

# Phase 1 Student Housing Feasibility Study

Market Assessment & Demand Analysis  
College Village Overlay District  
Yucaipa, California

November 3, 2017



# Brookhurst Development & Advisory Corporation

- Established in 1996 - National development and advisory firm with offices in Newport Beach, Sacramento, Indianapolis and Houston
- Experience in development and governmental advisory services with over \$5 billion of higher education and various government projects
- Recognized as a foremost expert in alternative delivery options for California government projects including P3s, DBFOM & Lease-Leaseback
- Currently under contract to develop CSU's first P3 project in its 150-year history – CSU San Marcos Extended Learning Complex

# SBCCD Student Housing Objectives

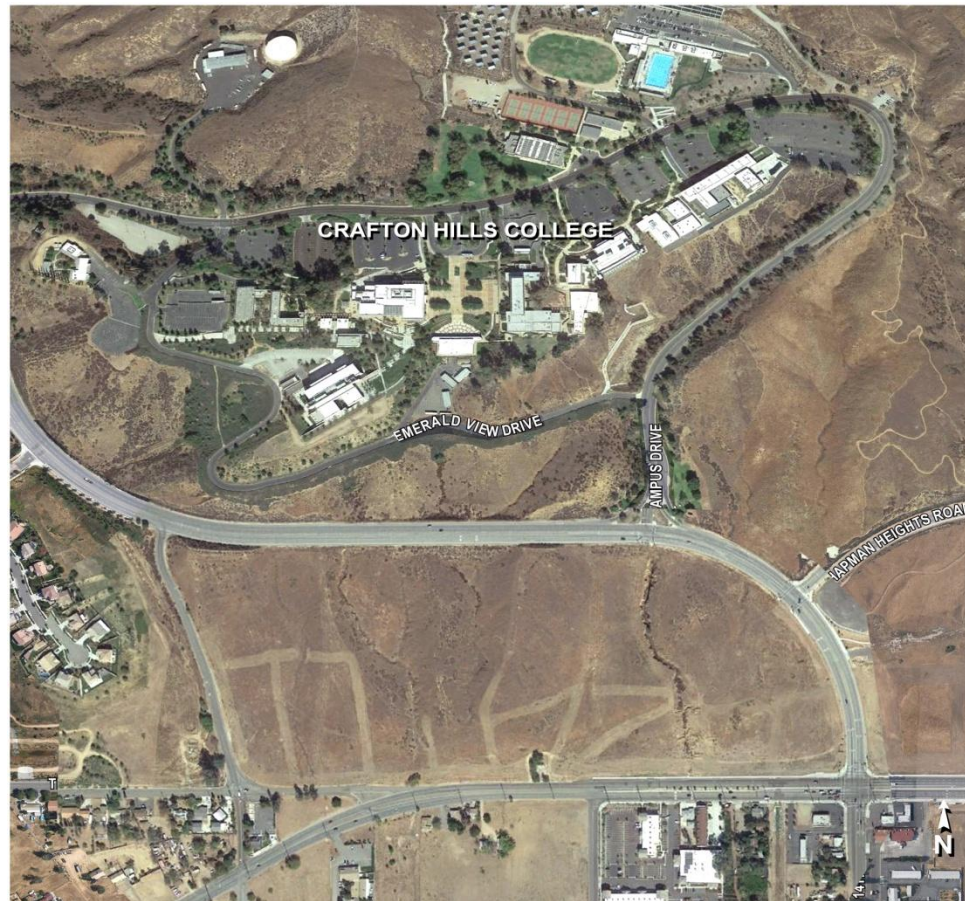
## Phase I Feasibility Study

- Market assessment and demand analysis to ascertain existing demand, and patterns and trends within community college student housing
- Assessment of surrounding market conditions, demographic analysis, current enrollment, projected growth and rent obtainable for the new dorm units
- Market study of existing off-campus housing
- Review of peer benchmark projects (other California community colleges with student housing)
- Comprehensive survey of faculty, staff and students

