

SAN MATEO UNION HIGH SCHOOL DISTRICT



**Employee Housing Project
Board of Trustee Meeting
October 20, 2016**

Employee Housing Project Tasks Completed

- Met with:
 - District administrative team
 - District bargaining units
 - The Mills High School administrative team
 - The San Bruno City Manager and Staff
 - The Millbrae City Manager and staff
 - County of San Mateo County Manager
- Conducted six meetings of Employee Housing Task Force
- Reviewed the legal aspect of the use of sale of site funds
- Conducted 2nd needs assessment interest survey with newly hired staff
- Investigated property tax liability
- Explored recently approved SB1413 regarding implications for his project
- Discussed project with County Superintendents
- Reviewed implications of the Naylor Act

Legislative Analyst Office

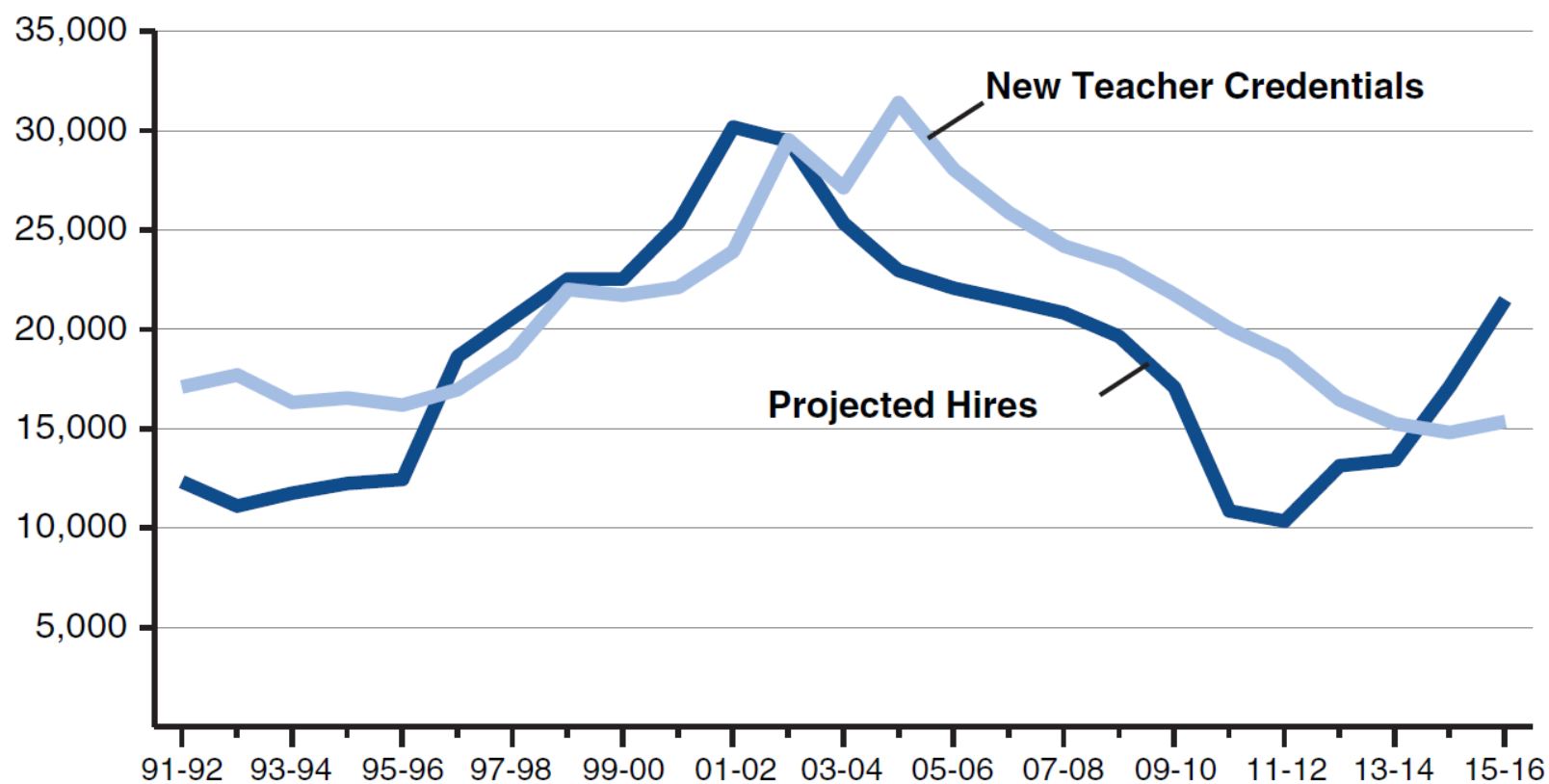
Statewide Teacher Workforce Trends

New Credentials Issued vs. New Hires

- 1990-91 – 1996-97: New teacher credentials outpace projected hires
- 1996-97 – 2002-03: Projected hires outpace new teacher credentials
- 2002-03 – 2013-14: New teacher credentials outpace new projected hires
- 2013-14 – Present: Projected hires outpace new teacher Credentials

Legislative Analyst Office

Comparing New Teacher Credentials With New Teacher Hires in California



Legislative Analyst Office

Factors that affect the market for teachers

- Teacher Demand
 - State funding for schools
 - Class-size policies
 - Student enrollment
- Teacher Supply
 - Salaries
 - Enrollment in teacher preparation programs
 - Re-entry into the teacher workforce
 - Out-of-state teacher recruitment
- Teacher Turnover
 - Leaving teaching profession
 - Switching schools
 - Retirements

Legislative Analyst Office

Factors that affect the market for teachers

- Teacher shortage in certain subject matters
 - Special Education
 - Science
 - Math
- Persistent teacher shortages in certain types of schools
 - City center schools
 - Low-income schools
 - Certain types of rural schools

Learning Policy Institute

A Coming Crisis in Teaching?

