



California Higher Education Policy Institute

FOR LEGISLATIVE STAFF



Understanding the Critical Role of Housing on Student Success

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Students consistently name the cost of college as a main barrier to college entry and success. To empower current students, along with the millions of Californians who currently do not have a college degree, to attend college, the state must help them with their greatest college cost—housing.¹ This primer discusses housing insecurity and homelessness among California students, legislative efforts to tackle this issue, and common strategies for providing affordable housing and stabilizing student costs.



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What role do housing costs play in student college and career pathways?

Housing expenses constitute a substantial portion of students' cost of attendance, with figures reaching 43 percent for University of California (UC), 57 percent for California State University (CSU), and 68 percent for California Community Colleges (CCC) students.² Students who struggle to afford and secure housing—particularly student parents, who have greater housing costs—have poorer grades and experience delayed graduation and workforce entry. Unaddressed, this problem will worsen, as rents continue to outpace growth in wages in 97 percent of California campus metropolitan areas. Between 2018 and 2022, off-campus housing costs increased by more than 30 percent, exacerbating the financial burden on students.

How common is homelessness among California students?

One in five CCC students, 1 in 10 CSU students, and 1 in 20 UC students face homelessness. CCC and CSU students are more likely to face homelessness than the general California population (where 1 in 12 face homelessness).^{3,4} The risk of homelessness is disproportionately higher among certain student demographics, including women, Black and Latinx individuals, those over 24 years old, student parents, and students from low-income backgrounds.⁵

Do California campuses have sufficient student housing to meet demand?

California is grappling with a student housing crisis, evidenced by the tens of thousands of students on waiting lists for campus housing each year. Combined, UC and CSU systems report over 30,000 students wait-listed, and the majority of community colleges face demand that is greater than what can be provided by available housing.⁶ Although all UCs and CSUs, and 10 percent of community colleges, offer campus housing, it often comes at unaffordable rates or overlooks the needs of students with dependents or partners. The existing housing infrastructure falls short of meeting the needs of current and prospective students.⁷

How do state efforts for addressing homelessness consider students' needs?

A 2020 state audit revealed that among the nine agencies overseeing over 41 housing-related programs, none specifically served college students experiencing homelessness.⁸ The audit also highlighted California's fragmented and insufficient approach to building affordable housing for its residents.

In response, California developed a statewide action plan. Efforts that factored in student needs include the College Homeless and Housing Insecure Pilot Program (AB 977) and the College-Focused Rapid Rehousing Program (AB 74). These programs call for selected CCCs and CSUs to provide students with rapid rehousing. The action plan also calls on UC, CSU, and CCC to monitor and report the number of students who receive emergency housing grants or assistance.



What has the legislature done to inform decision-making around student housing insecurity and homelessness?

The legislature has enacted several measures aimed at gathering crucial data and insights on housing costs, availability, and student needs across California’s postsecondary institutions. Table 1 summarizes recent legislative actions to gather information and what was found.

TABLE 1. LEGISLATIVE INFORMATION REQUESTS TO INFORM STUDENT HOUSING EFFORTS

Year	Bill	Information requested	Findings
2017	AB 990	Market cost of a one-bedroom apartment near each CSU and UC campus	A one-bedroom costs \$838-\$2,810 monthly, depending on the campus and regional housing market.
2019	SB 467	Market cost of two-bedroom apartments near CSU and UC campuses	A two-bedroom costs \$1,042-\$3,431 monthly, depending on the campus and regional housing market.
2021	AB 1377	Five-year student housing needs assessment and plan for CSU and UC	<p>CSU:</p> <ul style="list-style-type: none"> added 15,800 new beds from 2014 to 2021, with plans for 14,600 more, depending on available financing had more than a quarter of all CSU beds occupied by low-income students had 37,000 students with unmet housing needs <p>UC:</p> <ul style="list-style-type: none"> revealed plans to expand beds by 38,000, if financing is confirmed
2021	AB 2459	Campus housing availability, waiting lists, and student housing demand across CSU and UC	CSU and UC institutions have wait-listed thousands of students. Significant unmet demand exists, as 8,700 CSU students and 7,500 UC students were placed on waiting lists for housing.
2022	AB 183, Section 5 17203.5	Report on student housing insecurity at each campus	<p>Of UC undergraduates surveyed, 8% reported experiencing housing insecurity.</p> <p>In 2022, 1,598 CSU students engaged with rapid rehousing services, 289 received referrals to external partners, and 196 enrolled in the rapid rehousing program.⁹ The report did not specify the overall prevalence of housing insecurity among CSU students.</p> <p>Of CCC students surveyed, 54% faced housing insecurity, with 15% experiencing homelessness.</p>



What state efforts are underway to expand affordable student housing?