# College Village Overlay District – Yucaipa, CA

- A collaborative effort between the City of Yucaipa and San Bernardino Community College District/Crafton Hills Community College
- 49.1 acres of raw undeveloped land primarily comprised of two large parcels, each currently owned by two separate private owners
- Primary goal is *“to encourage the development of a vibrant, pedestrian-friendly college village that offers a range of housing and nonresidential opportunities, including commercial, public, and institutional uses, to serve the diverse needs of the college, Yucaipa community, and the region.”*
- Objectives include creating a sustainable mix of quasi-public/institutional and educational uses, housing – inclusive of student/faculty housing, and a range of commercial uses to provide economic vitality to the District

# College Village Overlay District – Yucaipa, CA



# College Village Overlay District – Yucaipa, CA



# College Village Overlay District – Yucaipa, CA

## Objectives also include:

- Promoting infill, transit-oriented development, and other forms of sustainable development that facilitate a dynamic environment for both daytime and nighttime usage that serves the College and community.
- Providing enhanced pedestrian amenities and improvements, including benches, special pedestrian-scale lighting, theme paving, sidewalk improvements, and fully accessible ramp improvements at intersections.
- Improving transit, bicycle, and pedestrian access from the site to the College and to other local and regional destinations; internal pedestrian pathways should feed into proposed and existing trails at Crafton Hills College and other trails in the area.
- Process will require partnerships with public and private entities, including Crafton Hills College and private property owners, to help facilitate development of the College Village site.

# Example Case Study – Urban Village, CSU San Marcos

North City - Urban Villages San Marcos (UVSM) is becoming one of the most dynamic college village districts in California

North City/UVSM current success projects:

- 846-bed student housing development
- 200-unit market-rate apartment complex
- PIMA office bldg./medical school
- Retail “Urge” micro-brewery, restaurant, bowling alley and activity center



# Example Case Study – Urban Village, CSU San Marcos



# Example Case Study – Urban Village, CSU San Marcos

CSU San Marcos to develop first P3 in CSU's 150-year history with a Brookhurst Development/UVSM Venture Partnership

New CSU Extended Learning Complex will include:

- 135,000 S.F. of classroom, laboratory, assembly and office space
- 706 space parking garage
- 14,000 S.F. of ground-level retail
- Pedestrian bridge to physically connect CSUSM with Urban Village



# Existing Conditions Analysis

## Key Findings:

- CHC's participation rate of 8 per 1000 residents is substantially below the state average for community colleges of 54 per 1000 residents.
- Enrollment decline and limited staffing continues to challenge CHC. Since 1992, full-term enrollment has only grown from 7,725 to 8,056 (4.3%).
- The City of Yucaipa is forecasted to see a further residential shift towards the elderly and retirees, more so than its surrounding communities.
- The need for CHC to pursue opportunities to enhance enrollment by meeting curriculum and housing needs of the community will become increasingly more important in the future.

# Peer Benchmarking Analysis

## Key Findings:

- 10%, or 11 campuses, of California Community College offer student housing, less than 30% national average.
- All CA community colleges with student housing are outside primary population centers.
- Nine campuses are among the smallest quartile. Average student headcount is 8,056; CHC headcount is 8,860.
- 60% have occupancy rates at full capacity, and half of those have waiting lists.

# Peer Benchmarking Analysis



# Peer Benchmarking Analysis

## Key Findings:

- Apartment-style options include kitchenette and bathroom; Dorm-styles include shared or communal bathrooms with some also including communal kitchens.
- All require adequate electronic and Internet infrastructure, security, parking and are fully furnished. Online operational systems are highly recommended.
- Determining food options/meal plans are integral to design and operation of student housing, impacting rental rates, selection of student housing vs. market-rate housing, staffing, and alternative on- and off-campus dining options.

# Peer Benchmarking Analysis (*Update*)

## Orange Coast College Student Housing, Costa Mesa

- 2016 P3 RFP awarded to Servitas
- High-density urban environment
- 817 beds + mixed-use
- Long-term ground lease
- Financing through tax-exempt bonds



### Orange Coast College – Stated Goals

- Become a 7-day a week campus through a live/learn environment
- Increase GPAs and student retention; extracurricular activity opportunities
- Aid in student recruitment by providing affordable housing
- P3 - Minimize project costs while creating long-term revenue source

# Off-Campus Housing Supply

## Key Findings:

- Less than 150 existing apartment units in the entire City of Yucaipa are applicable for student/faculty housing, most within only two complexes.
- Only 20% of CHC students renting their housing live in Yucaipa; the remainder live in neighboring cities and commute to CHC.
- Average rental rates are in the range of \$1.63 to \$1.89 per square foot per month; student housing costs should not exceed market rates.
- Political climate provides favorable circumstances to support development of student housing in the College Village District as opposed to higher density market-rate apartment complexes.

