
CHAPTER 10: SITE ACQUISITIONS FOR NEW COLLEGE AND CENTER DEVELOPMENT

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10.1 Overview

The California Code of Regulations, title 5, section 51014 states that community college districts must obtain approval for the formation of a new college or educational center from the Board of Governors before classes begin at the new college or educational center. California Code of Regulations, title 5, section 55180 et. seq. governs the process of approval for establishing new colleges and educational centers, and allows for state approval of a proposed educational center if certain conditions are met.

To be eligible to receive State funding for capital outlay purposes, a site must be designated as a college or be a state-approved educational center as stated in California Code of Regulations, title 5, section 57001.5 and 57017. These terms are explicitly defined later in this chapter. In a district's long-range plan, the acquisition of a specific site may be desirable far in advance of the approval process for becoming a college or an approved educational center.

A site eligible for State capital outlay funds is not guaranteed an opportunity to receive such funds for the construction or modification of its facilities. The ability to use State capital outlay funds to develop any project, including new sites, is dependent upon many factors that exist when project proposals are approved including the amount and type of funds available and statewide priorities that exist.

California Code of Regulations, title 5, section 55180 allows for state approval of a proposed Educational Center if it has generated at least 500 FTES annually (per the district's most recent "final attendance report," which, consistent with section 58003.4(b)-(c), refers to the Annual Apportionment Attendance Report [CCFS-320] unless a Revised Annual "Recal" CCFS-320 Report is filed by the district for the fiscal year in question, in which case, the Recal report is deemed to be the "final attendance report" for that fiscal year). This approval allows the new site to become eligible to compete for state capital outlay funds.

This chapter describes the process for each of the following scenarios:

- Acquisition of a site when the development of a college or a state-approved educational center will be requested at some future date.
- Acquisition of a site simultaneously with the approval process for locating a college or educational center at that site.
- Approval of a new college or educational center for a previously acquired, but presently undeveloped parcel.

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- Expansion or conversion of an outreach center into approved state-approved college or educational center.

All these scenarios have three significant steps:

1) Preliminary Notice

- Informs the Chancellor's Office that a district's planning process may include the development of one or more centers in a specified region.

2) Letter of Intent

- District notification to the Chancellor's Office of a specific need to expand services via a College or Educational Center in a given area. If approved by the Chancellor's Office, the district proceeds to develop a needs assessment.

3) Needs Assessment

- A formal analysis that provides data and detailed programmatic, fiscal and other justifications for establishing a new College or Educational Center. After the Chancellor's Office completes its review of this document, an action item will be prepared for the Board of Governors.

The difference between the four scenarios is the timing of the submissions and the information each submission contains, but all scenarios ultimately require the submission of similar information. The analysis of programs, services and facilities when educational program and facility plans are developed or revised is critical when seeking approval to develop a parcel or to expand an outreach center with State funds; accordingly, the reader should be familiar with Chapter 2 on District Master Plans prior to reviewing this chapter.

Important deadlines in the review and approval of proposed new Educational Centers:

- By **July 30** district submits 3 copies of the Needs Assessment, accompanied by a certification of the center's FTES as reported in the district's most recent final attendance report (for this submission, the district will forward center FTES as reported on the Annual CCFS-320 Report due to the Chancellor's Office by July 15; if the district subsequently submits a Recal CCFS-320 Report to the Chancellor's Office, which is due by November 1, the district will update its Needs Assessment by forwarding an updated center FTES certification as reported in the district's Recal CCFS-320 to its assigned Facilities Specialist no later than November 15).
- By **November 1** the Chancellor's Office submits a report to the Department of Finance and the Legislative Analyst on the number of new Educational Centers

and Colleges proposed to be approved in the current fiscal year and those anticipated to be added for the prospective budget fiscal year.

- The **next January** after review by all divisions in the Chancellor's Office is completed, the request to approve the proposed Educational Center will be scheduled for action by the Board of Governors.

Please note that Needs Assessments received after **July 30** will not be reviewed by the Chancellor's Office until the next fiscal year.

