HOUSING CALIFORNIA EDUCATORS: DEVELOPMENT STRATEGIES AND GUIDANCE

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RESEARCH TEAM

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Center for Cities + Schools (CC+S), founded in 2004, is a national leader in policy research on school facility issues. CC+S, housed in the College of Environmental Design at UC Berkeley, is an applied policy center with 15+ years experience helping local, state, and federal policy makers advance solutions that close the opportunity gap and create trajectories of opportunity for young people, no matter where they live. CC+S has a specific focus on school facility infrastructure policy and finance.

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ABOUT THIS PROJECT

Since 2020, the Center for Cities + Schools at UC Berkeley and cityLAB at UCLA have worked in partnership with the California School Boards Association (CSBA) to educate, train, and advise local educational agencies (LEAs) on the workforce housing development process. In 2022 our team released *Education Workforce Housing in California: Developing the 21st Century Campus,* the how-to handbook *Education Workforce Housing: The Handbook,* and began a series of academies to help LEAs interested in building education workforce housing (EWH) achieve their development goals. In April 2025, we released ***Housing California Educators: Insights from Nine Education Workforce Housing Developments***.

This report, ***Housing California Educators: Development Strategies and Guidance*** outlines key considerations for LEAs to consider throughout the development process. A companion report—***Housing California Educators: Design Strategies and Guidance***—outlines architecture and design considerations.

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1 INTRODUCTION

The cost of housing in California has made it increasingly difficult for teachers and other K-12 school staff to live near their places of work. Housing is not the only reason that many local education agencies (LEAs) across the state struggle to attract and retain staff, but it is a significant factor. The negative impact of staffing challenges on educational outcomes and student wellbeing is well-documented. Staff turnover is costly and disruptive. Housing challenges can inhibit the job satisfaction and productivity of continuing employees. Educators with long commutes, for example, are less able to fill leadership roles or sponsor after school student activities.

In response to these challenges, LEAs have begun developing education workforce housing (EWH) to provide affordable living options for their employees. As interest in EWH has grown, so has the need for policy clarification, technical assistance, and guidance on emerging practices in the field.

In this report, we offer practical guidance—what to anticipate and what to watch out for—drawn from both our study of completed projects and our broader engagement with LEAs across the state. The content and organization of the report generally mirror the EWH development process that we outlined in our 2022 publications, with some updated insights based on our work over the past three years.

Note: This report is an informational resource. It is not legal, financial, tax, or real estate advice. Statutes, regulations, and funding programs change, and local conditions vary; LEAs should consult qualified legal counsel and development professionals before making decisions or commitments.

CALIFORNIA'S EDUCATION WORKFORCE HOUSING DEVELOPMENTS

As 2025 ended, more than a dozen EWH developments in California were occupied or under construction. The oldest development opened in 2002 and the newest is projected to be occupied in 2027. Most of these projects were developed and are owned and operated by a single LEA on LEA-owned property, but LEAs have also bought into existing developments and collaborated with other LEAs and public agencies on land owned by another partner.

Each LEA made different choices about financing, how to set rents, how tenant eligibility would be determined, and how to contract the key parts of the development process. This primer covers some of the reasons for those differences and presents them as options for LEAs to explore with their development teams and communities.

ORGANIZATION OF THIS REPORT

- Section 2 sets the context by describing some critical and unique features that distinguish EWH projects from other types of housing construction, and from the school facilities projects with which LEAs are more familiar. We then introduce a model of the EWH development process and outline guiding questions for key decisions that LEAs will need to make as they move through the process.
- Section 3 provides detailed guidance for each stage of the development process.
- Section 4 is devoted to financing, a key ongoing concern throughout the development process and one that shapes other options and decisions.
- Section 5 closes the report with a look at how EWH projects are evolving through innovation and collaboration.

The remainder of the primer is organized around a six-stage development model. The stages are a practical way to organize decisions and deliverables, but they are not strictly linear—many LEAs will move back and forth between stages as new information emerges.

KEY TERMS

Affordable housing: Generally, housing that is leased to residents at less than the prevailing market rate. A common benchmark of affordability is housing that costs 30% or less of a household's gross monthly income. Federal and state housing programs typically define affordability in reference to ranges of household incomes (see "AMI" below), with a share of available units designated for lease to households within each range.

Workforce housing: This term can refer to moderate-income housing generally, or housing that is reserved for a specific workforce. Workforce housing fills the gap between market-rate and low-income housing and may especially benefit public workers who earn incomes high enough to make them ineligible for government housing assistance programs, but who nonetheless struggle to afford market-rate rents.

Education workforce housing (EWH): In this report, EWH refers to newly built housing developments where units are leased exclusively or primarily to LEA staff.

Area median income (AMI): AMI is a key metric on which local definitions of affordability are often based. For example, to qualify for density bonuses and other zoning allowances, local governments may require that a certain share of units in a proposed development must be affordable, and affordability is usually defined as a percent of AMI. Federal tax credit programs also evaluate rental expenses in relation to AMI. Typically, AMI is determined by county and based on household size. AMI figures are published by the California Tax Credit Allocation Committee (CTCAC) based on U.S. Department of Housing and Urban Development (HUD) data.

Certificated and classified staff: Certificated staff—including teachers, counselors, and administrators—hold state-issued credentials and typically earn full-time salaries based on education and experience. Classified staff—such as paraeducators, food service workers, and custodians—typically earn lower wages and often work part-time.

Local Educational Agency (LEA): School districts and county offices of education. While all of the developments we study were built by school districts, we use the term LEA throughout this report.

Entitlements: The land use approvals required before building (for example, rezoning, variances, conditional use permits, and design review).

General Obligation Bond (GO bond): Voter-approved bonds paid for by *ad valorem* property taxes that LEAs may use to fund educational infrastructure, including education workforce housing.

Certificate of Participation (COP): A form of infrastructure financing available to special districts, including LEAs, often used to finance education workforce housing and paid for by the rental income stream.

Low-Income Housing Tax Credit (LIHTC): A federal tax credit program for affordable housing developments that meet certain criteria, including a set percentage of units for low- and very-low income households, with rents capped at 30% of the qualifying income level.

CONTEXT AND KEY CONSIDERATIONS IN EWH

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HOW EWH IS UNIQUE

LEA leaders often have a good understanding of school facilities construction and modernization projects, including the need to raise capital, secure financing, and work with contractors to manage construction. Compared to facilities projects, however, housing development presents unique sets of rules, challenges, and decisions. Similarly, the process for LEAs developing educator housing includes important features not typically encountered by housing developers—even developers who specialize in affordable housing.

To understand the unique context for EWH projects, it helps to keep three realities in view: (1) LEA governance and public accountability requirements; (2) rules governing the use, lease, and disposition of LEA property; and (3) the powerful, multifaceted relationship between a community and its public schools, including how community trust is built (or lost) through process.

Building housing on LEA property is different than building school facilities in at least two significant ways:

- Land use and entitlement. Unlike school facilities (which are generally exempt from local zoning ordinances), housing must comply with local land use controls and entitlement processes. Both school construction and housing development can trigger review under the California Environmental Quality Act (CEQA), but the scope of local discretion is much larger for housing development.
- Financing. While some EWH project financing includes the general obligation bonds that LEAs are familiar with for school construction, building housing requires LEAs to use other financial strategies and products that are outside their experience.

Building EWH is also different in critical ways than building other kinds of housing. Among the differences are these advantages:

- LEAs own land, which gives them initial control of a project and reduces overall project cost.
- In addition to tax-funded general obligation bonds, LEAs can access other forms of tax-exempt financing to borrow at a lower cost than would be available to a traditional housing developer.
- Normally, LEA-owned housing is also exempt from property taxes, which reduces their long-term operational costs.
- With EWH, an LEA is typically serving a defined tenant population who they can survey about needs and interests, and from whom they can solicit input about design and development.
- EWH often enjoys broad community support because the projects are understood to serve a dual public purpose: adding to the housing supply and boosting local schools by attracting and retaining teachers and other LEA staff.

Nonetheless, EWH projects also face distinct challenges:

- LEA staff—especially teachers—have household incomes in the moderate range, higher than the requirements for most public affordable housing financing programs.
- Available LEA-owned properties are typically in residential areas with little or no multifamily housing; as a result, EWH may require regulatory allowances and a strong neighborhood campaign to build support.
- Housing development is a long-term process that requires sustained support, especially in the early stages of exploration and feasibility study. Changes in LEA leadership can slow or reverse a project's momentum. The average development timeline is longer than the average superintendent's tenure. Board composition, too, is likely to change during the process.

- Because housing is outside the core mission of educating students, school board members and staff leadership may be reluctant to commit the time and resources that are required by such a complex endeavor unless they can convince stakeholders that the educational benefits are worth the investment.

