

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

FEASIBILITY STUDY UPDATE & STUDENT HOUSING ADVISORY SERVICES

OCTOBER 11, 2022

SUBMITTED BY THE SCION GROUP



scion
ADVISORY SERVICES

October 11, 2022

Mr. Owen Letcher
Vice Chancellor, Facilities and Bond Program
Chabot-Las Positas Community College District
7600 Dublin Blvd., 3rd Floor
Dublin, CA 94568

RE: Feasibility Study Update & Student Housing Advisory Services

Dear Mr. Letcher:

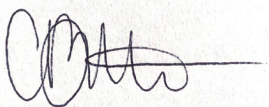
On behalf of Scion Advisory Services (“Scion”), I am pleased to present our interest, approach, and proposal to the Chabot-Las Positas Community College District (CLPCCD) for comprehensive Student Housing Advisory Services with Feasibility Study Update to support CLPCCD in its continued exploration and potential execution of a student housing project. These services will continue and expand upon the work already accomplished in our Fall 2019 engagement.

Our proposed scope of work will update the Fall 2019 Study to further conceptualize potential student housing at each College to develop a competitive SB169 application for Chabot College and Las Positas College.

Through this engagement, Scion will conduct additional student focus groups, administer a new survey, conduct updated survey and demand analyses, which will result in a proposed housing program for each College. In this Phase, Scion will work with an architectural firm to further define and conceptualize the identified proposed housing program to prepare for the July 2023 application.

Thank you in advance for your consideration. We look forward to continuing to work with CLPCCD. Should you have any questions or need any additional information, please do not hesitate to contact me at 2603-244-9308 or cbennett@thesciongroup.com.

Sincerely,

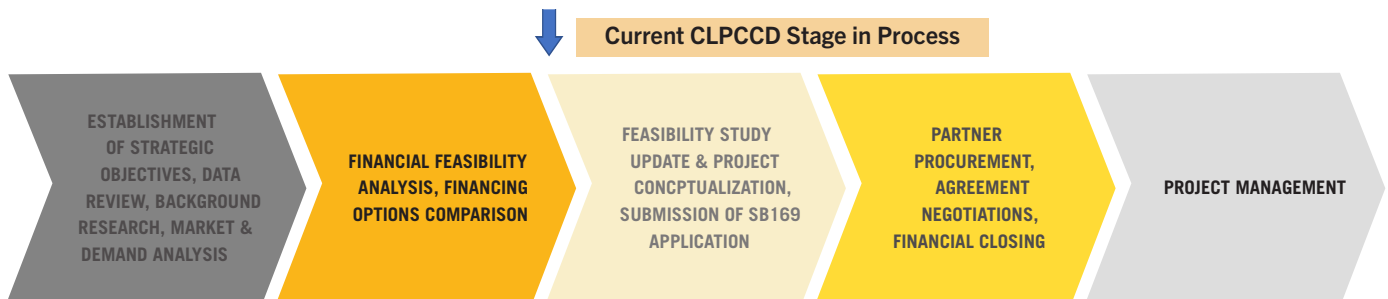


Chelsea Bennett
Associate Vice President, Client Relations
The Scion Group, Advisory Services

Empowering Decision-Making for the Chabot-Las Positas Community College District

Providing affordable, high-quality, on-campus housing to students who are struggling in California’s housing crisis could be life-changing. Recognizing that this crisis disproportionately impacts community college students, the State of California provided billions in dollars through SB169 for all three California higher education systems (50% to community colleges) to address students’ housing needs. SB169 has provided funding to projects that struggled to attract private investment through P3 development because of increased illiquidity in the public debt markets beginning in the first quarter of 2022.

Scion’s objective is for CLPCCD and its Colleges to be best positioned to compete for this phenomenal funding source to finance all, or a portion of, a project that supports the District’s mission and its students. A highly competitive SB169 funding application first requires an analysis of CLPCCD student preferences and cost sensitivities and financial feasibility testing, which we have already accomplished. Ultimately, our services are phased into five broad categories, as seen below and explained in greater detail in the following pages. We are currently mid-state in this process, as indicated by the arrow.



PROJECT UNDERSTANDING: SCOPE OVERVIEW

Chabot-Las Positas Community College District first engaged Scion in Fall 2019 to complete a Student Housing Market and Demand and Financial Analysis for Chabot College and Las Positas College. The results from the Fall 2019 Study were published in Spring 2020, in the early days of the COVID-19 Pandemic, concluded there was sufficient demand at each College to continue due diligence. Ultimately, further exploration was paused as the District and Colleges focused their attention to managing their response to the pandemic.