10.2 Acquisitions of Sites with State Approval of Facilities to be Requested in the Future

A district may acquire a site for future development through donation, exchange, purchase or some other means that excludes the use of State funds before enrollment necessitates development of facilities. A site acquired for investment purposes only does not need to be reviewed at the state level.

If a site is acquired for use in the future as a college or a state-approved educational center, regardless of the source of funds used to acquire a parcel or building site, a district is expected to work with the Chancellor's Office to ensure that the location and development potential of the site is compatible with state-wide development plan for higher education.

Before the district completes acquisition of a site for future development, it is advisable to provide the Chancellor's Office with the following information about the parcel:

- Location, size, and access
- A proposed method for funding the acquisition
- Seismic concerns, if any
- Aircraft flight paths and railroad easements affecting the location.
- Future development potential, both of the educational facility and in the surrounding area.
- Restrictions on the use of the parcel, if any.
- Other information affecting the use of the location as an educational facility such as infrastructure development needed, coastal use restrictions, hazardous materials present, and environmental limitations, such as an adjacent protected species area, that need to be considered.

The most common method used to inform the Chancellor's Office of an anticipated acquisition is through correspondence. The letter should be accompanied by site plans, Environmental Impact Reports, purchase/donation covenants and other such documents to provide the above information.

The information is reviewed by the Chancellor's Office and is reviewed for consistency with State-wide long-term plans for community colleges. **A district that acquires a parcel or building site without first obtaining concurrence that such a location is of sufficient size and characteristics to be compatible with State-level long-term plans may have to develop the location without State assistance.**

Under this scenario, correspondence informing the Chancellor's Office of the planned acquisition is sent possibly years before the Letter of Intent and the Needs Assessment; hence, the correspondence may only address an area or parcel of land and not the educational programs and facility plans for the site. Educational and facility plans would need to be mentioned in a Letter of Intent and addressed in detail in the Needs Assessment that the district would need to submit to the Chancellor's Office for review and approval before consideration of Initial and Final Project Proposals to develop the site using State funds.

10.3 Site Acquisitions made Concurrently with the Request to Approve a Site

The requirement that the acquisition of developing college and educational center sites be consistent with State-level long-term plans also holds true when development of the facilities is anticipated in the immediate future. If the district is proposing to acquire a parcel of land without the use of State funds and use State funds for the immediate development of facilities on that parcel, information requirements regarding the site are the same as those listed in Section 10.2 above.

If State funds are to be used for site acquisition in conjunction with the design and construction of facilities on the site, the information listed below in addition to the items listed in Section 10.2 needs to be submitted as part of the Needs Assessment submitted to the Chancellor's Office:

- An Environmental Impact Report, Negative Declaration or other CEQA report for the site

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- Five-year (for a center site) or ten-year (for a college site) enrollment projections (explained later in this chapter)
 - Educational and facility development plans for the new site (explained later in this chapter)
 - Descriptions of the use, if any, to be made of existing facilities on the site
 - Discussion of alternative sites considered and not chosen
 - Justification for the chosen site
 - A timely appraisal of the site made by individuals authorized by the Real Estate Services Division (RESA), State Department of General Services

Under this scenario, information expected in the Letter of Intent and the Needs Assessment would most likely be submitted into a single communication or a series of communications that would then be used to develop the Board of Governor's Agenda Item requesting approval of the site while simultaneously supporting an initial project proposal.

It is only after approval of the site by the Board of Governors that the Final Project Proposal (explained in Chapter 5) may be submitted requesting State funds be made available to develop facilities on the site. While present policies do not require site acquisition to be combined with the other phases of capital improvement for funding purposes, Final Project Proposals for site acquisition only tend to be category "B," expansion projects, whereas a Final Project Proposal for site acquisition combined or coordinated with a project proposal that includes other phases of development (planning, working drawings, construction and equipment) is usually assigned the same funding priority as the construction phase.