THE EWH DEVELOPMENT PROCESS

Our work has identified six stages of development for EWH projects (Figure 1). The exact sequence of actions and the time required to complete them will be different for each development, but all LEAs with completed developments have gone through these stages. We also provide the average number of years it takes an LEA to move through each stage.

Stage 1: LEAs survey staff to understand their housing situations and needs. LEAs use these data to establish a vision and build support for an EWH option. Most hire a consultant to survey their property holdings and provide a preliminary assessment of the feasibility of building on specific sites. (1-2 years)

Stage 2: LEAs commission a complete feasibility study of potential sites for housing, including a proposed number and mix of units, a design framework, and financing options for one or more sites. During this stage, LEAs use guidance from the feasibility analysis to select a site, solicit preliminary designs, and begin working to assemble a financial plan. (1-1.5 years)

Stage 3: After choosing a site and setting a basic tenancy and financial approach, LEAs procure a development team and delivery approach (typically including an architect and construction contractor). Some LEAs will select a different architect than the one who produced preliminary designs for the feasibility study. LEAs work with their development team to finalize the budget and secure entitlements, land use approvals, and building permits. (1-3 years)

Stage 4: The development team will manage local inspection requirements, troubleshoot construction issues, and work with the LEA to manage the budget, timeline, and any needed changes. (2-2.5 years)

Stage 5: LEAs finalize eligibility and tenancy rules (in compliance with applicable housing laws and any requirements associated with their funding sources) and prepare for leasing. Tenant applications are processed and units are filled according to the procedures adopted by the LEA. (.5-1 year)

Stage 6: LEAs oversee ongoing property management, maintenance, and operations, including tenant relations and compliance. Some LEAs form a governance body or other oversight structure to handle policy and other higher-level decisions about the development over time. (Ongoing)

Before delving into detail about these stages, we want to outline the key decisions that an LEA must make to define the goals, objectives, parameters, and implementation plan for an EWH project.

Figure 1: The education workforce housing development process

KEY DECISIONS AND GUIDING QUESTIONS

Before an LEA can move forward with soliciting proposals and hiring a developer, the leadership team must work to clarify their goals and outline rough parameters for an EWH project, including these basic points:

- How many units to build
- Who will live there (e.g. classified or certificated, newer or more senior staff, smaller or larger households)
- How affordable units need to be to attract and sustain those tenants (e.g. how far below market rate)
- Which site(s) to consider for development
- Whether to build only housing, or if the site will serve additional uses
- Which financing options to consider

These parameters are interrelated—for example, different sites will accommodate different potential numbers of units, and the financing approach will influence how affordable units can be and who can live in the development. Working toward resolution on one point will inevitably bring related factors into play.

Amid these complexities, what keeps an LEA on course? In our observation, four guiding commitments make a difference:

- Hold fast to goals that everyone is committed to – that is, to your "why" (it may help to memorialize the goals in a Board resolution).
- To avoid rehashing, keep track of the options that have been considered and the decisions that have been made.
- Communicate regularly and transparently with stakeholders about the decision-making process and the rationale for decisions.
- Seek reliable advisors and consult them often, while maintaining LEA decision-making authority.

With these guiding principles in mind, below we identify the questions an LEA will consider during the development process. The questions are organized in an order that roughly parallels the six stages of EWH development, but they may be considered (and revisited) at different times.

WHAT IS THE SCOPE OF WHAT YOU WANT TO BUILD?

- How many households are you aiming to house, and how will you estimate demand?
- Are there specific recruitment and retention goals that should inform your unit target?
- Are you working with other LEAs or public agencies who should inform the project goals?
- What unit mix do you want (e.g. studios, 1-bedrooms, larger units, or a mix), and what tenant needs are you prioritizing through that mix?
- What is the size (including density and height) of housing that is allowable on the site? How will it need to fit into surrounding land uses and design?
- Are there other elements you may want to include (e.g. parking, recreation, childcare)? How will you decide whether to include them?

WHO DO YOU WANT THE HOUSING TO SERVE?

- Will the housing be open to any LEA employee, restricted to certain categories, or allocated proportionally to different categories of staff?
- Will any households beyond LEA employees be eligible (e.g. families of students, employees of other public agencies, or other populations), and under what conditions?
- Will you set any household income requirements (e.g. minimums, maximums, tiers)? How will those requirements align with your affordability goals and any financing constraints? What if a tenant's household income rises above the limit during tenancy?
- Do you want to prioritize early-career staff and/or new recruits? Will you limit tenancy to a set number of years? How will you handle a tenant leaving LEA employment?

- How “affordable” must the housing be to make a meaningful difference in your local context? How far below market rate do rents need to be to meet your staffing goals? Do you expect to set standard rental rates or to use a sliding scale? Might some units be offered at market rates?

WHERE CAN YOU BUILD?

- Does the LEA already own one or more potential sites where housing could be built, or do you need to acquire a suitable site?
- On the available site(s), what scope of development is allowable and supportable? Do any site(s) require remediation? Would existing structure(s) and/or utilities need to be removed or rehabilitated?
- How does an EWH project fit within the LEA’s overall facility plan and real estate portfolio?

HOW WILL THE PROJECT BE FINANCED?

- Is your LEA interested in using general obligation bond funds, and how would that affect other facility needs and priorities?
- Are you interested in exploring federal tax credits or other affordable housing programs? What eligibility / rent / tenancy parameters would those programs introduce?
- How comfortable is your LEA with more complex financing tools? Where can you get sound advice on financial options and risk?
- What public agencies (if any) might want to be a financial partner or provide other support (e.g., city, county, COE, regional entities)?
- Could the cost of developing housing on one or more sites be partly funded by selling other properties?

WHAT DESIGN ELEMENTS NEED TO BE DEFINED?

- What is your vision for the scale (e.g. number of units) and size (height, density) of the project?
- What unit mix will you provide (e.g. studio, 1-bedroom, 2-bedroom), and why?
- What design direction and performance priorities matter most (e.g., durability, sustainability, accessibility, operations/maintenance ease)?
- What amenities (if any) do you want to provide (e.g. gym, play area, bike storage)?
- How will additional facilities (e.g. childcare) be incorporated into the project?
- How will you evaluate tradeoffs between desired project features and cost?

HOW WILL YOU SELECT THE DEVELOPMENT TEAM?

- How experienced do you want your development team to be and in what types of projects?
- What criteria will you prioritize in your team selection (e.g. price, schedule control, community engagement approach, financial capacity, relevant experience)?
- What development delivery model will you use (e.g. design-build, single developer, or separate developer and construction contractor)?
- Would you benefit from hiring an owner’s representative or program manager to provide guidance and oversight of the project?

HOW WILL DECISIONS ABOUT CHANGES BE MADE?

- What process will you require for documentation, budgeting, and change approvals?
- Who can approve changes, and what thresholds will trigger escalation to a higher decisionmaker?

WHO WILL GOVERN AND MANAGE THE PROPERTY?

- Will you hire a property management company, or does your developer have a property management arm?

- Who will develop, review, and approve lease guidelines and related policies?
- Who will make long-term decisions about major capital repairs, refinancing, setting rents, and changes to eligibility guidelines? Will the Board act delegate oversight to a standing committee or affiliate entity, or create a governance body that reports to the Board?

HOW WILL YOU ENGAGE THE COMMUNITY?

- How will you assess community support for the project, especially if you need public funding and/or public approvals?
- When, where, and how will you reach out to neighbors and other community stakeholders?
- Who will be the key spokespeople and advocates for EWH?

HIRING CONSULTANTS

Consultant selection and management is one of the most important parts of the EWH process. Most LEAs will have less experience than the firms seeking to work with them. Your consultant strategy should help you close that expertise gap while keeping decision-making authority where it belongs—with your LEA and Board. Approach procurement and consultant management as a public, disciplined process: with clear scopes and deliverables, well-defined roles, transparent assumptions and fees. You don't want to give any single consultant (e.g. a prospective developer) undue influence over core decisions such as site selection, the number and size of units, financing strategy, and affordability targets. At the same time, the LEA will want to rely on the expertise of the consultants that you hire. Being clear about—and documenting—your goals for the development can help you stay on track.

DECIDING WHAT TO OUTSOURCE

In addition to establishing a core development team—a combination of architectural, development, and construction expertise—LEAs often use a mix of specialized consultants before (and alongside) the primary development team. Many LEAs hire consultants to perform one or a combination of the following tasks:

- Conduct surveys of staff and other potential tenants
- Support a bond measure: survey voters, develop bond measure, support bond communications
- Evaluate development potential of different sites (what can be built, what kind of site preparation is necessary)
- Develop potential financing models and review cost estimates
- Provide ongoing management advice
- Create draft designs and final architectural documents
- Advise on the land use and entitlement processes needed to obtain required approvals and permits
- Legal counsel with experience in real estate and public agency law to prepare and/or review key documents, including financing, development agreements, and ground leases
- Property management and maintenance

SELECTING A DEVELOPER

At some point in the EWH development process, an LEA will assemble a core development team. In many cases, housing developers and consultants—though increasingly interested in EWH—may have limited experience working with LEAs and public decision cycles. At the same time, many LEAs' construction experience is concentrated in school facilities delivery rather than multifamily housing. To reduce the risks created by this information mismatch, use a disciplined selection process that requires transparent assumptions and produces a clear match between the developer's approach and the LEA's goals and public responsibilities.