In recent years, California allocated nearly \$4 billion for developing affordable student housing and an additional \$5 billion to address homelessness. These investments directly benefit students. Table 2 provides an overview of recent student housing initiatives.

TABLE 2. STATE EFFORTS TO EXPAND AFFORDABLE STUDENT HOUSING

Year	Program	Description
2019	<u>AB 101</u> : Homeless, Housing, Assistance and Prevention Program	Provides funding to support local housing plans; students experiencing homelessness can qualify for support through their local housing providers. <i>Note: The 2024–25 proposed budget includes \$1 billion for the next funding round. Since 2019, the legislature has provided almost \$4 billion in state funding for the program.</i>
2022	<u>AB 140</u> : Homekey	Provides funding to develop a broad range of housing types and to convert existing buildings to housing for Californians facing housing insecurity; a few funded projects involve campuses. <i>Note: The 2024–25 proposed budget does not allocate funding for Homekey. However, construction, funding, and occupancy are ongoing for previously awarded programs. Since 2022, a total of \$736 million has been invested in this program.</i>
2022	<u>SB 183</u> : Higher Education Student Housing Grant Program	Allocates \$2.25 billion to selected colleges for constructing affordable student housing. <i>Note: The 2024–25 proposed budget shifts funding from grants to institutional, state, or local revenue bond funding and includes \$164 million in ongoing general funds to pay institutions’ financing costs (the debt service) to maintain affordability of the housing units over time.</i>
2022	<u>SB 183</u> : Community college planning grants	Awards nearly \$18 million to 70 community colleges for planning grants to develop proposals for affordable student housing construction. <i>Note: See Table 1 in the California Competes housing analysis for campus awardees.¹⁰</i>
2023	<u>SB 117</u> : California Student Housing Revolving Loan Fund	Provides \$1.7 billion in zero-interest loans for constructing affordable student, faculty, and staff housing; 75% earmarked for UC and CSU and 25% for CCC. <i>Note: The 2024–25 proposed budget reverts most of the \$200 million from the 2023–24 fiscal year and proposes the elimination of the remaining \$1.5 billion.</i>

What opportunities exist to further address student housing?

Proposition 1 and AB 1657 could also help address student housing challenges, as they would allocate more than \$16 billion in state funding toward efforts like affordable housing and homeownership programs. However, it remains unclear if these initiatives will benefit California students, as they are not explicitly mentioned as beneficiaries. Given the higher rates of homelessness among CCC and CSU students compared to the general California resident population, these investments have the potential to address student housing needs within broader housing efforts.

What strategies can promote safe and adequate student housing?

A complex and widespread problem, student housing insecurity requires both short-term and long-term strategies to meet student needs. California policymakers should consider these strategies:

ENSURE HOUSING INVESTMENTS MEET STUDENT NEEDS

- ✔ Develop sufficient affordable student housing aligned with students' needs to reduce housing and transportation costs and increase access to campus services.
- ✔ Collaborate across segments and campuses to ensure stable housing and continuity for students during transitions between institutions, intersession courses, and breaks. For student parents, doing so also ensures their children can stay in the same school district or child care service, providing stability for the whole family.
- ✔ Plan family-friendly housing options to support students with dependents.
- ✔ Adjust housing requirements to allow flexibility in how many credits students must take to be eligible. Most campus housing eligibility criteria require 12 or more credits each semester. This requirement can exclude part-time students, students with certain disabilities, student parents, and students close to graduating.

LEVERAGE COMMUNITY PARTNERSHIPS TO SUPPORT STUDENTS WITH HOUSING CHALLENGES

- ✔ Connect students to legal aid organizations to prevent or mitigate issues related to housing discrimination, eviction, or tenant rights violations.
- ✔ Direct students to rent relief programs.
- ✔ Collaborate with housing providers to support students with specific needs (e.g., veterans, foster youth, older students).
- ✔ Partner with housing navigation providers to help students in competitive rental markets near campus.
- ✔ Participate in local continuum of care planning and grant making processes to leverage existing local and state funds for students.
- ✔ Connect homeless students to temporary shelter services.

EMPLOY EMERGENCY HOUSING INTERVENTIONS TO PREVENT AND REDUCE STUDENT HOMELESSNESS

- ✔ Set aside short-term emergency housing on campus.
- ✔ Provide rapid rehousing, emergency grants, rental subsidies, and/or housing vouchers.
- ✔ Cover moving and deposit costs to facilitate transitions to stable housing.



Notes

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