10.4 Steps in State-funded Site Acquisitions

- 1) Obtain the Board of Governors approval to include the parcel or building location as a site eligible for State capital outlay funds. (Needs Assessment)
- 2) Complete and obtain approval of a Final Project Proposal including the appropriation of funds by the Legislature and approved by the Governor.
- 3) Verify that the site selected for acquisition is within the parameters of the budget language.
- 4) Be certain the following are complete and documented: the seller's appraisal; plot maps; assessor's description; any easements; any hazardous waste or

hazardous conditions; geotechnical evaluation of natural drainage, faults and slides; location on Alquist-Priolo state seismic maps; evaluation of alternative sites, and any other pertinent information.

- 5) Determine through an initial environmental study if an Environmental Impact Report will be required and develop a schedule for conformance with the California Environmental Quality Act (CEQA). Refer to Section 7.11 of this Manual.
- 6) Select an appraiser approved by the Estate Services Division (RESD) of the State Department of General Services.
- 7) If appropriate, obtain a final appraisal of fair market value of the site.
- 8) If appropriate, develop a cost estimate for relocation of owner(s) or tenant(s) in accordance with the State Relocation Act.
- 9) Submit a request to the Chancellor's Office for authority to acquire the property with:
 - Three copies of the final appraisal.
 - The time schedule for compliance with the CEQA.
 - The assessor's map.
 - The relocation plan and cost estimate.
- 10) If needed, the Chancellor's Office sends a letter to RESD requesting formal approval of the appraisal and relocation plan. The letter cites the Budget Act appropriation. If approved, the Department of Finance is notified of the approval.
- 11) State Public Works Board reviews and approves the acquisition for the specific property appraised in accordance with the budget language. District cost for this service is recoverable in the budget act authority.
- 12) The State Public Works Board (SPWB) reviews and approves the acquisition.
- 13) Once the (SPWB) approves the acquisition, the district is notified and directed to acquire the property.

Note: The Department of Finance will not review Final Project Proposals for design and construction funds until the site has been acquired.

10.5 Steps to Approve a New College or Educational Center

There are four basic steps to obtaining approval of new sites for State funding. The following steps apply both when parcels (not eligible for state funds) are initially

developed and when active outreach centers are expanded or converted to new colleges or state-eligible educational centers:

- 1) Evaluate the growth potential in the district and the capability of the existing colleges, campuses, educational centers and outreach centers to absorb the growth.
- 2) Submit to the Chancellor's Office for review and approval a Letter of Intent specifying the district's plans to increase services into an area or areas presently not being served. The Letter of Intent should be submitted no sooner than two years prior to the first year of operation of a new college or educational center.
- 3) If the Letter of Intent is approved by the Chancellor, update educational program and facility plans or assess the needs of programs, services, facilities and delivery methods for serving students from the under-served areas.
- 4) Prepare and submit to the Chancellor's Office a Needs Assessment asking for formal recognition of a new college or educational center if development of a new college or center is the preferred alternative for serving the identified area(s).

10.6 Long-Range Master Plan Preliminary Evaluation

In 2016, the California Community College Long-Range Master Plan was approved by the Board of Governors as an update to the 1991 Long-Range Growth Plan. The purpose of this plan is to provide the framework that will guide the evaluation, coordination, and of inter- and intra-district expansion and facility utilization. The planning criteria used to develop the framework are classified into four categories: 1) future demand, 2) access, 3) capacity of existing campuses, and 4) local intent. These planning criteria are consistent with the 1991 Long-Range Growth Plan and have been updated to align with current California statutes, the California Code of Regulations, and current community college practices. In addition, the plan was updated to include current population data, enrollment trends, demographic characteristics, various spatial analyses, and calculated planning assumptions based on the newly available data. This planning document is available on the Chancellor's Office website.

10.6.1 District Future Demand & Access

The first step in determining the need for a State-approved college or center is for a district to evaluate the area's potential for enrollment growth and the ability of the district's existing and planned facilities to absorb that growth. Districts determine, given historical participation rates, whether or not projected enrollment growth can be fully

accommodated by expanding or improving existing facilities. When colleges make Master Plans, this evaluation is part of the overall development of educational program and facility plans as explained in Chapter 2.

