



# **San Mateo Union High School District Preliminary Employee Housing Study**



# Why Is Staff Housing Important?

- The Peninsula is among the most expensive places to live
  - San Francisco is the 5<sup>th</sup> most expensive city in America to live
  - San Jose is the 6<sup>th</sup> most expensive city in America to live
- Regional housing costs are exorbitant
- Bay Area Cost of living is very high
- Average commutes are significantly worse in the past five years
- Employees are choosing to work and live in areas with cheaper rents requiring longer commutes



# Why Is Staff Housing Important?

- Employees are opting to create a balanced quality of life that incorporates reasonable housing costs with minimal commutes.
- Future staff will find working and living on the Peninsula unattainable, significantly diminishing the District's teacher hiring pool.
- Offering staff housing could allow the District to attract exemplary staff and remain a high performing school district.



# CALIFORNIA IMPENDING TEACHER SHORTAGE

- California is ranked dead last (50th) in student-to-teacher ratio, and will need 100,000 additional teachers to bring that ratio to the national average.
- Over the next ten years, California will need to replace 106,000 teachers (one-third of the current workforce) just to maintain current student-to-teacher ratio and maintain 50<sup>th</sup> ranking.
- California faces significant challenges in recruiting and retaining teachers.
- Thirteen percent of teachers leave the profession by the end of their second year.
- Nearly 1 in 3 teachers leave the profession within seven years.
- Estimated teacher hires for the 2015-16 school year increased by 25 percent from the previous year, while preliminary credentials issued to fully prepared new teachers increased by less than 1 percent from the previous year, and enrollment in teacher education programs increased by only about 2 percent.

Source: Washington Post, CTA



# CALIFORNIA IMPENDING TEACHER SHORTAGE

- California School Districts estimate their hiring needs at roughly 4,500 special education teachers in 2014–15, only about 2,200 fully prepared new special education teachers emerged from California's universities in 2014-15.
- Although shortages are occurring across a range of subject areas, the problem is most acute in mathematics, science, and special education. Each of these high-need fields has been marked by a drop in the number of preliminary credentials issued to new teachers and a significant increase in the number of temporary permits, waivers, and intern credentials.
- In mathematics and science, the number of preliminary credentials awarded to new, fully prepared teachers dropped by 32 percent and 14 percent, respectively, over the last four years.

Source: Washington Post, CTA



# San Mateo County Housing Market

<b>Housing</b>	<b>Monthly</b>	<b>Annually</b>
• Studio	\$2,403	\$28,836
• 1 Bedroom	\$2,287	\$27,444
• 2 bedroom	\$3,108	\$37,296
• 3 bedroom	\$4,045	\$48,540

Source: San Mateo County Realtor



# San Mateo Union High School District

## Percent Rent to Salary

**Teacher  
Salary**

**Teacher  
Net Salary**

(Column V-60 Units)

**SPOE  
Salary**

**SPOE  
Net Salary**

(Range 136-C)

**\$77,879**

**\$52,958**

**\$49,344**

**\$33,554**

**52.8%**

**81.8%**



# Certificated Staff Age Distribution

Age Group	Number	Percent	Cumulative
20-25	4	0.73%	0.73%
26-30	40	7.34%	8.07%
31-35	69	12.66%	20.73%
36-40	95	17.43%	38.17%
41-45	86	15.78%	53.94%
46-50	87	15.96%	69.91%
51-55	53	9.72%	79.63%
56-60	55	10.09%	89.72%
Over 61	56	10.28%	100.00%
<b>Total</b>	<b>545</b>	<b>100.00%</b>	



# Classified Staff Age Distribution

Age Group	Number	Percent	Cumulative
20-25	23	5.3%	5.3%
26-30	41	9.4%	14.7%
31-35	37	8.5%	23.2%
36-40	36	8.3%	31.4%
41-45	49	11.2%	42.7%
46-50	49	11.2%	53.9%
51-55	60	13.8%	67.7%
56-60	65	14.9%	82.6%
Over 61	76	17.4%	100.0%
<b>Total</b>	<b>436</b>	<b>100.0%</b>	



# Certificated Staff Commute Time

Certificated Employees	Round Trip Commute Time	Percent
<b>Less Than 1 Hour</b>		
279	10 to 40 min	51.2%
77	41 to 60 min	14.1%
<b>356</b>		<b>65.3%</b>
<b>More Than 1 Hour</b>		
144	61 to 90 min	26.4%
37	91 to 120 min	6.8%
6	121 to 180 min	1.1%
2	Over 181 min	0.4%
<b>189</b>		<b>34.7%</b>