LEAs should look for the following:

- Relevant multifamily delivery experience (comparable scale and complexity).

- Public-agency ownership experience, including open-meeting decision cycles and public accountability.

- Strong cost and schedule discipline, including credible cost estimating and risk management practices.

- A clear entitlement and community engagement approach, grounded in local realities.

- A realistic operations plan, including fair housing, tenant screening, and any funding-related rules.

Ask for references specifically from public-sector clients and for indicators of how they have handled complex projects, including cost increases, falling off schedule, neighborhood opposition, and leadership turnover.

One key decision is **when** to bring on a developer relative to feasibility and early definition work. Common approaches include:

- **Engage a developer early (feasibility/predevelopment):** This can bring coordination capacity and market insight, and may help shape entitlements, community engagement, and financing strategy. Protect LEA interests by defining predevelopment deliverables, requiring transparent cost estimating, and preserving clear decision authority and termination/transition rights.

- **Procure a developer after feasibility (once the LEA has a preferred site and clearer project definition):** This can strengthen the LEA's negotiating position, increase competition, and reduce reliance on a single point of view. It requires the LEA to manage consultants during feasibility and to plan for an orderly handoff into design and construction.

Your consultant strategy will be partly determined by the delivery model you choose. Common approaches include:

- **Developer-led:** Developer coordinates architect, contractor, and (often) financing. This can simplify management for the LEA but requires strong guardrails around pricing, transparency, and decision rights.

- **Design-build:** One entity is responsible for both design and construction. This approach can provide schedule and coordination advantages, but the LEA must be disciplined about defining requirements and managing changes.

- **District-led:** LEA contracts separately with architect and contractor (and sometimes additional consultants). This can increase LEA control but requires staff capacity and strong project management and is often used with an owner's rep or dedicated project manager.

There is no universally "best" model. Your feasibility and legal/financial advisors should help assess which approach best fits the LEA's capacity, risk tolerance, timeline constraints, and longterm ownership goals. Section 3 provides additional guidance on procuring and managing the development team once the LEA is ready to move from feasibility into delivery.

HIRING AN OWNER'S REPRESENTATIVE

An owner's representative (sometimes called a program manager) can be a high-value hire when the LEA needs additional capacity to manage contractors and ensure that the LEA's interests are being honored. Some of the tasks that someone in this role can perform include:

- Translating technical documents into recommendations for staff and the Board.

- Coordinating consultants and keeping scopes aligned (so the LEA is not paying twice for the same work).

- Tracking schedule progress, documenting decisions, changes, and assumptions, and providing updates to the Board and relevant committees.

- Preparing RFQs/RFPs and managing selection processes for the development team and other consultants the LEA decides to hire.

To preserve independence, the owner's rep should be contractually clear that they work for the LEA and do not have incentives tied to selecting a particular developer, contractor, or financing product.

GUIDANCE FOR THE EWH DEVELOPMENT PROCESS

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The six-stage EWH development process is outlined in detail in our 2022 guide; we have used this framework to guide our work with LEAs over the past three years. While no development process unfolds neatly in discrete phases, and LEAs will hit milestones in different orders, this framework reflects the general steps every LEA must go through. Below we describe the key work to be done in each stage and make recommendations based on our research and interaction with LEAs across the state.

STAGE 1: PRELIMINARY EXPLORATION

Stage 1 is focused on learning about the potential of EWH and researching the details about what might be suitable for your community. By the end of Stage 1, the LEA should be able to answer four questions: (1) Is housing a significant contributor to recruitment and retention challenges? (2) Is there at least one plausible site option (or acquisition strategy)? (3) Is there an initial affordability/tenant vision grounded in staff data? (4) Do governance, staff capacity, and community conditions suggest the LEA can proceed to a full feasibility analysis?

1.1 START BUILDING A TEAM

The first step is for those interested in EWH to learn more and begin building a team to explore the possibilities of EWH together. Often, a couple of key staff or Board members will bring the idea to the Board to get direction to study the idea. There are many ways to begin the process of self-education:

- Talk with peer LEAs that have built housing,

THE BROWN ACT AND PUBLIC PROCESS

Because EWH decisions involve real estate, public resources, and community impacts, LEAs should plan early for the open-meeting and public notice requirements that apply to Board and committee deliberations. If Board members participate in committees or working groups, confirm Brown Act requirements for noticing, agendas, and public participation. Although there are real estate considerations, very few aspects of the EWH process are suitable topics for closed session. Board committees with a non-majority of Board members, who can report back to the full Board and provide updates, are a good way to keep things moving forward without bogging down Board meetings. When committees report back to the full Board, ensure those recommendations are properly agendized for public discussion before any Board action.

It is also important to avoid any perception that Board members are unduly swayed or “recruited” by consultants—this includes ensuring consultants aren’t used as intermediaries to build consensus outside of public meetings, which could violate Brown Act serial meeting prohibitions. When selecting developers or consultants for the housing project, make sure your competitive process is well-documented and follows your local procurement policies, especially given the potential for community scrutiny on housing projects. It’s always a good idea to consult legal counsel during the EWH process to ensure that you are complying with the spirit and rule of public participation, transparency, and ethical contracting.

visit completed EWH projects, attend conferences or other training opportunities. CSBA can help identify peer LEAs, provide guidance materials, and identify training opportunities. Your County Office of Education (COE) may also be able to facilitate convenings and trainings.

- Arrange briefings with neutral, independent practitioners (such as peer LEA leaders, public-sector housing counsel, experienced owner's representatives, or affordable housing finance advisors) who can explain options and risks without pitching a specific deal.
- Build an internal team that can hold discussions and make preliminary decisions: assign a project lead, define roles (facilities, business services, HR, communications, legal), keep a record of decisions made, identify when the full Board will be involved.
- Charge a committee with exploring EWH and bringing a proposal to the Board. Internal conversations need to begin months before a proposal is brought to the Board—typically, seeking a general resolution of support, approval to hire consultants, and/or authorization to conduct site assessments. Committees on facilities, on surplus property, or an ad hoc housing committee can be charged to guide these early steps.
- Begin early conversations with labor partners about goals, tradeoffs, and guardrails. In addition to surveying staff (see below), LEAs should involve staff as members of exploratory committees, as focus group participants, and bringing them on tours of existing EWH developments.

1.2 RESEARCH SITE OPTIONS

If not done already, LEAs should conduct an initial inventory of their properties and identify parcels that might be suitable for EWH development. Factors to consider include overall parcel size and potential for different building footprints and configurations, zoning and regulatory issues, neighborhood appeal, and potential alternative uses. Ideally, this inventory would be conducted as part of an overall facilities plan that accounts for all the LEA's foreseeable site needs.

1.3 RESEARCH STAFF NEEDS AND INTEREST

Because EWH is intended for a specific pool of tenants, you should get detailed information about that population as early as possible. Data on staff incomes, household sizes, and interest will shape the parameters of an EWH project.

ENGAGING LABOR PARTNERS

Staff are critical partners in EWH, both as the potential tenant pool and as persuasive advocates. LEAs that engage staff and labor partners early—through surveys, focus groups, committee participation, and both formal and informal conversations—also gain greater buy-in and are better able to address concerns proactively.

By sharing their perspectives on how affordable housing in the community could improve their ability to serve students, teachers are the best possible advocates for EWH as a tool for school and community improvement. In most LEAs, staff are quick to understand the potential benefits of district-built housing. However, some staff may initially regard EWH as a diversion from other fundamental labor concerns, such as compensation and working conditions, or from the district's core educational mission. Common staff concerns include how limited housing units will be allocated; when and under what conditions tenants may be obliged to cycle out of housing; and whether an LEA's investment in housing some employees might limit its capacity to support viable salaries and benefits for all its employees. Involving labor leadership and communicating with rank-and-file staff—including surveying them as early as possible—is a key practice at this stage. Gathering robust staff input early in the process allows LEA leadership to clarify misunderstandings and acknowledge tradeoffs.

Most LEAs undertake at least one comprehensive survey to gather this information in Stage 1. The results will be included in a feasibility analysis (Stage 2 below) and in information provided to potential developers. The survey should ask questions about the current housing situations of staff (what kind of housing they have, where they live, and how much they pay in rent) and their interest in LEA-owned housing (what concerns would they have, what kind of unit would they want, and what rents are they able to pay). Information about preferred unit size and ability to pay is important information for the developer or other consultant evaluating financial feasibility. Information about how housing costs affect staff quality of life and likelihood of staying in their jobs is important for making the case for EWH. CSBA's EWH resource library includes many examples of staff surveys and presentations of survey findings.

