

# STRENGTHENING OUR SCHOOLS AND COMMUNITIES THROUGH WORKFORCE HOUSING

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## About DCG

- A registered Benefit Corporation which specializes in mission-based organizations like K-12 School districts
- Help districts more effectively use their real property resources to:
  - Improve fiscal sustainability
  - Repurpose assets in support of district initiatives like developing workforce housing for teachers, administrators and staff

# Why Now for Workforce Housing?



- Housing prices are unaffordable for educators:
- Median home price in MV: \$1,425,000
- Average 1 brdm rent: \$2,400/month



- Teachers make “too” much to qualify for traditional affordable housing
- District survey showed serious affordability crisis → impacts retention and recruitment



- Recent legislation to help district convert property into teacher/staff housing
- Construction costs increasing but interest rates are low
- 12 year low in teacher supply

# MVWSD Survey Results (December 2017)

Relevant findings including:

- Over 70% of teachers and staff live outside of Mountain View
- 79% of respondents pay more than 35% of their household income towards housing costs
- 43% do not own their own home
- Most significantly, for those planning on working at the District for three years or less, 69% attribute their inability to find affordable housing as a key factor in their decision.



## San Mateo Community College District

- Employee surveys in 2002 & 2007 confirmed that & inability of employees “to find/afford desirable housing in the area” was the main cause of the recruitment & retention problems
- Built 104 units affordable on two campuses & doing a public-private partnership on 3<sup>rd</sup> campus
- Funded via COPs then repaid via bond but would have paid back early (within 17 years)
- Eligibility: for “first-time homebuyers” but no income restrictions & can stay up to 7 years
- District also offers a \$150,000, 10 yr second loan for purchase of a home
- 61% of residents walk to work

# SMCCD - Cañada Vista (opened in 2011)

- High quality, eco-friendly Craftsman-inspired apartment community on a former parking lot
- Units: 60
- Density: 22 du/ac
- Site Area: 2.75 ac
- Unit Plan Sizes: 740-1,270 sq. ft.
- Rent for 1 bdrm: \$918, 3 bdrm: \$1,718
- Cost to Build: \$14,600,000
- Price per Unit: \$243,333
- Fully occupied since it opened





## **San Mateo Community College District**

- College District is pursuing a different model at its Skyline College site in San Bruno
- Unused 8 acre hillside will become a single family for-sale, market rate community and a rental apartment complex for faculty/staff
- District is selling 6 acres to SummerHill Homes to build SFR and releasing RFP for workforce housing (SummerHill may build it also)
- Planning Commission approved entire project in November 2017

# SMCCD – Skyline College

- 40 single family homes (SummerHill)
- 30 rental units in two buildings (SMCCD)
- Two parks, trail connections, etc.
- Sale of the 6 acres will pay for the construction of the workforce housing
- District would have done more rental units but there are topography issues
- Existing single family neighborhood is buffered from apartment buildings by homes and landscaping





# SMCCCD – Skyline College





## **Mountain View Whisman School District**

- Identified a need among teachers and staff
- District has an advantage over others:  
underutilized property
- Two viable sites for building housing – Eunice Ave and Whisman School
- Financing gap could come from bond, sale of other surplus property, COPs, land lease...

# MVWSD – Eunice Ave (conceptual plan)



- 36 single family homes (5,000 SF lots)
- 82 workforce housing units (4 buildings)
- Keeps green space next to Cooper Park
- Keeps SFR next to SFR
- Medium density “hidden” from park and neighbors

# MVWSD – Eunice Ave (conceptual plan)



## DEVELOPMENT INFORMATION:

**3 story apartments on 2.9 acres with 82 units rented at 70% of market rate**

24- studios at \$1,330 a month

18- 1 bdrms at \$1,680 a month

40- 2 bdrms at \$2,660 a month

Workforce Construction Cost: 82 units x \$550,000 per unit\* = \$45.1M

Value of SFR Lots: 36 x \$1M = \$36M

Net Construction Gap: \$9.1M BUT

**Using COPs for gap, after rent revenues and 30% operating expenses, District could still receive annual unrestricted revenue of \$763,116**

