Education Workforce Housing in California:

Developing the 21st Century Campus

CENTER FOR CITIES+SCHOOLS
UNIVERSITY OF CALIFORNIA BERKELEY

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This Research Report is a collaborative effort between cityLAB at the University of California Los Angeles and the Center for Cities + Schools and the Terner Center for Housing Innovation, both at the University of California, Berkeley. A companion Education Workforce Housing Handbook also provides key information in a user-friendly format for school boards, administrators, and community members. See https://citylab.ucla.edu/education-workforce-housing-handbook.

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The report can be found at: https://citylab.ucla.edu/education-workforce-housing-research-report. The companion Handbook can be found at: https://citylab.ucla.edu/education-workforce-housing-handbook.

Executive Summary

Among the many negative consequences of California's longstanding and deepening housing crisis is the toll it takes on people who work in public service jobs, especially the hundreds of thousands of teachers and other employees working in the public school system. Many of the 300,000 public school teachers cannot afford to live in the communities where they work, forcing them to commute long distances or pushing them out of the education system altogether. Attracting new teachers has also grown more challenging. Housing prices have climbed across the state, yet the majority of the nearly one thousand local educational agencies (LEAs) in California offer entry-level teacher salaries below the Area Median Income.

Importantly, there are racial disparities embedded in these teacher staffing challenges. Teachers of color are already underrepresented among California's public educators and they are more likely to experience housing cost burdens. Staffing challenges are even more acute in LEAs enrolling low-income and historically underserved students, where they have long suffered higher rates of both teacher turnover and teachers with substandard credentials. Thus, teacher recruitment and retention challenges are disproportionately impacting already disadvantaged students in California, working against efforts to close educational equity gaps.

As housing affordability challenges intertwine with staffing challenges, more and more LEAs are considering building workforce housing on land they own. The Teacher Housing Act of 2016 authorizes California LEAs to pursue affordable housing for employees and shifts the playing field on development finance. LEAs can now address employee housing by leveraging a range of programs and fiscal resources available to other housing developers. The Act establishes that housing stability for LEA employees is "critical to the overall success and stability of each school in California." There are early indications that such efforts to build on LEA-owned land can

have positive impacts on teacher attraction and retention. Santa Clara Unified School District's Casa del Maestro reduced its attrition rate by two-thirds for teachers supported by the housing development, compared with others in the same cohort, and waitlists demonstrate consistently high demand—80% of its tenants stay the full allowable rental term.

This report provides an extensive review of the need for public education workforce housing solutions, where and how such strategies can—and are—being implemented, and recommendations to advance housing solutions on LEA-owned land. Our analysis finds that:

Every County in California Has LEA-Owned Land Potentially Suited for Developing Workforce Housing

As community landowners, LEAs have a unique advantage in the affordable housing development process. There are more than 150,000 acres of land owned by LEAs all across California. According to our analysis, there are 7,068 properties with potentially developable land of one acre or more, totaling 75,000 acres statewide. This is about the size of five Manhattans. More than half (61%) of these properties are located where beginning teachers face housing affordability challenges. More than 40% of these properties are located in areas that are likely to be competitive for key affordable housing financing tools.

Every county in California has LEA-owned land that is potentially developable, so education workforce housing could help meet the housing needs of public education employees across the entire state. While our analysis reveals tremendous opportunity throughout California— especially in locales where LEA employees face housing affordability challenges—each property will require careful, on-the-ground assessment.
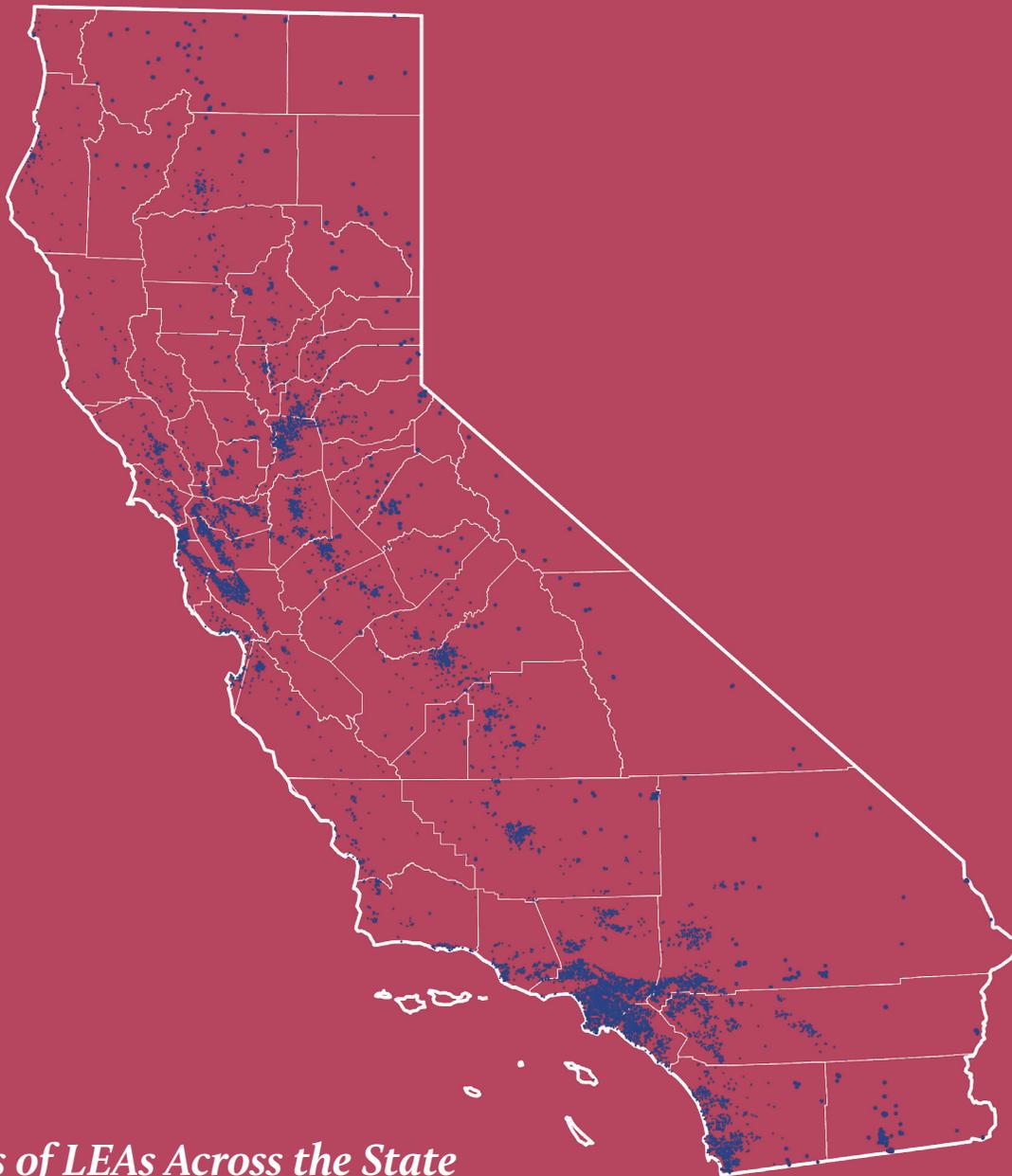
Dozens of LEAs Across the State Are Already Taking Steps to Build Workforce Housing

California is home to just four completed education workforce housing developments undertaken by two LEAs: Los Angeles Unified and Santa Clara Unified. However, it is clear that interest in pursuing workforce housing strategies is growing as more LEAs take steps to build such housing developments. Between June 2018 and November 2020, eight California LEAs put propositions or measures before local voters to fund education workforce housing development. Six of the measures passed.

Our statewide scan of LEAs finds that many more are likely to follow suit. We identified 46 LEAs pursuing projects on 83 sites that stand at various stages of completion, ranging from a public expression of interest in education workforce housing to completed and occupied developments. These LEAs face greater teacher recruitment and housing affordability challenges compared to others in the state and are leading the way.

Development Timeline

1. Stage: Preliminary Exploration

1.1. First Conversations   Goals

- 1.1.1 Goal: Familiarize LEA Members with Land Development

1.2. Initial Research - Land

- 1.2.1 Goal: Survey Property Holdings
- 1.2.2 Goal: Select Potential Parcels

· · Word of Warning

1.3. Initial Research - Survey and Financing

- 1.3.1 Goal: Survey LEA Staff
- 1.3.2 Goal: Understand the Political and Financial Landscape

1.4. Initial Community Outreach

- 1.4.1 Goal: Conduct Initial Community Conversations
- 1.4.2 Goal: Decide on Development Path
- 1.4.3 Goal: Outline Resident Population Options

· · Potential Opportunity
· · Word of Warning

1.5. Move Forward with Site Options

- 1.5.1 Goal: Narrow Down Site List
- 1.5.2 Goal: Issue RFP for Feasibility Analysis

1-2 Years

2. Stage: Feasibility

2.1. Produce Feasibility Report   Goals

- 2.1.1 Goal: Select a Firm for Feasibility Report and Complete Analysis
- 2.1.2 Goal: Establish Core LEA Team
- 2.1.3 Goal: Present Feasibility Report to Board

2.2. Continue Community Outreach

- 2.2.1 Goal: Conduct Sustained Community Outreach

2.3. Finalize Development Plans

· · Word of Advice

- 2.3.1 Select Site
- 2.3.2 Select Project Design
- 2.3.3 Finalize Financing Strategy

· · Note on Efficiency   Goals

- 2.3.4 Finalize Land Agreement
- 2.3.5 Issue RFP for Development

1-1.5 Years

3. Stage: Development

3.1. Finalize Development Team   Goals

- 3.1.1. Select Developer

· · Word of Advice
· · Baton Pass

3.2. Complete Pre-Construction Process

- 3.2.1. Secure Entitlements
- 3.2.2. Finalize Project Design
- 3.2.3. Produce Final Documentation
- 3.2.4. Select Contractor

1-3 Years

4. Stage: Construction

4.1. Begin Construction   Goals

- 4.1.1. Break Ground
- 4.1.2. Monitor Construction Process
- 4.1.3. Establish Tenancy and Property Management Strategies

4.2. Finish Construction

2-2.5 Years

5. Stage: Leasing Up

5.1. Act on Tenancy Strategy   Goals
5.2. Lease Up Units

.5-1 Year

6. Stage: Management & Operations

6.1. Act on Property Management Strategy   Goals

6.2. Maintain the Property Through its Useable Lifetime

LEAs Can Learn from Completed Developments and Partnerships to Navigate the Complex Process of Building Housing and Securing Community Buy-in

Planning, designing, and completing a workforce housing project successfully is an inherently complex process. This report synthesizes the experiences of numerous LEAs, outlining the development process from extensive information in school board meeting minutes, presentations, and design documents.

Much of what makes education workforce housing development unique occurs in the "predevelopment" stage where initial decisions about site, design, tenancy, and financing are made, and where community engagement begins. After predevelopment, subsequent phases follow relatively standard development, financing, and construction practices. Because LEAs typically do not have experience in housing development, partnership agreements are routine to connect with experienced consultants, developers, and financial professionals who provide technical expertise and guide the way. They are also important partners with LEAs on the crucial work of community engagement throughout the development process to increase chances of a project's success.

Policymakers and LEA Leaders Can Take Concrete Steps to Advance the Development of Education Workforce Housing

Our findings illustrate the unique development potential on public K-12 education lands across California and help empower interested LEAs with guidance and tools to assess whether constructing new homes might be the right solution for them. These findings also highlight the need for state policy action to better facilitate the development of education workforce housing.

While no one strategy will fully alleviate the state's deeply rooted housing affordability challenges, it is clear that taking steps to improve the housing stability and affordability for teachers and other LEA staff is a crucial part. Such efforts can help address recruitment and retention challenges for LEAs as well as racial disparities in both educational quality and housing access.

What LEAs Can Do to Effectively Pursue Education Workforce Housing

- Develop partnerships with community before and throughout the process
- Prepare for a lengthy process: due diligence and project champions are key
- Design solutions must be specific to the school, the site, and the neighborhood
- Keep the process of site evaluation and selection transparent

What State Agencies and Other Partners Can Do To Help LEAs Pursue Education Workforce Housing

- Increase land use flexibility and streamline approvals process
- Expand financing tools available
- Build the capacity of LEAs

The full research report is coupled with a toolkit entitled Education Workforce Housing in California: The Handbook, both of which can be found online: https://citylab.ucla.edu/publications. These resources provide an understanding of how housing gets built, strategies for overcoming challenges to building such housing, and frameworks for ensuring housing meets the specific needs of each LEA and community.

Table of Contents

Handbook

This research report is accompanied by Education Workforce Housing in California: The Handbook, an easy-to-follow guide to developing housing on LEA properties. The companion can be found at https://citylab.ucla.edu/education-workforce-housing-handbook.

Figure List

Terminology

Area Median Income (AMI)

The median or midpoint within a region's income distribution. Within a region, half of households will have incomes higher than the median, while half of households will have incomes lower than the median.

Beginning teachers

First and second year teachers.

Buildable envelope

The maximum extent of buildable area on a given site, limited by setbacks, maximum heights, and other restrictions (not to be confused with "building envelope" which is a structure's exterior skin).

Credentialed staff

Teaching staff in LEAs.

Classified staff

Non-credentialed LEA staff, such as custodians, food service employees, or bus drivers.

Education workforce housing

Refers broadly to below market rate housing units provided for LEA employees.

Local Educational Agency (LEA)

We use the term "local educational agencies" (LEA) to refer collectively to California public K-12 school districts and county offices of education.

Low Income Housing Tax Credit (LIHTC)

The federal program, administered by states and local LIHTC-allocating agencies, which issues tax credits for the acquisition, rehabilitation, or new construction of affordable rental housing targeted to low-income households. California also administers the California State Low Income Housing Tax Credit, which is primarily awarded to recipients of the federal credit.

Precedent projects

These are related undertakings that serve as models, such as already-built education workforce housing projects.

Pro-forma analysis

The calculation of the projected financial results of a proposed development project, including both income and expenses based on certain assumptions (for example, estimations of construction costs, fees, as well as rental income).

Regional Housing Needs Assessment (RHNA)

The process California's Department of Housing and Community Development (HCD) follows to determine the total number of new homes a region needs in order to meet the future housing needs of all income levels. Regional planning agencies then distribute a share of the region's housing needs to each town, city, and county in the region. Local governments must then develop a plan to meet their RHNA allocation by updating their Housing Element in their General Plan.

Site improvements

Any construction of or improvement to infrastructure like sewers, roads, parking, land grading, sidewalks, drainage structures and utilities.

Site yield

The number of housing units or apartments that can be built on a given site, following all regulations and restrictions .

Tax Credit Allocation Committee (TCAC) Opportunity Area Map Designations

The mapping tool commissioned by HCD and TCAC and developed by the California Fair Housing Task Force to identify areas in every region of California whose characteristics have been shown by research to support positive economic, educational, and health outcomes for low-income families—particularly long-term outcomes for children. TCAC uses the map to inform allocation of the 9% LIHTCs for Large Family housing, while HCD uses the map in its Multifamily Housing Program funding decisions.

Typology

A classification that places a subject into a specific group. This term is used extensively when discussing the types of sites an LEA may own.

Vehicle Miles Traveled (VMT)

The total annual miles of vehicle travel divided by the total population within a geographic region.

Introduction: Education Workforce Housing in California

1

California faces rapidly rising housing costs. Statewide, three million renters are considered "rent-burdened" (paying more than 30% of their income on rent) and more than half (1.7 million) of these renters are considered "severely rent-burdened" (paying more than 50% of their income on rent).[1] Rising housing costs—driven in part by severe housing shortages—are particularly acute in already high-cost regions. Employees in public service sectors—especially teachers and other employees of California's nearly 1,000 local educational agencies (LEAs)[2]—are feeling the strain.

Nationally, 35% of educators are considered rent-burdened,[3] but the problem is especially pronounced in California.

Teacher salaries in California have been unable to keep up with the worsening housing crisis as costs to rent and buy homes soar across the state.

With increasing frequency, news headlines highlight how more and more California public school teachers struggle to afford to live in the same communities where they work, forcing them to take on long commutes or pushing them out of the education system altogether: "Bay Area Housing Prices Fall Hard on School Teachers" (Mercury News),[4] "Teachers struggle with skyrocketing housing costs" (Mountain View Voice);[5] "Low pay, high SF housing costs

equal 1 homeless math teacher" (San Francisco Chronicle);[6] "Rising rents in coastal California outpace teacher pay" (EdSource);[7] "More teachers can't afford to live where they teach" (National Public Radio);[8] "Is Silicon Valley driving teachers out?" (The Atlantic).[9] Many LEA employees struggle to afford to live in the same communities where they work.[10]

In tandem with the state's housing crisis, California also faces a growing public education workforce crisis: teacher shortages. The average LEA teacher turnover rate is 12% and emergency credentialing of teachers has increased dramatically in recent years.[11]

Teacher recruitment and retention are growing challenges in LEAs across the state.

As housing affordability challenges intertwine with LEA staffing challenges, numerous housing-focused programs have emerged to provide more affordable housing options for teachers and other LEA staff. These specialized programs emerged because public school teachers tend to get stuck in the middle, where their salaries are too low to compete in the local housing market but too high to qualify for traditional affordable housing. Thus, even though some new affordable housing is being built in communities across California, many teachers do not qualify to live in these units because their salaries (especially early career salaries) are often just above the incomes targeted in affordable housing developments. At the federal level, the US Department of Housing and Urban Development (HUD) has established the Good Neighbor Next Door Program, which discounts the list price of a home. At the state level, the MyHome Assistance Program offers deferred down payment junior loans. Other homeownership programs have been established by organizations such as Supreme Lending and

Landed, that include down payment assistance and steep discounts on realtor fees, and/or closing costs. Additionally, some LEAs in California offer mortgage down payment assistance to their employees.[12] (See Appendix 2 for more detail on available assistance programs.)

Some California LEAs are looking to go even further and actually build housing for their employees. The state legislature passed the Teacher Housing Act of 2016, which formally authorizes LEAs to pursue affordable employee housing. As described later in the report, since June 2018, eight California LEAs have put a proposition or measure before local voters to fund education workforce housing development— six of these measures passed. In June 2021, Los Angeles Unified School District announced a new effort to build more affordable housing for teachers and school staff.[13]

Land is essential to developing housing; land is also a major cost-driver in housing development.

LEAs have a unique advantage in developing housing because they already own land in the communities they serve.

In fact, there are more than 150,000 acres of land owned by LEAs in California (Figure 1). As California policymakers seek out different ways to increase the supply of, and access to, affordable housing, assessing the potential for building housing units on excess or underutilized public school property may offer a strategic opportunity.

In this report, we examine the potential for developing employee housing on LEA-owned land in California. This is the first research report to create a comprehensive database of land owned by LEAs across the state, as well as

the first report to engage in a robust, data-based review of California's LEA-led housing initiatives. Both aspects of the research help to explain the stages, decision-making processes, and potential locations for creating education workforce housing in our state. Our work builds on a small, but growing literature on this issue,[14] first by reviewing data for education workforce housing initiatives in California (both those ongoing and prior to the time of writing), and then by diving specifically into the process of developing education workforce housing to offer practical insights for LEAs considering such strategies.