COMPARE INCOMES AND RENTS TO AREA BENCHMARKS

Data on staff household incomes should be compared to area median incomes (AMI) for the LEA's county and surrounding areas. AMI is the metric that state and federal housing programs use to define affordability. Many public programs—state and federal tax credits, and local affordable housing funds—will target units for different AMI ranges. Understanding how these ranges align with different groups of staff is valuable information as you consider potential financing opportunities.

It is also important to get data on the range and median rates for existing rental properties in your area. You can reference HUD's Fair Market Rents, local rental market datasets (where available), and a comparable set of nearby properties similar in unit type and amenities.

UNDERSTAND STAFFING CHALLENGES

In addition to staff surveys, LEAs should analyze other available data to better understand their challenges with recruitment and retention in relation to housing. For example:

- Staff turnover rate: how does the percentage of teachers (and others) leaving each year compare to the rates in neighboring and peer LEAs, and to state averages?
- Credentials: how many of your teachers are working without clear credentials, or are teaching out of their credentialed fields?
- Vacancies: what's the number and profile of vacant positions at the start of each school year?
- Teacher seniority and tenure: what share of your workforce is early-career? How many leave within the first 3 to 5 years? How does this pattern vary by school site, role, and credential area?

Make sure to look at classified as well as certificated staff data, as many classified positions (especially in special education) are as difficult to fill and retain as certificated. Having a detailed picture of how housing is affecting your staff will be useful as you build community support for your project.

1.4 BEGIN COMMUNITY OUTREACH

During Stage 1 your team of EWH champions (key staff, subcommittee members, and Board members) should begin to conduct outreach and communicate beyond the LEA about your staffing challenges and why the LEA is considering EWH. You can start by conducting a power mapping exercise: identify stakeholder groups, understand who has formal decision authority versus informal influence, and tailor engagement to each group's interests and concerns.

We encourage LEAs to do "power mapping": use a simple 2x2 matrix (influence vs. support) to map stakeholders into high-influence supporters, high-influence skeptics, lower-influence supporters, and lower-influence skeptics. Use the map to prioritize early listening, assign outreach responsibilities, and track how support shifts over time.

Some of the key constituencies you should be sure to focus on:

Local government officials

- Build relationships with city council members and county supervisors
- Engage planning departments and permitting agencies early
- Understand whether your governing jurisdic-

tion (city or county) views EWH as supporting Regional Housing Needs Allocation (RHNA) goals

- Find out whether the city or county can offer funding or leadership support (e.g., as in Berkeley and San Francisco)

Community members and neighbors

- Those currently using the site for activities
- Neighbors concerned about traffic, density, or property values
- Housing advocates who may support your project

Voters

- LEAs pursuing a general obligation bond will need voter support for the bond measure and subsequent allocation to housing

1.5 MAKE PRELIMINARY DEVELOPMENT DECISIONS

Before commissioning a feasibility study in Stage 2 (see below), an LEA may be able to narrow the range of options and issues that require further analysis. For example:

- Paring the list of potential sites, if some are obviously preferable or unsuitable.
- Setting a target range of units for the project, particularly if you can set a minimum number of units that are needed for a project to be worthwhile, in as much as can be decided without details about land use capacity and financing, which will significantly shape what's feasible.
- Making a wish list of preliminary design features and amenities, taking care to make it a limited list.
- Establishing other critical features and limits; for example, if there must be a parking space for each unit; if the building cannot be over a certain height; or if the site must accommodate another land use in addition to housing units and amenities.

STAGE 2: FEASIBILITY & DECISION-MAKING

After building board and staff support, the LEA will be ready to evaluate the feasibility of EWH at specific sites, including a potential financial strategy. A feasibility study typically includes a proposed project scope (or multiple potential scopes), including the number of units, mix of unit sizes, design framework, and financing options. If the LEA has multiple potential sites, the study will also evaluate the pros and cons of different sites and make a recommendation.

Guided by the feasibility analysis, the LEA will narrow its consideration to a preferred site, review preliminary designs, and begin to assemble a financing package. Internal negotiations during this stage—often involving staff, an architectural team, and a small committee of LEA leaders—focus on the size of the project, bedroom configurations, amenities, and other key features.

Through these weeks or months of exploration, support-building, and data gathering, the LEA is positioning itself to move into the development stage (Stage 3). This means that in Stage 2 the LEA will be making many decisions about the parameters of the project, adjusting the goals identified in Stage 1 to meet the realities of what is possible.

2.1 CONDUCT FEASIBILITY ANALYSIS

The feasibility analysis is the first decision-grade document that will be presented to the full Board. Treat it as a working blueprint for Board decision-making and for procurement. A strong feasibility study (a) identifies a buildable site plan and unit program; (b) explains the entitlement path, approvals, and likely constraints; (c) produces a preliminary development and operating pro forma that shows what rents are required under different financing scenarios; (d) provides a schedule with key decision points; and (e) recommends a delivery model and procurement strategy.

PROCURING A FEASIBILITY STUDY

Feasibility studies take one of three general forms:

1. A preliminary real estate & facilities analysis that looks at all the LEA's available properties and identifies potential uses, including but not limited to housing. In addition to evaluating potential sites for housing development, this type of study could include suggesting parcels to consider selling or on which to build other kinds of facilities. However, it does not get into any detail about an actual EWH project.

2. A limited housing feasibility study that focuses on narrowing down site options and laying out a general scope for potential EWH development on each site, but without detailed site plans or financial analysis.

3. A full housing feasibility analysis that looks closely at one or more sites and proposes building configurations, characteristics, and numbers of units; describes the necessary entitlement processes; estimates likely development timelines; and presents potential financial models.

Which kind of feasibility study is best for your LEA depends on where the LEA is in the decision process. If the LEA has multiple potential sites or is still determining whether housing is viable, start with an LEA-wide real estate and facilities scan. If the LEA has a small number of plausible sites and needs help narrowing, use a limited feasibility study. Once there is a preferred site and a serious intent to proceed, commission a full feasibility analysis that can support procurement, entitlement strategy, and Board action.

Feasibility studies vary in scope and cost, but at a minimum they should include the components below (these items should be clearly outlined in an RFP or consultant agreement):

- Details about site constraints and opportunities (setbacks, easements, access, utilities, soil/geotech engineering, and existing uses).
- Conceptual plans for project density, unit mix, parking/circulation concept, and other important details, which at least one plan fleshed out with drawings.
- Entitlement and CEQA pathway for project approval, including the likely schedule, points of risk, and areas of local discretion.
- Preliminary development budget (hard/soft costs, escalation, contingency) and a clear basis for cost assumptions.
- Operating *pro forma* (costs for property management, maintenance, utilities, reserves) and preliminary rent-setting implications.
- Financing scenarios (GO bonds, COPs, LIHTC, grants, etc.) showing required rents and affordability outcomes under each scenario.
- Sensitivity analysis (potential impact of changes in interest rates, construction escalation, vacancy, operating cost increases) and recommended guardrails.
- Recommended delivery model, procurement plan, and an outline of Board decisions that will be needed (e.g. issuance of RFP/RFQ, approval of debt instruments).

As the LEA receives feasibility findings—whether in a single report or a series of memos—those findings should be brought to the Board and used to make a small number of durable decisions: whether to proceed; which site and delivery/financing paths to pursue; and what high-level project parameters (such as unit count, unit mix, and affordability targets) the LEA intends to carry into Stage 3.

CHOOSING A SITE

Site selection is a critical step, requiring careful evaluation of long-term educational land needs, property values, zoning regulations, infrastructure availability, and potential community response. Many factors go into choosing a potential site for housing development:

- **Land value:** LEAs with multiple unused parcels might consider selling some of them, generating funds to invest in an EWH project.
- **Surrounding land use:** What kinds of properties surround the potential housing site: commercial, residential (single or multifamily), or open space? How dense are these surroundings? How will EWH fit into this landscape? Given the volume of housing the LEA hopes to build, can the surrounding area readily support it?
- **Regulatory context:** What type of land use is allowed on the site? Is the site zoned for residential housing? Will zoning variances be required for building height and setbacks, for example, or for street access and surface

parking? How difficult are approvals likely to be?

- **Community support or opposition:** Is changing how the site is currently used likely to draw objections? How likely are neighbors to resist multifamily development?
- **Infrastructure:** Does the site have infrastructure, or will there be a need for extensive investments in roads and utilities (e.g. water, sewer, electric) to support a new development?
- **Location appeal:** Does the site offer access to transit, freeways, parks and public amenities, and other neighborhood assets? As any realtor knows, the most important characteristic of housing is location. LEAs can only develop properties they own, but if they have multiple sites available then they will use the feasibility analysis to assess such positives as access to transit, freeways, and public amenities. Evaluating these assets is a key element in choosing the best location. Key factors for EWH tenants we surveyed for our research were proximity to their places of work and, relatedly, access to freeways, as well as neighborhood safety.