# Classified Staff Commute Time

Classified Employees	Round Trip Commute Time	Percent
<b>Less Than 1 Hour</b>		
277	10 to 40 min	63.5%
47	41 to 60 min	10.8%
<b>324</b>		<b>74.3%</b>
<b>More Than 1 Hour</b>		
52	61 to 90 min	11.9%
47	91 to 120 min	10.8%
2	121 to 180 min	0.5%
11	Over 181 min	2.5%
<b>112</b>		<b>25.7%</b>



# Goal

## Retain and Attract Highly Qualified Staff

- Attracting new teachers and classified staff to support student enrollment growth, anticipated staff retirements and vacancies in the future is anticipated to be difficult
- The Peninsula is costly and is a fiscal deterrent for future staff
- A housing project will provide a mechanism for staff to save a down payment in order to purchase property and to live in the community, benefiting from reduced rent for a limited lease term.
- Minimal commute times to improve quality of life, participate in school activities and improve employee attendance



# Housing Project Process

- Convened qualified task force
  - HKIT-Architect with teacher housing communities experience
  - Tom Shannon, Asset Manager
  - Todd Lee, Construction Manager
  - District staff
- Conducted Outreach
  - District administrative team
  - District bargaining units
  - City, Planning Departments in San Mateo, San Bruno and Millbrae
  - County, State and Federal Elected Officials



# Housing Project Process

- Property Consideration
  - Purchase existing apartment complex
  - Purchase vacant land
  - Build on existing properties
- Interviewed Community College District regarding housing project experience
- Met with property developer
- Evaluated Seven District Properties based of the following criteria:
  - Available land
  - Proximity to public transportation
  - Impact to site
  - Impact to community
  - Parking



# Housing Project Findings

- Seven District properties analyzed
- Received project support
- Determined the most cost effective solution was to utilize existing District property
- Determined approximate number of units
- Estimated project cost
- Identified funding options
- Determined next steps



# Aragon High School - Impacted Site



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# Burlingame High School - Impacted Site

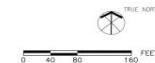


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EXISTING SITE

MAY 6, 2016 • Job # 80074



BURLINGAME HIGH SCHOOL  
SMUHSD - TEACHER & STAFF HOUSING



# Capuchino High School – Viable Option

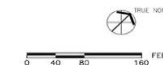


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HOUSING SITE AREA : 98,403 SF  
UNITS : 64 1BR  
45 2BR  
TOTAL : 109 UNITS  
PARKING : 76 STALLS

SITE PLAN - I OF I  
APRIL 22, 2016 • Job # 80074



CAPUCHINO HIGH SCHOOL  
SMUHS - TEACHER & STAFF HOUSING



# Capuchino High School Details

- 109 units
- Project Cost: \$40,592,513
- Site Upgrades:
  - 6 new tennis courts
  - 2 new basketball courts
  - Artificial turf baseball field
  - Artificial turf softball field
  - Renovated basketball courts
- Attributes/Concerns:
  - Residential neighborhood
  - Location by Hetch Hetchy pipeline
  - May limit future growth
  - Accessible to public transportation
  - Lose 2 tennis courts
  - Lose 2 basketball courts



# Crestmoor High School - Viable Option



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HOUSING SITE AREA : 144,764 SF  
UNITS : 80 1BR  
60 2BR  
TOTAL : 140 UNITS  
PARKING : 197 STALLS

SITE PLAN I OF I  
MAY 10, 2016 • Job # 80074



CRESTMoor HIGH SCHOOL  
SMUHSd - TEACHER & STAFF HOUSING



# Crestmoor High School Details

- 150 units
- Project Cost: \$42,015,303
- Attributes and Concerns:
  - Independent from school site
  - Greater privacy for residents
  - No impact to other school sites
  - Peaceful setting
  - Location