We use the term education workforce housing to refer broadly to below market rate housing units provided for LEA employees, be they teaching staff (i.e., "credentialed"), other non-credentialed staff such as custodians, food service employees, bus drivers (i.e., "classified"), or administrative staff. However, much of the focus in the field has been on teaching staff. Because of this focus, and the fact that California LEAs face steeper challenges attracting and retaining teaching staff (as opposed to other staff), in this report we pay particular attention to teachers.

The report is organized as follows. We begin by looking at why building education workforce housing on LEA-owned land can address the intertwined challenges of staffing and local housing unaffordability, and what policy and finance levers exist to support the development of education workforce housing. Next, we look at where in California education workforce housing might work well. To do so, we inventory all LEA-owned land across the state and identify where they overlap with staffing and housing related challenges and opportunities. From there, we look at which LEAs are considering developing workforce housing and learn from the handful of existing projects. Based on experience across the state, we then report findings on the local development process. We conclude with policy recommendations to move the field forward in

making education workforce housing on LEA-owned lands a scalable strategy.

Our findings illustrate the unique development potential on public K-12 education lands across California. They highlight the need for state policy action to better facilitate the development of education workforce housing. The findings also help empower LEAs by providing guidance and tools to determine whether constructing new homes on their land might be the right fit for them. These resources provide an understanding of how housing gets built, strategies for overcoming challenges to building such housing, and ensures housing meets the specific needs of each LEA and community. In addition to the data analysis and modeling completed as part of this project, our research is informed by conversations with stakeholders in the field.

Figure 1: LEA-Owned Land in California

		All Properties		
		Number of Properties	Median Acres	Total Acres
By LEA Type	K-12 School District	10,501	9	142,743
	ESD	2,638	10	28,637
	HSD	633	25	18,759
	USD	7,230	9	95,347
	County Office of Ed.	386	4	8,757
	Total	10,887	9	151,500
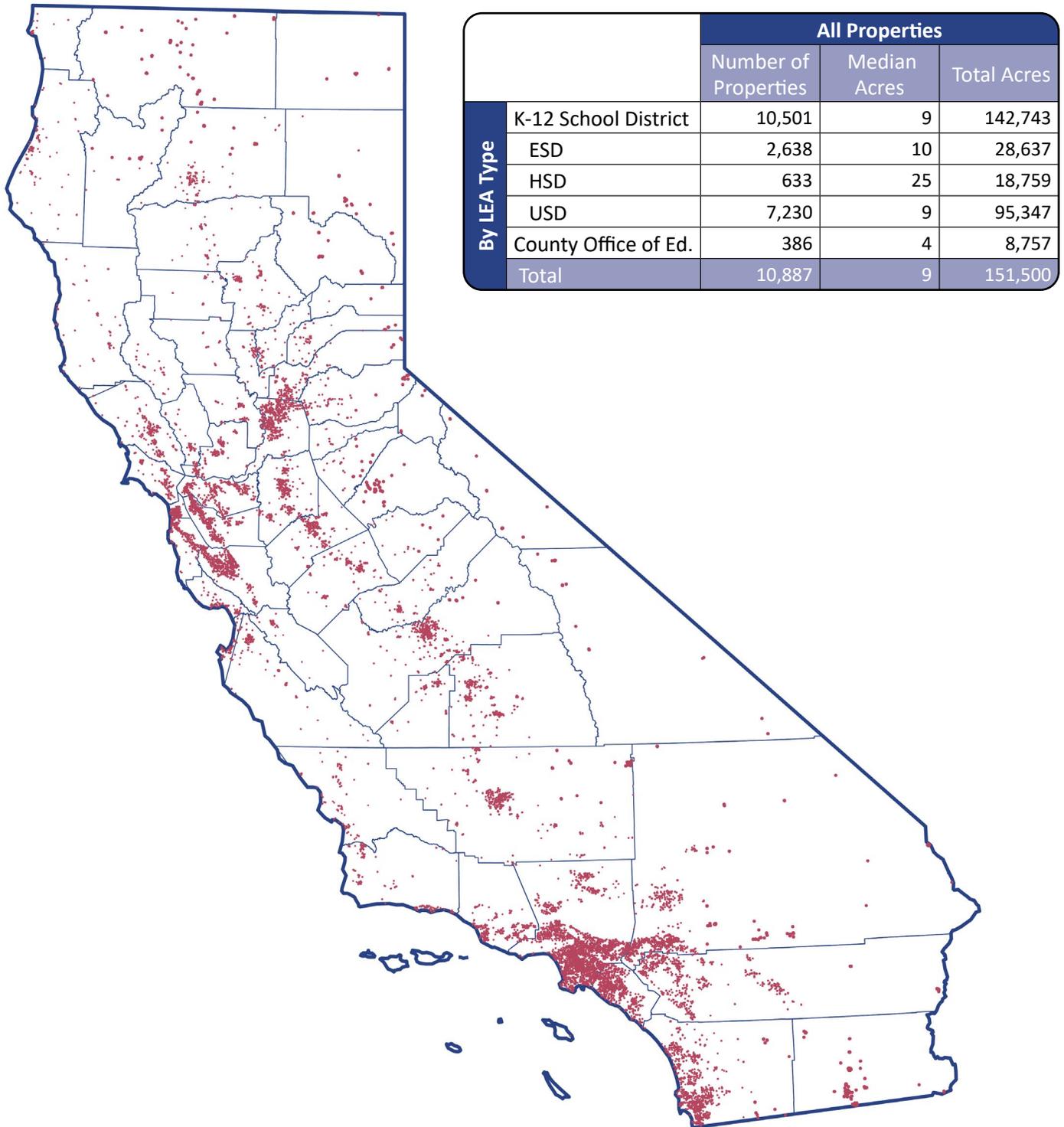
Source: Author analysis of County Assessor's land ownership data as described in Appendix 1.

Why Build Housing on Lands Owned by Local Educational Agencies?

2

The growing interest in building workforce housing on land held by LEAs comes amidst two intertwined crises in California. On the one hand, California LEAs face strong challenges in teacher recruitment and retention. A significant piece of that challenge stems from salary constraints, which become particularly stark given the high cost of so many of California's housing markets. On the other hand, the state as a whole has a growing housing crisis—new housing supply has not kept up with demand for decades and the result is fierce competition for both rental and for-purchase units, further driving up costs.

As housing becomes more expensive, many educators get priced out of local housing markets. As we illustrate below, this dynamic appears especially true for early career teachers. Many LEAs are unable to raise salaries in accordance with rapidly increasing housing costs. In this section, we review the confluence of these challenges for LEAs and education staff.

Teacher Recruitment and Turnover Challenges Have Grown Substantially in California

In recent years, LEAs across California have experienced drastic teacher shortages.[1] These workforce shortages are driven by several factors, including efforts to reduce class sizes, teacher turnover, teacher attrition, and low teacher preparation enrollments.[2] A clear indicator of the teaching staff shortages California LEAs face can

be seen in the increased hiring of teachers who are not fully credentialed, increased reliance on an already short supply of substitute teachers, and/or having teachers teach outside their subject areas of expertise. Teachers hired with substandard credentials (i.e., emergency permits that allow people who have not completed a teacher preparation program to teach for one year, intern credentials that allow people to teach while still taking teaching courses, or permits that allow credentialed teachers to teach outside of their subject areas) increased 260% statewide from 2012-13 to 2016-17.[3] In 2017-18, 34% of new teaching hires by California LEAs had substandard credentials for at least one of the subjects they were authorized to teach.[4]

Teacher turnover is a persistent challenge for many LEAs in California.

Between 2016-17 and 2017-18, 12% of California teachers either left public school teaching in the state (9%) or moved to another California district (3%).[5] Of course, teacher turnover rates can vary widely from LEA to LEA, but during this period nearly 30% of California LEAs had teacher turnover rates above 10%.[6]

Also contributing to the teacher shortage is low teacher preparation enrollments; fewer adults are entering the public education teaching workforce. Enrollments in teacher preparation programs (in order to become a fully "credentialed" teacher) statewide declined by more than 75% from 2001 to 2014.[7] Since then, enrollments have slowly increased each year, but The Learning Policy Institute estimates that even if the uptick continues, it would take 17 years for California to reach 2001-02 teacher preparation program enrollment levels.[8]

These staffing challenges negatively affect LEAs and student achievement. High teacher turnover

(which results in less consistency in teaching and relationship building with students) has been found to be associated with lower student achievement, especially in English Language Arts (ELA) and math test scores.[9] It also hinders teacher collaborations for instructional improvements, which take time to develop and implement.[10] Researchers have found evidence of detrimental student achievement performance as a result of teachers with substandard credentials.[11] In addition to being taught by underprepared teachers, these students face course cancellations and some attend larger classes because qualified teachers cannot be found.[12] Teacher turnover is also very costly to LEAs who must recruit and retrain staff.[13]

While a variety of factors influence a teacher's decision to remain at their school or in the profession at all, a key factor is teacher salary levels.[14] Teachers with five or fewer years of experience earn about 20% less than individuals with college degrees in other fields.[15] Unsurprisingly, teachers leave the profession at high rates (between 19% and 30% nationally) during their first five years of teaching.[16] Furthermore, the wage gap between teachers and similarly-educated workers in other fields tends to grow over time and tenure. Over time, this wealth gap grows, placing teachers at a disadvantage, particularly in areas with high housing costs.

It is likely that the COVID-19 pandemic will further exacerbate the teacher shortages that California LEAs face. In early 2021, the California State Teachers' Retirement System (CalSTRS) reported a significant increase in teacher retirements driven in large part by concerns associated with COVID-19.[17] As LEAs reopen schools for on-site instruction, additional school staff may also be needed to achieve smaller class sizes and other COVID mitigation recommendations. Lastly, the challenges of teaching amidst a lingering pandemic are

also likely to push many teachers out of the profession.[18]

Teacher shortages are having a disproportionate impact on already disadvantaged students in California.

Importantly, there are racial disparities embedded in teacher staffing challenges, which work to widen and reinforce educational equity gaps. LEAs enrolling more low-income students and historically underserved students tend to have higher teacher turnover rates and higher rates of teachers with substandard credentials.[19]

California's Housing Affordability Crisis Continues to Deepen and Spread

Despite strong population growth in California since the 1990s, housing supply has not kept up. California has under-built housing relative to demand for decades (Figure 2). California's Department of Housing and Community Development estimates that the state needs 180,000 new homes each year over a ten-year period (from 2015-2025) to keep up with population growth.[20] This unit production goal has only been met in three years since 1990, as shown in Figure 2.

While the state as a whole has struggled to build enough homes to match population growth, cities and jurisdictions are also failing to meet the affordability targets for new construction assigned to them as part of the 5th Cycle Regional Housing Needs Assessment (RHNA) allocations.[21] RHNA progress report data show that, in particular, local jurisdictions are far behind their allocations for new housing that is affordable to households earning below 120% of the Area Median Income (AMI), despite most jurisdictions being more than half way through their 5- or 8-year reporting periods (Figure 3). Less than 15% of the units intended to be affordable to households making 80% AMI or below have been built.

Not only has new housing supply not kept pace with demand overall, but many of California's metropolitan areas have actually seen steep pullbacks in the pace of new housing permizts in recent decades. This slowdown has been particularly pronounced in coastal markets like San Francisco, Los Angeles, and San Diego.[22] The slowdown in new housing permits is occurring at the same time as California experiences some of the country's strongest employment and wage gains.[23]

The gap in housing supply relative to demand, paired with California's high land and building costs, have led to a dramatic increase in housing prices in recent decades. Bottom-tier home prices (measured as the bottom one-third of the regional home price distribution) in each of the state's largest housing markets (Los Angeles, San Diego, San Francisco, and San Jose) now exceed $300,000. Fewer than 42% of California households and fewer than one-third of households in San Jose and Los Angeles earn enough to purchase a bottom-tier home in their region.[24]

As entry-level homeownership prices have grown out of reach to many households, pressure on rent prices has increased steeply. As annual rent increases continue to surpass wage growth, more and more California residents higher up in the income distribution ladder are facing housing cost burdens.

Figure 2: Annual Permitting of Residential Units Compared to Projected Statewide Need for Additional Homes (1975-2019)

Single-Family ■   Multi-Family ■   ——180,000 Unit Production Goal
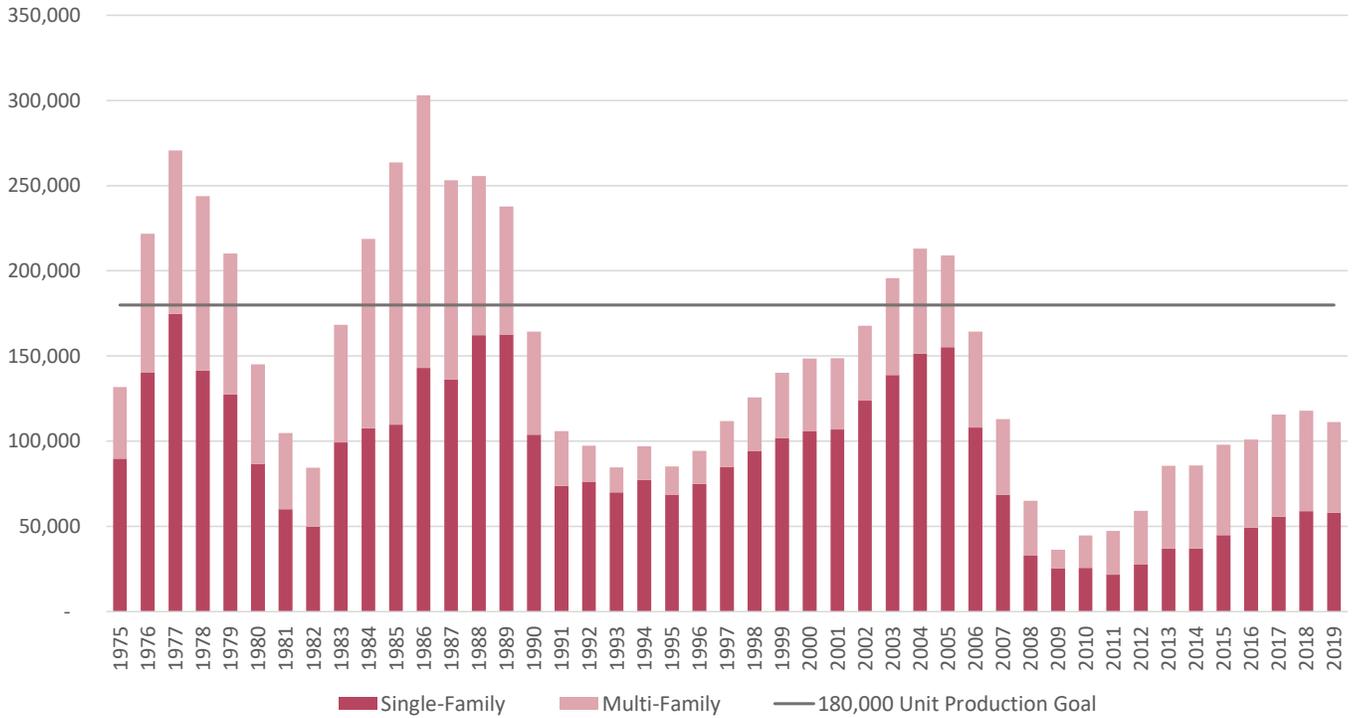
Sources: 1975-2019 annual residential construction permit data from Construction Industry Research Board. 2015-2025 Projected Annual Need from HCD Analysis of State of California, Department of Finance data.

Figure 3: Statewide Progress Towards 5th Cycle RHNA Housing Production Goals by Income Group

Below 50% AMI: Shortfall of **246,826 Units**; 278,424; 31,598
50-80% AMI: Shortfall of **154,361 Units**; 185,525; 31,164
80-120% AMI: Shortfall of **121,824 Units**; 204,917; 83,093
Above 120%: 487,906; 489,619

■ Units Allocated   ■ Units Permitted
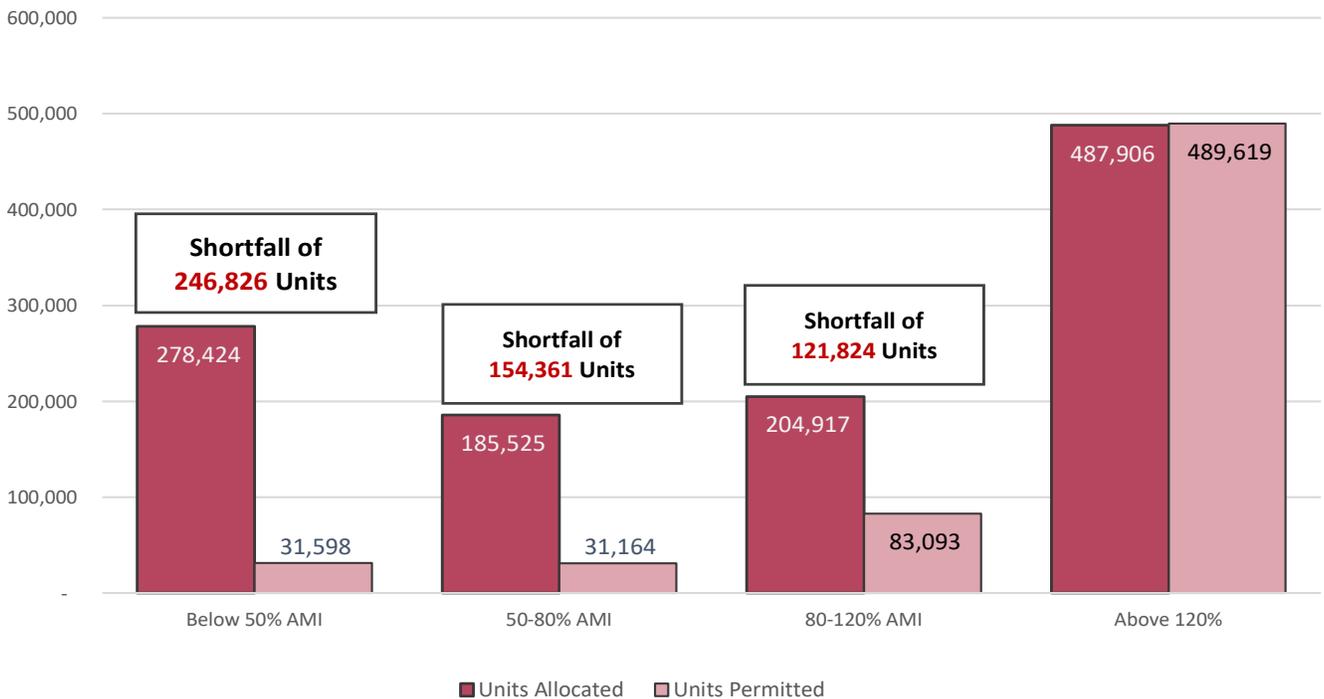
Source: Terner Center analysis of the California Department of Housing and Community Development's 5th Cycle Annual Progress Report Permit Summary, Reporting Year 2019.