Districts evaluate growth potential by evaluating regional population growth and participation rates. To assist districts, the Chancellor's Office provides annual updates of district-wide long-term enrollment projections. Using various indicators, districts determine the general areas within their regions that have the greatest influence on the district-wide enrollment trends. The preliminary analysis of regional population trends made at this time, however, is not as detailed as the official projection made after submission and acceptance of the Letter of Intent. The preliminary evaluation of enrollment is based upon supporting evidence such as secondary school enrollment projections, new housing starts, building permit applications, planning commission hearings, business openings or relocation and other such economic indicators that show growth in specific regions.

Besides enrollment trends, districts examine regional participation rates to determine if student demographics, commute times, traffic flow, access roads and geography unduly influence participation. In such circumstances, districts analyze how best to increase enrollments from the outlying areas. Evaluations of neighboring postsecondary institutions also may provide useful information on enrollment trends and participation rates.

To engage the utilization standards necessary for planning, headcount enrollment is converted into weekly student contact hours (WSCH), day credit enrollment, and full-time equivalent (FTE) faculty, which is calculated through the development of annual five-year construction plans prepared by each district.

10.6.2 District Capacity

Capacity ratios of instructional areas as well as support areas are evaluated to determine if conversion or additional development of an existing facility would be the preferred solution for increasing district capacity. Questions considered at this time are whether the existing sites are approaching capacity in all areas and whether the existing sites have additional opportunities to develop more usable space. Such opportunities may not exist if a site is land-locked.

Also new sites may be indicated with further analysis when the academic load of a district's existing site exceeds 925 weekly student contact hours (WSCH) per acre. The

weekly student contact hours per acre measure serves as a proxy for the extent of overall campus activity that a site can accommodate. However, the amount of acreage and facilities needed to support more or fewer students heavily depends on a number of other factors, such as the regional location of programs, topography of existing sites, conditions of existing facilities, and the existing utilization of campus facilities. A district where the main campus is “built-out,” i.e., exceeds 925 weekly student contact hours per acre, but where existing buildings are not fully utilized may not warrant another site. And, the planning standards assume improved facilities utilization, such that all buildings will be utilized more in the future.

10.6.3 Local Intent

Critical to system planning are the local planning efforts of the districts. This component of the planning criteria takes into account those plans of the individual districts, including district education master plans, facilities master plans, and other regional plans that identify potential changes to the planning conditions of this plan. It is important to recognize that these plans may contain unique conditions of growth that suggest a particular long-range building strategy; in others, programs with ties to local businesses will suggest the approach for planning new facilities and sites; in still others, local initiatives with nearby California State University (CSU) or University of California (UC) campuses will dictate how facilities and sites are to be developed.

All aspects of a community college (management, faculty, staff and the neighboring community) work with local trustees to determine if the district is willing to accommodate the projected enrollment demands. A decision in favor of expanding services beyond the capacity of existing sites after Master Plan build out would come to the Chancellor’s Office in the form of a Letter of Intent.

10.7 Letter of Intent

If a district predicts that enrollment will grow beyond the capacity of its existing and planned facilities, it needs to decide whether to expand its service capability at its active sites or to develop new facilities to handle the additional demand. Each alternative presents differing cost and policy implications. As a result, districts may elect to publicly discuss the alternatives. A Letter of Intent is not needed if a district elects to expand service capability on its existing sites or use non-state funds to develop outreach operations. When a district elects to request state funds to develop a new site or

convert an outreach operation to a college or educational center, a Letter of Intent needs to be sent to the Chancellor's Office for review and approval.

The Letter of Intent notifies the Chancellor's Office that a district intends to develop a state-recognized site and requests authorization for further planning to develop data supporting such expansion. The Letter of Intent includes but is not limited to the following information:

- A general location of the planned facility including maps of the site.
- An estimated time frame when it would be active.
- Documentation evidencing the projected enrollment growth.
- District's most recent Five-Year Construction Plan.
- Letters of Support from the governing board and surrounding businesses and educational institutions.
- Explanations why delivery methods cannot be modified or existing facilities cannot be expanded to handle the projected enrollments.