Teacher Supply, Demand, and Shortages in the US

- Teacher demand on the rise
 - After years of flat enrollment, student populations are projected to increase by 3M in the next decade nationally
 - High level of teacher attrition
 - Current demand for new teachers is 240,000 per year. It is predicted that in 2017-18 300,000 teachers will be required annually.
- Districts looking to reinstate classes cut in recession
- High levels of attrition
 - 8% of workforce
 - Loss of teachers before retirement age
 - Only 1/3 of the teachers who leave the profession will return
 - Most leaving cite dissatisfaction with the profession
 - Administrator support is a critical factor in the decision of a teacher to leave
- Between 2009 and 2014, enrollment in teaching programs has dropped from 691,000 to 451,000 (35%)

*

US News September 14, 2016

Current Property Rentals

San Francisco claimed the highest rents statewide

2nd most expensive city for renters in the nation

- 1 bedroom costs \$3,560
- 2 bedrooms cost \$4,730

San Mateo Rentals

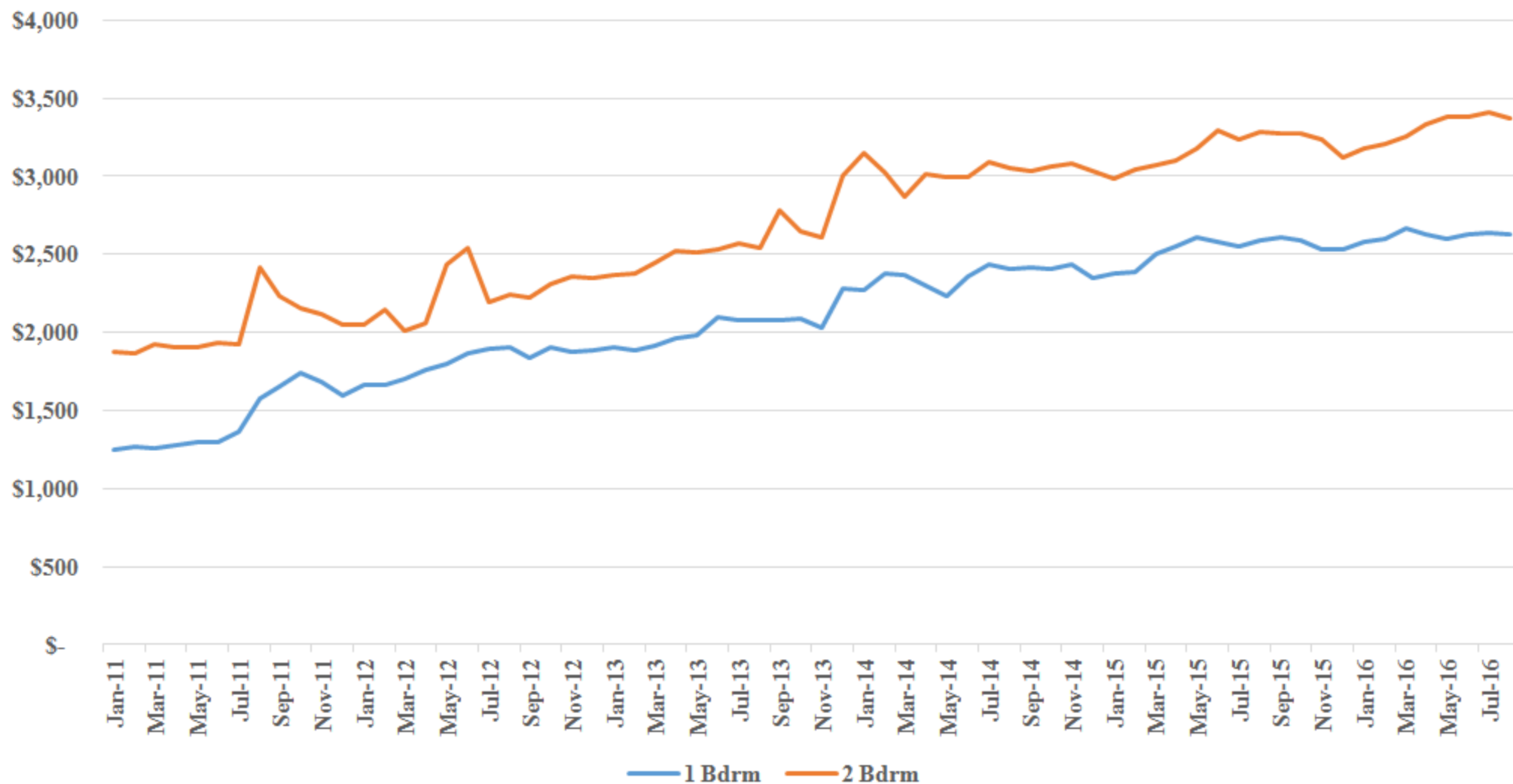
- 1 bedroom costs \$2,631 (September 2016)
- 2 bedrooms cost \$3,374 (September 2016)

* 2016 Apartment List National Rent Data

* 2016 Apartment September 2016 Data

Trend in One and Two Bedroom Rentals in San Mateo

Rent Increases



Annual Apartment Rent Increases for San Mateo

Annual Change	One Bedroom	Two Bedroom
Dec-11	27.9%	9.0%
Dec-12	13.1%	14.7%
Dec-13	19.7%	26.9%
Dec-14	3.3%	-3.6%
Dec-15	6.7%	4.7%
Aug-16	1.9%	6.2%
Cumulative	72.5%	57.9%
Average	15.57%	12.42%