The Housing Affordability Crisis Directly Impacts Teacher Recruitment, Retention, and Residential Location Decisions

Housing costs outstripping earnings is particularly true for public school teachers and other LEA employees, whose wages have largely remained stagnant relative to rising housing costs. A 2016 Redfin study found that only 17.4% of homes for purchase in California were affordable on the average teacher salary, down from 30% in 2012.[25] In high-cost counties like Alameda, only 1.2% of homes on the market were affordable for the average teacher, a drastic drop from 14.5% in 2012. In San Francisco, 0.2% of homes were affordable to the average teacher in 2016, down from 0.5% in 2012. In both Santa Clara and San Mateo counties, 0% of homes were affordable on the average teacher salary in 2016, down from 2% and 1.3%, respectively, in 2012.[26]

Rapidly rising housing costs coupled with stagnant incomes have made it increasingly difficult for educators to live in the communities that they serve.

Often, teacher salaries hover just above the income targets typically designated in conventional affordable housing programs.[27] This is especially true for early-career teachers. Statewide, there are about 300,000 teachers employed in public school systems, with about 12% being first- or second-year teachers (referred to as "beginning teachers").[28] 43% of LEAs have their lowest scheduled teacher salary at or below 80% AMI, which would qualify them as "low income" according to HUD standards and eligible for federal housing assistance (Figure 4).[29] These

LEAs employ nearly 18,000 beginning teachers. Lowest scheduled salaries for teachers range from $37,000 to $84,476.

Figure 4: LEA Low Teacher Salaries in Relation to AMI
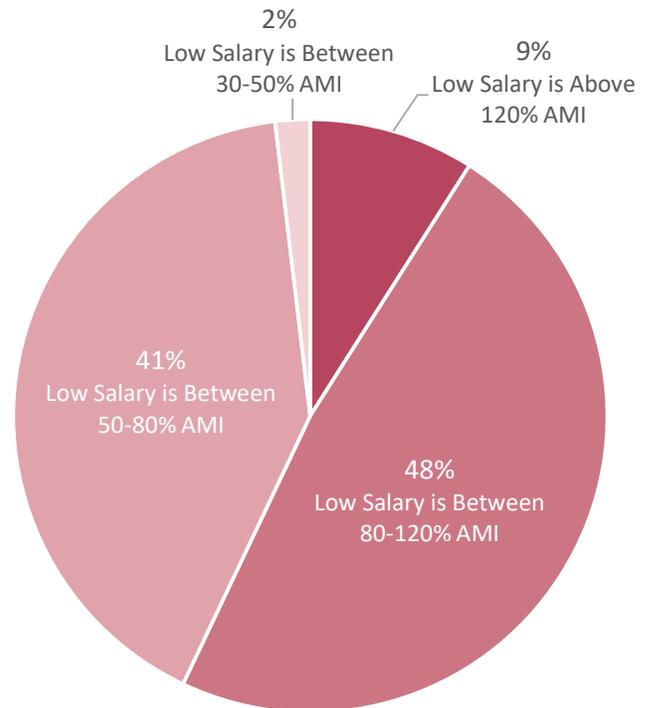
Sources: California Department of Education Certificated Salaries & Benefits data, 2018-2019. The Department of Housing and Urban Development Income Limits data, 2018.

Beginning teacher starting salaries translate into very weak purchasing power in local housing markets.

Half (52%) of California LEAs are located in counties where the median asking rent for vacant units is not affordable to the district's low salaried teachers. In 45% of California LEAs, less than half of all rented studios and one-bedroom units in the county are affordable to teachers earning the lowest scheduled salary in the LEA.

Other LEA employees also struggle with housing affordability. For example, office staff, teachers assistants, janitors/grounds/maintenance employees, bus drivers, and food service workers all have median household incomes and median individual incomes much less than those of teachers and administrators, as shown in the table below (Figure 5).[30] Office staff, for example, earn a typical individual income of just under $40,000 a year, while the typical teacher's assistant or food service worker makes less than half of that.

For the California households that have a public education employee living in them, almost one-third of these households rent, although shares reach even higher for non-administration, non-teaching staff. Under Federal guidelines, an individual or household that spends more than 30% of their income on housing is considered housing cost burdened.

More than one-third of all public school employees who rent are housing cost burdened.

Nearly one-third (31%) of teachers' households who rent are housing cost burdened and

more than half (55%) of food service workers' households who rent are housing cost burdened, as shown in Figure 6.

Furthermore, public education employees experiencing rent burdens are disproportionately likely to be people of color (Figure 7). While Hispanic and Latinx people account for one-third of public education employees, they account for 41% of employees experiencing a rent burden. At the same time, Black people make up 6% of all public education employees but 14% of those with rent burdens. Such disparities remain apparent when limiting the population only to teachers. Nearly one-quarter of teachers are Hispanic or Latinx (24%) and another 5% are Black, but among rent-burdened teachers, those shares rise to 29% and 11%, respectively. These disparities in the experience of housing burdens—depending on the extent to which they impact teacher recruitment and retention among people of color—also stand to have implications for equity gaps among student outcomes, given that there is evidence that students of color, and especially Black students, experience improved outcomes when taught by teachers of the same race/ethnicity.[31]

Figure 5: Income and Housing Tenure, by Employee Type

	All	Administrators	Teachers	Office Staff	Teachers Assistants	Janitors & Maintenance	Bus Drivers	Food Service
Number of Staff	654,567	32,762	330,364	29,404	71,677	29,675	8,041	18,513
Number of Households w/ Ed Staff	592,013	31,600	306,879	28,633	65,354	27,130	7,332	17,886
Median Household Income	107,587	150,233	120,448	96,358	80,331	78,000	75,823	71,500
Median Individual Income	48,691	98,000	64,937	38,936	18,853	38,087	31,000	13,616
Share Renter	30%	23%	27%	28%	38%	35%	34%	37%

Source: Author analysis of American Community Survey 2018 5-year PUMS.

Figure 6. Renter Households with a Cost Burden, by Employee Type
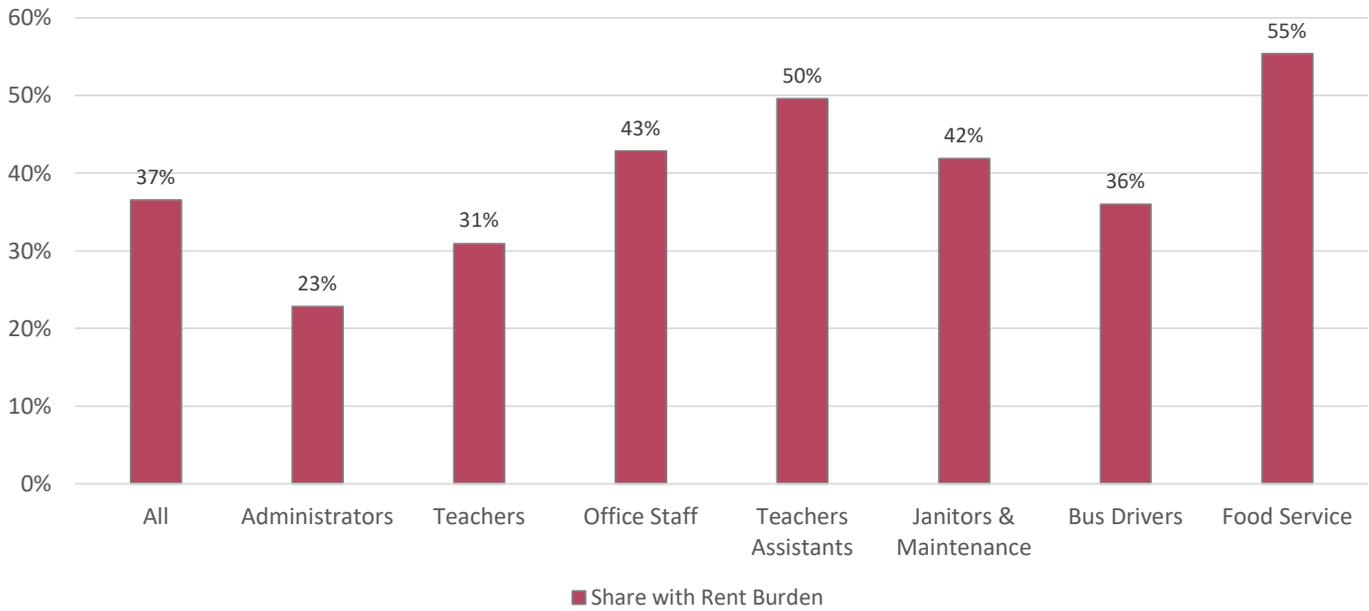
Source: Author analysis of American Community Survey 2018 5-year PUMS.

Figure 7: Race and Ethnicity of Education Staff, by Presence of Rent Burden
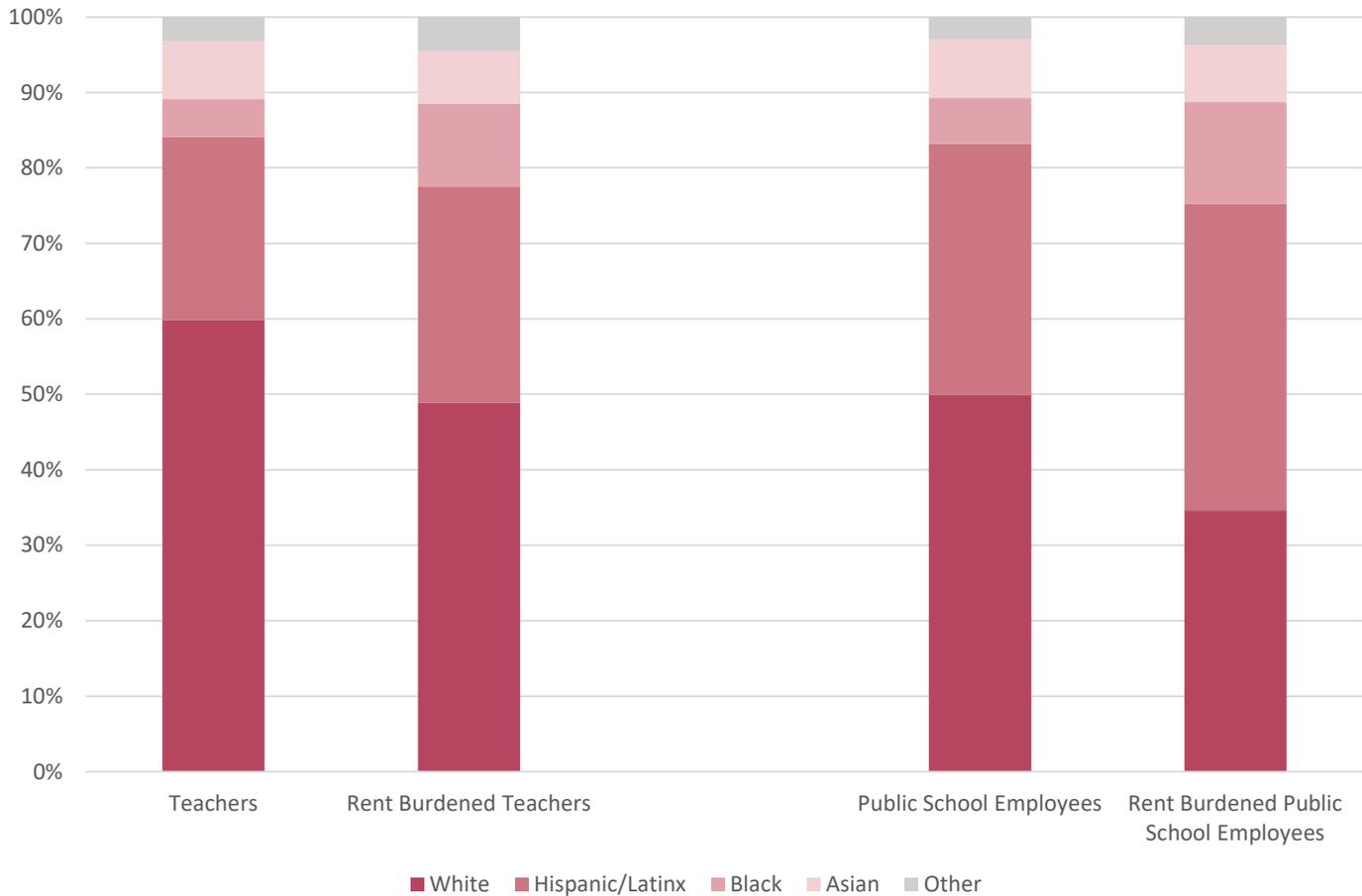
Source: Author analysis of American Community Survey 2018 5-year PUMS.

Building Housing on LEA-Owned Land is a Strategy with Impact Potential

While the confluence of salary constraints and high-cost housing markets have created barriers to teacher attraction and retention in California, there is evidence to suggest that housing-related strategies could help ameliorate those barriers. The Learning Policy Institute recently found that nearly one in five teachers who leave the profession cite financial reasons as "very important" or "extremely important."[32] A 2019 national survey of former public school teachers found that over half (53%) said they would consider returning to the classroom if the financial benefits of doing so improved.

Nearly a quarter (23%) of respondents cited housing incentives as an attractive benefit.[33] A 2018 study of employees in the Berkeley Unified School District found strong belief among employees (79% of renters, 73% of owners) that alleviating housing cost burdens would help retain staff. The study also found strong interest in living in LEA-owned housing—74% of employees who currently rent reported being interested. This desire was even stronger (83%) among younger employees who currently rent.[34] A 2017 study of seven teachers who voluntarily left their LEAs in Santa Clara County found that the desire for homeownership (not renting) was a driving factor motivating their departure. All of these teachers reported that homeownership was effectively impossible in their LEA area.[35]

While there are a limited number of education workforce housing projects developed by school districts to examine, the handful in California suggest promising positive impacts. Casa del Maestro, developed by Santa Clara Unified School District as a way to house beginning teachers while they build equity to purchase their own home, has high employee satisfaction—so much

so that roughly 80% of tenants have stayed full term (Figure 8).[36] The project initially contained 40 units, but its success in retaining teachers made the case for a second phase that added 30 more units. The attrition rate for teachers supported by the rental housing is less than one-third of other teachers with the same hiring date.[37] Casa del Maestro celebrated its fifteenth anniversary in 2017 and continues to have a waitlist, which points to not only the effectiveness of workforce housing to recruit and retain teachers but also the local need for additional education workforce housing developments to meet existing demand.[38] The Los Angeles Unified School District (LAUSD) reports that there is little turnover among its housing units that carry an employee tenant preference.[39] Of 185 total units LAUSD has developed, 152 carry an employee preference, and 33 units are available to anyone in need of affordable housing. Casa del Maestro and LAUSD's projects are frequently cited as prime examples of the successful implementation of housing or rent assistance as a teacher retention and recruitment strategy. We discuss these projects in more detail later in the report.

Figure 8: Casa del Maestro
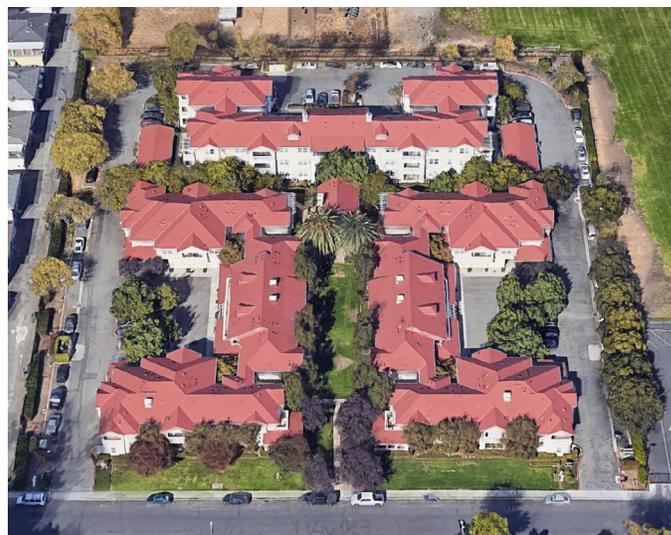
Photo Credit: KTGY.

A Number of Financial Tools and State Legislative Efforts Support the Production of Housing on School Lands

While there is demonstrable need for affordable housing solutions for teachers—and there are early indications that such efforts to build on LEA-owned land can have positive impacts—developing housing is a complex endeavor. Doing so as a public entity that does not specialize in housing development and making projects financially feasible at below market rents is even more complicated. In this section, we describe three important aspects of education workforce housing development: financing, state policy, and the planning process. We describe each in the context of LEAs and provide more detailed technical appendices.

Financing Levers

A number of financial tools can be used to fund the development of housing on school lands. Each comes with its own considerations, and how multiple sources of funding layer together can shape what the project looks like and who it serves. (For more detail on financing mechanisms, see Appendix 3.) As local governments with taxing and bonding authority, school districts can also use local general obligation bonds, certificates of participation, and/or local parcel taxes. The Teacher Housing Act of 2016 added to this arsenal by allowing LEAs to utilize Low-Income Housing Tax Credits (LIHTC), which leverage tax credits for private equity investment and have been available to affordable housing developers since the Tax Reform Act of 1986. LIHTC funds have financed more than 3 million housing units nationally, making it the primary mechanism for funding affordable housing in the country.[40]

New housing construction generally requires a combination of debt and equity financing. To make many affordable housing projects financially feasible, this requires loans, private capital from investors in exchange for tax credits though LIHTC, and other subsidies from public and private sources. Because the amount of debt a project can take in loans is based on the income generated by tenants, multiple funding sources and subsidies allow for lower rents to be charged in the completed development. Additionally, rent levels must still be structured to yield enough revenue to both pay off the debt and fund ongoing operations costs (e.g., maintenance). While LIHTC typically contributes a significant portion to total development costs, it is most often insufficient for closing the gap between project costs and revenues. Because rents are kept low, affordable housing projects typically need a more diversified and layered mix of financing mechanisms (i.e., "capital stack") compared to market-rate developments. The makeup of the capital stack looks different for every affordable housing development depending on local conditions and project parameters, but It is not uncommon for LIHTC projects to layer between four and eight sources of funding.[41] The financing mechanisms a developer pursues depend on local factors such as target resident incomes (and desired rent structure), project priorities, location, amenities, and community needs. Of course, each funding source in the capital stack has its own requirements that must be met (e.g., target population, sustainability goals, labor wage requirements), which ultimately shape the end product in significant ways (e.g., the type and size of the development or the inclusion of specific-use spaces).

Leveraging LEA Land Ownership as a Finance Tool

Being landowners in their communities, LEAs have a unique advantage that may be leveraged in the affordable housing development process. The cost of land is typically a major piece of overall project cost. If an LEA is developing education

workforce housing on land it already owns, it is potentially removing that major expense from the equation. However, LEAs may also leverage their land ownership as a finance tool in other ways. For example, LEAs are able to trade land/property to obtain land that is better suited for workforce housing. LEAs are also able to sell land they own and use the proceeds to fund workforce housing elsewhere.

No matter the financing structure, affordable housing development is a time-intensive, strategic, and technical endeavor. LEAs considering the feasibility of creating education workforce housing ought to give thought to bringing on consultants for financial feasibility analysis, project management, and other specialized roles. Consultants can be hired as early as the beginning stages of the predevelopment and due diligence processes.