The Chancellor's Office reviews and evaluates each Letter of Intent in terms of defined system-wide priorities and reviews the enrollment projections and supporting documentation accompanying the letter. If the district is informed that the State approves the Letter of Intent, it may proceed with further planning leading to the submission of a Needs Assessment. A checklist of all of the documents needed to submit the Letter of Intent is located in Appendix T.

10.8 Assessments of Educational and Facility Needs

Upon approval of a Letter of Intent, a district reviews its educational program and facility Master Plans and modifies them as needed to show the effect of the new site. New colleges and campuses Master Plans should address the first ten years of operation and new center Master Plans should address the first five years of operation. This update effort may require the collection of labor market information or public surveys to determine program and employer needs. As online education becomes more prevalent in course offerings, distance education enrollment has experienced a steady increase so facility Master Plans need to consider how a new site will use such technology.

Districts that have not prepared Master Plans and want to have the State approve new sites need to perform detailed assessments of local long-term needs both in terms of

expected educational programs and supportive services and facilities necessary to provide those programs and services to the public. This assessment requires analysis of all aspects of the college.

Refer to Chapter 2, College Master planning, for two methods for evaluating long-term needs when developing educational program and facility plans. Districts can use either of those methods or a combination of them to make detailed assessments of program, services and facility needs.

10.8.1 Special Considerations When Analyzing Educational Programs

Analyses of educational programs that follow the issuance of Letters of Intent involve all efforts of a college including transfer to a four-year college or university, the award of workforce-oriented certificates and degrees, and the development of basic skills. Districts may review historical enrollments to determine the types of courses students tend to take. They may make inquiries as to the types of degrees and courses transfer students report to four-year institutions. They also may collect labor market information to identify major employers of the graduates, profile the types of skills needed by prospective employees, and coordinate the college programs with local industry.

Once community college districts profile the needed skills, they analyze their curriculums to determine changes needed. Analyses of current degrees and certificates offered are compared to the developing industries to determine the type of long-range modifications to make to curriculums. The emphasis of these analyses is to predict modifications that need to be made to curriculums over the long-term. This enables districts to consider viable options for delivering the material to the students and future facility needs.

10.8.2 Other Information for the Needs Assessment

Districts need to prepare other information that will be used to augment the Needs Assessment. This information includes but is not limited to the following:

- Evaluations of alternative sites with a cost/benefit analysis of each site, if applicable.
- Documentation of ownership of the selected site along with the applicable Environmental Impact Report. Refer to Section 6.10 for a discussion of Environmental Impact Reports and the California Environmental Quality Act

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- A time schedule for development of the site.
 - Maps with population densities, topography, road and highway configurations.
 - Endorsements or notices of opposition from local business leaders and neighboring colleges' officials.
 - Educational and facilities specifications for the new site.
 - An evaluation of alternative funding sources for the facilities of the new site.
 - Identification of the district contact person(s).
 - Clearance from the Office of Aeronautics / Federal Aviation Authority regarding aircraft flight patterns.
 - Local board resolution authorizing the development of the new site and its related educational programs.

A checklist of all of the documents needed to submit the Needs Assessment is located in Appendix T

10.9 Official Projections of Future Enrollment

Another aspect of the detailed assessment of needs is the official projection of enrollment performed at the local level. New colleges require ten-year projections of enrollment and new centers require five-year projections. The enrollment projection model was developed by the Chancellor's Office in cooperation with the Association of Chief Business Officers and the RP Group. The methodology has been implemented annually by the Chancellor's Office since the 2012 enrollment projections. The new Population Participation Rate (PPR) model forecasts enrollment for each district based on a combination of variables including student participation rates, "in district" and "out of district" enrollment, weekly student contact hours to enrollment ratios, and adult population projections based on Geographic Information Systems zip code data. Given the importance of accurate projections, they should be completed the year the Needs Assessment is submitted so that the projections more closely align with actual enrollment trends.

