



St. Joseph County Career Hub

3/11/24 Community Meeting

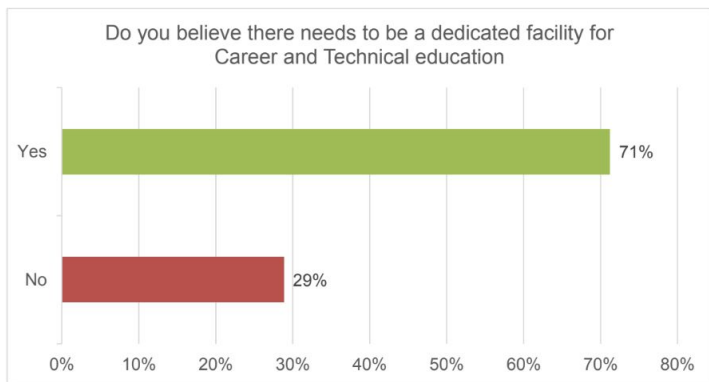
Career Hub Planning & Public Engagement

Voter Referendum

- Surveys
- Focus Groups
- Discussions with Teachers, Parents, and Students

Master Planning

- Coordinated with Facilities Plans
- Public Engagement Sessions
- Input from District Officials



Leadership & Stakeholder Input

- School Board Sessions (*May & Sep 2023; 3 Executive Sessions*)
- School Administrators, Directors, & Faculty
- Businesses and Community Partners
- Chamber of Commerce

Collaborative Process

Steering Committee of Partner Schools discussed priority coursework and shared interests for a centralized Career Hub:

- Shared Governance
- Community Resources
- Centralized Facility
- Increased School Capacity
- Higher Education & Employer Partnerships
- WBL and Capstone Programs
- Diversity and Connectivity



Site Feasibility Assessments

Early Feasibility Studies completed for Jackson, Clay, Washington Schools

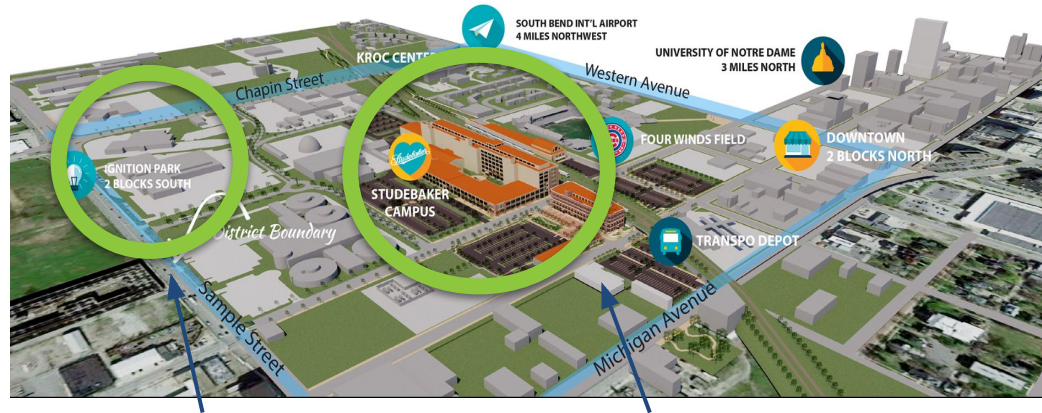
Key Findings:

- ★ Cost to Renovate Existing Facilities Comparable/More than a New Build
- ★ Older Facilities Lack Room to Expand and Accommodate New CTE Spaces
- ★ No Existing Centralized Location Capable of Supporting CTE Programs
- ★ Limited Access to Efficient Bussing Routes for All Students

Considerations for Alternate Locations:

Site Accessibility
Program Adaptability
Transportation
Space Requirements

Capital Budget (\$13.5M)
Ability to Scale
Inspiration for Students
Co-Location of Partners



New Construction
Ignition Park New Building

Third Party Site
Studebaker Technology Center

**SBCSC Board Resolution to Explore Lease Option
with Studebaker (September 6th, 2023)**

Schematic Designs completed by Architect, JPR



Clay High School - Fanning Howey Analysis

Reasons to Stay Open:

- Keeps school in the neighborhood
- Community members committed to Clay High and have purchased homes in the area
- Laboratory for theater/fine arts/inclusion
- Historical significance of building

Reasons to Close:

- Requires immediate (within the next 18 months) capital costs (building envelope, roof, HVAC) before renovations - **\$3.4M** immediately; total **\$16.2M** over 5 years
- Total of **\$35M** to address all deferred maintenance on the building
- None of these other considerations are going to reverse the enrollment decline. More students are attending Adams High from within the Clay High boundary than attending Clay.
- Programmatically not viable. Programming cuts have to take place to align with the enrollment.
- Adhering to most recent State legislation, distribution of students across the four high schools would limit the ability to keep overall utilization of Clay, Washington, and Riley above 60%.

Presented with Master Facilities Plan at March 20, 2023 School Board Meeting



Career Hub Program Offerings at Studebaker

High School	Pathway
Adams	<i>Design Technology</i> , Precision Machining
Clay	Construction Trades, Automotive Services, Culinary Arts, Criminal Justice, Welding Technology, Early Childhood Education, Digital Design, Education Careers
Riley	<i>Marketing and Sales, Entrepreneurship, Human and Social Services, Supply Chain and Logistics, Construction Trades, IT Support, Digital Design, TV and Radio Broadcasting, Other Project Lead the Way (PLTW)*</i>
Washington	<i>Health Sciences (Medical Magnet)*</i>
Community-Based	Cosmetology, Automotive Services, Aviation Maintenance*
New High-Priority	Automation and Robotics, Industry 4.0, Cybersecurity Operations, Hospitality Management



Program concentrators in bold (19) will move upon the Career Hub opening. Programs marked in italics will stay in their current locations. Program marked with an asterisk (*) may offer enrollment through the Hub. Programs colored in **blue** represent programs added since the last presentation to the Board.