An Emerging State Policy Framework

State legislative action in recent years is paving the way for more housing development on school lands. (Refer to Appendix 4 for an in-depth timeline of state legislative efforts.) The Teacher Housing Act of 2016 (Senate Bill 1413, Leno) established the core of California's emerging policy framework on education workforce housing. Most fundamentally, the Act formally authorizes LEAs in California to pursue affordable housing for employees. The legislation sets the state's policy tone by recognizing school employee housing as an important avenue for stabilizing its workforce, stating that the goal of creating access and maintaining housing stability for LEA employees is "critical to the overall success and stability of each school in California." The Act also shifts the playing field on development finance by authorizing LEAs to establish and implement programs to address employee housing and to leverage federal, state, local, public, private, nonprofit programs, and fiscal resources available to other housing developers, namely LIHTC.[42]

The Act also allows LEA-owned housing projects to be available exclusively to LEA employees by allowing these projects to override the Fair Housing law restriction that limits the extent to which housing can favor or be targeted toward a certain subgroup or occupation when tax credits are involved. In making the link between rising housing costs and growing teacher turnover rates, the Act provides justification for why teachers and other LEA employees should be designated as a special class.

> *"Students and the community at large are benefited by teachers living in the community in which they practice their profession. It ensures stability, community involvement, and stronger ties between teachers, their students, and their families."*
> *—Teacher Housing Act of 2016*

While the Teacher Housing Act established a broad and enabling framework for LEAs to tap into new revenue sources, subsequent legislation has tried to make building education workforce housing a viable option for California LEAs (e.g., AB 1157 (Mullin) and SB 2 (Atkins)).

Momentum for legislation to support LEA workforce housing continues in California, with at least six bills on the topic introduced in the 2021-2022 legislative season. These bills fall into three categories based on what they aim to accomplish with regard to creating incentives for the development of education workforce housing: legislation for increasing flexibility in the use of LEA funds for education workforce

housing development (e.g., SB 616, Rubio; SB 1017, Portantino; AB 1248, O'Donnell; ACA 1, Aguilar); legislation aimed at removing local zoning and/or design obstacles to education workforce housing development (e.g., AB 306, O'Donnell; AB 780, Ting); legislation aimed at establishing priority in state policy for education workforce housing (e.g., SB 791, Cortese); and legislation aimed at increasing flexibility in the use of public lands for affordable housing development (e.g., AB 1271, Ting; AB 1390, Horvath).[43] With the notable exceptions of SB 791 and AB 1390, the remaining bills failed to pass this year, but could be revisited in the second year of the session.

While California's policy and finance landscape for education workforce housing is taking shape, it still remains an in-progress patchwork. Clearly there is legislative progress on expanding education workforce housing in California, but LEAs remain far from having a cohesive state policy framework or set of funding mechanisms, which makes financing projects and developing projects at scale a major challenge.

Building Trust in Local Planning Processes is Essential

While finance tools and supportive state policies are important, developing workforce housing is a complex local process. Engaging local stakeholders effectively and building trust among participants will be essential. In addition to following planning processes similar to conventional housing developers, LEAs must navigate additional responsibilities as a public agency. To build trust and foster engagement with the local community, processes and decision-making must be transparent and occur within the democratic structure of local LEA governance (i.e., school boards and committees). All of this extends project timelines and impacts costs. Genuine engagement with neighbors, interest groups, school families, and local leadership will substantively affect any development and

will require good-faith negotiation, effective communication, and accountability.

By building trust among all the stakeholders from the earliest stages of the planning process, fewer unforeseen hurdles will arise.

Just as no two housing projects are exactly the same, the processes necessary to build trust and engagement in the local planning and development process will differ from one LEA to another. Because the timelines for development are lengthy, maintaining trust and continuity among stakeholders is a long-term undertaking. If a housing development typically takes from 3 to 5 years to be planned and completed, for LEAs it can take from 5 to 7 years—or even longer—despite using properties they already own.

To effectively embark on a workforce housing development planning process in which trust is maintained, LEAs must take the time to holistically define and communicate goals for the use of their properties. The decision to develop takes place after conducting comprehensive real estate assessments and district-wide master planning. Some legislation has streamlined housing development processes, such as AB 1157, which removed the need for an additional advisory "7-11" committee to declare property "surplus." Starting early to build public trust and understanding of LEA efforts to develop education workforce housing through outreach is important. Clear communication, transparency, and accountability create a shared understanding that district-wide options are being weighed carefully to create benefits for the community as a whole. This report continues by diving into the "where" and "how" of education workforce housing for LEAs to consider the best use of their school lands.

3

Where Might Education Workforce Housing Work Well?

While housing costs are rising statewide and many LEAs have workforce recruitment and retention challenges, the shape of these challenges differs from one locale to the next. The amount of land—and any potential "extra" land—owned by LEAs that may be developable also differs from locale to locale. In this section, we analyze the potentially developable acreage on LEA-owned land in California. To do so, we created a spatial inventory of all land and existing buildings under the ownership of California's LEAs (K-12 school districts and county offices of education) in the state and overlaid this information with local characteristics (i.e., indicators of staffing challenges) that outline the need for education workforce housing on each property, and developmental characteristics (i.e., indicators of housing affordability challenges or housing opportunity) that might improve project feasibility (Figure 9).[1]

Every County has Lands Held by Public Education Entities

Every county has lands held by LEAs.[2] The majority (80%) of these properties—totaling 129,377 acres statewide—have one or more schools operating on them.[3] The remaining 2,218 properties—totaling 22,122 acres statewide—do not currently have an operating school on them. Figure 10 shows the breakdown of these properties by LEA type and presence of a school.

Statewide, there are nearly 11,000 properties totaling 151,500 acres of land owned by California LEAs—roughly 10 times the size of Manhattan.[4]

LEA-owned properties vary widely in size, but they tend not to be very large. For the properties with schools, elementary schools tend to be smaller (often 10-20 acres) while middle schools and high schools tend to be larger schools, both in enrollment and physical size, and have more and larger outdoor playfields.[5] Of the 2,218 properties without a school, 36% (N=790) are less than an acre.

Figure 9: Indicators of Staffing Challenges, Housing Challenges, and Housing Opportunity

Local Educational Agency Challenge Indicators	
Indicators of staffing challenges	LEA's annual teacher turnover rate is above the statewide median (12%)[6]
	LEA's percentage of beginning teachers is above the statewide median (12%)[7]
Indicators of housing affordability challenges	Median asking rent in the county is unaffordable to teachers at the lowest scheduled salary in the LEA[8]
	LEA's lowest scheduled salary is below 80% AMI
Housing Opportunity Indicators	
Indicators that a housing development could be particularly competitive for funding	Property is located in an area designated as "High" or "Highest" resource in the state's Tax Credit Allocation Committee (TCAC) Opportunity Area Map designations[9]
	Property is located in a Transit Rich Area[10]
Indicator that local zoning/built environment may be amenable to multifamily construction	Property is located in a census tract with at least one large multifamily development

Note: See Appendix 1, Methods and Data Sources, for data sources and descriptions. When there was missing school-district level data on teacher turnover, beginning teacher salaries, or other salary data, we use the county median. While each property would need further analysis for development potential, our findings provide a first-ever statewide assessment of the scale, scope, and geography of education workforce housing opportunities on LEA-owned land in California.

Figure 10: Land Owned by California Local Educational Agencies, by LEA Type

		Properties with Schools			Properties without Schools			All Properties		
		Number of Properties	Median Acres	Total Acres	Number of Properties	Median Acres	Total Acres	Number of Properties	Median Acres	Total Acres
By LEA Type	K-12 School District	8,441	10	124,616	2,060	2	18,127	10,501	9	142,743
	ESD	2,150	10	25,388	488	3	3,249	2,638	10	28,637
	HSD	414	35	14,828	219	3	3,931	633	25	18,759
	USD	5,877	10	84,400	1,353	2	10,947	7,230	9	95,347
	County Office of Education	228	5	4,762	158	2	3,995	386	4	8,757
	Total	8,669	10	129,377	2,218	2	22,122	10,887	9	151,500

Source: Author analysis of the California School Campus Database (CSCD) and California County Assessors' Offices parcel ownership data.

Determining which LEA properties might be contenders for workforce housing depends not only on the size of the parcel, but also on its existing uses. For properties that currently house one or more schools, we assume that the school(s) will remain and, if feasible, education workforce housing would be built and operated alongside the school on the property. For LEA-owned land without a school, the property may already be vacant, have few existing uses, or house uses that could be relocated to another property to make way for education workforce housing. Of course, it is also possible that these properties are being fully used and the LEA may not want to trade those uses for workforce housing.

To estimate potentially developable acreage on both property types, we run two key tests on each property:

- First, we measure existing building footprints on the property and quantify the unbuilt acres on each property.
- Second, for properties with schools on them, we:
    1. Estimate and exclude the amount of outdoor physical education space needed on each property; and
    2. Estimate and exclude the minimum bus drop-off space needed on the property.

After tallying existing building footprints, PE space needs, and bus drop-off space needs, the result is each property's "potentially developable" acreage. For workforce housing development purposes, we assume that properties with less than one acre of "potentially developable" land will likely be too small in most locales to be logistically or financially feasible for housing.[11]

Across California, there are 7,068 properties with potentially developable land of one acre or more totaling more than 75,000 acres statewide, as shown in Figure 11. The median potentially developable acreage of these properties is 5.9 acres.

These 7,068 properties have a very wide range of potentially developable acres and can be found in each county, as shown in Appendix 1. The median potentially developable acres per property ranges from county to county. In San Francisco County, the median potentially developable acres is 2.0 and in Amador County it is as high as 12.9 acres.

Every county has potentially developable land owned by LEAs.

Next, we report findings on the total potentially developable acres in relation to the indicators

Figure 11: Potentially Developable Land Owned by California Local Educational Agencies, by Local Educational Agency Type

		All Properties			
		Number of Properties	Total Acres	Total Potentially Developable Acres	Median Potentially Developable Acres
By LEA Type	K-12 School District	6,847	122,294	67,729	5.9
	ESD	1,828	24,102	13,753	5.7
	HSD	465	17,698	9,958	11.8
	USD	4,554	80,493	44,019	5.8
	County Office of Education	221	8,299	7,745	5.0
	Total	7,068	130,593	75,474	5.9

Source: Author analysis of the California School Campus Database (CSCD), California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide to School Site Analysis and Development (2000).

of staffing challenges, housing affordability challenges, and housing opportunity. For each, we report the results in two ways: first by LEA type (K-12 school district— further subdivided by elementary district, high school district, and unified district—and county office of education); and second, by geographic place type ("city," "rural," "town," or "suburb") using the National Center for Education Statistics (NCES) urban centric locale codes.[12]

Staff Recruitment and Retention Challenges are Greater in Some Areas

To identify the number of potentially developable acres located in LEAs with education staff recruitment and retention challenges, we define housing affordability as a challenge if:

- Annual teacher turnover rate is above the statewide median (12%)
- The percentage of beginning teachers is above the statewide median (12%)

Statewide, 40% (2,814) of potentially developable properties owned by LEAs are located in LEAs where the district's annual teacher turnover rate is above the statewide median of 12%. Even more potentially developable properties (49%) are located in LEAs where the district's share of beginning teachers is above the statewide median of 12%. A higher share of properties in "rural" and "town" geographies meet both of these recruitment challenge indicators compared to those in "city" and "suburb." In summary, 64% of potentially developable LEA-owned properties in California are in LEAs that are characterized by at least one of the two teacher recruitment and retention challenge indicators (Figure 12).

Figure 12: Potentially Developable Land Owned by California Local Educational Agencies in Areas Where Teacher Retention and Attraction Challenges Are Above Statewide Medians, by LEA Type and Geographic Place Type

		Where the District-Level Teacher Turnover Rate is Above the Statewide Median		Where the Share of Beginning Teachers in the District is Above the Statewide Median	
		Number of Properties	Percent of Properties	Number of Properties	Percent of Properties
By LEA Type	K-12 School District	2,748	40%	3,330	49%
	ESD	823	45%	848	46%
	HSD	178	38%	185	40%
	USD	1,747	38%	2,297	50%
	County Office of Ed.	66	30%	115	52%
	Total	2,814	40%	3,445	49%
By Place Type	City	796	31%	1,316	51%
	Suburb	1,128	36%	1,259	41%
	Town	499	66%	482	64%
	Rural	386	62%	382	62%
	Unclassified	5	42%	6	50%
	Total	2,814	40%	3,445	49%

Source: Author analysis of CDE teacher turnover and beginning teacher data obtained from the Learning Policy Institute (2017-2018), California School Campus Database (CSCD), California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide to School Site Analysis and Development (2000).

Housing Affordability Challenges are Greater in Some Areas

Turning to regional housing cost burdens, we identify the potentially developable acres located in areas where housing affordability is likely a challenge for LEA employees. We define housing affordability as a challenge if:

- Median asking rent in the county is unaffordable to teachers at the lowest scheduled salary in the LEA
- Lowest scheduled salary is below 80% AMI

Statewide, 51% (3,594) of potentially developable properties owned by LEAs are located in LEAs where the lowest scheduled salary is below 80% AMI. Even more potentially developable properties (61%) are located in districts where the median asking rent in the county is unaffordable to teachers at the lowest scheduled salary in the district. A greater percentage of properties in "city" and "suburb" geographies face these affordability challenges than in less urbanized areas. These findings reveal that more than half (61%) of potentially developable LEA-owned properties in California are in areas where beginning—and other lower salaried teachers— face housing affordability challenges (Figure 13).

Some Properties are More Competitive for LIHTC Financing

Given that LIHTC are a dominant source of financing for affordable housing, assessing competitiveness for them is important to gauge where education workforce housing may be most feasible. To do so, we look at the relationship

Figure 13: Potentially Developable Land Owned by California Local Educational Agencies in Areas Where Teachers Face Housing Affordability Challenges, by LEA Type and Geographic Place Type

<table>
<tr><th colspan="2"></th><th colspan="2">Where the Median Asking Rent is Unaffordable to Teachers at the Lowest Scheduled Salary</th><th colspan="2">Where the Lowest Scheduled Salary is Less than 80% AMI</th></tr>
<tr><th colspan="2"></th><th>Number of Properties</th><th>Percent of Properties</th><th>Number of Properties</th><th>Percent of Properties</th></tr>
<tr><td rowspan="6">By LEA Type</td><td>K-12 School District</td><td>4,226</td><td>62%</td><td>3,542</td><td>52%</td></tr>
<tr><td>ESD</td><td>1,107</td><td>61%</td><td>1,000</td><td>55%</td></tr>
<tr><td>HSD</td><td>290</td><td>62%</td><td>249</td><td>54%</td></tr>
<tr><td>USD</td><td>2,829</td><td>62%</td><td>2,293</td><td>50%</td></tr>
<tr><td>County Office of Ed.</td><td>65</td><td>29%</td><td>52</td><td>24%</td></tr>
<tr><td>Total</td><td>4,291</td><td>61%</td><td>3,594</td><td>51%</td></tr>
<tr><td rowspan="6">By Place Type</td><td>City</td><td>1,861</td><td>72%</td><td>1,666</td><td>64%</td></tr>
<tr><td>Suburb</td><td>2,098</td><td>68%</td><td>1,677</td><td>54%</td></tr>
<tr><td>Town</td><td>165</td><td>22%</td><td>113</td><td>15%</td></tr>
<tr><td>Rural</td><td>165</td><td>27%</td><td>136</td><td>22%</td></tr>
<tr><td>Unclassified</td><td>2</td><td>17%</td><td>2</td><td>17%</td></tr>
<tr><td>Total</td><td>4,291</td><td>61%</td><td>3,594</td><td>51%</td></tr>
</table>

Source: Author analysis of CDE Certificated Salaries & Benefits data (2018-2019), American Community Survey 5-Year Estimates (2014-2018), HUD 2018 Income Limits data, California School Campus Database (CSCD), California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide to School Site Analysis and Development (2000).

Note: Median asking rent reflects county-level ACS estimates of asking rents on all vacant units.

between potentially developable LEA properties and two key LIHTC criteria in California, which serve as indicators of housing opportunity:

- Whether the property is located in an area designated as "High" or "Highest" resource in the state's Tax Credit Allocation Committee (TCAC) Opportunity Area Map designations
- Whether the property is located in a Transit Rich Area

Having either of these amenity indicators gives LEA properties a competitive edge in obtaining LIHTC financing.

Tax Credit Allocation Committee (TCAC) Opportunity Area Map Designations

More than 40% of the potentially developable properties are located in areas designated "High" or "Highest" Resource Areas on the TCAC

Figure 14: Potentially Developable Land Owned by California Local Educational Agencies in TCAC Designated "High" or "Highest" Resource Areas, by LEA Type and Geographic Place Type

		Located in TCAC Designated High or Highest Resource Area	
		Number of Properties	Percent of Properties
By LEA Type	K-12 School District	2,814	41%
	ESD	762	42%
	HSD	160	34%
	USD	1,892	42%
	County Office of Ed.	71	32%
	Total	2,885	41%
By Place Type	City	1,148	44%
	Suburb	1,222	40%
	Town	280	37%
	Rural	231	37%
	Unclassified	4	33%
	Total	2,885	41%

Source: Author analysis of California Tax Credit Allocation Committee Opportunity Map data (2021), California School Campus Database (CSCD), California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide to School Site Analysis and Development (2000).

Opportunity Area Maps (2,885 out of 7,068). This percentage of properties is fairly even across geographic place types, with the majority of total acreage located in high-opportunity suburbs (Figure 14). These areas have too often lacked affordable multifamily housing options.[14] Locating education workforce housing in these areas also increases affordable housing options in areas of opportunity (which by definition have higher performing K-12 schools).

Transit Rich Areas

Locating workforce housing near high quality transit, may reduce auto dependency for residents, thus reducing vehicle miles traveled (VMT) associated with the development. By nature of the location and limited footprint of high quality transit corridors (which tend to be clustered in more dense and/or populated urban areas), only 8% (540) of potentially developable

Figure 15: Potentially Developable Land Owned by California Local Educational Agencies in Transit Rich Areas, by LEA Type and Geographic Place Type

		Located in a Transit Rich Area	
		Number of Properties	Percent of Properties
By LEA Type	K-12 School District	534	8%
	ESD	98	5%
	HSD	23	5%
	USD	413	9%
	County Office of Ed.	6	3%
	Total	540	8%
By Place Type	City	340	13%
	Suburb	191	6%
	Town	7	1%
	Rural	2	0%
	Unclassified	-	0%
	Total	540	8%

Source: Author analysis of the Othering & Belonging Institute's data on transit-rich areas, California School Campus Database (CSCD), California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide to School Site Analysis and Development (2000).

properties are located in a Transit Rich Area, as shown in Figure 15. Not surprisingly, properties in the most urbanized locations ("city") are more likely to be in Transit Rich Areas.

Some Properties May Garner Less Community Opposition

For education workforce housing to be financially feasible, the developments themselves will likely need to be reasonably dense. In some areas however, local density restrictions may hinder the LEA from including enough units per acre to make the development financially feasible. Additionally, some California communities have seen strong local opposition to new development and particularly new development that is denser than surrounding neighborhoods.[15] LEA properties located in areas where some multifamily units already exist may be more amenable to additional multifamily development,

both from a zoning and community acceptance perspective. To quantify this, we look at one additional indicator of housing opportunity:

- Whether the property is located in a census tract with at least one large multifamily development that contains 20 or more units

We find that 76% (5,352) of the potentially developable properties are located in census tracts that already contain at least one multifamily housing development with at least 20 units, as shown in Figure 16. Even in rural locales, more than half (52%) of properties have multifamily housing with 20 or more units nearby.