# MVWSD – Eunice Ave (conceptual plan)



- 50 5,000 single family home lots which could be sold for ~\$48-50M and then the workforce housing built on a different site
- Complexities however in developing at a secondary site

# MVUSD – Whisman School (conceptual plan)



**DEVELOPMENT SUMMARY:**

<b>GROSS ACREAGE:</b>	 +/- 11.75 ACRES
<b>NET ACREAGE:</b>	 +/- 9.25 ACRES
<b>EXISTING ZONING:</b>	PF (PUBLIC FACILITY)
<b>EXISTING GP DESIGNATION:</b>	PARKS, SCHOOLS AND CITY FACILITIES
<b>UNITS:</b>	246 UNITS
<b>NET DENSITY:</b>	26.6 DU/AC
<b>UNIT BREAKDOWN</b>	
ONE BEDROOM UNIT:	102 UNITS (41%)
TWO BEDROOM UNIT:	144 UNITS (59%)
	<b>246 UNITS</b>
<b>PARKING REQUIRED:</b>	
ONE BEDROOM UNIT:	1.5 SPACES / UNIT (102 x 1.5 = 153)
TWO BEDROOM UNIT:	2 SPACES / UNIT (144 x 2 = 288)
	<b>441 SPACES</b> (11 ADA SPACES)
<b>PARKING PROVIDED:</b>	<b>454 SPACES</b> (12 ADA SPACES)

- SITE PLAN DESIGN CONCEPTS:**
- ① Units front to the creek and the park.
  - ② Centrally located amenity space and leasing office are on axis from entry drive.
  - ③ Parking areas buffer development from adjoining properties.
  - ④ Pedestrian paths connect to surrounding trail network.

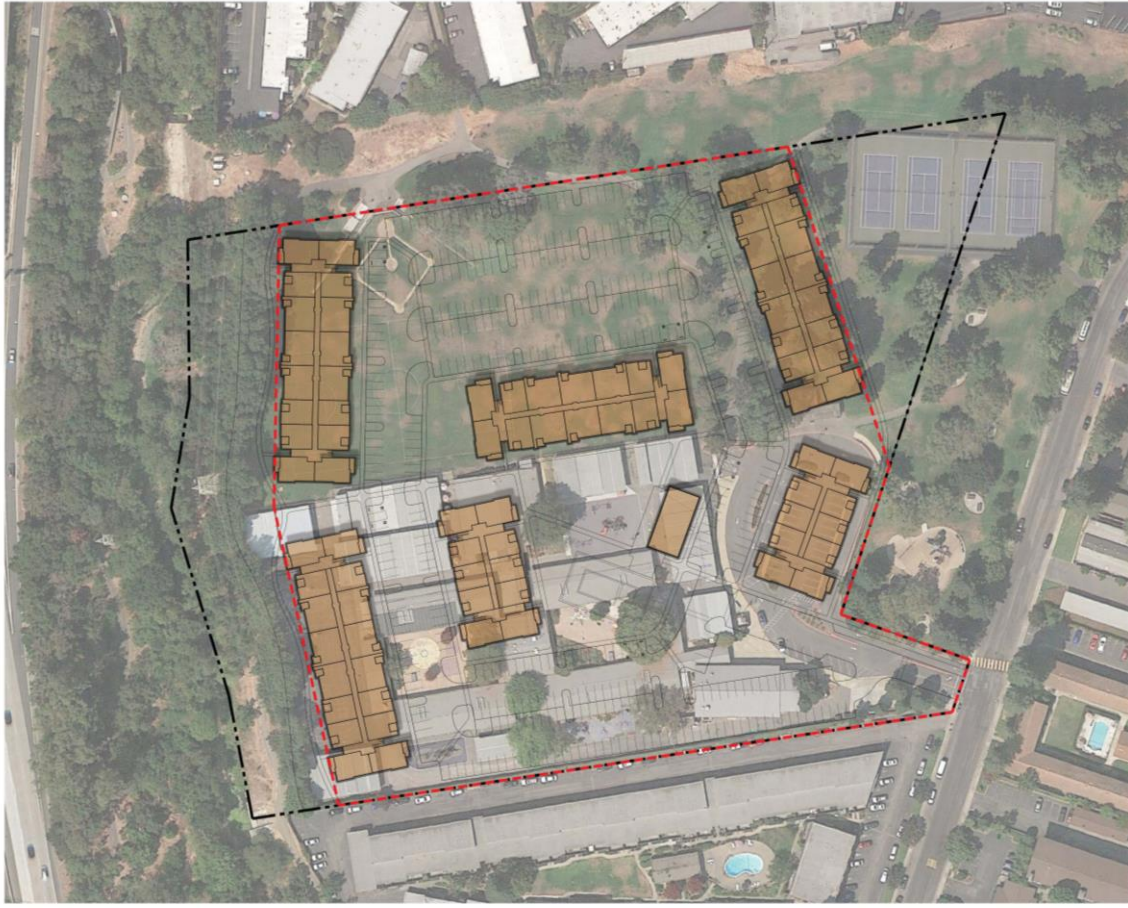
**SITE PLAN: 3-STORY WALK-UP APARTMENTS**