Upon these analyses, some LEAs will find they have more than one viable site. Figure 2 below describes the sites LEAs selected for EWH development and the other sites they considered.

2.2 GET COMMUNITY AND BOARD APPROVAL FOR DEVELOPMENT

Successful EWH development requires support from a coalition of local stakeholders. Communities care deeply about how school properties are used, and individuals or community groups can wield significant influence on how a project is perceived and formal power through the formal land use approval process. Winning early and broad support in the community can prevent costly delays and complications. LEAs can emphasize how an EWH project, by enabling more employees to live closer to where they work, can generate community benefits:

- Bringing customers closer to local businesses
- Reducing traffic congestion and increasing transit ridership
- Increasing school enrollment (the children of LEA employees)

Figure 2: Where LEAs built housing

Development	Former use	Other sites considered
Casa del Maestro	Underutilized fields on an active school campus	None
Sage Park	Vacant part of active high school campus	District had multiple potential sites and has developed housing on three of them. LAUSD's real estate department performed the site analysis.
705 Serramonte	Underutilized land on former high school campus, adjacent to active adult school campus	None
The Alameda	Commercial space (not district property) that was replaced by the residential development (with first floor commercial space)	District had no suitable sites and instead purchased part of a private development already underway.
Eastmoor Heights	Parking lot next to active elementary school	Feasibility study evaluated two potential sites; the ultimate site was recommended based on walkability, lower construction costs, a flatter site.
Shirley Chisholm Village	Closed school site that was being used as a community park	District had several potential sites, which are still being considered for housing development.
The Sevens	Low-density multifamily development, which was replaced by the new development	In early stages, considered multiple potential sites and contracted for feasibility to include several of them, which narrowed down to a single site. After a more comprehensive feasibility study and initial plans, they faced strong community opposition at their selected site. The district then shifted to negotiating part of a private development.
The Acacia	Closed county public defender office	The site is a county property identified early in the process; the LEA did not play a role in that.
1701 San Pablo	Parking lot of active adult school	District had multiple potential sites; they internally reduced the number to four, and had a consultant assess the feasibility of two.

- Improving the reputation and performance of local schools, thereby making the community more attractive to potential new residents

Nonetheless, LEAs should anticipate that the prospect of converting school property to housing may spark resistance from residents concerned about losing access to familiar spaces (whether these are open spaces or currently developed for other uses) or about how further residential development will change the look or feel of a neighborhood.

Local regulations vary significantly regarding permissible housing density and rezoning requirements, and the underlying political climate in the community can significantly affect project timeline and cost. In several ways, the land use approval process for housing often proves more complex than it is for school construction. The LEA or its developers will need to interact with multiple agencies and inspectors, versus a single state agency for school facilities. Even with recent legislative changes that support housing development, LEAs will need some level of local approvals.

LEAs must find ways to work effectively with local planning departments and permitting agencies, and with inspectors throughout the development and construction process. Some lessons from successful projects:

- Build relationships with planning departments early.
- Cultivating relationships with other city leaders, as well as county supervisors, in the early stages of exploration can help considerably. LEAs and city governments do not always have working relationships, and establishing them for the first time in the context of a multifamily housing project can be challenging.
- Beyond the public sphere, engaging with housing advocates and other grassroots community groups can help forestall or negotiate opposition to EWH.
- Be prepared for the process to take longer than anticipated.

For all these reasons, focusing on community engagement throughout the process is critical to a successful outcome. Complications aren't just unpleasant for LEAs and school boards who are reluctant to get into pitched battles with community members; they also add time and expense to the development process. Sites that formerly served as neighborhood schools and/or have been used as community parks or playgrounds, and those that would introduce a denser kind of development than is common for the neighborhood, may require a special commitment to listening and engagement. Skillful advocates will take time to acknowledge what community members may experience as a sense of loss even as they nurture support for what the site can become.

It's important to recognize that, challenging as it can be, educator housing generally draws strong public support. With united leadership including Board members and, above all, LEA staff as ambassadors, emphasizing the whole range of potential benefits to the community, LEAs can build momentum for their EWH projects.

BEST PRACTICES IN COMMUNITY ENGAGEMENT

LEAs and experienced housing developers emphasize the importance of sustained community engagement that emphasizes transparency, manages expectations, and offers opportunities for the public to provide feedback without allowing a small number of people to monopolize discussion or stymie decision-making.

Emphasize the educator housing benefit: frame the project around teacher retention and school quality, use staff members as ambassadors to share personal stories, and highlight how stable, local staff benefit students and the community

Once you have a developer on board, they will typically manage day-to-day community engagement, such as focus groups, community workshops, and public hearings. School board members and LEA staff should attend key public meetings where the project is being discussed (e.g. planning commission).

Create multiple opportunities for public participation: School board meetings where EWH decisions are made are public forums, but opportunities for public engagement should not begin there. Board workshop sessions can allow community members to ask questions, raise concerns, and provide feedback.

2.3 FINALIZE DEVELOPMENT PLANS

Before moving into identifying a developer, the Board will approve the final site selection and a clear project definition (including unit count, unit mix, key amenities, and how the project integrates with other LEA needs such as parking or childcare). This scope will be used to issue an RFP or RFQ for a development team. The Board will also approve the financing strategy and delivery model assumptions (including affordability targets, operating costs, reserves, and key Board authorizations).

STAGE 3: DEVELOPMENT

After completing a feasibility analysis, selecting a site, and establishing a basic approach to tenancy and financing, the LEA can move into development—assembling the core development team and confirming a delivery model. This stage builds on Section 2's guidance on developer selection and delivery models; the focus here is procurement, contracting, and early execution steps that clarify roles, decision authority, and accountability before design is finalized and construction begins.

The right approach varies based on LEA capacity, risk tolerance, and financing strategy. Many LEAs procure a developer through an RFQ/RFP process and use the developer to coordinate the delivery team (architect, contractor, and specialized consultants) under LEA oversight and within Board-approved parameters. Other LEAs use a district-led approach, in which the LEA contracts separately with the architect and construction team—often supported by an owner's representative or dedicated project manager to coordinate scopes, schedules, and decision-making. In the projects we reviewed, the developer-coordinated approach was more common.

3.1 FINALIZE THE DEVELOPMENT TEAM

However the team is formed, a strong working relationship with your development team and a shared vision of the development are critical to the success of a building project. Clarity from the outset will minimize surprises during construction. LEAs can take different approaches to building a strong development team; in our study we found many variations:

- The architect and team that conducted the feasibility study became the core of the development team
- The LEA hired a developer through an RFP/RFQ process, which included a proposed project design, then the developer selected an architect and construction firm
- The LEA contracted directly with an architect who provided plans for a developer and/or construction firm (notably, in our study many LEAs ultimately contracted with a different architect than the one who produced initial designs for the feasibility study)
- The LEA hired a design-build company that managed the whole project from design through construction
- An LEA hired a developer early on to act as an "owner's agent" throughout the process, including an RFQ and contracting process through which a design-build firm was hired
- LEAs using federal tax credits hired a developer team with experience building affordable housing

LEAs typically bid out this work, writing RFPs or RFQs to solicit proposals from firms with suitable experience in workforce housing. RFQs allow firms to submit their qualifications for a specific project; the LEA then solicits bids just from a specific group of firms.

The RFP or RFQ should include the following:

- feasibility study results
- site constraints
- target number of units
- affordability objectives
- staff survey results
- preliminary financing assumptions
- community engagement expectations
- governance and property management requirements
- the LEA's required decision points and reporting cadence

LEAs may also consider hiring an owner's representative or construction manager. This position serves as an independent owner-side manager to support procurement, coordinate consultants, and provide independent review of schedule, budget, and change orders - especially if LEA staff have limited capacity for day-to-day project management.

- Developer selection criteria: prioritize teams with experience delivering multifamily housing with public owners, a track record of cost and schedule control, familiarity with school district governance and public process, and a credible plan for property management and long-term compliance.
- Team continuity and depth: evaluate the proposed architect, contractor, and specialized consultants (land use, CEQA, finance). Ask who will be staffed day-to-day and how the team will handle transitions between feasibility, entitlement, and construction.
- Procurement process discipline: use a clear scope, a scoring rubric, interviews, and reference checks. Align the procurement timeline with Board meeting cycles and with any external financing application deadlines

There is no single best approach to managing this sequence of contracting. Speaking with LEA staff of completed developments can help you understand the tradeoffs of different approaches.