While LEAs should not exclude potentially developable property located in lower density neighborhoods, the properties with higher density in close proximity may garner stronger local community support—and/or less opposition—for new, higher density education workforce housing.

Figure 16: Potentially Developable Land Owned by California Local Educational Agencies in Areas with at Least One Large Multifamily Development, by LEA Type and Geographic Place Type

		Located in a Census Tract with At Least One Mutifamily Housing Development	
		Number of Properties	Percent of Properties
By LEA Type	K-12 School District	5,176	76%
	ESD	1,307	71%
	HSD	367	79%
	USD	3,502	77%
	County Office of Ed.	176	80%
	Total	5,352	76%
By Place Type	City	2,099	81%
	Suburb	2,361	76%
	Town	568	76%
	Rural	319	52%
	Unclassified	5	42%
	Total	5,352	76%

Source: Author analysis of American Community Survey 5-Year Estimates (2014-2018), California School Campus Database (CSCD), California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide to School Site Analysis and Development (2000).

Note: Multifamily Housing Development refers to structures with 20 units or more.

Statewide, Education Workforce Housing Development Opportunity on LEA-Owned Land Appears Widespread

Our analysis reveals substantial possibilities for education workforce housing development on land currently owned by California LEAs. Based on the analysis above, 98% of the potentially developable properties are characterized by at least one of the LEA challenge and housing opportunity indicators, while 71% are characterized by three indicators, as shown in Figure 17. Even across the four geographic place types, more than half of the properties in each place type are characterized by at least 3 of the indicators. Thus, the majority of the 7,068 properties already owned by LEAs and that have one acre or more of potentially developable space

in California should be investigated more closely for education workforce housing development feasibility.

Figure 18 demonstrates how one district could hypothetically evaluate its sites. Here, two properties in San Mateo County (those outlined in light blue) are characterized by real need (all four challenge indicators apply) and by especially strong development potential metrics (all three housing opportunity indicators apply). The northern property is currently occupied by an elementary school with a small building footprint relative to the total acreage, resulting in 7 potentially developable acres. The southern property hosts an adult/continuation school and has 9.4 potentially developable acres. These metrics represent clear starting points for assessing the opportunities for education workforce housing development.

Figure 17: Number and Share of Potentially Developable Properties that Meet LEA Challenge and Housing Opportunity Indicators

		No Indicators		1+ Indicators		2+ Indicators		3+ Indicators		4+ Indicators		5+ Indicators		6+ Indicators	
By LEA Type	K-12 School Districts	124	2%	6,723	98%	6,071	89%	4,885	71%	3,080	45%	1,341	20%	252	4%
	ESD	38	2%	1,790	98%	1,578	86%	1,288	70%	824	45%	365	20%	92	5%
	HSD	7	2%	458	98%	415	89%	315	68%	179	38%	67	14%	18	4%
	USD	79	2%	4,475	98%	4,078	90%	3,282	72%	2,077	46%	909	20%	142	3%
	County Office of Ed.	7	3%	214	97%	169	76%	98	44%	43	19%	21	10%	5	2%
	Total	131	2%	6,937	98%	6,240	88%	4,983	71%	3,123	44%	1,362	19%	257	4%
By Place Type	City	19	7%	2,576	99%	2,397	92%	2,005	77%	1,410	54%	692	27%	130	5%
	Suburb	72	2%	3,020	98%	2,704	87%	2,184	71%	1,358	44%	557	18%	110	4%
	Town	16	2%	735	98%	634	84%	458	61%	206	27%	69	9%	12	2%
	Rural	23	4%	595	96%	497	80%	334	54%	147	24%	43	7%	5	1%
	Unclassified	1	8%	11	92%	8	67%	2	17%	2	17%	1	8%	-	0%
	Total	131	2%	6,937	98%	6,240	88%	4,983	71%	3,123	44%	1,362	19%	257	4%

The table header reads: **Number and Share of Potentially Developable Properties that Meet LEA Challenge and Housing Opportunity Indicators**

Source: Author analysis of CDE Certificated Salaries & Benefits data (2018-2019), American Community Survey 5-Year Estimates (2014-2018), HUD 2018 Income Limits data, the Othering & Belonging Institute's data on transit-rich areas, California Tax Credit Allocation Committee Opportunity Map data (2021), CDE teacher turnover and beginning teacher data obtained from the Learning Policy Institute (2017-2018), California School Campus Database (CSCD), California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide to School Site Analysis and Development (2000).

Note: Table only reflects properties with at least 1 acre of potentially developable land. Properties with less than 1 acre of potentially developable land were not evaluated against LEA challenge and housing indicators. For properties meeting more than one criteria, properties were evaluated if they met any combination the possible criteria.

Site Types Define Design Opportunities and Constraints

Each LEA property is unique: some properties have few buildings clustered together; others have many buildings that are spread across the site; others have environmental conditions that deter development.

While our analysis reveals tremendous opportunity on LEA-owned land across the state—especially in locales where LEA employees face housing affordability challenges—each property requires careful, on-the-ground assessment for its development feasibility. In the subsequent section we define a series of site types. These typologies are derived from a survey of sites owned by LEAs across California and considered for education workforce housing.

We have categorized and identified the particular opportunities and constraints they present based on their spatial relationship to other district campuses and facilities. More on this survey is in the section that follows.

The vast majority of property owned by LEAs have one or more active schools on them. Depending on site characteristics, it may be possible for these sites to also hold education workforce housing. Most often, using school sites requires subdividing the land or severing portions from a larger campus to meet lender requirements and avoid disruption of school operations. For example, remote parking lots or fields that are no longer in use can present site opportunities. There are also an array of district facilities that support schools such as administrative

Figure 18: Sample LEA-Owned Properties and Building Footprints in Proximity to Transit Rich Area
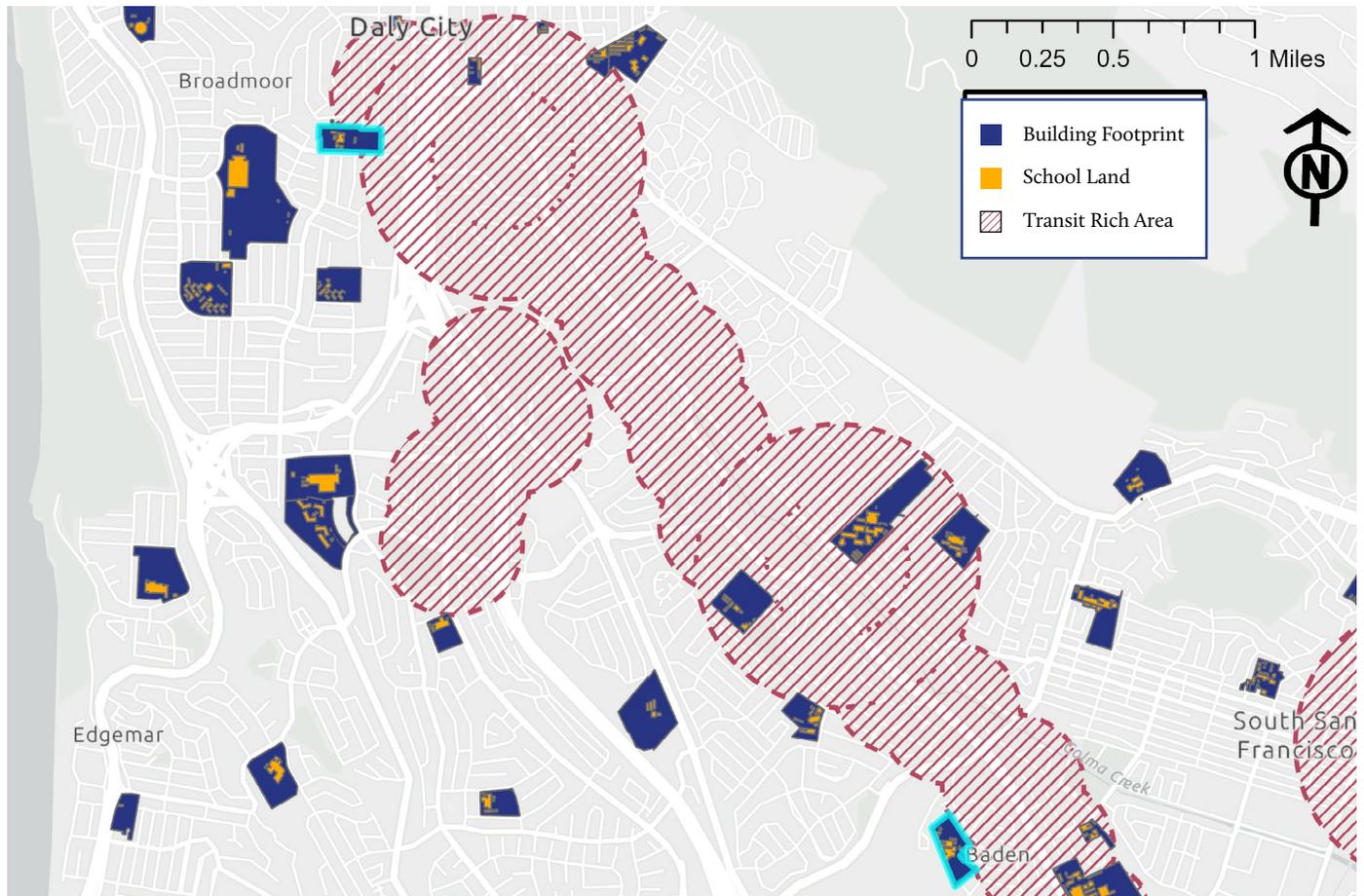
Source: Author's analysis of California School Campus Database (CSCD) and county assessor's parcel ownership data, Microsoft Building Footprint data, and the Othering & Belonging Institute's data on transit-rich areas.

offices, satellite facilities, maintenance yards, warehouses, storage areas, and nutritional centers that can be reimagined for residential use. Former school campuses that have been closed, abandoned, or are not needed for future growth can also be evaluated for future education workforce housing. While demand for parking can be high for staff at school sites, surface parking lots are one of the "low-hanging fruits" among site types because they have few built improvements on them.[16] Beyond LEA-owned sites, there are other sites where agreements with local governments or with a private developer can lead to education workforce housing provision. City-owned land or property from other public

agencies may be available to support LEAs in creating more affordable housing generally. LEAs may also consider exploring agreements to offer preferences or rent concessions for local teachers and staff in privately developed housing projects. These common site types are summarized in Figure 19. (For more detail see Appendix 5.)

Figure 19: Summary of Site Types

Site Type	Pros	Cons
1) Underutilized LEA Land: Land not associated with a specific LEA use (i.e., vacant land, miscellaneous storage areas, and vacant non-educational buildings)	1) The land is lying dormant and is not actively used by the LEA	1) Naylor Act may apply for public-serving open space
	2) The land may have been an eyesore before so neighbors may support development	2) If land was used as a park, the community may resist conversion to housing
	3) No need to relocate an existing structure	
	4) Not likely to need remediation	
2) Former School Campus: Portions of an inactive school campus (recreational fields, parking, and classrooms/ building area)	1) The land is lying dormant and not actively used by the LEA	1) May have structures that need to be demolished
	2) Possible to leverage already built structures, lowering costs	
	3) Often already integrated into residential community fabric	2) Removes an already built out school parcel (potentially useable again if enrollment increases) from the district's land holdings
	4) No construction and school instruction conflict	
	5) Often large open sites	
	6) Existing building indicates the site is developable	3) Surrounding recreational fields may already be actively used by local community (can be addressed in building design proposal)
	7) Surrounding residents are used to a building existing on the site	
3) LEA Parking Lot: Surface parking lots or multistory parking structures	1) Close to school campuses	1) Loss of parking spaces may hinder school and district operations
	2) Large, flat sites with minimal built structures	
	3) These sites have little community attachment associated with them	
	4) Growing trend towards fewer parking spaces per development	
	5) Parking area allows for efficient construction staging and limited impact on surrounding buildings	

Source: Author analysis. See Appendix 1.

Note: Listed from most amenable to development to most challenging based on authors' and advisors' assumptions.

Figure 19: Summary of Site Types (continued)

Site Type	Pros	Cons
4) Active School Campus: Underutilized portions of an active school campus (excess recreational fields, excess parking, and underutilized classrooms/building area)	1) Guaranteed proximity between home and employment for residents, reducing commute times	1) May raise privacy concerns among staff who live at the site
	2) Almost every LEA owns this type of land	2) Coordination of construction schedules and classroom schedules can prove difficult
	3) Consolidation of facilities can mean more efficient use of space	
	4) Design opportunities are presented by proximity to active campus spaces	
	5) Clear symbol of housing, education, and community being linked	3) Can elicit strong community pushback for perceived educational impacts/ proximity of students and adults
	6) Possible to leverage already built structures, thereby lowering costs	
	7) Existing building indicates the site is developable	4) Subdivision of land for construction can be complicated
	8) Often already integrated into residential community fabric	
5) LEA Facility: LEA operations and maintenance offices, warehouses, or bus depots	1) Often a large site area	1) May cause the relocation of a district facility on the site
	2) Often underbuilt	
	3) Facility may be in a mixed use context	2) Historic uses of the site may require environmental remediation for residential use
	4) Can often support taller building proposals	
	5) Most facility types will have fewer neighbors concerned with development	
	6) Strong opportunity for mixed use projects	3) Facility may be located far from other residential areas
	7) Strong opportunity for joint use agreements	
6) City-Owned Land: City land that is given to the LEA for the expressed purpose of constructing education workforce housing	1) Enables the district to form a partnership with the city towards a common goal	1) Purchasing or leasing city owned-land is not feasible for all districts
	2) Utilizing city-owned land can allow for several districts to work together. Such a partnership allows multiple districts to benefit from the same development	2) Difficult to find cities willing to set aside land
	3) The city donating (or reducing the cost of) their land indicates tacit acceptance of the project and may lead to a smoother entitlement process	3) City may retain project/design control over what is done on the parcel
	4) The LEA retains its other land holdings for future use	
7) Set Aside Agreements: LEA obtains units in an independent residential development for their staff	1) Viable for an LEA which does not have potentially developable land but needs education workforce housing	1) Primary control of the rental units rests with an outside party
	2) Viable for an LEA that does not have the capacity to initiate and develop education workforce housing but wants to secure such housing for its staff	2) LEAs will have to conform to the plans of the developer
	3) LEA can test demand for education workforce housing at a small scale with low risk	3) Management is outside of district control which could lead to issues with tenancy
	4) Units can be obtained quickly	4) Often restricted to a small number of units
		5) Purchasing or leasing the units is not financially feasible for all districts

1) Underutilized LEA Land
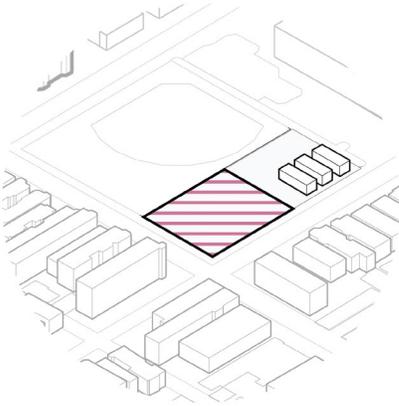
5) LEA Facility
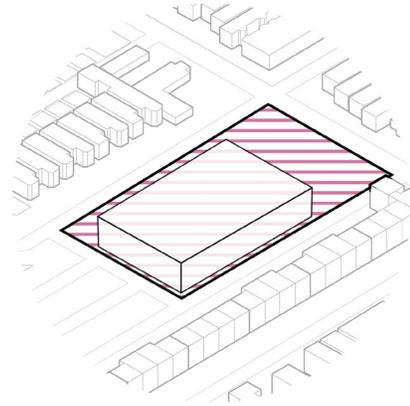
2) Former School Campus
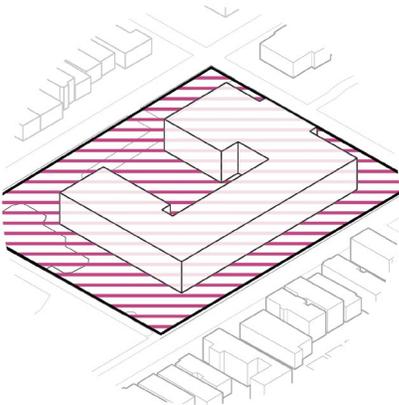
6) City-Owned Land
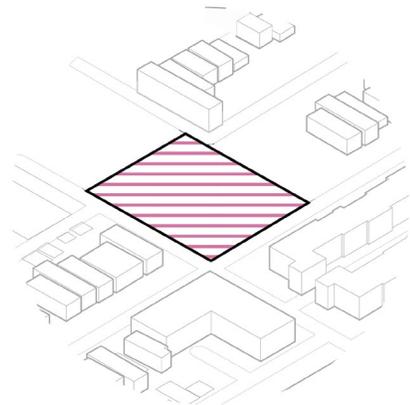
3) LEA Parking Lot
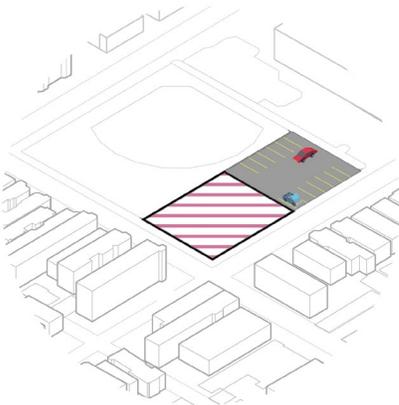
7) Set-Aside Agreements
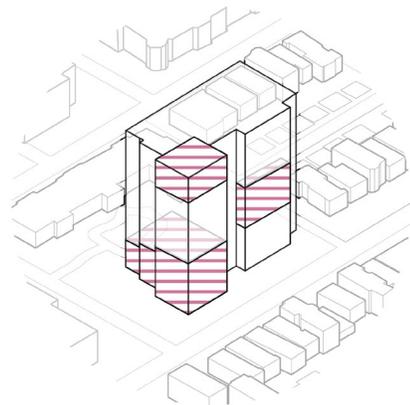
4) Active School Campus
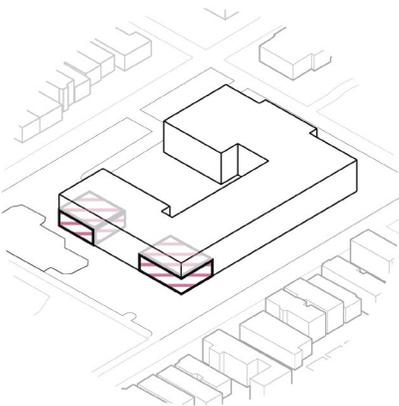
4

Which Local Educational Agencies Have Considered Building Education Workforce Housing and What Have They Considered?

Despite tremendous opportunities statewide to develop housing on LEA-owned lands, existing projects remain few. California is home to four built education workforce housing developments undertaken by two school districts: Los Angeles Unified and Santa Clara Unified. However, it is clear that interest is growing in pockets across the state and more and more LEAs are taking steps to build such housing developments. Since June 2018, eight California LEAs have put propositions or measures before local voters to fund education workforce housing development, as shown in Figure 20. Six of the nine measures passed.