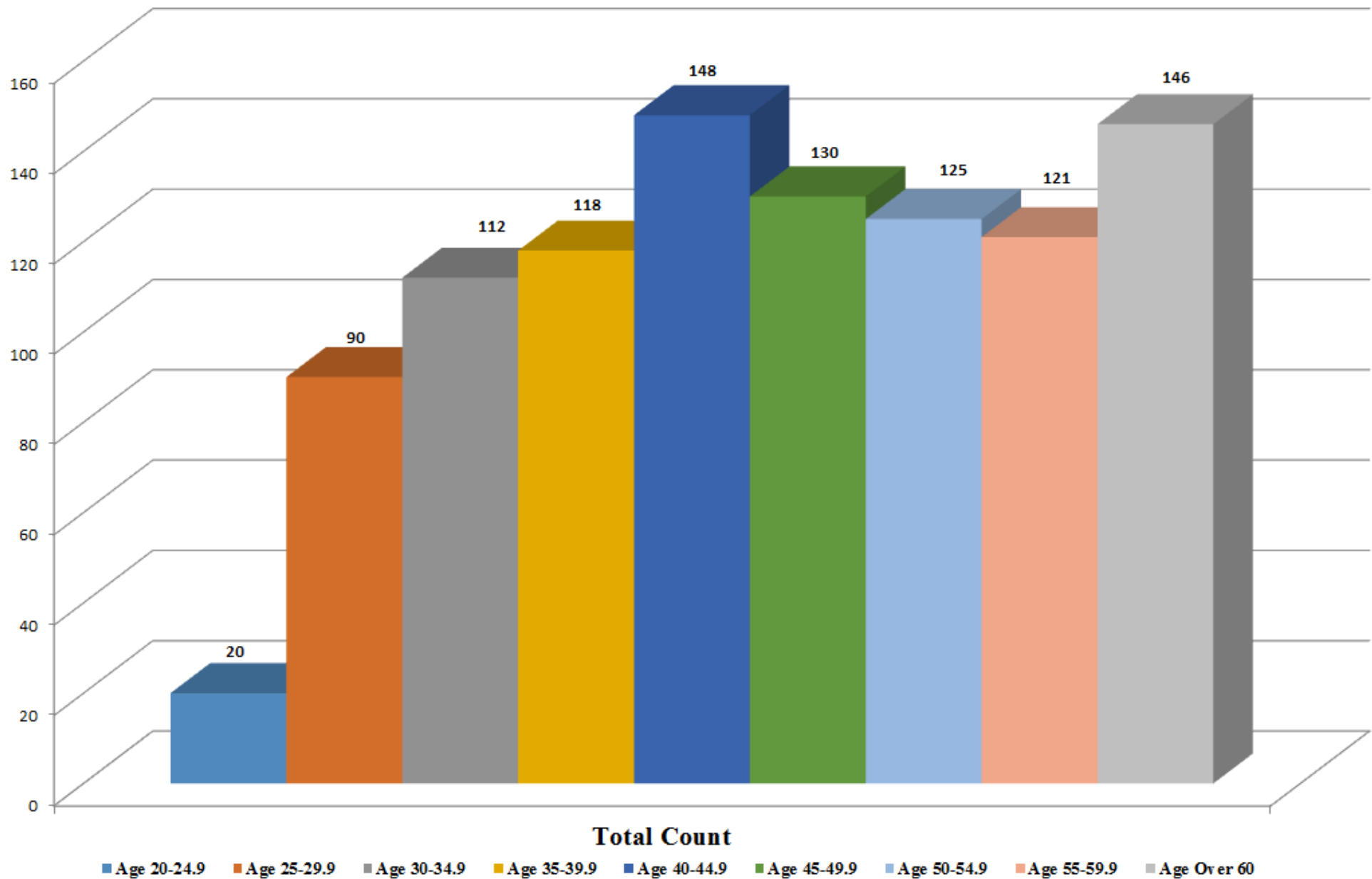
San Mateo Union High School District

Employee Age Distribution

38.8% of staff over 50 years old

	CE Staff			CE Admin			CL Staff			CL Admin			Confidential Staff			Total
20-24.9	4	0.8%	0.8%	0			16	3.7%	3.7%	0		0				20
25-29.9	38	7.3%	8.1%	0			51	11.9%	15.7%	1	4.3%	4.3%				90
30-34.9	71	13.7%	21.7%	1	3.2%	3.2%	36	8.4%	24.1%	4	17.4%	21.7%				112
35-39.9	76	14.6%	36.3%	6	19.4%	22.6%	35	8.2%	32.2%	0	0.0%	21.7%	1	12.5%		118
40-44.9	91	17.5%	53.8%	8	25.8%	48.4%	45	10.5%	42.8%	4	17.4%	39.1%				148
45-49.9	78	15.0%	68.8%	6	19.4%	67.7%	44	10.3%	53.0%	2	8.7%	47.8%				130
50-54.9	61	11.7%		2	6.5%		58	13.6%		2	8.7%		2	25.0%		125
55-59.9	44	8.5%		3	9.7%		66	15.4%		6	26.1%		2	25.0%		121
Over 60	57	11.0%		5	16.1%		77	18.0%		4	17.4%		3	37.5%		146
	520	100.0%		31	100.0%		428	100.0%		23	100.0%		8	100%		1,010
	162	31.2%		10	32.26%		201	47.0%		12	52.17%		7	87.50%		392

Employee Age Distribution



District Survey

Who Are the New Employees?

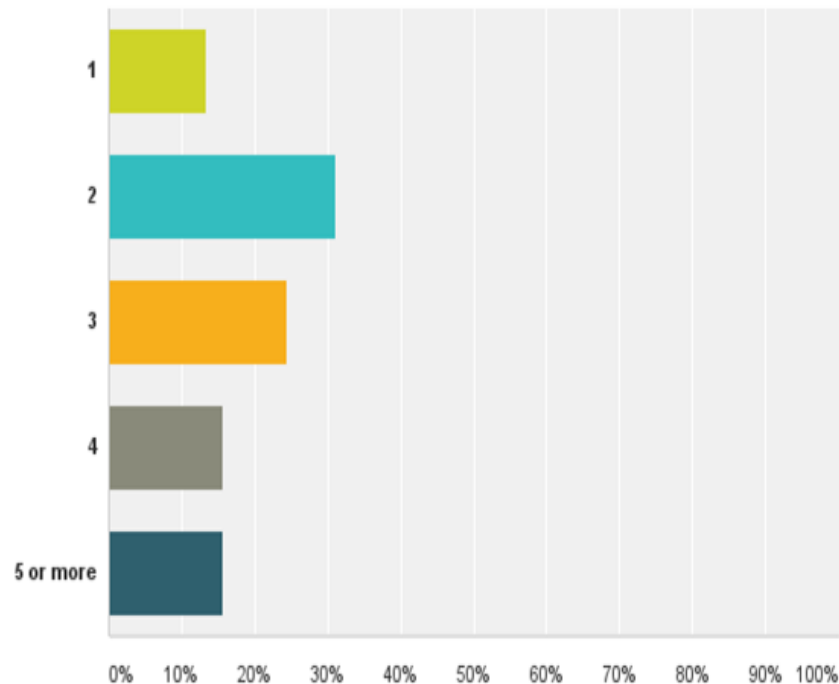
- 93% of respondents are teachers
- Approximately 84% range from age 25-44
- Most people live in San Mateo County and do not have a long commute
- 60% rent
- More than half are single with more than 42% married or in a domestic partnership
- 62% do not have children

District Survey

Housing Circumstances

Q8 How many people, including yourself, make up your household?