# Hillsdale High School - Impacted Site



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## EXISTING SITE

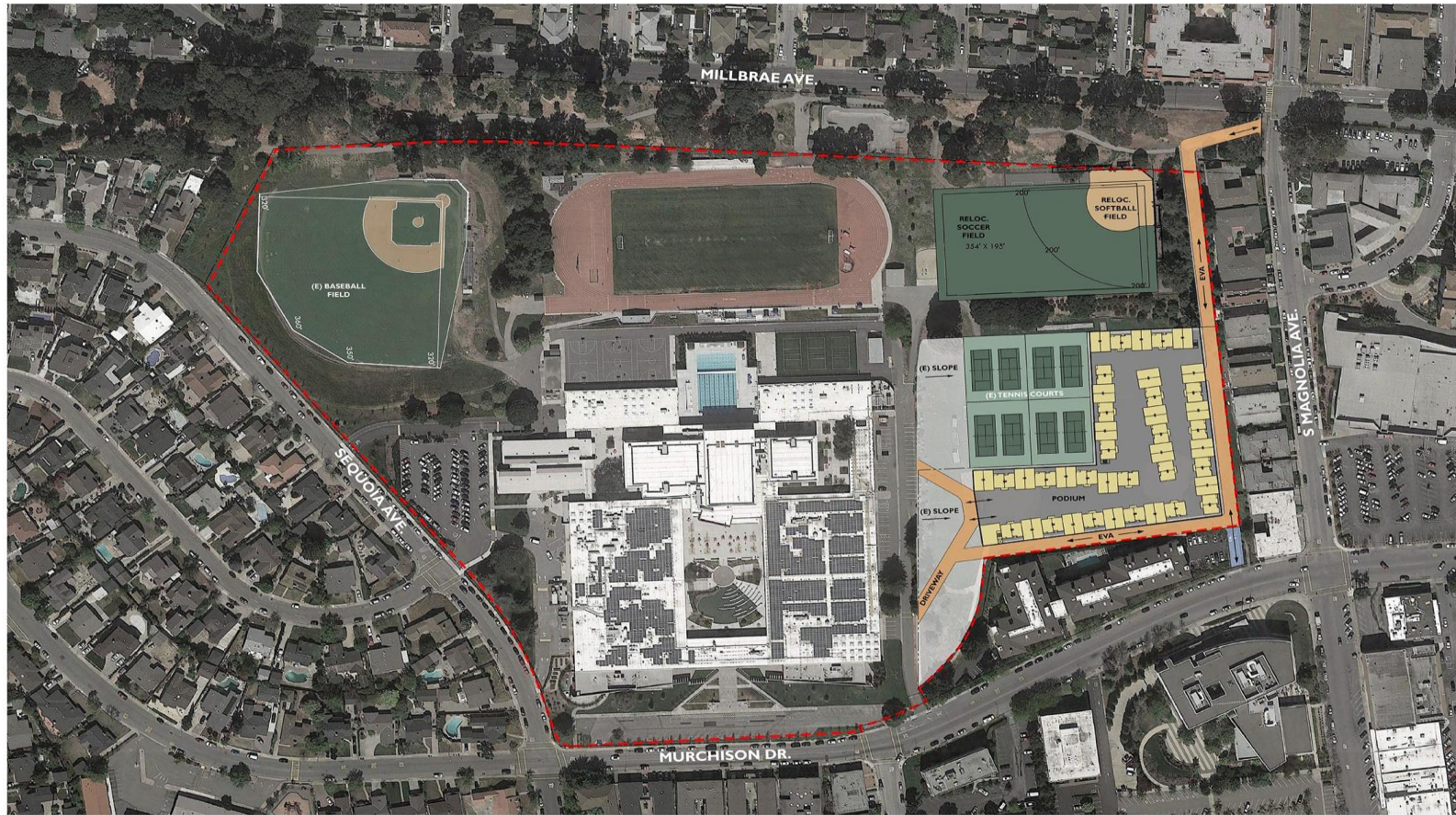
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HILLSDALE HIGH SCHOOL  
SMUHS - TEACHER & STAFF HOUSING



# Mills High School - Viable Option 1

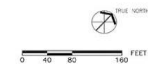


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HOUSING SITE AREA : 109,052 SF  
UNITS : 80 1BR  
63 2BR  
TOTAL : 143 UNITS  
PARKING : 213 STALLS