3.2 INITIAL DEVELOPMENT PROCESS

Stage 3 involves a long list of technical tasks—securing entitlements, finalizing plans, obtaining financing, and preparing construction documents. Most of this work is handled by your development team, but the LEA's role is critical at key decision points.

The developer will typically:

- Secure land use approvals and building permits
- Complete construction documents and specifications
- Obtain financing commitments and execute construction contracts
- Manage ongoing community engagement

The LEA must:

- Make final decisions on design and budget trade-offs
- Establish a clear process for approving changes during construction
- Begin planning for property management and governance
- Show up at key community meetings

The exact division of responsibilities will depend on your delivery model and contracts, so clarify roles early.

ENTITLEMENTS AND APPROVALS

Securing entitlements, land use approvals, and building permits was a notable challenge for the LEAs we studied. The approval process includes extensive document reviews and public hearings. The path through these obstacles was significantly easier for LEAs that were working in partnership with their cities.

State law has created a meaningful streamlining pathway for EWH. Under AB 2295 (effective January 1, 2024), as revised and expanded by AB 1021 (effective January 1, 2026), qualifying housing developments on LEA-owned property are deemed an allowable residential use without rezoning and deemed consistent with the local general plan and zoning code. Key provisions include: (1) residential use is automatically allowable on LEA-owned property; (2) height limits of at least 35–65 feet depending on location and proximity to transit; (3) only objective zoning and design standards apply—not discretionary design review; (4) the surplus property advisory committee ("7-11 committee") process is waived; (5) a 55-year deed restriction must ensure at least 30% of units are affordable to lower-income households and at least 20% to moderate-income households; and (6) LEA employees receive first priority for rental units, followed by employees of other LEAs, then other local public employees, then the general public. AB 1021 also removed AB 2295's requirement that projects be in infill areas or adjacent to residential uses, and incorporated a CEQA exemption for qualifying affordable housing projects meeting additional labor and location standards. While these laws significantly simplify the entitlement path, LEAs must still comply with local building codes and—unless a specific CEQA exemption applies—complete CEQA review. Even for projects that qualify under AB 2295/AB 1021, many will still require other local approvals such as building permits and, in some cases, variances. For example, the 705 Serramonte project required a general plan amendment, a zoning change, a lot line adjustment, and a density variance.

Most California cities also require new housing developments to set aside affordable units for low-income residents, with income limits that may fall below the household incomes of many LEA employees—particularly certificated staff. As a result, LEAs may need a waiver from local inclusionary requirements. For example, for The Sevens, the LEA and developer obtained a waiver because the project targeted moderate-income households (120% of AMI).

STAGE 4: CONSTRUCTION

Breaking ground for construction is an exciting moment for LEAs—it represents the point when an idea the LEA has been working on for years becomes a real building. Even with strong upfront planning, change is normal in this stage—driven by the realities of site conditions, permitting requirements, market pricing, and material availability. The LEA should not be involved in day-to-day management of the jobsite, but should be ready to provide oversight and timely decision-making when changes affect cost, schedule, scope, safety, or community impacts.

- Expect some design and scope adjustments as pricing, constructability, and permitting requirements are reconciled.
- Anticipate increased community attention once construction is underway and the actual scope and design of the building is visible.
- Plan for and manage construction impacts on schools and neighbors (safety, access, traffic, noise, and communications).

MOVING FROM PLAN TO PRODUCTION

Expect your plans to change as you move from the feasibility study to final site drawings and actual construction. Changes will almost certainly occur as a construction contractor interprets architectural drawings and renders them as building plans (although changes may be less extensive when the same architect is engaged from feasibility through final design, or when an LEA contracts with the same firm for design and construction). The selection of building materials also may be revised in response to changing availability and costs.

When changes during construction are relatively minor—such as the selection of finishes or adjustments to landscaping—LEA staff were usually not involved. But more significant changes may need to be referred to the relevant LEA committees and decision-makers; it is important that those thresholds and decision-makers be identified before construction begins, to avoid delays or confusion.

4.1 BEGIN CONSTRUCTION

Developer responsibilities:

- Oversee construction safety, schedule, and budget; manage subcontractors and inspections; administer change orders; and coordinate construction communications in line with the contract.

LEA responsibilities:

- Designate an LEA point person to coordinate site access, school calendars, and safety (especially if construction is adjacent to active school campuses).
- Review and approve major change orders per the contract, and maintain a clear escalation path for scope, cost, and schedule decisions.
- Maintain a consistent Board reporting cadence (including updates on construction schedule and budget) and keep a written decision/change log for auditability.

Begin operational readiness early by finalizing selection of a property manager, processes for tenant application and eligibility review, lease agreements, and move-in logistics. LEAs should have all of this ready to go when the local jurisdiction approves the development for occupancy and it's time to recruit tenants.

Once construction activity begins, an EWH project may draw the attention of community members who missed the LEA's exploratory outreach. Other community members who may have supported the project in principle will find they have concerns now that they see an actual building rising. While there are practical limits to what an LEA can do at this stage, it's important to acknowledge emerging concerns and respond to them as you can. If construction can be managed in a way that minimizes impacts on neighbors and disruptions to nearby schools and public amenities, then the LEA can preserve the good will it nurtured during the earlier stages.

4.2 FINISH CONSTRUCTION

Finishing construction is a transition from building to operating. As the project approaches substantial completion, the developer/contractor will drive inspections, testing and commissioning, and punch-list work. The LEA's role is to confirm that the acceptance and change-order processes in the contract are being followed, that required approvals (including the certificate of occupancy) are on track, and that any remaining scope decisions are resolved quickly to avoid delaying move-in.

A structured turnover package will make the first year of operations smoother and reduce long-term maintenance risk. Before final acceptance, confirm that you will receive—and that your property manager understands—key close-out materials such as:

- As-built drawings and a clear record of approved substitutions and change orders.
- Warranties, manuals, and vendor contacts for major building systems (mechanical, electrical, plumbing, fire/life safety, elevators, security).
- Training for property management staff on building systems, access controls, and safety procedures.
- A final cost summary and schedule narrative, including documentation needed for any financing or grant compliance.
- A clear plan for addressing warranty-period issues and resident service requests during initial occupancy.

Milestones such as groundbreaking and a ribbon cutting can be useful communications moments—both to recognize the partners involved and to reiterate the project's public purpose, eligibility rules, and timeline for occupancy. Where possible, pair these milestones with practical information for staff applicants (anticipated move-in windows, application steps, and where to direct questions) and with clear expectations for neighbors about remaining construction activity and site operations.

STAGE 5: LEASING UP

Stage 5 turns a completed building into a fully occupied housing development. Core tasks include adopting eligibility and rent-setting policies; setting up property management; developing a tenant selection plan that complies with fair housing and any funding requirements; marketing the opportunity to eligible staff; running a smooth and transparent application and lottery/waitlist process; and preparing for annual compliance and reporting.

By the end of this stage the LEA will have the following:

- Board-adopted eligibility policy, priority rules (if any), and rent-setting framework
- Tenant selection plan (application process, lottery/waitlist rules, reasonable accommodation process, appeals)
- Property management contract or management plan (roles, reporting, compliance responsibilities)
- Marketing and communications materials for staff, unions, and prospective applicants
- Operational readiness plan for move-in (unit readiness, keys, inspections, resident orientation)

TENANT ELIGIBILITY & PRIORITY

LEAs must decide who will be eligible to live in EWH units and what rules will govern their tenancy. These policies need Board approval before tenants can move in and must comply with state and federal fair housing laws, local regulations, and any obligations tied to your funding sources.

Fair housing considerations: Tenancy restrictions and preference policies are legally sensitive. Some attorneys will advise that a policy which has the effect of favoring members of certain demographic groups, however unintentionally, may be vulnerable to challenge under fair housing law. Compared to the profile of the communities in which they live, teachers, for example, are more likely to be white and female and to have above-average household incomes. This concern is especially acute for projects using federal housing tax credits or other programs with strict fair housing compliance requirements. LEAs should work closely with experienced fair housing counsel to evaluate whether eligibility criteria could create disparate impacts, ensure that policies are grounded in legitimate program objectives (such as recruitment and retention), and document the rationale for all decisions.

At minimum, your eligibility policy should address:

- **Which staff categories are eligible:** certificated, classified, management, or employees of partner agencies
- **How units will be allocated:** Will you target a specific ratio of staff types? Give priority to certain groups (such as early-career staff, new hires, or those without prior homeownership)? Assign initial units using a lottery?
- **Waitlist management:** How will you prioritize applicants once units are occupied? Most LEAs use application date as the primary factor, but some also consider income level, full-time status, or other criteria. Some maintain separate waitlists for different staff categories.
- **Units held for recruitment:** Will you reserve any units for incoming hires?