Answered: 45 Skipped: 0



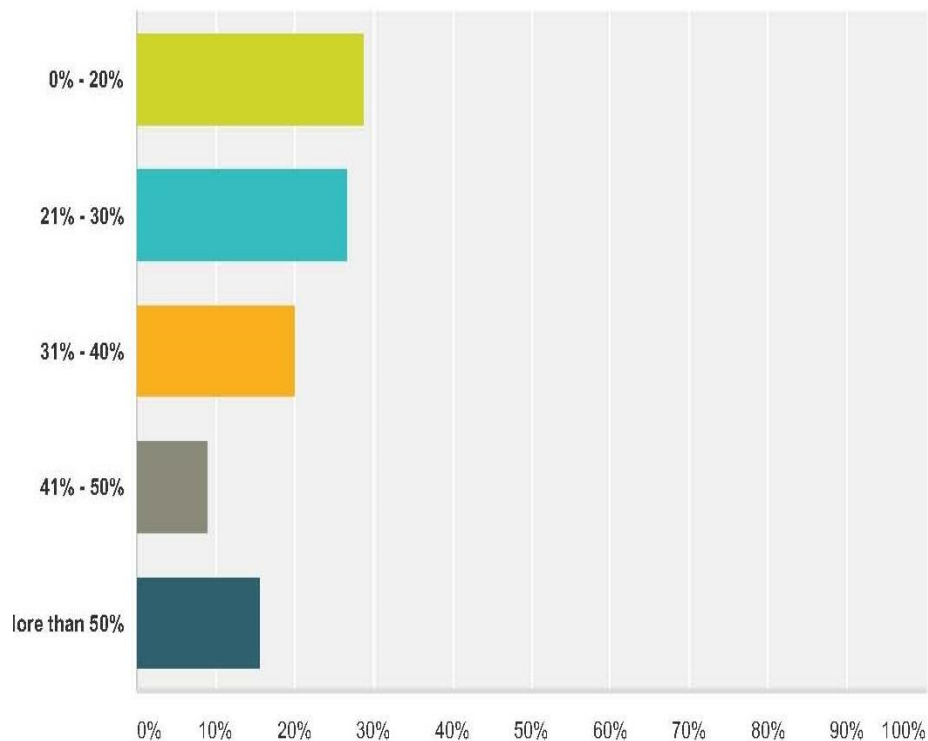
- Although more than 93% are single or are married/in a domestic partnership and 62% do not have children, more than 55% live with three people or more.

District Survey

Housing Circumstances - *Continued*

Q11: Income to Housing Cost

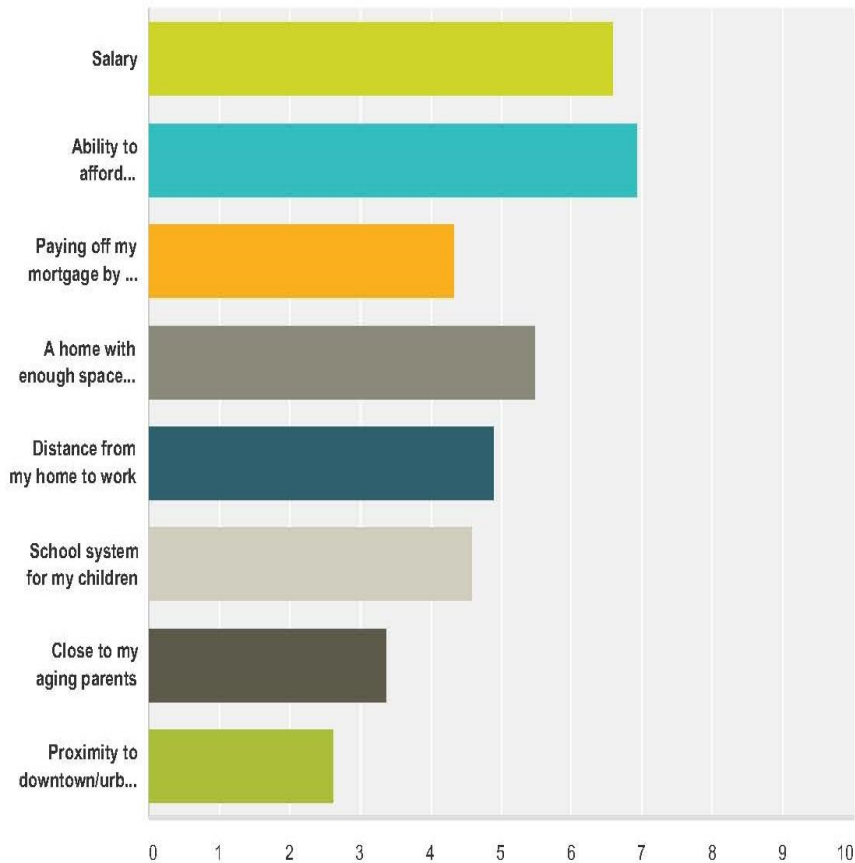
Answered: 45 Skipped: 0



- Recommended percent of gross income spent on housing: 30%
- Approximately 45% are over recommendation

Housing Circumstances - *Continued*

Q13: What is Most Important?

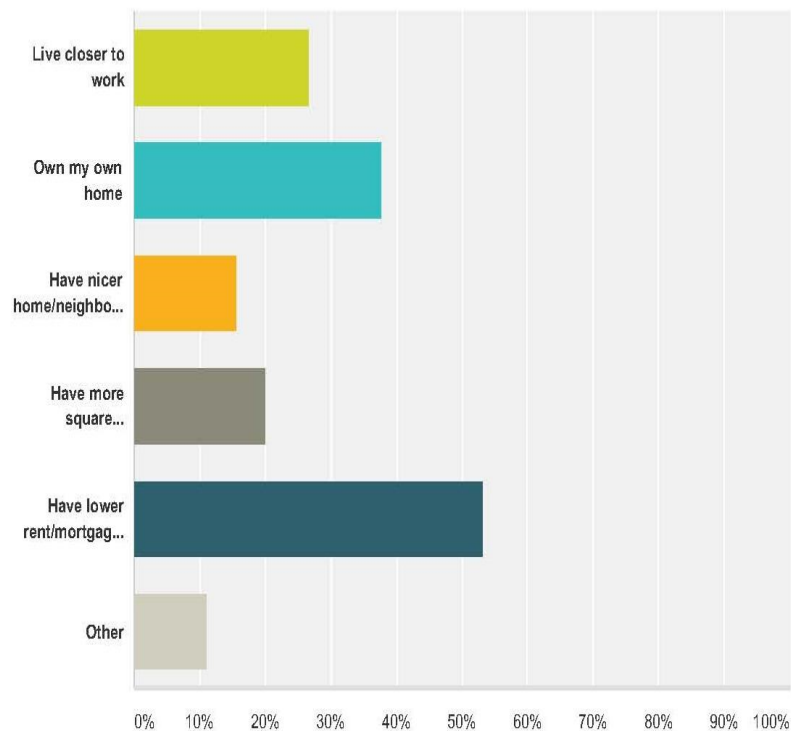


- “Salary” and “ability to afford housing” highest priorities, with “home with enough space” second priority.

Housing Circumstances - *Continued*

**Q15 What things would make your current housing arrangements more satisfactory?
(Check up to 2 choices ONLY)**

Answered: 45 Skipped: 0



- Lower rent and/or mortgage: 53.33%
- Own my own home: 37.78%

District Survey Housing Testimonials

- “I love this district and want to stay, but also want to someday have a house and family. Any assistance with housing for teachers would be appreciated!”
- “My rent is \$0 because I am couch surfing among family and friends...”
- “I am currently engaged and have to live at home with my mother. Rent has been ridiculous and very challenging to survive. Without assistance, I will have to move out of state for the first time in my life.”
- “I wish I had access to this kind of assistance years ago before I bought my home.”