Local Educational Agencies Across California are Taking Initiative

To understand the scope and distribution of local interest in developing education workforce housing among LEAs across the state, we conducted a statewide scan.[1] This scan found nearly 20 times more projects in consideration than already built: 46 LEAs (see Figure 21) pursuing projects on 83 sites that stand at various stages of completion, ranging from a public expression of interest in education workforce housing to completed and occupied developments (for a full list see Appendix 1). Common among all projects is the identification of a specific property for development with the education workforce housing initiative. Many of the LEAs we identified investigated multiple potential sites as they moved forward with their process.

Figure 20: Recent Local California Ballot Measures to Fund Education Workforce Housing

School District	County	Proposition or Measure	Date	Amount	Vote Result
Jefferson Union High School District	San Mateo	Measure J	Jun-18	$33 Million	Passed
City of Berkeley (for Berkeley Unified School District)	Alameda	Measure O	Nov-18	Portion of the city's $135M affordable housing bond to be used	Passed
San Francisco Unified School District	San Francisco	Prop A	Nov-19	$20 Million	Passed
San Mateo Union High School District	San Mateo	Measure L	Mar-20	$385 Million	Passed
Chula Vista Elementary School District	San Diego	Measure M	Mar-20	$300 Million	Passed
East Side Union High School District	Santa Clara	Measure J	Mar-20	$26 Million	Failed
Patterson Joint Union School District	Stanislaus	Measure N	Mar-20	$32.5 Million	Failed
Soledad Unified School District	Monterey	Measure E	Mar-20	$11.5 Million	Failed
Soledad Unified School District	Monterey	Measure N	Nov-20	$13.5 Million	Passed

Source: Author online analysis. See Appendix 1.

Next, we look more closely at these 46 LEAs and their projects.

Many Local Educational Agencies are Interested in Education Workforce Housing

> *The 46 interested LEAs tend to face greater teacher recruitment and housing affordability challenges compared to all LEAs in the state.*

Interested LEAs tend to have higher annual teacher turnover rates and a larger share of beginning teachers, compared to statewide medians (Figure 22). Tellingly, nearly all (98%) of the interested LEAs are in counties where the median asking rent for all vacant units is unaffordable to teachers at the lowest scheduled

salary in the district, compared to 52% of LEAs statewide. Similarly, a much higher percentage (80%) of interested LEAs have their lowest scheduled teacher salary below 80% AMI, compared to 43% of LEAs statewide. These local differences are partly evidenced in the much higher average median household income in the counties of the 46 interested LEAs, compared to the statewide median ($95,458 compared to $66,137).

The 46 LEAs that have shown interest in building housing on LEA land tend to be larger, with teacher and student enrollment figures substantially higher than those of the rest of the state. As a result, these LEAs, which account for 5% of all California LEAs, represent more than 20% of both the student and teacher populations in California. They also tend to have more total land holdings compared to the rest of the state's LEAs. The median total acreage of potentially

Figure 21: Map of LEAs Interested in Education Workforce Housing

Novato Unified
Lagunitas Elementary
San Francisco Unified
Jefferson Elementary &
Jefferson Union
Cabrillo Unified
Los Altos
Cupertino Union High
South San Francisco Unified
Redwood City Elementary
Ravenswood City Elementary
San Mateo Union
Mountain View Whisman Unified &
Los Altos Union
Pacifica
Palo Alto Unified
Campell Union High
Santa Cruz City High
San Lorenzo Valley Unified
East Side Union High
Monterey Peninsula Unified

Orcutt Union
Las Virgenes Unified

Sonoma County Office of Education
Santa Rosa City High & Elementary
Pittsburg Unified
Newark Unified
West Contra Costa Unified
Berkeley Unified
Alameda Unified
Oakland Unified
New Haven Unified
Patterson Joint Unified
Fremont Unified
Menlo Park City
Santa Clara Unified
San Jose Unified
Sunnyvale
Soledad Unified
Panoche Elementary
Pasadena Unified
Los Angeles Unified
Inglewood Unified
San Diego Unified
Chula Vista
Elementary

Source: Author analysis. See Appendix 1.

Figure 22: Characteristics of LEAs interested in Education Workforce Housing

	All California Local Educational Agencies	Local Education Agencies With a Demonstrated Interest in Education Workforce Housing
Median Student Enrollment	1,889	8,605
District Level Teacher Turnover (Median)	12%	15%
District Level Share of Beginning Teachers (Median)	12%	14%
Percent of LEA's where the median asking rent in the county (for all vacant units) is unaffordable to employees at the lowest scheduled salary in the district	52%	98%
Percent of districts where the lowest scheduled teacher salary is below 80% of Area Median Income (AMI)	43%	80%
Median Household Income Averaged Across LEAs	$66,137	$95,458
Number of Properties per LEA (Median)	4 Properties	11 Properties
Acres of Potentially Developable Land per LEA (Median)	35 Acres	78 Acres
Share of Potentially Developable Properties in High/Highest Resource TCAC Designated Areas per LEA (Median)	33%	35%
Share of Potentially Developable Properties in Transit Rich Areas per LEA (Median)	0%	9%
Share of Potentially Developable Properties in a Census Tract with at least one other multifamily development per LEA (Median)	82%	87%

Source: Author analysis of CDE Certificated Salaries & Benefits data (2018-2019), American Community Survey 5-Year Estimates (2014-2018), HUD 2018 Income Limits data, Community Survey 5-Year Estimates (2014-2018), the Othering & Belonging Institute's data on transit-rich areas, California Tax Credit Allocation Committee Opportunity Map data (2021), California School Campus Database (CSCD) and California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide.

Note: Median household income data reflects the median household income for the county that the LEA is located in.

developable land among the interested LEAs is more than twice that of the median across all California LEAs.

However, it is important to note that while the 46 LEAs own more land, at the district level, their properties do not appear to have substantially more potential for development than the land that other California LEAs own. Across the three housing opportunity indicators: located in a TCAC-designated High/Highest Resource Area, located in a Transit Rich Area, and located near an existing large multifamily development, the share of properties among interested LEAs that are characterized by these indicators is very similar to the shares seen for all LEA properties across the state. Smaller LEAs not yet pursuing the development of education workforce housing still have ample housing opportunities compared to these large LEAs.

Sites that LEAs Identify with Potential Vary by Local Conditions

The 83 sites investigated by the 46 LEA housing projects demonstrate that there is no single developmental approach or site type that has led to guaranteed success. Yet the numerous examples helped us to identify the general factors that frame site considerations and influence decision makers as to whether particular properties have development potential, which are outlined further below (Figure 23). The surrounding neighborhood context of a site along with its physical size and shape are what most directly impact whether districts consider their land holdings potentially developable. The 83 sites investigated for education workforce housing also scored consistently above average across the three housing opportunity indicators identified above: High or Highest Resource Area designations from TCAC, proximity to high quality transit, and proximity to multifamily developments.

Geographic Locale, Site Area, and Site Yield

Differences between geographic locales where sites are located help explain the wide range in project sizes observed. The physical size of the property itself often reflects the geographic locale. Of the 83 sites, the majority are between 1-11 acres, although the median site area varies by context. In the various designated locales, median site area for projects is 1.4 acres in "city," 4.6 acres in "suburb," 12.5 acres in "town," and 23 acres in "rural" designated locales. These differences are reflective of the variation in site areas found across all LEA-owned properties in the state. Site size is also associated with site yield, which is the number of units that can be produced, and projects ranged from the smallest at 12 units to the largest proposals at 325, with a median project size of 75 units. The wide range of project sizes and yields suggests LEAs have found education workforce housing feasible across a variety of contexts. Across the projects,

the median percentage of district teachers that could be housed in each proposed development was 12%. Some districts were more aggressive, proposing projects that would potentially house over 20% of the teachers in their district. Of the districts that intended to house more than 20% of their teaching staff, their project sites were characterized by a large median site area of 10.45 acres even though all of these parcels were in "urban" or "suburb" designated locales.

Zoning Designation

Site size and site yield can make a particular property a desirable option for development, but it is the local zoning code that governs what can be built. The two most common zoning designations where projects were proposed by LEAs are residential (41%), where housing is expressly permitted by designation, and public facilities (37%), which is typically reserved for government facilities to provide public services and requires a zoning designation change for residential uses. While zoning changes require time for local administrative approval, the roughly equal share of proposed sites in public facilities and residential zoning suggests that they are not a major barrier for considering education workforce housing. As might be expected, public facilities zoning covers the majority of LEA properties. All of the built education workforce housing projects have been completed on properties that were initially zoned for public facilities. Yet even if existing zoning is aligned with use of a site for education workforce housing, there can be hurdles. Residential zoning covers a disproportionate number of the projects that were abandoned, most likely because community opposition to new development can be strong in residential areas.

Site Type

While some LEAs may have properties in each of the variety of site types identified, LEAs with

Figure 23: Characteristics of Education Workforce Housing Projects

	Sites Considered for Education Workforce Housing	All LEA Owned Sites in CA
Housing Opportunity		
Share in High/Highest Resource TCAC	42%	38%
Share in proximity to High Quality Transit	43%	13%
Share in Proximity to Multi-family Developments	88%	78%
Site Geography		
Share in City Geography	65%	42%
Share in Suburban Geography	28%	40%
Share in Town Geography	4%	9%
Share in Rural Geography	4%	8%
Project Characteristics		
Potentially Developable Acreage per Site (Median)	4.5	3.0
Number of Units (Median)	75	

Financing*

- School Issued General Obligation Bond 42%
- Certificates of Participation 16%
- Partnership/Funded with Private Developer 13%
- Proceeds from Site Sale 9%
- Specific Government Set-Aside 9%
- Low-Income Housing Tax Credit 7%
- Distributed Funding Model 4%

*54 sites have financing information

Site Zoning

- Residential 41%
- Public Facilities 37%
- Commercial 11%
- Planned 5%
- Manufacturing 4%
- Agriculture 1%
- Mixed Use 1%

Site Types

35%	17%	16%	14%	8%	6%	4%
Active School Campus	LEA Facility	Former School Campus	Underutilized LEA Land	LEA Parking Lot	City Owned Land	Set Aside Agreements

Source: Author analysis. See Appendix 1.

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properties in "city" locales have most often turned to active school campuses, district facilities, former school campuses, and district parking lots to locate their development projects. Properties identified in "suburb" locales have more often been on active school campuses, former school campuses, underutilized district land, and city-owned land. Across all contexts, the most common site types were active school campus (35%; 29 projects), district facility (17%; 14 projects), former school campus (16%; 13 projects), and underutilized district land (15%; 12 projects). While the range of site types considered for development has grown with increased interest, two of the four built projects were constructed on district parking lots.

Financing

Project financing can also be influenced by the context surrounding a site. Three of the four built projects were financed using LIHTC. Furthermore, more state funding sources are beginning to use the TCAC opportunity score in their allocation decisions. The most common funding approaches across all sites where financing information was available were the issuance of a General Obligation bond (42%), which relies on ballot approval from voters in the surrounding community, and Certificates of Participation (16%), a funding mechanism over which the LEA has more direct control in issuing. A plurality of the abandoned sites were not associated with a defined funding source.

This analysis shows how in many ways these LEAs (large, small, urban, and rural) and the sites they have selected are representative of the opportunities available across the state of California. Subsequent sections of the report will delve deeper into a handful of successfully built projects, as well as a few that failed to materialize, in order to uncover the processes, successes, and roadblocks that inform our recommendations for developing the 21st century public school campus.

Existing Projects Show the Promise as well as Pitfalls of Development

California is home to four built education workforce housing developments undertaken by two school districts. These are Los Angeles Unified School District's (LAUSD) three developments, Sage Park Apartments, Selma Community Housing, and Norwood Learning Village; and Santa Clara Unified School District's (SCUSD) development, Casa del Maestro (Figure 24). All of these projects are constructed on LEA-owned land through a long-term ground lease with joint occupancy, where the school district retains ownership of the land and shares a designated use on site. In this arrangement, at the end of the ground lease the ownership of improvements, including the buildings, will revert to the LEA from the development entity. Details of each project are summarized in Figure 25.

Casa del Maestro is a workforce housing development of 70 suburban townhouses, housing 10% of SCUSD's current teachers. Although the development faces parking challenges and has a maximum seven-year tenancy (extended from five years), the project continues to be in great demand for teachers in the district. SCUSD funded the nearly $6.5 million construction of Casa del Maestro by issuing "certificates of participation"—financial instruments in which rent payments are divided up and paid directly to investors. Meanwhile, independent third parties manage the financial transactions, along with the day-to-day operations of the housing complex. According to the district, this arrangement is designed to protect district dollars.[2] Casa del Maestro is an example of the promise of using creative financial solutions, though it is also a reminder that complex financing must be accompanied by systematic development processes and political engagement at an early stage.

LAUSD has had more success in developing affordable housing projects than any other district in the state, and in 2020 it announced its second initiative to construct even more education workforce housing. Along with covering an area with high housing costs, LAUSD is the second largest school district in the nation and as such, carries a sophisticated in-house real estate development and asset management team. LAUSD has partnered with non-profit affordable housing developers to build four apartment complexes via joint occupancy, three of which "were characterized as workforce housing and provided a preference in rental to Los Angeles Unified employees."[3] Rio Vista Apartments, which was built on LAUSD-owned land in 2011, piloted the joint occupancy development approach that the following projects used, but the development team was unable to secure an employee preference for tenants for the particular project. Through the development of these workforce housing projects, staff learned that on average it takes from five to seven years to complete a project.[4]

All four of the LAUSD developments utilized a mixture of financing sources, including LIHTC which required the restriction of units to those in the 30% to 60% AMI bracket. While LIHTC funding provided generous subsidies to cover construction costs and ensure affordable rents, its income restrictions also limited access to the dedicated units. No district teachers occupy the buildings because they make too much to qualify for housing assistance—despite being unable to afford market-rate rents.[5] LAUSD classified staff and their households make up the majority of building tenants, such as full and part-time teacher's assistants, library aides, cafeteria workers, school office workers, and custodians. In November 2020, LAUSD announced its second initiative to house employees, recommending that the Board of Education renew its strategy for the development of approximately 2,000 units of employee housing to include both staff and teachers.[6]

Besides the challenge of connecting financing to project goals, LAUSD is also a case study in the difficulties of managing a housing asset. In recent years, the district has seen a decreasing share (82% to 59%) of employees living in its apartments due to attrition. In 43 of the district's units, tenants have taken new jobs and are no longer LAUSD employees, although they continue to live in district-developed apartments. LAUSD is reluctant to evict non-employee tenants, though the district is developing new lease agreements for future residential projects so that they can continue to primarily benefit employees. Since stable, affordable housing is one factor promoting economic mobility for its residents, LEAs may need to take such changes in employment into greater account. Building quality and lack of

Figure 24: Built Education Workforce Housing Projects

Casa Del Maestro   Selma Community Housing   Sage Park Apartments   Norwood Learning Village

Photo credits (left to right): KTGY, Bridge Housing, Abode Communities, Thomas Safran & Associates.

Figure 25: Summary of Existing Education Workforce Housing Developments in California

	Casa Del Maestro	Sage Park Apartments	Selma Community Housing	Norwood Learning Village
School District	Santa Clara Unified	Los Angeles Unified	Los Angeles Unified	Los Angeles Unified
Address	3445 Lochinvar Ave	1310 W 177th St	1605 N Cherokee Ave	2003 S Oak St
Year Completed	2002 (Phase 1) 2009 (Phase 2)	2014	2016	2017
Site Type	Active School Campus (Underutilized Fields)	Active School Campus (Vacant agricultural fields)	LEA Parking Lot	LEA Parking Lot
Joint Occupancy	n/a	LAUSD Joint-Use Facility	LAUSD Parking	LAUSD Parking
Developer	Education Housing Partners	Bridge Housing	Abode Communities	Thomas Safran & Associates
Architect	KTGY Architects	Steinberg Architects	Abode Communities	William Hezmalhalch Architects
Total Units	70 (40 P1, 30 P2)	90	66	29
Total Parking Spots	-	164 Spaces	117 Spaces	72 Spaces
Site Area	3.5 Acres	3.87 Acres (1.07 for Joint Use)	.62 Acres	.73 Acres
Gross Building Area	-	110,305 sq ft	80,158 sq ft	31,571
Building Density	20 dwelling units/acre	23.3 dwelling units/acre	106.5 dwelling units/acre	39.7 dwelling units/acre
FAR	-	0.51	1	1.43
Unit Mix	1 BR: 48 Units 2BR: 22 Units	1BR: 29 Units 2 BR: 31 Units 3 BR: 30 Units	1 BR: 8 Units 2 BR: 35 Units 3 BR: 23 Units	1 BR: 13 Units 2 BR: 7 Units 3 BR: 9 Units

Source: Author analysis. See Appendix 1.

Note: LAUSD's Rio Vista Apartments is not included in the table though it was a pioneering example constructed on LEA owned land through the joint occupancy model. As the development does not carry tenant preferences for LEA staff, it is not considered education workforce housing.

stigma in such housing allows residents to plan more for the future and pursue opportunities for themselves and their families.[7]

SCUSD and LAUSD are two LEAs that have successfully built housing for their employees from the ground up, but there have also been successes with LEAs using different approaches. For example, Ravenswood City Elementary School District partnered with Facebook to secure below market rate apartments in an existing development, 777 Hamilton, for five years. Another project currently underway at 231 Grant Avenue in Palo Alto demonstrates how multiple districts can work together to fund and construct housing to collectively house their employees.

Yet for every success story, there is a story of a district hitting a roadblock and halting their process. For example, the Oakland Unified School District announced a teacher workforce housing initiative in 2015, but the effort has only seen small steps forward since then.[8] In nearby Cupertino, the Cupertino Union School District sought to emulate the success of the SCUSD when it announced plans to convert a former elementary school into education workforce housing in 2015. Cupertino Union was quickly forced to drop the idea in the face of fierce opposition from local residents who alleged the district had been opaque in its process and did not consult the community in a timely manner.

Existing Projects Highlight Untapped Opportunities

At a macro level, the successfully built projects—as well as the myriad projects being investigated by LEAs across the state—belie a narrow view of development opportunity that can be readily expanded. The conceptual starting point for an education workforce housing project lies at the intersection of the issues of housing affordability and teacher retention. While the 46 interested LEAs face acute affordability and staffing challenges, especially when compared to the average values across the state, there are numerous other districts that face similar affordability and staffing challenges. What seems to set these 46 interested LEAs apart is that they are larger than the average California LEA with more staff capacity and resources, and that they hold more land than other LEAs in the state. However, administrative capacity and land holdings represent only part of the developmental equation. Up until now, LEAs seem to not have realized that even if they have limited land at their disposal or have limited capacity to initiate a housing development project, site-specific qualities suggest that many of them have sites that present robust development opportunities.

Among LEAs in California (with at least one property of one or more acres of developable land) that face significant recruitment and staffing challenges (i.e., Local Educational Agency Challenge Indicators—see Section 3 of the report for more information), over half have fewer parcels than the state median (four parcels or fewer) or less acreage than the state median (35 acres or fewer). Yet their comparatively small number of land holdings does not preclude education workforce housing from being possible. On the contrary, many of these LEAs hold particularly developable parcels that they can leverage effectively even without the land assets of larger districts in the state. With regards

to limited total acreage, about one-tenth (115) of California LEAs have less than 35 acres of potentially developable land and face both significant staffing challenges and housing affordability challenges. Eighty-one percent of these LEAs hold potentially developable properties because of their strong TCAC score, proximity to quality transit, or proximity to other multifamily projects. Even more encouraging, some of these districts have land that is characterized by all three of these housing opportunity indicators. Looking at LEAs with limited total number of properties, 121 LEAs in California own four properties or fewer and exhibit both staffing and housing affordability challenge indicators. Still, 83% of these LEAs hold potentially developable properties that present the same indicators of housing opportunity.