Ultimately, the COVID-19 Pandemic only exacerbated the housing insecurity and basic needs challenges for CLPCCD students and students across California. Recognizing the continued need and the potentially life-changing impact of access to affordable housing at one or both CLPCCD Colleges, Scion is ready to update the Fall 2019 Study and work alongside District and College leadership to develop a highly-competitive construction funding application for the July 2023 submission.

PHASE I: FEASIBILITY STUDY UPDATE

Scion proposes the following process to update the Fall 2019 Study and develop a proposed housing program for each College's SB169 Application.

Project Re-Initiation Call & Updated Data Gathering

Scion will conduct a brief call with the District and Colleges' points of contacts to discuss timeline, scheduling, survey administration, and data gathering.

Campus Visit I (1-2 days)

Scion will visit the Colleges for one day each to facilitate the strategic objective alignment session and student conduct up to four student focus groups per College.

Strategic Objectives Session

Scion will conduct an interactive Strategic Objective Alignment session for each College. During this session we will facilitate an engaging conversation among key College and District leadership regarding how, if at all, the vision for housing at College may have changed since Fall 2019. During the session, we will also revisit the previously established objectives and update the objectives, if applicable.

Online Student Survey

Scion will develop and administer an online student survey targeted to the Colleges' students needs and preferences for potential student housing that could be funded through SB169 funding and/or through a public-private partnership (P3).

Survey & Demand Analysis

Scion will conduct a full survey-analysis, which will illuminate current living situation, student housing preferences, cost tolerances, unit-type preferences and other critical housing data. Informed by the quantitative data (survey analysis and college enrollment data) and the qualitative data (student focus, strategic objectives session), Scion will calculate demand for student housing at various price points and develop a proposed housing program for each College.

PHASE II: Project Conceptualization and SB 169 Application Development

Through regular communication with the Chancellor's office and with other CCLC member institutions, Scion understands that the Chancellor's office is managing the application process for student housing construction funds promulgated under SB169 and in subsequent trailer bills.

As of submission, Scion understands that new construction funding applications, which will effectively be open to all California community colleges, will be due in January 2023. After January 2023, the next funding application deadline will likely be July 2023. Both dates are not yet confirmed by the Chancellor's office. Per our most recent understanding, both CLPCCD College's will submit in July 2023 for FY 2024 funding.

Project Conceptualization

Scion will work with an architect to be secured by CLPCCD to further refine the program developed during the financial feasibility analysis. Scion will schedule and attend various meetings and work sessions with the architect, the District, and the Colleges, to present various design scenarios to the stakeholders for feedback, make adjustments to satisfy constructibility and cost concerns and conduct a rigorous site analysis to ensure it is development ready and best suits the purpose of student housing.

With the finalized program and initial architectural and planning priorities established, the architect will produce a series of plans and drawings to support the future SB169 application. The District and the Colleges will have final approval of these drawings. The architect will also provide cost estimating services for further financial analysis. Scion will use the final program assumptions, supported by the drawings, to produce a final pro forma to estimate the total District or College financial commitment, and identify the rents required per bed or unit. This pro forma will serve as the foundation for the SB169 application.

Total Cost of Ownership Refinement

As mentioned before, Scion will support the identification and refinement of financial responsibilities to the Colleges should they choose to proceed with the project. The TCO is critical, independent of project financing or who owns the improvements. In the case of full College ownership, the College must understand the additional costs it will be liable for to host the project, as well as capital needs for system replacement.

CEQA Process

When considering construction funding applications, the Chancellor’s office will want to see that Districts and Colleges have invested in site identification and characterization. One way to accomplish this will be to perform the comparative site analysis mentioned previously. Another is to initiate the California Environmental Quality Act (“CEQA”) process with the applicable state agencies. Scion recommends retaining a CEQA consultant to expedite the process and initiate it prior to submission of the application in July 2023.

Preparation of FY 2023 Construction Funding Application for Student Housing under SB169

Scion will lead the drafting and development of CLPCCD’s FY 2023 construction funding application for one or more of its Colleges to the Chancellor’s Office (or appropriately designated receiving agency). This requires collaboration with CLPCCD staff, each of the Colleges, and other any consultants retained by CLPCCD to develop and refine a program that Scion believes will be competitive. Scion will deliver a draft, along with all attendant analyses, to the District’s and Colleges’ Boards of Trustees in sufficient time to review and approve the submission prior to the deadline.

Professional Fees

Scion proposes the following professional fees for each of the phases described above.

Phase	Fee
PHASE I: Feasibility Study Update	\$40,000
PHASE II: Project Conceptualization & SB169 Application Development	\$120,000

The Scope of Work will begin on or before November 7, 2022 and terminates at July 2023 SB169 application submission, unless otherwise mutually agreed upon by the parties.

Scion does not typically provide work on a time and materials basis and prefers fixed fees for services.

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