INCOME MINIMUMS AND LIMITS

Many developments set household income minimums to ensure tenants can afford the rent and maximums to target units toward staff who need them most (typically 120-130% of area median income). Projects using LIHTC or other affordable housing programs will have stricter income requirements—LIHTC projects typically must maintain an average of 60% AMI across designated units, with some units serving higher incomes and others restricted to significantly lower incomes. Some state laws that provide land use streamlining also impose affordability requirements.

In most cases, tenants whose incomes rise above the maximum during their tenancy can remain in their units, but this needs to be spelled out clearly in policies and lease agreements. You'll also need a process for regular income verification to maintain compliance with any program requirements.

ENDING TENANCY

The prospect of having to evict an employee is uncomfortable, and it's the aspect of EWH operations that worries LEA leaders most. There's no consensus yet on best practices for handling tenants who leave LEA employment or otherwise stop meeting eligibility requirements.

All housing is subject to federal and state fair housing laws, which limit permissible reasons for eviction and prohibit discrimination. For developments financed with LIHTC (see Section 4), these protections are enforced through additional federal monitoring, giving LEAs less flexibility to tie tenancy strictly to continued employment.

Most EWH projects tie eligibility to current LEA employment and require tenants to vacate when employment ends, subject to the lease and applicable law. In practice, many LEAs build in transition rules—defined notice periods, grace periods for involuntary separations, written procedures for retirements or other special cases—to make the policy both enforceable and fair. In regulated affordable housing (including tax credit projects), lease termination is more constrained; work with property management and counsel to align employment-based eligibility rules with fair housing and program requirements.

SETTING & ADJUSTING RENTS

LEAs go into an EWH project with a goal of offering "affordable" housing to their staff, but it's complicated to define what affordability means in practice. Housing professionals and financial institutions generally consider that affordable housing costs no more than 30% of a household's gross monthly income. Applying that formula produces a range of target rent figures for tenants with various incomes.

In Stage 1 the LEA will have gathered data that enables them to estimate how many units will be occupied by different types of staff (classified and certificated, early career and later career, single and joint households, etc.) and therefore the mix of rents that would be affordable for prospective tenants. As part of the feasibility study in Stage 2, an estimate of prospective rental income helps to inform the LEA's assessment of its financing options and its decisions about the number and configuration of units to build. Final rent amounts will not be set until the final financing package is complete and the LEA gets ready to lease units.

Rents should be set at a level sufficient to cover operating costs, fund reserves, and meet any debt-service or financing requirements, while also advancing the LEA's affordability and recruitment/retention goals. Financing sources may impose rent- and income-setting rules (for example, tax credit programs generally cap rents based on household income). Projects financed without those program restrictions typically have more flexibility to set flat rents by unit type or to adopt an income-adjusted approach; whichever approach you choose, keep it transparent, administratively feasible, and aligned with fair housing and any funding compliance requirements.

The governing body set up by the LEA to manage its EWH property will adjust rents over time to account for units turning over to different types of tenants and to keep up with the LEA's operational costs and financing obligations.

STAGE 6: MANAGEMENT & OPERATIONS

Although getting a housing project financed and built is the most daunting part of the development process, when LEAs first begin to explore EWH it's the prospect of having to manage an occupied rental property that tends to trouble them most. Property management requires expertise in application processing and leasing, legal compliance, tenant relations, and physical maintenance and operations of the building site. Reluctant to position themselves as landlords who must negotiate tenancy issues or tenant conflicts involving their own employees, LEAs invariably contract these responsibilities to a property management firm. Projects that are financed with tax credits turn to their affordable housing development partners, for whom managing properties is a normal part of doing business. Other LEAs select a management contractor through a bidding process.

It's important to recognize that so long as the LEA owns the property (or remains the ground lessor), its Board retains governance responsibility for the EWH development's goals and key policies. Oversight can be delegated, however, to a committee or an affiliated entity that may include LEA officials, labor representatives, and community members. A delegated governance model can maintain Board accountability while reducing the need for the Board and staff to make routine operational decisions (such as capital repair planning, rent-setting within an approved framework, and updates to eligibility rules) that are better handled through a standing body with clear reporting requirements. In developer-led or regulated affordable housing structures, governance and operating control may sit with an affiliate entity associated with the development partner; in those cases, the LEA's oversight is exercised through the ground lease, regulatory agreements, and reporting covenants. Examples of governance bodies used in California EWH projects are shown in Figure 3.

One of the most intimidating and complex ques-

Figure 3: How EWH developments are governed

Development	Governing body	Composition
Casa del Maestro	Teacher Housing Foundation	4 members, including district facilities director, community member, and district staff member
705 Serramonte	Educational Housing Corporation	7-9 members, including 2 Board Trustees, 2 staff employees who do not plan to live in the development, and 3 community members with backgrounds in development / housing
Eastmoor Heights	Educational Housing Corporation	5-9 members, including one Board member, one staff employee recommended by certificated union members, one staff employee recommended by classified union members (both staff members must not intend to live in staff housing), the Superintendent or designee
The Sevens	Staff Housing Oversight Committee	7 members appointed by the Board: one Board member, executive staff, CSEA, MVEA, and a city representative

FINANCING EWH

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tions for LEAs exploring housing development is how to pay for it. LEAs are used to funding infrastructure improvements through general obligation bonds and have some experience using short-term borrowing to bridge the gap between spending and state funding. But most have little other experience with the financing tools commonly used in housing development, so there is some education required to be able to understand the risks associated with different tools.

Balancing the goal of offering affordable rents with the need to generate sufficient income to cover financing and operational costs typically requires some form of public subsidy in addition to long-term financing. Rising construction costs, high interest rates, and the uncertainties of local development approvals all contribute to the challenge of developing a sustainable financial strategy. Even for developments that do not need to generate investor returns, building below-market-rate housing in California can be challenging.

LEAs typically make a few key decisions and then work with a developer or other consultant to develop a potential financial approach. Key financing decisions to resolve early include whether to pursue voter-approved GO bonds; whether to use COPs or other lease-revenue structures; whether to pursue LIHTC (and therefore deeper income restrictions and long-term compliance); and whether public, philanthropic, or employer subsidy is realistically available. Development choices such as the type of construction, number of units, number of bedrooms, and affordability goals will all help determine overall project cost.

After you have defined some of the project's parameters, your feasibility analysis or developer proposals should provide some detailed financial specifications and options. Development cost benchmarking: your feasibility team should provide an all-in development cost estimate (hard costs, soft costs, fees, contingency, escalation, financing costs, and reserves). Track costs on a per-unit and per-square-foot basis, and include sensitivity analysis for interest rates and construction escalation

FINANCIAL CONTEXT

Overall development costs for LEAs are lower than for most private developers for several reasons:

- No land costs. LEAs already own the land and can offer it at a nominal fee to the developer as a ground lease.
- Lower operating costs. Unlike market-rate developments, these projects are typically structured without an investor return requirement; rents are set to cover debt service, operations, and reserves.
- Tax-exempt financing. Both G.O. bonds and COPs allow LEAs to borrow money at lower cost than regular developers; the returns to investors on these instruments is exempt from taxes, so they are offered at lower interest rates than conventional loans.
- Property tax exemptions. LEA property used for educational purpose is already exempt from property taxes; state law has affirmed that staff housing is an educational use for purposes of qualifying for this property tax exemption. (There is some uncertainty about how this would apply if developments were expanded to include employees of other public agencies or the general public.)
- Lower municipal fees. Some LEAs have successfully negotiated reduced or no payments for certain developer impact fees.

KEY FINANCING TOOLS

As more developments are built, there are more variations on the mix of financial tools that make up the overall financing approach for EWH.

CERTIFICATES OF PARTICIPATION (COPs)

COPs are similar to conventional borrowing but are available to public entities to fund infrastructure, so they are tax-exempt, allowing for more favorable interest rates. COPs are structured to be funded by the development's income stream, although they may also be backed by an LEA's full faith and credit. LEAs should receive expert advice on the obligations and risks associated with COPs.

GENERAL OBLIGATION BONDS (GO BONDS)

General obligation bonds are approved by voters and backed by an LEA's "full faith and credit." The LEA borrows money by selling bonds to investors and paying the bonds back using property tax revenue specifically earmarked for the bond repayment. LEAs use GO bonds to pay for school facilities, so they are a familiar form of financing. LEAs have a statutory bonding capacity (a percentage of assessed property value) that constrains total outstanding GO debt. Because bonding capacity is shared across all eligible educational purposes, a housing allocation must be weighed against other facility needs and local voter appetite. Work with bond counsel and municipal advisors early to understand capacity, timing, and ballot requirements, and to develop clear accountability and reporting plans.

LEAs typically decide early whether to try to use GO bonds for housing, as it significantly shapes the total financial picture of the project. Passing a GO bond also requires considerable lead time to poll voters and place a measure on the ballot.

Housing can be the only purpose or one of several purposes of a GO bond—both approaches have been used for EWH.

