to be absorbed prior to funding additional undergraduate beds. Subsequently, UCLA expects to be able to satisfy current undergraduate housing demand at below market rents.

However, financial limitations prevent UCLA's housing auxiliary from developing ultra-affordable housing at the rates outlined in SB-169. This grant allows the campus to redevelop an aging 1981 apartment building, comprised entirely of inefficient studio units into higher density community living accommodations that would enable rents well below the legislation requirement for Los Angeles County. The existing apartment building has only 92 beds spaces, and will be redeveloped into at least 358 beds, netting a minimum of 266 new beds. This addition to our existing inventory allows our students with the highest need to have an opportunity to have reduced rents that we would otherwise not be able to offer for beds that would be across street from campus.

2. For a Student Housing Grant, respond to the following:

- A. Describe how the proposed project will help the campus(es) meet established equity goals:

UCLA conducts a Special Allocation Process for undergraduate students. This process grants priority housing to demographics most at need, including former foster youth, undocumented students, veterans, and currently houseless students.

Because of the Special Allocation Process, students in need are not relegated to a specific kind of housing type, building or location. However, they are given the first opportunity to select the type of housing they desire to suit their education, financial, and personal needs. This process will give them first access to the proposed ultra-affordable housing prior to the remaining undergraduate population. It does not force students in the most need to a specific housing type but empowers our undergraduate population to choose from a diverse set of affordable options. Additionally, spaces that may not be selected by the students most in need will be selected by the remaining undergraduate population creating a diverse living environment to support our students' development.

- B. Using the definition of low-income students described in subdivision (d) of Education Code Section 17200, submit available data on the number of low-income students proposed to be served by the campus(es), and as a percent of the campus'(es)' overall low-income student population(s):

This project will have the capacity to serve at least 358 students. More beds may be possible as UCLA continues to study the development site.

Total number of undergraduate students in these categories for 2021-2022 is 10,437 students or 32.5% of all registered undergraduate students (32,119) in 2021-2022. The applicable units made possible by the Student Housing Grant represent housing for 3.4% of these students

By Fall 2022, UCLA is projecting to house roughly 60% (with current enrollments) of all undergraduate students, including low-income students. Obtaining SB-169 funds would enable the campus to accommodate many more low income, undergraduates.

3. For a Student Housing Grant, provide more detail on any of the following scenarios if applicable to the proposal and not already addressed in the Capital Outlay Budget Change Proposal:

- A. If acquiring and/or renovating commercial property, provide additional narrative detail on the plan for acquiring and renovating the commercial space:
Not Applicable

- B. If project is a partnership with other campuses, provide additional narrative detail on the benefit being provided through this collaboration and the proposed number of units and beds available for each participating campus:
Not Applicable
- C. If project proposes to include ancillary services, including, but not limited to, dining, academic and student support services spaces, basic needs centers, and/or student healthcare centers, provide additional narrative detail on the proposed ancillary services. Please also identify the fund source that will support operations for the planned ancillary services:
Not Applicable
- D. If project has already begun (which may include design phases of a project), please describe the activities taken to date, how much funding has been expended for this project, and the fund source(s):
Project not started

4. For a Student Housing Grant, if proposing other fund sources to augment state funding for the project, describe the alternate fund sources, and capacity and features added to the project as a result of the alternate fund sources. Please separate the information on components of the project not proposed to be funded by this program from the rest of the application:

UCLA is seeking \$35 million dollars in grant funding to subsidize the proposed project. The total project cost is estimated at \$63.6M. This project cost includes cost of construction for redevelopment, soft costs at approximately 30% of construction, contingency, FFE, and potential escalation of expenses. The remaining \$28.6M would be funded by the campus' existing reserves and reimbursed internally from UCLA Housing & Hospitality.

Total Project Costs	\$63,557,126
State Grant Funding	\$35,000,000
Campus Contribution	\$28,557,126
Total Cost per Unit	\$355,068
Total Cost per Bed	\$177,534
Total Cost per SQFT	\$871
State Grant Funding per bed	\$97,765

Rents for acquisitions and developments are always targeted to be between 20% and 30% below market while still being financially feasible for the long term. To achieve financial feasibility, rental income must cover operating expenses, debt service and provide for sufficient major maintenance funding for ongoing repairs and refurbishment. Projects that project housing rates as "ultra-affordable" are especially challenging and likely not able to illustrate they are financially viable

without significant subsidy or external capital contributions to cover the necessary investment and ongoing operational costs.

The grant funding is what is needed to redevelop the site while providing ultra-low rents without requiring subsidy from undergraduates residing in other University owned housing.

5. For a CCC Planning Grant, provide details on the estimated planning costs and any alternate funding source(s) that have been considered for this purpose:

Not Applicable