San Mateo Union High School District Staffing Challenges

- National teacher shortage
- Housing crisis Bay Area
- Traffic is more congested
- Commute times have increased significantly as employees commute longer distances to afford rent
- Cost of living in San Mateo County
- 38.8% of the SMUHSD workforce is over fifty years old
- Employee housing being explored by other school districts

San Mateo Union High School District

Why is the Employee Housing Project Crucial?

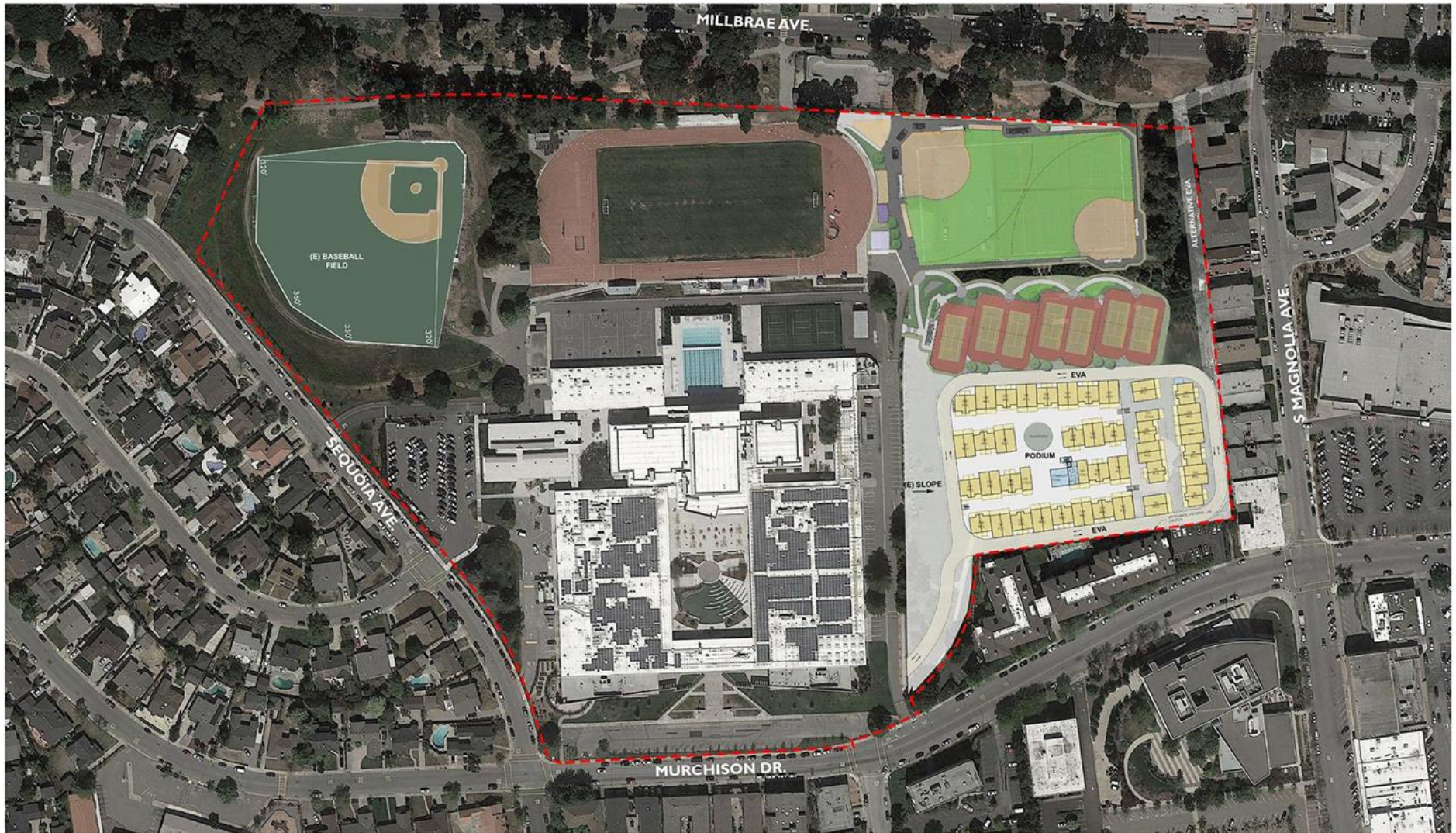
- Vehicle to attract and retain highly qualified staff
- Provide staff the opportunity to rent available apartments for up to a period of 7 years and thereby allowing the staff to save money for a future home purchase
- Employees live in the community that they work
- Remain competitive
- Reduce traffic
- Increase sustainability

San Mateo Union High School District

Mills High School Employee Housing Project

PROJECT FEATURES:

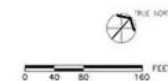
- Centrally located in the District
- Access to public transportation-BART, CAL train, SAMTRANS
- Walking distance to grocery stores, restaurants, pharmacies and shops
- Project complex composed of 140 units: 83 one bedrooms, 57 two bedrooms
- 200 parking spaces (TBD)
- Layout provides separation and security
- Sustainability
- Save for permanent residence