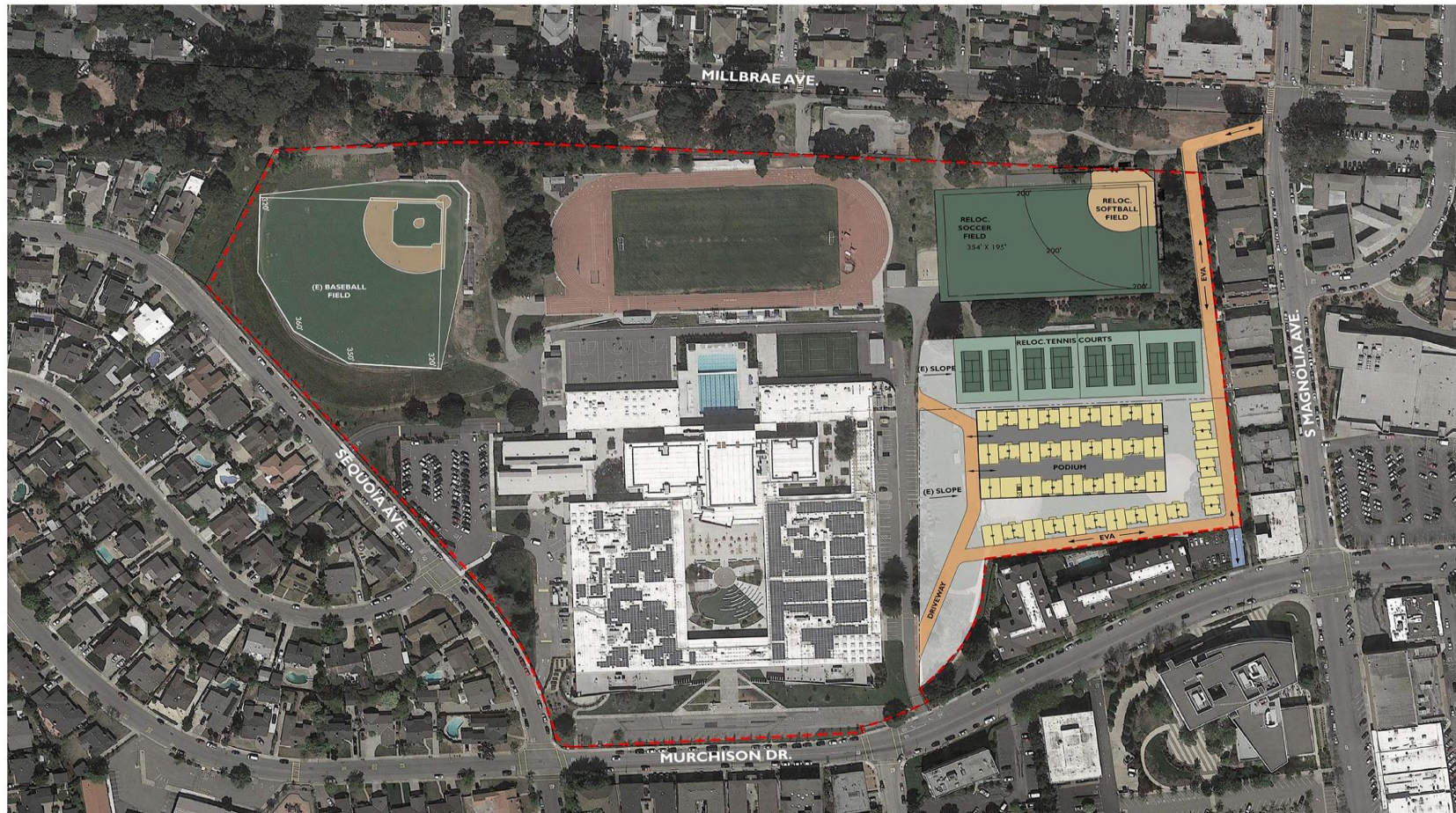
SITE PLAN - I OF 3  
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MILLS HIGH SCHOOL  
SMUHS - TEACHER & STAFF HOUSING



# Mills High School - Viable Option 2

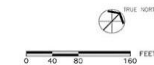


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HOUSING SITE AREA : 105,736 SF  
UNITS : 92 1BR  
57 2BR  
TOTAL : 149 UNITS  
PARKING : 130 STALLS

SITE PLAN - 2 OF 3  
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MILLS HIGH SCHOOL  
SMUHS - TEACHER & STAFF HOUSING



# Mills High School - Viable Option 3



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HOUSING SITE AREA : 105,736 SF  
UNITS : 72 1BR  
54 2BR  
TOTAL : 126 UNITS  
PARKING : 138 STALLS

SITE PLAN - 3 OF 3  
APRIL 22, 2016 • Job # 80074



MILLS HIGH SCHOOL  
SMUHS - TEACHER & STAFF HOUSING



# Mills High School Details

## Option 1

- 143 units
- Project Cost \$53,757,450
- Site Upgrades:
  - 8 new tennis courts
  - New artificial turf softball/soccer field
  - New artificial turf baseball field
- Attributes/Concerns:
  - Easy access to public transportation
  - Limits future growth
  - Project blends with community
  - Walk to stores
  - No change with basketball courts
  - No change with tennis courts

## Option 2

- 149 units
- Project Cost \$48,418,933
- Site Upgrades:
  - 8 new tennis courts
  - New artificial turf softball/soccer field
  - New artificial turf baseball field
- Attributes/Concerns:
  - Easy access to public transportation
  - Limits future growth
  - Project blends with community
  - Walk to stores
  - No change with basketball courts
  - No change with tennis courts