10.10 The Request for Approval

Once the district has analyzed its programs and facilities, developed an official enrollment projection for the developing site, and provided supporting information to the Chancellor's Office, staff at the Chancellor's Office, in cooperation with district staff,

prepares the Needs Assessment for review by the Board of Governors. The California Code of Regulations, Title 5, Sections 55182-55183 stipulate that a Needs Assessment contain:

- An assessment of needs and preferences (CCR, Title 5, Section 55182)
- Identification of Objectives (CCR, Title 5, Section 55183)
- Analysis of Alternative Delivery Systems (CCR, Title 5, Section 55184)

10.10.1 Assessment of Needs and Preferences

Applications for approval of new colleges or centers shall do all of the following as defined in CCR, Title 5, Section 55182 as:

- (a) Describe the community area and characteristics of individuals to be served;*
- (b) Provide projections of potential enrollment demand in the service area which demonstrate significant unmet need, taking into account plans of nearby secondary and postsecondary institutions;*
- (c) Demonstrate significant community support and identify possible community opposition;*
- (d) Identify preferences for community college programs and services on the part of individuals in the service area;*
- (e) Insofar as possible, identify present and future labor market requirements for the proposed service area, a broader adjacent region, and the state; and*
- (f) If possible, reconcile projected labor market requirements and community program preferences.*

10.10.2 Identification of Objectives

The identification of objectives is defined in CCR, Title 5, Section 55183 are:

- (a) Proposed college or educational center programs and services must be directed to the identified educational needs and preferences of the community to be served.*
- (b) Objectives of the proposed programs and services must be sufficiently specific that the district board may evaluate the success with which needs and preferences are met.*

10.10.3 Analysis of Alternative Delivery Systems

The analysis of alternative delivery systems is defined in CCR, Title 5, Section 55184 as:

(a) The proposed operation must be the most effective and equitable of feasible delivery system alternatives for providing intended programs and services.

(b) Criteria for selecting the proposed delivery system must include:

(1) accessibility of programs and services to individuals in the service area,

(2) content and quality of programs and services, and

(3) cost of programs and services.

(c) Depending on the delivery system proposed, alternatives for providing the proposed programs and services must include, but need not be limited to:

(1) increased utilization of existing district resources,

(2) forming a new college, educational center, and/or outreach locations, and

(3) use of media such as television, computer-assisted instruction or programmed learning packages. Alternative delivery systems considered must be adequately described, generally mutually exclusive, and limited to a manageable number to facilitate analysis and review.

(d) Proposed sources of funding for needed resources must be identified for both short and long-term operations.

10.11 Review and Approval of a Request for Approval

The *California Code of Regulations*, Title 5, Section 55181 define review objectives of the Chancellor's Office.

(a) The Chancellor shall maintain an inventory of all off campus programs and facilities in the community colleges. This inventory shall be updated annually, and shall be distributed to each community college district for use in planning activities.

(b) The Chancellor shall develop procedures to identify and review plans for new colleges and new educational centers within the district's Five-Year Academic and Capital Outlay Master Plans.

(c) Community college districts shall develop procedures to identify and review plans for new colleges and new educational centers as defined in this article. These proposals shall contain at least the following elements:

(1) Assessment of Needs and Preferences (section 55182),

(2) Identification of Objectives (section 55183), and

(3) Analysis of Alternative Delivery Systems (section 55184).

(d) The Chancellor shall review each proposed new college and new educational center and shall recommend approval or disapproval to the Board of Governors. The Chancellor's analysis of these proposals shall stress inter-district concerns and evaluation of the delivery system proposed.

(e) The Chancellor shall notify the community college district initiating the proposal of the findings and actions of the Board of Governors on the proposal.

The Board of Governors reviews each proposal requesting approval of a new site in public forums at which time interested people are given the opportunity to comment upon the Needs Assessment. The Chancellor's Office will notify the community college district initiating the proposal of the findings and actions of the Board of Governors on the proposal.

10.12 Checklist of Information Items

Please see Appendix T.