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SCHEME 5 SITE PLAN

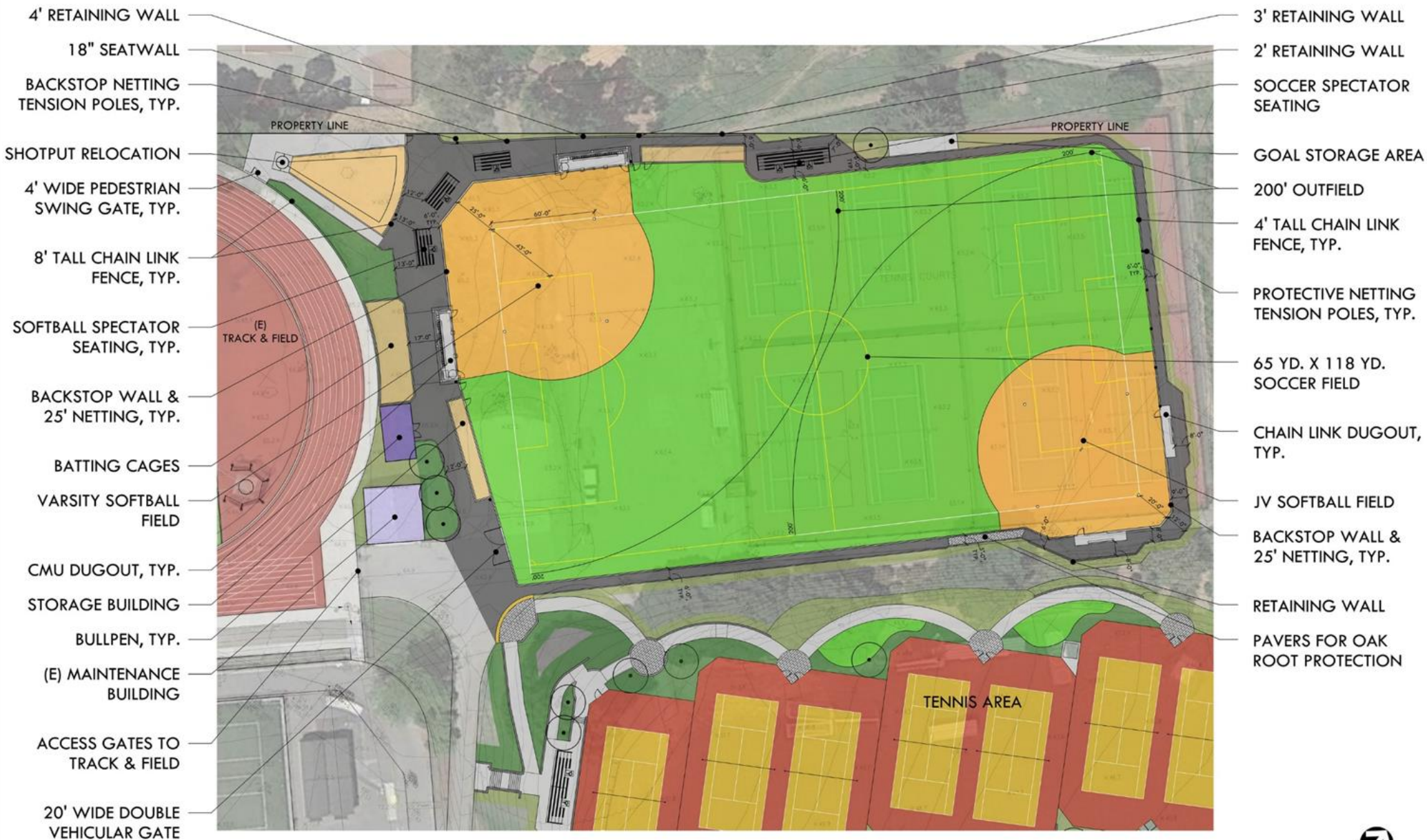
SEPTEMBER 28, 2016



MILLS HIGH SCHOOL
SMUHS - TEACHER & STAFF HOUSING

San Mateo Union High School District Mills High School Site Improvements

- Seven new replacement tennis courts
- All weather stadium field
- All weather multi-sport field (soccer, softball field)



NORTH

September 16, 2016

Soccer / Softball Field - Schematic Plan
Mills High School
San Mateo Union High School District
Millbrae, CA



HKIT ARCHITECTS



VERDE DESIGN

LANDSCAPE ARCHITECTURE
 CIVIL ENGINEERING
 SPORT PLANNING & DESIGN
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 San Jose, CA 95126
 Tel: 408.985.7200
 Fax: 408.985.7260
 www.verdedesigninc.com



NORTH

September 16, 2016

Tennis - Schematic Plan
Mills High School
San Mateo Union High School District
Millbrae, CA



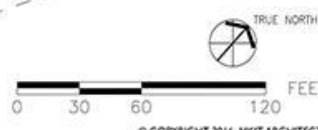
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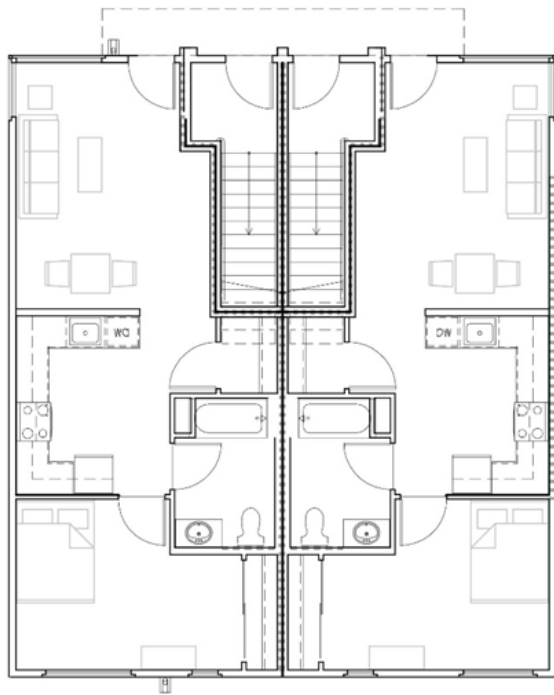
MILLS HIGH SCHOOL
SMUHSD - TEACHER & STAFF HOUSING