	JOB NO. 1133.009	
	DATE 01-11-2018	
	5883 Owens Drive	
	Pleasanton, CA 94588 925-251-7200	

- Surrounded by apartments and backs up to highway
- Unique opportunity to build medium/high density
- Opportunity for a land lease to fund construction instead of selling or borrowing to cover all costs
- Constraints: existing private school leases and single access point

# MWUSD – Whisman School (conceptual plan)



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- Opportunity also to integrate high density housing and permanent school buildings (for lease revenue)
- 3 - 3-story buildings = ~130 units
- Issue of traffic/access however but may be able to work with City to reduce parking requirements

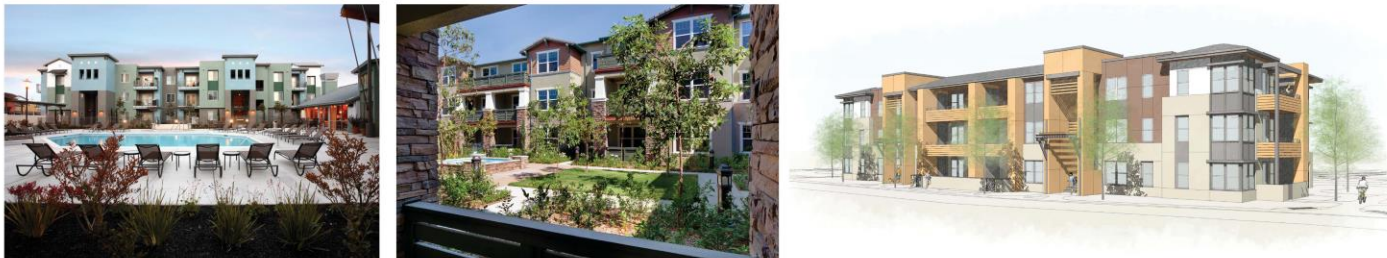
**SITE PLAN:  
AERIAL OVERLAY**



# Representative Imagery



**SINGLE FAMILY IMAGERY**



**MULTIFAMILY IMAGERY**



EUNICE SITE, MOUNTAIN VIEW | CA  
MOUNTAIN VIEW-WHISMAN SCHOOL DISTRICT



JOB NO. 1133.009  
DATE 12-07-2017  
5865 Owens Drive  
Pleasanton, CA 94568  
925-251-7200



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## Recommendations

Board review and select from one or more of the following options:

- Develop Eunice Avenue for a low and medium density residential project by selling a portion of the site as single family lots in order to fund the on-site workforce housing units
- Sell the entire Eunice Avenue site for single family residential development in order to fund the development or acquisition of medium- or high-density housing at another site (such as Whisman School)
- Ground lease some (such as the field space) or all of Whisman School for a medium- or high-density residential development of workforce and market rate units



## Next Steps

- Board direction on preliminary development options
- Release a request for proposals outlining District's objectives including reducing financial obligations, creating the highest number of workforce units and reducing risk

# Thank you!

Any questions?

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DCG STRATEGIES

*real estate. real solutions.*