Capital Funding & Operational Agreement Analysis

Funding Source	Amount	Commitment Status
SBCSC Referendum	\$8,500,000	Promised
Municipal Commitments	\$5,000,000	Promised
SBCSC Bond Funds (Phase 2)	\$5,000,000	Promised (restrictions on spending)

Total Funds	18,500,000
Total Less Restricted	13,500,000

Particulars	SBCSC High School Building	Studebaker Center (Neutral Site)	New Building
Status of Ownership	<i>Owned</i>	<i>Leased</i>	<i>Owned</i>
Annual AVG Rent	\$ -	\$ 230,825	\$ -
Annual AVG Utilities	\$ 534,031	\$ 250,000	\$ 300,000
Annual AVG Custodial & Building Maintenance (Parking & Security Incl.)	\$ 605,825	\$ 250,000	\$ 350,000
Annual AVG. Deferred Maintenance/Emergency Costs	\$ 2,500,000 <small>(*over 20 years it will be \$50,000,000)</small>	\$ 200,000 <small>(*over 20 years it will be \$4,000,000)</small>	\$ 200,000 <small>(*over 20 years it will be \$4,000,000)</small>
Annualized CMC Cost	\$ -	\$ 675,000 <small>(\$13.5 mn for 20 years)</small>	\$ 1,500,000 <small>(\$25 mn for 20 years)</small>
Total Annualized Cost	\$ 3,639,856	\$ 1,605,825	\$ 2,350,000
Total Cost in 20 Years	\$ 72,797,120	\$ 32,116,500	\$ 47,000,000

*3% growth in rent has been considered

*4% Y2Y increase in utilities has been assumed

*SSC actual annual costs with a 3% growth has been considered for custodial & building maintenance cost estimate

Leasing Studebaker Center will **save** –

- **\$2.04 mn** yearly &
- **\$40.68 mn** in 20 years

Compared to using existing SBCSC High School Building

Leasing Studebaker Center will **save** –

- **\$744K** yearly &
- **\$14.9 mn** in 20 years

Compared to using new building



Financial Sustainability

Numbers as Presented September 6, 2023

Statement of Activities	Year 1	Year 2	Year 3
CTE State Funding (Perkins V)	\$218,224	\$218,224	\$218,224
Tuition Model	\$2,846,320	\$3,465,028	\$3,811,531
Total Revenue	\$3,064,544	\$3,683,252	\$4,029,755
Total Expenditures	\$3,044,486	\$3,399,738	\$3,671,650

	Year 1	Year 2	Year 3
Net Income	\$20,058	\$283,514	\$358,105

Assumptions

Anticipated Tuition	\$4,500
Annual Enrollment Growth	10%
Annual Wage Growth	3%
Annual Lease Cost Increase	3%
Annual Utility Cost Increase	4%
Annual Contracted Services Cost Increase	2%
Replacement Asset Value Year 2	2%
Replacement Asset Value Year 3	5%

Updated Numbers as of March 4, 2024

Statement of Activities	Year 1	Year 2	Year 3
CTE State Funding (Perkins V)	\$218,224	\$218,224	\$218,224
Grants (Perkins I & M)	\$250,000	\$250,000	\$250,000
Tuition Model	\$2,200,500	\$2,420,550	\$2,662,605
Total Revenue	\$2,668,724	\$2,888,774	\$3,130,829
Total Expenditures	\$2,654,545	\$2,757,965	\$2,869,150

	Year 1	Year 2	Year 3
Net Income	\$14,179	\$130,809	\$261,679

Enrollment	Total
SBCSC	393
Sending Schools	96
Total Enrollment	489

Amounts represent preliminary estimates and will continue to be validated throughout the design process



Long-Term Impact and Benefits

Aiming for Excellence

- Embrace the bold vision for programs, **student experience**, and employability
- Expand available seats and offer new programs at a new centralized location
- Increase **work-based learning** and job placements with employer partnerships
- Increase CTE enrollment and **high school graduation rates**
- Develop opportunities for underserved and underrepresented students
- Build further **partnerships** with community organizations and post-secondary educators
- Create a skilled workforce with higher wages and quality of life for students, families, and teachers

Managing our Risks

- Manage capital costs and future operational sustainability
- Ensure performance based contracts for design/construction
- Ensure rigorous CTE curriculum offerings continue and expand
- Maintain a culture to retain quality instructors and education practices
- Drive forward with an intentional pace for a 2025 opening



What's Next?

March 4th:	Board Update in Executive Session
March 11th:	Informational Public Community Meeting Regarding the St. Joseph County Career Hub
March 18th:	Requesting Board Approval of Final Site Selection / Letter of Intent / Lease & MOU with Studebaker
April:	Employer & Trades Engagement
April 15th:	Design Development & Approval of Consortium Agreement
May:	Soft Groundbreaking (TBD)
June 10th:	Construction Documents
July 1st:	Bidding
July 9th '24 - June 1st '25:	Construction & Ongoing Public Engagement



Vision for Studebaker



ST. JOSEPH COUNTY CAREER HUB

MAIN ENTRANCE VIEW

3/4/2024

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