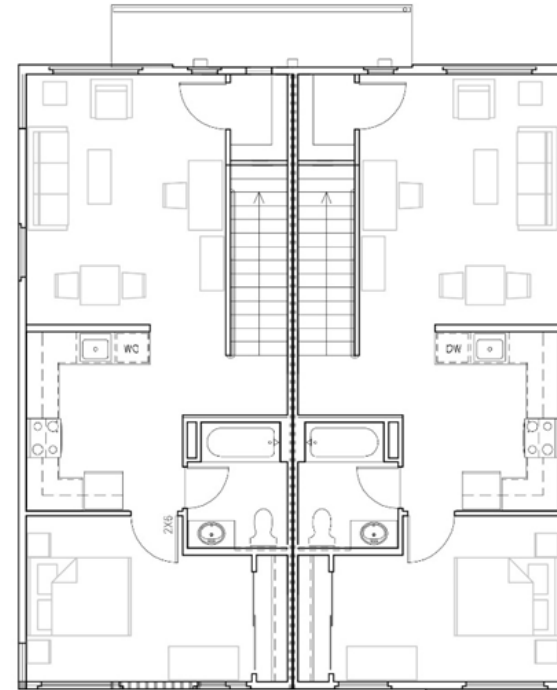
SCHEME 5 SITE PLAN

SEPTEMBER 28, 2016

MILLS HIGH SCHOOL
SMUHSD - TEACHER & STAFF HOUSING



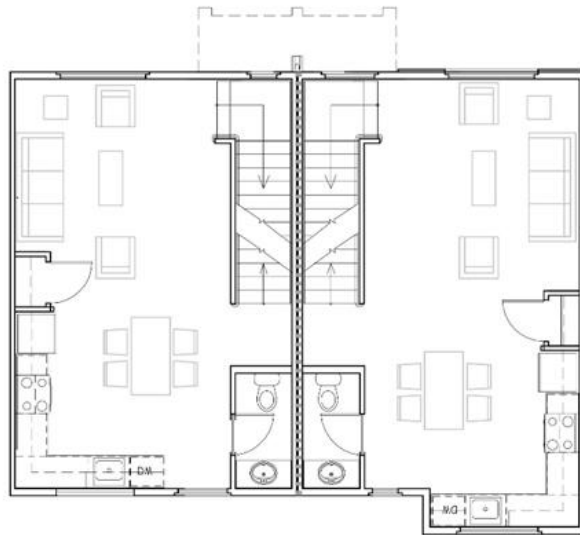
1ST FLOOR 1BR-FLAT



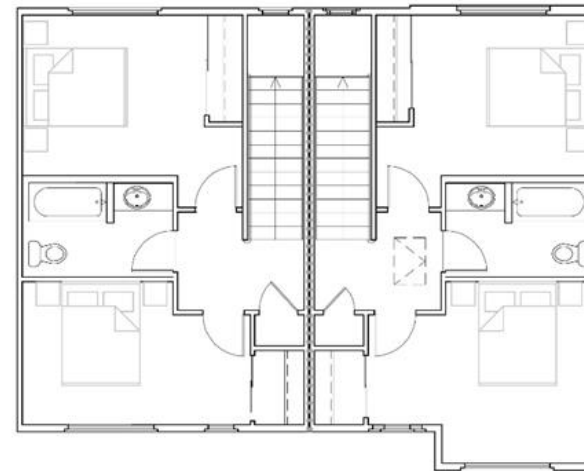
2ND FLOOR 1BR-FLAT

0 4 8 16 FEET

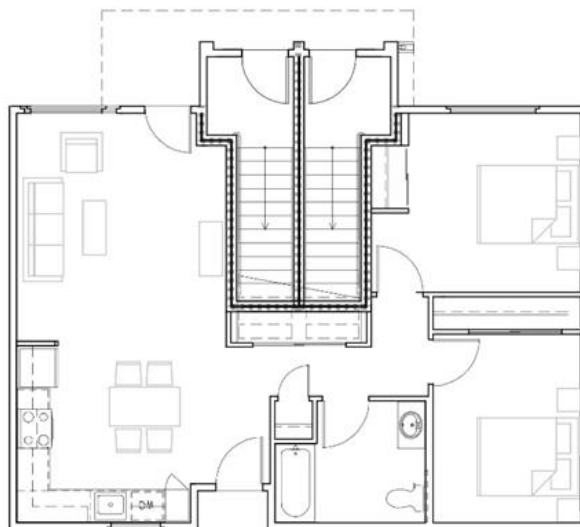
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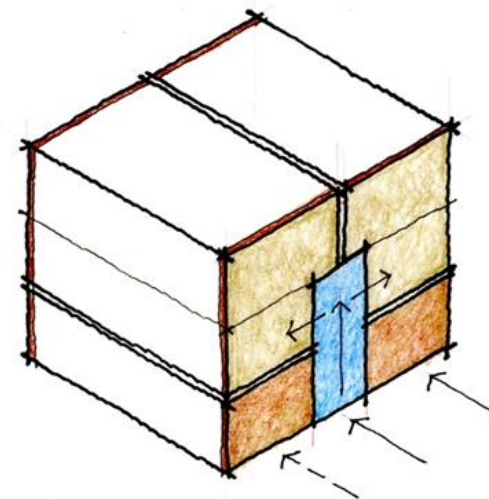
2ND FLOOR 2BR-TOWNHOUSE



3RD FLOOR 2BR-TOWNHOUSE



1ST FLOOR 2BR-FLAT



0 4 8 16 FEET

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AERIAL VIEW

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PODIUM LEVEL VIEW

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SCHEME 5 PERSPECTIVE VIEWS
SEPTEMBER 28, 2016

MILLS HIGH SCHOOL
SMUHS - TEACHER & STAFF HOUSING

Housing Project Cost Estimate

Housing Project		10/1/2016	10/1/2017	10/1/2018
1	Anticipated Bid Amount	\$ 33,711,678	\$ 36,071,495	\$ 38,235,785
2	Construction Contingency 10%	\$ 3,371,168	\$ 3,607,150	\$ 3,823,579
3	Design Contingency 10%	\$ 3,371,168	\$ 3,607,150	\$ 3,823,579
4	Architect Contingency	\$ 269,693	\$ 360,715	\$ 382,358
5	Architect Fees	\$ 1,873,084	\$ 1,991,075	\$ 2,099,289
6	CM Fees	\$ 1,535,967	\$ 1,630,360	\$ 1,716,931
7	Architect Reimbursable	\$ 93,654	\$ 99,554	\$ 104,964
8	Blueprinting	\$ 25,000	\$ 25,750	\$ 26,523
9	IOR	\$ 270,000	\$ 278,100	\$ 286,443
10	Testing Lab	\$ 505,675	\$ 541,072	\$ 573,537
11	Soils Report / Testing	\$ 252,838	\$ 260,423	\$ 268,235
12	Topographic Surveys	\$ 35,000	\$ 36,050	\$ 37,132
13	Misc. Consultants	\$ 250,000	\$ 257,500	\$ 265,225
14	DSA Fees	\$ 364,086	\$ 389,572	\$ 412,946
15	CGS Fees	\$ 3,600	\$ 3,708	\$ 3,819
16	Bid Advertisements	\$ 5,000	\$ 5,150	\$ 5,305
17	Legal	\$ 100,000	\$ 103,000	\$ 106,090
18	Utility Fees (PG&E)	\$ 250,000	\$ 257,500	\$ 265,225
19	CEQA	\$ 150,000	\$ 154,500	\$ 159,135
20	Water Hook-up Fees	\$ 318,940	\$ 328,508	\$ 338,363
21	Sewer Connection Fees	\$ 324,317	\$ 334,047	\$ 344,068
22	Other Permits & Fees 2%	\$ 674,234	\$ 721,430	\$ 764,716
23	Misc. Expenses	\$ 100,000	\$ 103,000	\$ 106,090
24	Escalation 7% x 24 mos to contract	\$ 6,938,990	\$ 7,419,187	\$ 7,851,654
25	Totals*	\$ 54,794,091	\$ 58,585,995	\$ 62,000,990
26	\$ PSF	\$ 462	\$ 494	\$ 523
27	Add Tennis Court Complex	\$ 2,072,278	\$ 2,217,337	\$ 2,350,378
28	Add Softball / Soccer Complex	\$ 3,826,589	\$ 4,094,450	\$ 4,340,117
29	Add Allweather turf at Stadium	\$ 1,382,357	\$ 1,479,122	\$ 1,567,869
	Grand Total	\$ 62,075,777	\$ 66,377,399	\$ 70,259,877