# Mills High School Details

## Option 3

- 126 units
- Project Cost \$44,534,055
- Site Upgrades
  - 8 new tennis courts
  - New artificial turf softball/soccer field
  - New artificial turf stadium field
- Attributes/Concerns
  - Easy access to public transportation
  - Limits future growth
  - Project blends with community
  - Walk to shopping
  - No change in the number of tennis courts
  - No change in the number of basketball courts



# San Mateo High School - Viable Option 1

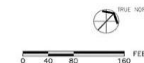


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HOUSING SITE AREA : 104,462 SF  
UNITS : 84 1BR  
54 2BR  
TOTAL : 138 UNITS  
PARKING : 110 STALLS

SITE PLAN - 1 OF 2  
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SAN MATEO HIGH SCHOOL  
SMUHS - TEACHER & STAFF HOUSING



# San Mateo High School - Viable Option 2

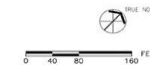


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HOUSING SITE AREA : 104,462 SF  
UNITS : 84 1BR  
54 2BR  
TOTAL : 138 UNITS  
PARKING : 110 STALLS

SITE PLAN - 2 OF 2  
APRIL 22, 2016 • Job # 80074



SAN MATEO HIGH SCHOOL  
SMUHSD - TEACHER & STAFF HOUSING



# San Mateo High School - Details

## Option 1

- 138 units
- Project Cost: \$58,837,845
- Site Upgrades:
  - Artificial turf baseball field
  - Artificial turf softball field
  - New two-story Adult Education Building
- Attributes/Concerns:
  - Adult School partial relocation
  - Inability to for future facility growth
  - Neighborhood
  - Parking

## Option 2

- 138 units
- Project Cost: \$59,399,942
- Site Upgrades:
  - Artificial turf baseball field
  - Artificial turf softball field
  - New 2-story Adult Education Building
  - 3 new tennis courts
  - 1 new basketball court
- Attributes/Concerns:
  - Adult School partial relocation
  - Inability to for future facility growth
  - Neighborhood
  - Parking
  - Lose 1 tennis court and 1 basketball court



# Housing Project Cost Estimate

Site	# of Units	Project Cost	Cost Per Unit	Site Improvements	
Capuchino HS	109	\$40,592,513	\$372,408	Soccer/Softball Baseball/Tennis Courts/Basketball Courts	\$2,327,184 \$4,353,000
Mills HS Option 1	143	\$53,757,450	\$375,926	Soccer/Softball Baseball/Tennis	\$1,657,000 \$2,880,000
Mills HS Option 2	149	\$48,418,933	\$324,959	Soccer/Softball Baseball/Tennis	\$1,657,000 \$2,880,000
Mills HS Option 3	126	\$44,534,055	\$353,445	Soccer/Softball Baseball	\$1,657,000 \$2,880,000
San Mateo HS Option 1	138	\$58,837,845	\$426,361	Baseball/Softball 2- Story Modular Bldg.	\$4,720,104 \$12,166,560
San Mateo HS Option 2	138	\$59,399,942	\$430,434	Baseball/Softball Tennis Courts 2-Story Modular Bldg.	\$4,664,184 \$367,500 \$12,166,560
Crestmoor	150	\$42,015,303	\$280,102		31



# Capital Financing Options

- Certificate of Participation
- Potentially use proceeds from sales of site
- Property trade
- General Obligation Bond
- Private development financing and operation



# Housing Project Operational Structure

- Goal is to keep rents substantially below market rates so employees can save to purchase homes
- Independent property manager oversees complex
- Implement sinking fund and contribute monthly for future maintenance needs



# Housing Project is Complex

## Preliminary Work Complete

### Continue Project Due Diligence

- Identify best District property
- Determine type and quantities of units
- Determine best project financing options
- Develop housing project pro forma rents, property management fees, insurances and contribution to sinking fund
- Generate detailed survey
- Continued housing project community and agency outreach



# Housing Project is Complex

## Preliminary Work Complete

### Continue Project Due Diligence

- Secure long term location for Peninsula High School (Rollins Road)
- Verify legal compliance
- Determine the most responsible project financing options
- Develop housing project pro forma rents, property management fees, insurances and contribution to sinking fund
- Obtain soils study of Crestmoor property
- Obtain conceptual site plan at Crestmoor for housing
- Obtain detailed architecture design plans for faculty and staff housing developments
- Conduct further housing project analysis



# Housing Project is Complex Preliminary Work Complete Continue Project Due Diligence

- Recommend the Board of Trustees authorize staff to continue the project due diligence including contracting with consultants to perform professional services
- Allocate \$100,000 for continued due diligence professional services
- Direct staff of Housing Project to update Board with progress in October 2016