# Student/Faculty/Staff Survey

- Highly collaborative endeavor between SBCCD and Brookhurst -- *Thank you SBCCD!!*
- Survey sent to all SBCCD students, faculty and staff of both campuses with email requests coming from Presidents Zhou and Rodriguez.
- Web-based survey included 52 multiple choice questions to gauge demographics, employment, demand, current housing costs, future academic plans, amenities desired and numerous other factors.
- Survey was launched March 20, 2017 and closed June 12, 2017 with 3,165 responses received. Responses are considered “statistically significant” at a 95% confidence level with a 3.5% margin of error.

# Student/Faculty/Staff Survey

## Key Findings:

- 86% of CHC students attending CHC do so primarily because it is the closest college to where they live and/work.
- 80% of CHC students indicated they would be interested in living in student housing adjacent to the campus. 77% of SBVC students also indicated a desire to live in student housing next to CHC, provided that SBCCD could provide shuttles/transportation to SBVC.
- 81% of SBCCD students are single; 83% are under the age of 29 while 69% are under 24.
- More than two-thirds of all SBVC and CHC students indicated they intended to transfer to a 4-year university prior to or upon graduation.

# Student/Faculty/Staff Survey

## Key Findings:

- 52% of CHC students are full-time, which is significantly higher than the national average of 40%.
- 55% of those interested in student housing indicated they would be interested in renting for two years or longer.
- Faculty/staff were predictably much older, commuted from much further distances, more likely to have spouses/children, lived in larger dwellings and/or were home owners, and were significantly less interested in housing.
- Domestic students showed a slightly higher interest in student housing than foreign students, which is contrary to the popular notion that a primary reason to have community college student housing is to attract foreign students.

# Conclusion - Challenges

- **Land Acquisition:** Who will negotiate and purchase the land – private developer, SBCCD, City of Yucaipa or a combination?
- **Site Development:** Significant grading needed; Infrastructure – roads, sewers, utilities.
- **Entitlements:** Who will take the lead on EIR/CEQA processes?
- **Phasing:** How will the student housing project be sequenced in the development of College Village?
- **The current Yucaipa City Council is adverse to developing market-rate multi-family housing within the College Village District, which could be necessary for financial feasibility of the District's overall development.**

# Conclusion - Challenges

- Demographic projections for the City of Yucaipa show a decreasing population within the 20 to 29 age group, which currently comprises about 60% of CHC students
- The survey revealed that faculty/staff require workforce housing more consistent with the single-family detached housing already in the region. This would require SBCCD to take on financial and market risks of development in which it has no experience
- Financial feasibility of student housing currently uncertain

# Conclusion - Opportunities

## Student housing provides educational benefits:

- Potential revenue generated through ground lease and/or dorm fees
- A sense of belonging to the college; 24/7 live-learn environment
- Increased retention of those outside commuting area
- Improved collaborative learning among students
- Higher level of student-faculty engagement
- Greater openness to diversity
- Close proximity allows greater access to campus resources (e.g. library, tutoring, faculty hours)
- Removal of campus commuting increases time allocated to scholastics
- Higher graduation percentages for under-served minority students

# Conclusion - Opportunities

## Student housing provides educational benefits:

- Improved level of academic and career advisory
- Students living in campus student housing typically average higher GPAs compared to those that do not
- Demand exists: Significant majority of students surveyed interested in student housing; Yucaipa lacks sufficient student housing near CHC
- Environment exists: Favorable current political climate in City of Yucaipa to include student housing and supportive amenities in College Village development

# Conclusion - Recommendations

- **Collaboration needed: Enhanced cooperation & communication among SBCCD, CHC and City of Yucaipa supports success. Recommend steering committee structure including stakeholders such as YCJUSD & CRY-ROP.**
- **Phase I results significant enough to warrant Phase II Feasibility Study – financial analysis.**