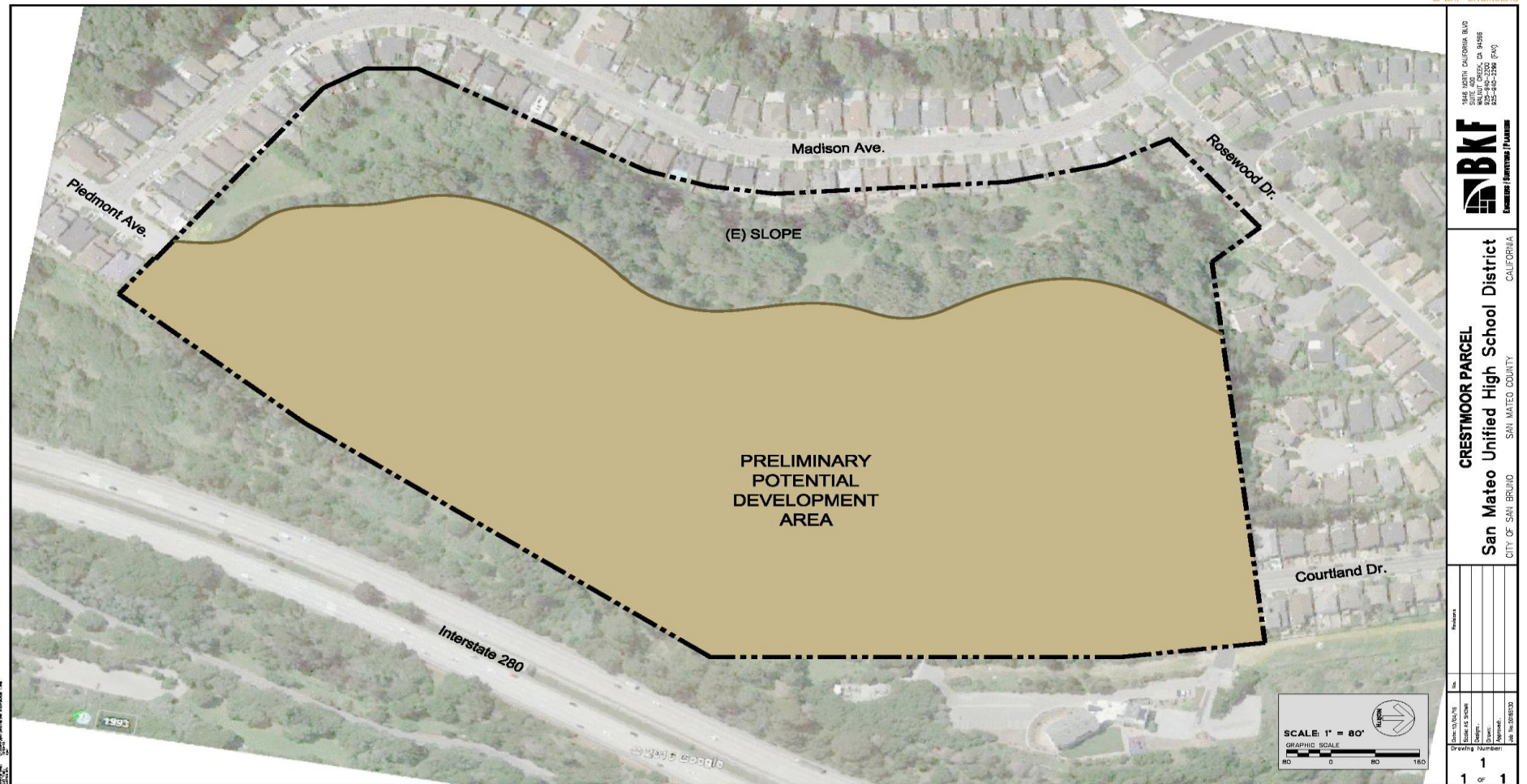
* Based on DSA Entitlement

For City of Millbrae Entitlement assume an additional 1%-2%

San Mateo Union High School District Employee Housing Project Funding

- Disposition of Crestmoor could fund employee housing project and other educational projects
- Value of the Crestmoor site is dependent upon the number of buildable lots
- Senate bill 1413 dealing with school districts and employee housing

Crestmoor Site



Crestmoor Fields

- District remains committed to work with the City of San Bruno to provide field space for community use
- Future field space would reflect current rec standards
- Parking and bathrooms need modernization
- Community engagement needed on this subject

San Mateo Union High School District

Action Plan for Crestmoor Disposition

- Develop plan to relocate Peninsula High School
- Perform community outreach
 - This includes the cities of San Bruno (Crestmoor neighborhood), and Millbrae (Mills High School neighborhood). This outreach would include community meetings in San Bruno to explore the disposition of the Crestmoor site and in Millbrae for the construction of the employee housing at Mills High School site. District staff would also be meeting with city officials in both the City of San Bruno and the City of Millbrae
- Discussion with the Board of Trustees on using a Request for Proposal process. This is similar to the process used by the Community College. This will require the District to apply to the California Department of Education and request a waiver of the bid process.

San Mateo Union High School District

Future Peninsula High School

- Peninsula High School program is no longer a mini comprehensive high school
- The education program has evolved in the past several years as support programs were implemented at the comprehensive high schools
- Facility footprint is substantially smaller when compared with what was programmed several years ago
- Staff is analyzing current program and facility needs, and will be bringing forth a recommendation at a future board meeting (February 2017)
- District is communicating with the California Department of Education Facilities Department to explore facility options
- Tom Shannon, Asset Manager, conducting search for potential sites in Burlingame, San Mateo and Foster City that are sized appropriately for Peninsula High School program

San Mateo Union High School District

Board of Trustee Authorization

- Voice support for continued exploration of the housing project
- Voice support for funding the project from the proceeds from the sale of the Crestmoor site
- Authorize District staff to begin community outreach
- Authorization staff to explore the filing of a waiver application with the State Board related to the disposition of the Crestmoor site. Staff will report back to the Board of Trustees with its findings
- Authorize staff to prepare to the Board of Trustees a draft resolution declaring the Crestmoor site surplus and prepare a draft resolution outlining terms of disposition for February 2017 board meeting
- Augment project budget by \$25,000

San Mateo Union High School District

To Do List

- Schedule community meetings (January 2017)
- Generate Peninsula High School study (February 2017)
- Project update (February 2017)
- Further research SB 1413
- Develop employee housing facility pro forma's
- Structure employee housing deferred maintenance sinking fund
- Develop "Request for Proposal" for property management
- Develop employee housing policies
 - Staff recruitment
 - Staff housing
- Determine optimal Peninsula High School program and facility needs
- Meet with the California Department of Education regarding facilities requirements and potential waivers