While previous education workforce housing initiatives have been driven by large LEAs with substantial land holdings, our research sheds light on untapped development potential for California's smaller LEAs, where potentially successful and impactful opportunities exist to serve their employees (Figure 26). LEAs that do not yet face affordability and staffing pressures, or those without parcels satisfying the housing opportunity indicators, can still consider the benefits to providing education workforce housing. This report's LEA-owned land database and research into previous initiatives demonstrate that there are numerous scenarios in which developing housing can be effective and efficient in tackling multiple, intersecting planning issues at once. Significant opportunities exist for smaller LEAs across the state to develop education workforce housing at a scale which meets their needs. The following section of this report attempts to outline how to do just that.

Figure 26: Example School Districts with Strong Development Potential but No History of Education Workforce Housing

	Winters Joint Unified School District	Sebastopol Union Elementary	Duarte Unified School District
Total Teachers	81	51	223
Retention Challenges?	Yes	Yes	Yes
Affordability Challenges?	Yes	Yes	Yes
Number of District Owned Properties With >1 Acre of Developable Land	7	2	6
Total Potentially Developable Acres	24	4	19
Share of Properties in High/Highest Resource TCAC Areas	71%	100%	33%
Share of Properties in Transit Rich Areas	0%	0%	17%
Share of Properties in Tracts with Multifamily Developments	86%	100%	83%
	2/3 Housing Opportunity Indicators Above CA Values	2/3 Housing Opportunity Indicators Above CA Values	3/3 Housing Opportunity Indicators Above CA Values

Source: Author analysis. See Appendix 1.

How Can Local Educational Agencies Design Housing to Meet Their Needs?

5

Completing a project that successfully addresses the myriad issues facing LEAs is an inherently complex process. Housing development in California is already complicated, and the process is made more difficult when rents must be affordable and the properties in question are owned by public LEAs. Much of what makes education workforce housing development unique occurs in the "predevelopment" stage where initial decisions about site, design, tenancy, and financing are made, and where the community engagement process begins. After predevelopment, subsequent phases follow relatively standard development, financing, and construction practices. For LEAs, which typically do not have experience in housing development, partnership agreements are routine to connect with experienced consultants, developers, and financial professionals who provide technical expertise and guide the way. While adding challenges in some areas, education workforce housing projects present opportunities in others. Thoughtful decision-making and progressive design ideas can lead to projects that change the reality of an LEA and the everyday experience of the community that it serves.

To outline the development process we investigated 7 LEAs and their housing projects, constructing detailed timelines by pulling extensive information from school board meeting minutes, presentations, and design documents. What follows are the most important takeaways from that investigation, a development timeline that outlines and clarifies what can be a daunting process. Initiating conversations, completing due diligence, determining feasibility, and coming to an

agreement to move forward takes additional time and care for LEAs compared to other developments. This research outlines one pathway to follow, although LEAs may pursue avenues forward that vary from this timeline in practice (Figure 27).

Later in this section, we also walk the reader through some of the more arcane portions of the development process, including design decision-making. How does an education workforce housing project take shape? How are decisions weighed about site design, unit mix, parking, and community amenities? How can a school board be certain about costs? If the surrounding community is skeptical or even oppositional, can design mediate some of the controversy? By generating two hypothetical projects, one highly schematic and one in greater depth, we walk readers through the projects' evolution step by step. Although these are real schools in real communities, the proposals here are conceptual: neither school district has been involved in these scenarios. These projects are not meant to be fully fledged design proposals, but instead they raise instructive questions and tensions, and weigh multiple trade-offs and opportunities.

Understand the Development Process

Figure 27: Development Process Overview

1. Stage: Preliminary Exploration

1.1. First Conversations
- 1.1.1 Goal: Familiarize LEA Members with Land Development

1.2. Initial Research - Land
- 1.2.1 Goal: Survey Property Holdings
- 1.2.2 Goal: Select Potential Parcels

1.3. Initial Research - Survey and Financing
- 1.3.1 Goal: Survey LEA Staff
- 1.3.2 Goal: Understand the Political and Financial Landscape

1.4. Initial Community Outreach
- 1.4.1 Goal: Conduct Initial Community Conversations
- 1.4.2 Goal: Decide on Development Path
- 1.4.3 Goal: Outline Resident Population Options

1.5. Move Forward with Site Options
- 1.5.1 Goal: Narrow Down Site List
- 1.5.2 Goal: Issue RFP for Feasibility Analysis

1-2 Years

2. Stage: Feasibility

2.1. Produce Feasibility Report
- 2.1.1 Goal: Select a Firm for Feasibility Report and Complete Analysis
- 2.1.2 Goal: Establish Core LEA Team
- 2.1.3 Goal: Present Feasibility Report to Board

2.2. Continue Community Outreach
- 2.2.1 Goal: Conduct Sustained Community Outreach

2.3. Finalize Development Plans
- 2.3.1 Select Site
- 2.3.2 Select Project Design
- 2.3.3 Finalize Financing Strategy
- 2.3.4 Finalize Land Agreement
- 2.3.5 Issue RFP for Development

1-1.5 Years

3. Stage: Development

3.1. Finalize Development Team
- 3.1.1. Select Developer

3.2. Complete Pre-Construction Process
- 3.2.1. Secure Entitlements
- 3.2.2. Finalize Project Design
- 3.2.3. Produce Final Documentation
- 3.2.4. Select Contractor

1-3 Years

4. Stage: Construction

4.1. Begin Construction
- 4.1.1. Break Ground
- 4.1.2. Monitor Construction Process
- 4.1.3. Establish Tenancy and Property Management Strategies

4.2. Finish Construction

2-2.5 Years

5. Stage: Leasing Up

5.1. Act on Tenancy Strategy
5.2. Lease Up Units

.5-1 Year

6. Stage: Management & Operations

6.1. Act on Property Management Strategy
6.2. Maintain the Property Through its Useable Lifetime

Word of Warning · Potential Opportunity · Word of Warning · Word of Advice · Note on Efficiency · Word of Advice

Goals

Source: Author analysis. See Appendix 6.

Figure 28: Stage 1. Preliminary Exploration

1. Preliminary Exploration

1.1. First Conversations
- 1.1.1 Goal: Familiarize LEA Members with Land Development

1.2. Initial Research - Land
- 1.2.1 Goal: Survey Property Holdings
- 1.2.2 Goal: Select Potential Parcels

Word of Warning: Consider Multiple Sites

1.3. Initial Research - Survey and Financing
- 1.3.1 Goal: Survey LEA Staff
- 1.3.2 Goal: Understand the Political and Financial Landscape

Pre-Development

1.4. Initial Community Outreach
- 1.4.1 Goal: Conduct Initial Community Conversations
- 1.4.2 Goal: Decide on Development Path
- 1.4.3 Goal: Outline Resident Population Options

Potential Opportunity: Mixed Tenancy

Word of Warning: Pursue a Complete Process

1.5. Move Forward with Site Options
- 1.5.1 Goal: Narrow Down Site List
- 1.5.2 Goal: Issue RFP for Feasibility Analysis

1-2 Years

Source: Author analysis. See Appendix 6.

Stage 1: Preliminary Exploration (1 - 2 Years)

During this initial stage of education workforce housing development, the focus is on familiarizing an LEA board with the process, understanding an LEA's landholdings, gathering feedback from staff, soliciting preliminary information regarding funding sources, introducing the project to the surrounding community, and selecting sites to move forward with (Figure 28). (1.1) The process often begins with staff or an LEA board member expressing interest and initiating conversations among the board and district leadership. This can include giving a presentation to the rest of the agency, highlighting precedent projects, featuring other LEAs that have engaged in this type of work, or inviting a consultant to present on

their experience. (1.2) After the idea has been introduced, an LEA board will then determine the level of support through a vote before beginning a thorough investigation of their land holdings. While often constrained in many of their financial decisions, LEAs control substantial landholdings and can leverage this land to produce housing. However, to do so LEAs must first understand the types of land they have at their disposal and how the land is intended to be used into the future (Figure 29).

Often consultants are brought onto the team to help with this land asset survey and master planning. While some LEAs may have a site in mind that they want to pursue for development, conducting a full land survey ensures that all properties have been duly considered and can help convince reluctant community members and

board members that the selected sites are indeed the best to pursue. (1.3) In addition to surveying landholdings, consultants can be important in gathering information about LEA staff and their interest in a housing project. Conducting a staff opinion survey is hugely important for understanding the needs of the future residents and ultimately crafting a project that responds to them.

Alongside the land and staff investigations, understanding the political climate in a community is essential, especially regarding the type of project and ballot measures or funding mechanisms that a community would support. (1.4) With a preliminary idea of sites, staff needs, financing avenues, and political will, conducting community outreach to introduce neighbors to the potential project is fundamental to a successful project. Early outreach can help community members not feel left out of the process and create support and buy-in for the LEA's initiative. The unique possibility for education workforce housing to include a mixed tenant population, of district employees and the larger public or of market-rate and rent-restricted affordable units, presents both an opportunity and potential barrier for community acceptance. These combinations can push a project in or out of feasibility, particularly in its finances. It is exceedingly crucial for LEAs to follow a full, robust, and transparent process in neighborhoods under consideration, so these possibilities can be understood and given due discussion and lead to a suitable development program. (1.5) After gathering the information above and listening to feedback from the community, LEAs can narrow down the list of potential sites to a handful of parcels that could be feasibly developed. Consultants continue to be helpful at this stage as they further investigate and help define the "developability" of sites as the process moves forward (Figure 31). A short list of suitable sites now become the focus for a feasibility analysis RFP issued by the LEA.
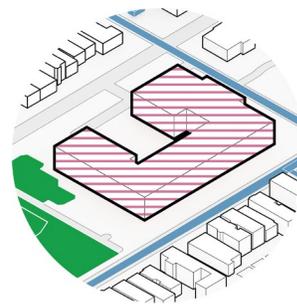
Figure 29. Site Types with Massing
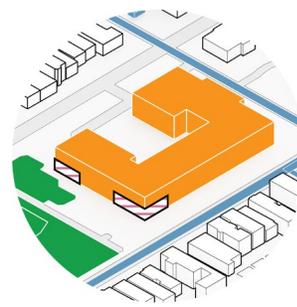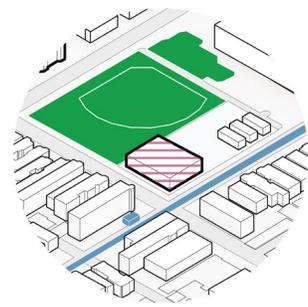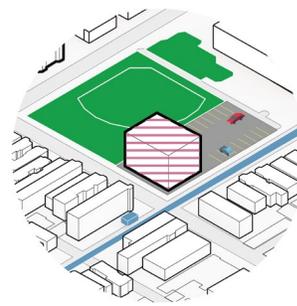

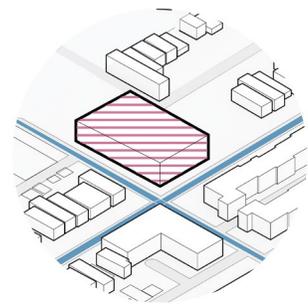**Active School Campus**   **LEA Facility**
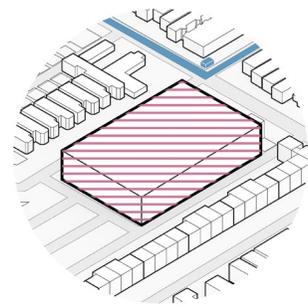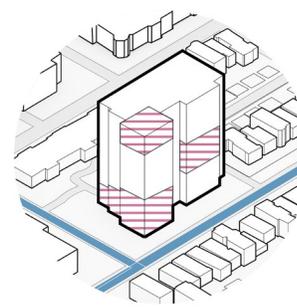
Former School Campus   **Underutilized LEA Land**

LEA Parking Lot   **City Owned Land**

Set-Aside Agreements

Source: Author analysis. See Appendix 1.

Figure 30: Stage 2. Feasibility

Stage 2: Feasibility (1 - 1.5 Years)

During the feasibility stage of education workforce housing development, the focus is on the production and dissemination of a feasibility report, sharing the designs with the community, and finalizing site, design, financing, and land agreement plans before ultimately issuing an RFP for development (Figure 30). (2.1) Having issued an RFP for feasibility, the next step is for the LEA board to select a firm out of those that have responded. Looking at the portfolio of a firm's work and their familiarity with the project's jurisdiction can help an LEA determine the firm they most want to work with and the kind of creative expertise they may bring to defining what is possible on their sites.

Alongside selecting a firm to conduct the feasibility analysis, an LEA should establish their own core team to carry the project forward. Champions are especially important for these

projects because long timelines can span school board elections and changes in political winds. The feasibility report itself can take approximately six months to complete after which it will be presented to the full school board. This report contains substantial information to share with the community, including initial design proposals (Figure 34). (2.2) Community feedback can help inform the decisions ultimately made to finalize development plans, a process that begins with the consideration of different sites and promotes buy-in and acceptance for a project. (2.3) While initiated during Stage 1, pinning down the project goals and intended tenant population allows subsequent decisions to be made on financing, number of units, types of units, and other key characteristics that clarify the development program to move forward with.

Making the decision on a final site and building design can feel like a daunting task, but technical experts and consultants will assist throughout

Figure 31: Common Site Assessment Factors

Site Assessment Factors	
Zoning Designation	The zoning designation of a selected parcel has a direct impact on what can be built and how quickly it can be built. It is not uncommon for zoning to be changed to accommodate education workforce housing. However, parcels that are already zoned for residential use allow for a quicker entitlements process as there is less back and forth with the city authority.
Site Area	Site area has a direct impact on the size of the building that can be built on a particular parcel of land. Large site areas are usually desirable, more easily adapted for development, and can readily house additional programs. On the other hand, building on small sites can help LEAs make more efficient use of properties that would otherwise lay vacant.
Site Type	LEAs often have multiple site types at their disposal, and each site type offers its own unique possibilities and challenges for use as education workforce housing. Site types are discussed more extensively on in Section 3 of the report.
Site Yield	Site yield is the number of units possible to develop on property and a byproduct of zoning and site size. The maximum site yield is not always used on a site, but it does help to determine the bounds of a project and particularly its finances, in terms of construction costs and rental income. The number of units ultimately built in a project is scaled up or down to ensure financial feasibility. Site yield can also be considered in relation to the total number of employees in an LEA. Depending on an LEA's goals and level of support for its staff, the site yield can guide which sites to pursue for housing development.
Site Context	Site context is broadly the surrounding neighborhood of a project location. It includes the residential, commercial, urban, or otherwise constituted fabric of the community and a project's potential fit, and also its proximity to additional resources: transit stops, parks, grocery stores, pharmacies, among others. These amenities and services are building blocks of successful housing and there is a higher likelihood that the project will be able to receive financial support earmarked for affordable housing. Opportunity Maps created by TCAC categorize the level of neighborhood resources according to these factors by census tracts in major regions of the state and block groups in rural areas. Increasingly, state funds for affordable housing are being targeted towards the High and Highest Resource Areas. Yet education workforce housing can both improve investment and stability in lower resource neighborhoods and increase access to education in High and Highest Resource neighborhoods. Site context is also closely related to site size, with rural LEAs often owning larger properties than urban LEAs that have smaller, infill sites.
Funding Availability	There are many funding approaches available to LEAs and each is associated with its own requirements, opportunities, and challenges (Appendix 3). The physical location of a project can often determine what financial resources are available to it. For example, infrastructure grants may require urban infill sites, transit-oriented development funds can be limited to areas with reliable access to public transportation, and a general obligation bond will require voter approval and political support from local residents in the area.

Source: Author analysis. See Appendix 6.

the process. Furthermore, it can be useful for LEAs to work largely with a dedicated consultant, called an owner's representative or a project manager, that is distinct from the development entity, throughout this process. An owner's representative helps protect an LEA's interests and can provide sustained input as well as expedite construction approvals by submitting applications and discussing with local planning agencies while other administrative decisions are occupying the LEA board. The last step before the issuance of a new RFP, this time for the full development of the project, is defining the required land deal. There are numerous types of land transactions that have been explored for education workforce housing projects (Figure 32), but the most common agreement used for education workforce housing is a long-term ground lease with joint occupancy. With the preceding developmental decisions made, an LEA board will be ready to issue an RFP for development, concluding the predevelopment portion and beginning the portion of the process

Figure 32: Methods of Land Disposition for LEAs

Options	Benefits	Limitations
Sale	Generates short term income	Must go through surplus property procedure
	Removes land from LEA control (no liabilities/costs)	No flexibility for future LEA use
		Funds can only be used for capital outlays
Long Term Lease	Generates long term income	Must go through surplus property procedure
	Retains LEA ownership of land	99 year lease maximum
	Returns improvements to the LEA after lease	Funds can only be used for capital outlays
Joint Use	Generates short term income	Recreational or educational uses only
	Retains LEA ownership of land	Often limited to a 5 year term
Exchange	Trades an underutilized parcel for one with more benefits	Few suitable partners
	Can generate short-term income if parcels are of unequal value	Hard to identify land that would be ideal
	Can generate long-term income if parcel has active housing	If housing exists on the land, exchanging for it opens an LEA up to liability
Joint Occupancy	Generates flexible revenue (not only for capital outlays)	Requires an LEA use for the site
	Retains LEA ownership of land	66 year lease maximum
	Returns improvements to the LEA after lease	LEA retains liability

Source: Adapted from LAUSD Facilities Services Division Presentation to Budget, Facilities and Audit Committee (2017).

Note: Surplusing LEA property is typically governed by the formation of a "7-11" committee. The steps and requirements for this are outlined in Education Code § 17388. See Appendix 4 for recent legislation regarding surplus procedures.

Figure 33: Stage 3. Development
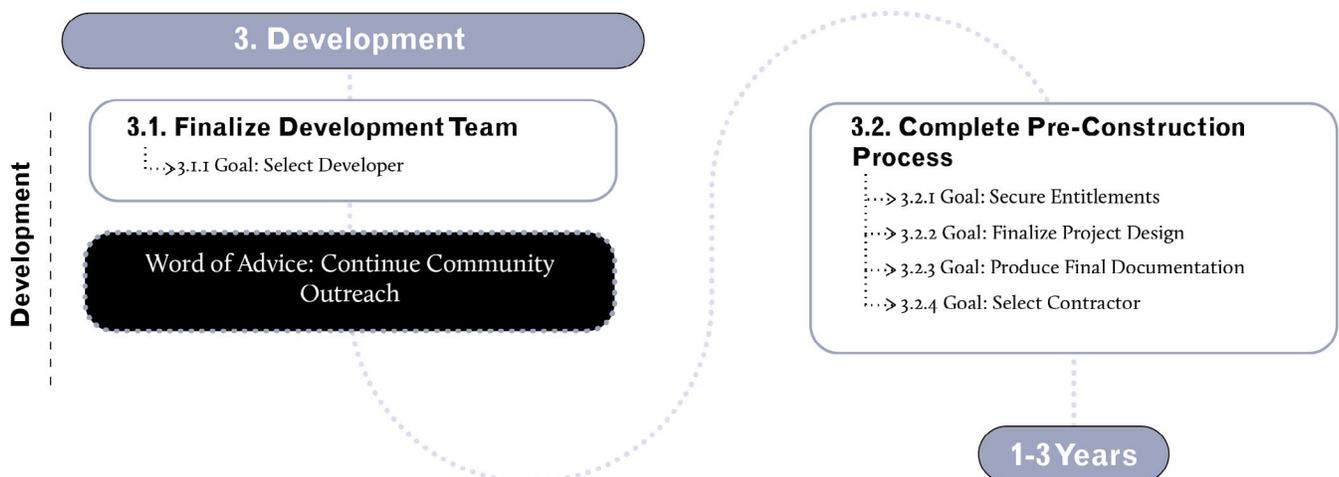
Source: Author analysis. See Appendix 6.