To issue a GO bond for staff housing, the LEA must meet several requirements:

- Obtain voter approval: If the LEA plans to use general obligation bonds, it must secure voter approval and comply with any required accountability and reporting provisions. Work with bond counsel and municipal advisors early on the legal requirements, timeline, and ballot language.
- Include staff housing as an authorized bond purpose: Ensure the bond measure (and any project list) clearly states that a portion of proceeds will be used for employee housing, and that subsequent use of funds is consistent with what voters approved.
- Document the public purpose and accountability: Be prepared to articulate and document how the project supports educational goals (for example, recruitment and retention) and to maintain ongoing reporting on spending, delivery, and outcomes.

LOW-INCOME HOUSING TAX CREDITS (LIHTC)

LIHTC is one of the most powerful financing tools available for affordable housing, but it is also among the most complex. The choices an LEA makes about tax credits will shape nearly every other aspect of the development—from who can live there to how rents are set to who manages the property. LEAs considering this path should understand both its potential and its constraints before proceeding.

LIHTC is a federal tax credit program administered by states that provides equity to qualifying affordable housing. LIHTC can be a major source of subsidy, but it comes with long-term affordability covenants, income and rent restrictions, monitoring, and limits on the owner's flexibility on eligibility and operations. Allocation criteria and scoring vary by state and over time, but commonly consider project readiness, developer experience, cost reasonableness, depth of affordability, location efficiency (transit and services), and sustainability.

How they work: Tax credits are allocated to qualifying projects and typically syndicated (sold) to investors, generating up-front equity for construction in exchange for tax benefits over time.

Because LIHTC targets low- and lower-income households, projects financed heavily with LIHTC may primarily serve lower-paid classified staff in some high-cost regions; in other regions, some certificated staff may qualify. Eligibility outcomes depend on local AMI levels, unit mix, and how income limits are structured in the project.

There are two types of LIHTC tax credits: 4%

and 9%. 9% tax credits offer a greater financial benefit (covering up to 70% of project costs) but are highly competitive; 4% tax credits (covering about 30% of project costs) are historically easier to obtain but have become increasingly competitive. Tax credit applications are scored on a long set of criteria, including proximity to transit and services, affordability, sustainable building design, developer experience, construction timeline, and many other factors. Federal housing tax credits have also become more competitive (4% are now very competitive). California offers a matching credit against state income tax obligation.

LIHTC projects have strict affordability standards: rents must not exceed 30% of the applicable AMI level. 9% tax credit projects typically have affordability levels of 60% for all units and typically serve very low-income households (they are scored based on the depth of affordability). 4% tax credit projects may include a mix of income levels that includes moderate incomes.

Federal and state housing tax credits are some of the most challenging funds to access and limit the LEA's authority over tenant eligibility and rents. LEAs applying for LIHTC will also need to work with an affordable housing developer that has expertise in applying for and managing the tax credits, another reason for making this decision early in the process.

All three of LAUSD's housing developments were funded primarily with LIHTC, so all tenants are subject to the income restrictions. In practicality, this has meant that no certificated staff are eligible for LAUSD educator housing. There is also some lack of clarity about whether LAUSD can restrict tenancy in the developments exclusively to LEA staff. Berkeley and San Francisco mix federal housing tax credits with other funding sources, which allows them to house a broader range of staff.

Income averaging (where used): some LIHTC projects can designate units across multiple income bands (for example, 20%, 40%, 60%, and 80% AMI) as long as the average of the designated income limits across the LIHTC set-aside meets required thresholds. Because program rules and state allocation policies evolve, consult your LIHTC developer and compliance counsel for project-specific guidance.

It used to be that all tenants in LIHTC-funded units must have household incomes of 60% AMI or less; under income averaging, some households can be above 80% AMI as long as the average of the income limits is 60% AMI or less. For example, if 60% of the units are 60% AMI and 20% are 80%, the remaining 20% must be at 40% or less. If the development uses income averaging, at least 40% of the units must average 60% AMI.

These programs also come with restrictions on the rents that can be charged and require that tenants earn incomes below a specific threshold.

For governing rules and compliance requirements, consult HUD MTSP income limits and the California Tax Credit Allocation Committee (CTCAC) compliance manuals (and any updates issued for the applicable year).

ADDITIONAL FINANCING TOOLS

Most LEAs will need a financing "stack" that brings together several small and large financing streams:

- Other public funding and tax credits, such as energy incentives
- Philanthropic or employer contributions, possibly tied to local workforce initiatives or community benefit agreements.
- Traditional financing (short-term or long-term)
- Additional public funds (e.g. city or county housing bond proceeds or affordable housing funds)
- Development impact fees (and potential waivers or reductions): Depending on jurisdiction, impact fees can be a meaningful cost; some LEAs have negotiated reductions or waivers for projects serving a public purpose. Confirm early with the relevant city/county policies and permitting agencies.
- Funds from the sale or long-term lease of surplus property (where legally permitted). Some LEAs explore monetizing surplus parcels or ground leases to support the capital stack. This approach requires careful legal review and should be integrated into the LEA's long-term facilities strategy.

OTHER LOCAL PUBLIC FUNDING SOURCES

In some communities, cities, counties, and regional entities have provided funding, land-use support, or fee relief that materially improves EWH feasibility. Many local housing funding sources are designed for very low-income affordability, but some jurisdictions have been willing to support moderate-income workforce housing when the public purpose is clearly articulated and the project includes strong accountability. LEAs should explore local housing trust funds, housing bond proceeds, regional housing initiatives, and partnership opportunities—especially for multi-LEA or cross-agency projects.

LEAs need to balance the goal of affordable rents with ensuring that the development will be financially sustainable in the long term. No LEA wants to incur unexpected financial costs to the LEA's general fund or make unexpected rent increases that erode the affordability of housing. LEAs typically worked with their feasibility consultant and developer to identify a financial approach (often "stacking" several financial tools). This is an iterative process with decisions about the nature of the development. The number and mix of units and everything from parking to amenities to building design will affect the amount of financing needed; in turn, the financing strategy can drive how rents and tenant eligibility are determined.

CONCLUSION: NEW MODELS OF EWH

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EWH has become an important element of how LEAs can approach staffing challenges and leverage their property holdings for the benefit of their communities. The lessons learned from completed projects have produced valuable guidance for LEAs looking to develop similar projects. In addition, as more LEAs pursue EWH, there are more alternatives to the traditional model of a single LEA developing a project exclusively for its own staff on property it already owns. Two important alternatives include: (1) purchasing units in housing developments as they are being built and (2) collaborating with other public agencies to build developments that house staff from multiple employers. We offer below a bit more information and guidance for those approaches.

DEVELOPMENT PURCHASE

Multiple LEAs have purchased parts of market-rate developments, using different ownership and financing structures. Salinas Union High purchased a portion of a development—both the building and the underlying land—using GO bond and COP financing. While it uses the same property management company as the remaining portion of the development, there is no ongoing relationship with the original developer.

Mountain View Whisman purchased a building and initially paid the developer an annual payment for a long-term ground lease. LEA tenants have access to facilities in the remainder of the development. Other LEAs have purchased access to a percentage of units in a development.

Purchasing into a private development can reduce entitlement and construction risk, but it also introduces additional considerations: shared governance, allocation of operating costs and capital repairs, and the extent of control over tenant eligibility. A private developer's priorities may not fully align with LEA goals and should plan accordingly if the LEA does not own the units outright. If pursuing this model, LEAs must negotiate clear operational responsibilities, eligibility and resale/transfer terms, capital reserve requirements, and reporting so the LEA's program objectives and any public financing requirements are protected.

COLLABORATION

There are a growing number of collaborative projects that will house staff from multiple LEAs and other agencies, including projects in Marin County and Santa Clara County. Such collaborations may open up EWH to LEAs that cannot pursue it on their own. Economies of scale can make it challenging for very small developments to pencil out, and some LEAs may not have sufficient staff demand to support the size of development that uses their available land most efficiently. Other LEAs lack a suitable property.

Joint Powers Authorities (JPAs) are one vehicle through which multiple LEAs can own and develop land as a consortium. JPAs are entities of two or more public agencies (including LEAs) that can own property, sign contracts, borrow funds, and issue bonds. These collaborations may require some new development vehicles and clarity about the implications of pooling public and private financing sources. There are questions LEAs need to resolve: How do collaborations allocate units among the participating agencies? What is the legal basis for restricting tenancy to these agencies, once the development is not exclusive to a single LEA? How can LEAs use their general obligation bonding power in such collaborations?

CONCLUSION

Education workforce housing is a complex undertaking, but the LEAs that have completed projects demonstrate that it's achievable with careful planning, strong partnerships, and sustained commitment. Whether your LEA pursues a traditional development, purchases units in an existing project, or collaborates with neighboring agencies, the key is to start with clear goals, engage stakeholders early, and build a team that can see the project through.