Stage 3: Development (1 - 3 Years)

During the development stage of an education workforce housing project, the focus is on selecting a developer to execute the project, completing community outreach as the design is finalized, completing the final documentation, and soliciting bids for the construction contract (Figure 33). (3.1) Similar to the process for selecting a firm from the feasibility RFP process,

Figure 34: Education Workforce Housing Connects Housing, Schools, and Context
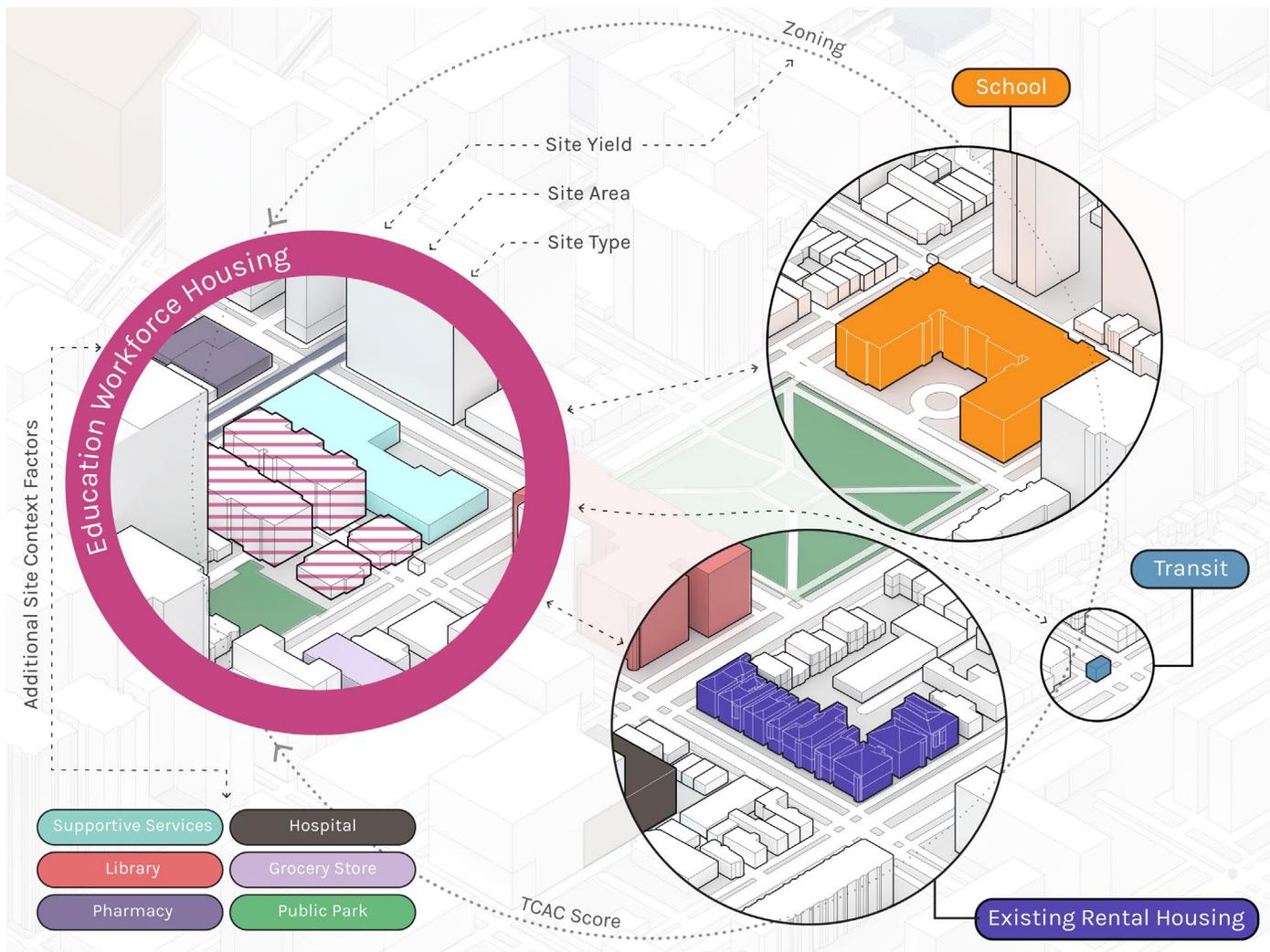
Source: Author analysis. See Appendix 1.

Note: There are numerous contextual influences that can play a part in sighting and designing an Education Workforce Housing Development. An LEA alongside their development team will work to define what is most important in their local context.

selecting a developer can be done alongside a consultant who will look primarily at the firm's proposed project timeline, expected cost, and previous portfolio of work. In this development period, additional community outreach should be conducted to inform neighbors on project timeline and final design decisions. (3.2) Once the developer has been selected, they will apply for the requisite entitlements and approvals from the local city authority. Having received another round of feedback, and now fully understanding the cost implications of the project design, the developer (often with an architect on the team as well) can finalize the building proposal, produce

final construction documentation, complete their financial package, and ultimately select a contractor to build the project. The responsibility of selecting a contractor and overseeing the construction timeline and process largely falls on the developer, who coordinates with the LEA's requirements. It is worth highlighting that if an LEA has worked alongside an owner's representative or project manager throughout the process, the development stage can be shorter at 1-2 years, since they can assist with submitting the proper entitlement applications towards the end of Stage 2: Feasibility.

Figure 35: Stage 4. Construction
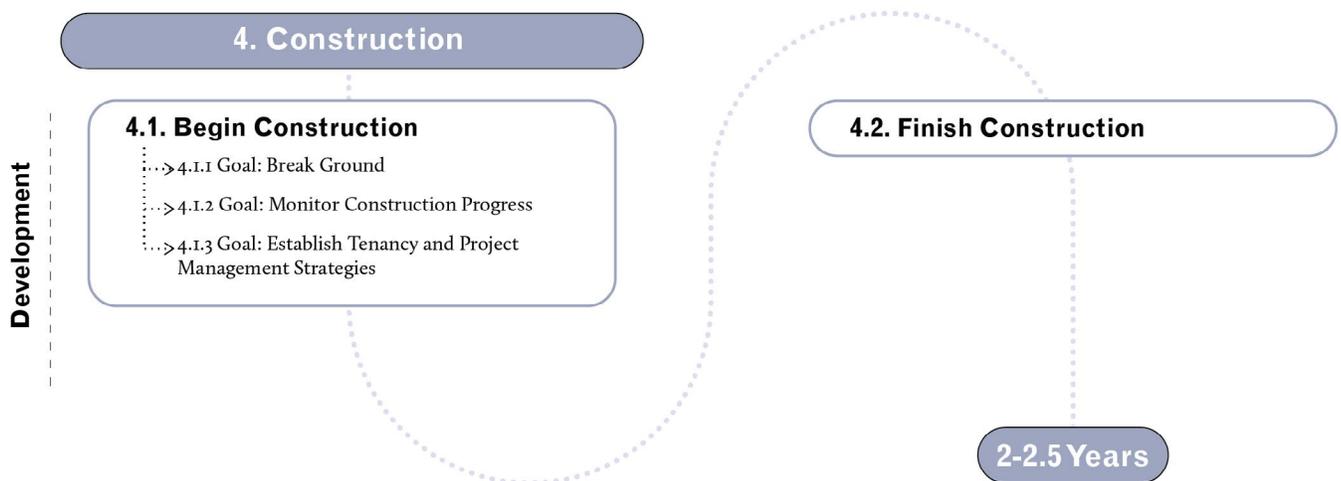
Source: Author analysis. See Appendix 6.

Stage 4: Construction (2 - 2.5 Years)

During the construction stage of education workforce housing development, the focus is on completing the physical building and establishing strategies to manage the building and tenants once units are ready to be leased (Figure 35). (4.1) For a multistory building in California, the standard construction timeframe is approximately two years. During this time, the LEA's role becomes more of an advisory one as it (or more likely a housing committee subgroup) monitors construction progress via consultation with the developer, and deal with change orders or other concerns that come up during construction. Most importantly, the LEA board during this stage must establish tenancy and project management strategies to formalize the tenant population decisions they made earlier on. Often LEA boards establish independent housing committees, which can consist of board members, LEA staff, employee representatives, and local neighbors, to take the lead during this process as decisions are made on how to allocate units and how to deal with tenant turnover over time. For ongoing project management, another contract can be issued by the LEA. Many developers have in-house property management firms that can be

contracted to manage the completed housing project. (4.2) The Construction Stage is completed after the LEA and their developer conduct an on-site review and create a "punch list" of any remaining work to be done before the appropriate public agency inspects and issues a Certificate of Occupancy for the project.

Stage 5: Leasing Up (6 months - 1 year)

During the leasing stage of education workforce housing development, the focus is on filling the completed units with eligible tenants (Figure 36). (5.1) At this point the tenant and project management strategies established during the construction stage are implemented, and it becomes the responsibility of the project management firm to advertise availability, apply any defined employee preferences, and select applicants through lotteries to move into the project. (5.2) With the proper due diligence, demand for units should be high and the project should lease up quickly. Occupancy is crucial to providing benefits for educators and staff but also for financial sustainability of the project. Some financing methods require near-full lease up before their funds are disbursed, and the rental income helps sustain the costs of the project.

Figure 36: Stage 5. Leasing Up
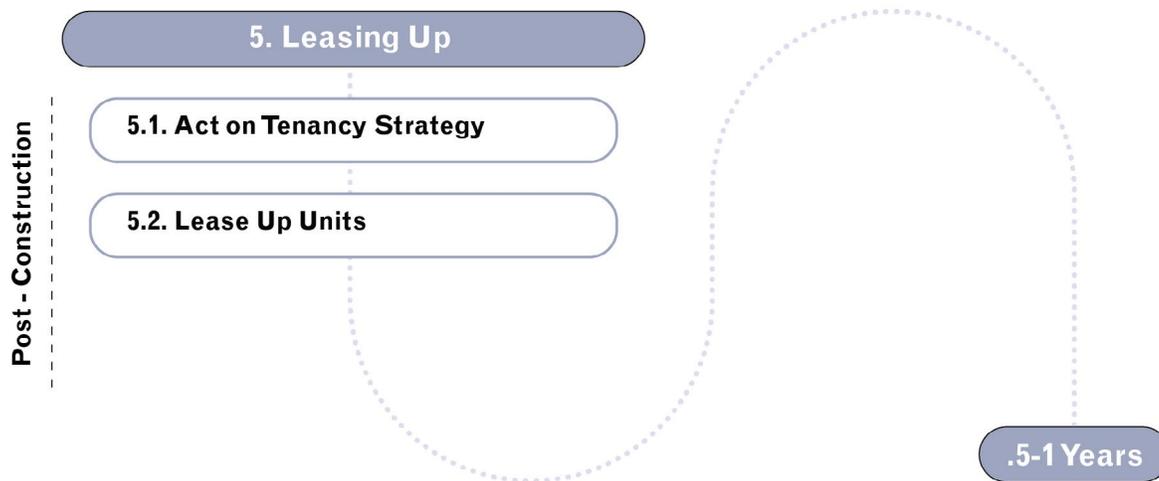
Source: Author analysis. See Appendix 6.

Figure 37: Stage 6. Management and Operations
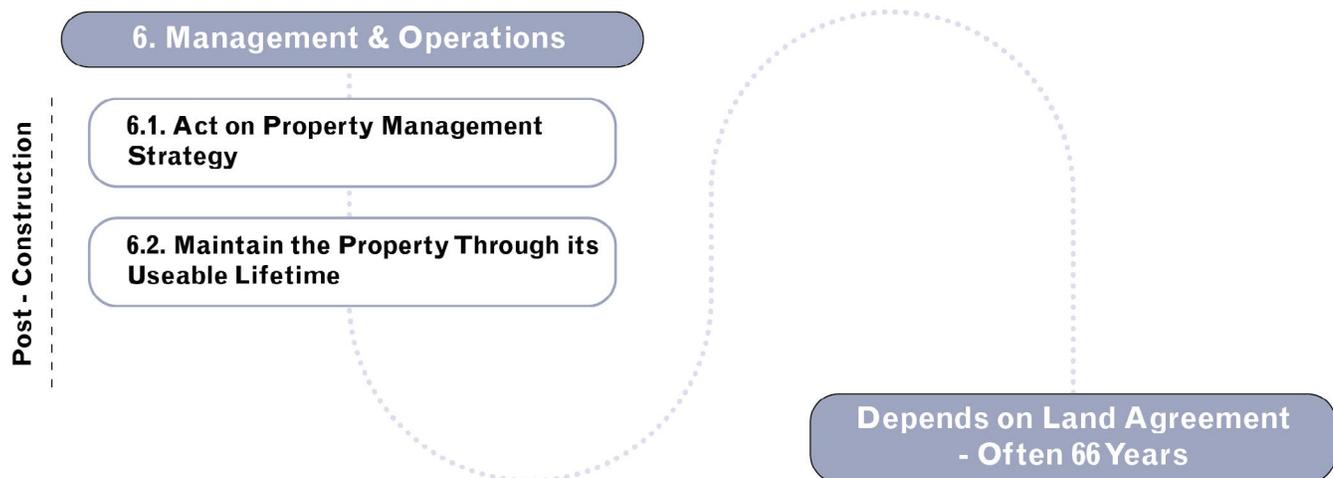
Source: Author analysis. See Appendix 6.

Stage 6: Management and Operations (Ongoing)

Management and operations is the final stage of the development process and continues through the usable life of a project, which can be 50-100 years (a period of time that includes the typical 66-year length of a long-term ground lease). (6.1) During this time, the property management company works with the LEA and its tenants to ensure that the building remains in good condition (Figure 37). This includes securing rents from the project, managing demand and turnover of apartments, certifying tenant eligibility, and reserving funds for ongoing maintenance and major repairs. In summary, the property management team works to maintain the project and ensure its ongoing benefits to the LEA and its employees. (6.2)

Create Responsive Options

As discussed earlier in the report, after completing its due diligence and assessing the various sites available for housing development, an LEA must determine what exactly can be done with its selected site. In this section, we use two cases at different scales of consideration to show how intentional design is crucial to creating education workforce housing. The first, located in San Jose

Unified, offers a case for creative site planning and the second, located in Berkeley Unified, offers a case to understand the nuances of project design. Full discussion of the particulars for these two cases are available in Appendix 7 and 8, and here we look at the key takeaways highlighted by the two design exercises. These two cases use actual sites considered by LEAs for education workforce housing, although for various reasons neither were ultimately selected for development.

Figure 38: Design Case 1. Overview of Housing Approaches
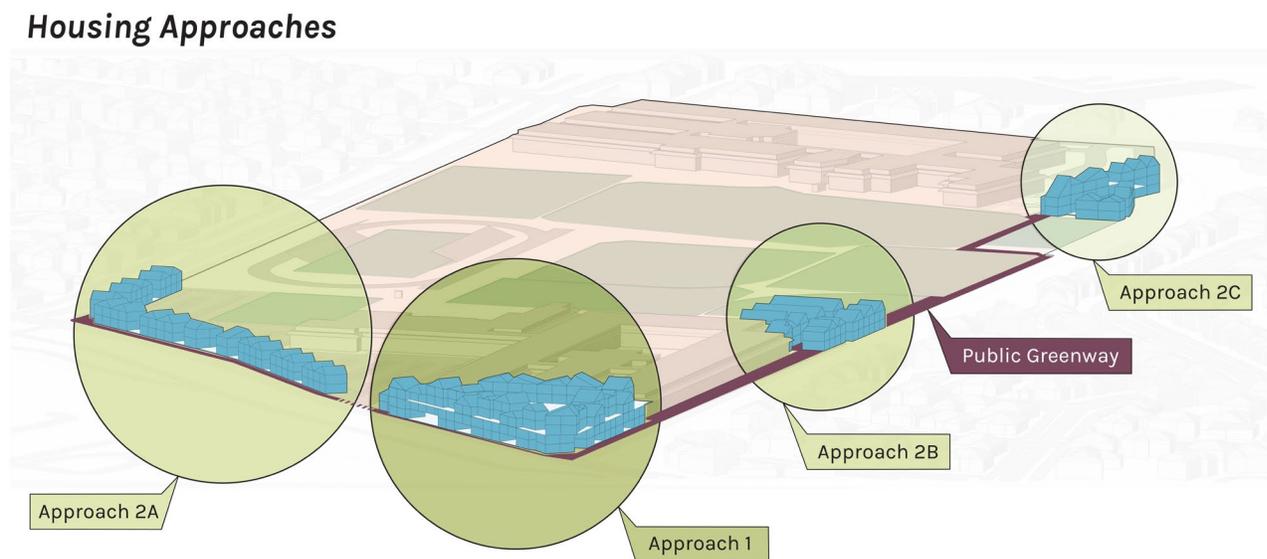
Source: Author Analysis. See Appendix 7.

Design Case 1: Site Planning in San Jose Unified School District

At a high level, relationships between the campus and its surrounding community are paramount. The combined campus of Bret Harte Middle and Leland High School is a large, active school site nestled into the low-rise, suburban neighborhood fabric of the Almaden Valley in San Jose. Its spacious and sprawling campus has many portions that could be subdivided to create sites for education workforce housing.

Yet this particular site type can stir impassioned responses from the community over how the school and neighborhood will be impacted—which the experience of SJUSD has shown. Active school campuses have been explored the most often by LEAs for their ubiquity and potential, but they remain some of the most challenging sites to build on. Offering multiple approaches for an active school site can create a productive conversation with community members over possibilities on the campus (Figure 38).

In this design case, the campus is studied to strategically locate where and what type of housing can share space with the schools. Different types of housing define two schematic approaches on the campus: 1) a multifamily "podium" building, and 2) townhomes (examples in Appendix 9). These two approaches balance the opportunities available on the campus and demonstrate how the precise placement of a project can define responsive and appropriate development.

In the first approach, a multifamily podium building could be located on an unused corner of the campus. (Approach 1) As shown in Figure 39, this underused corner could hold a single, larger-scale development without greatly impacting the character of the campus or surrounding neighborhood. A development on this corner would help to visually anchor and mark an entry to the campus, and its proximity to the school could allow for shared-use spaces. The greatest advantage of a high-density development is that it would occupy less space on the campus while being able to create more units of housing.

Additionally, the larger scale may create an opportunity to include market-rate apartments or to expand unit eligibility beyond the education workforce community.

In the second approach, townhomes could be proposed in smaller areas around the campus to reflect the more familiar scale of development in the neighborhood fabric. With a greater number of townhomes, education workforce housing could help redefine the edge of the campus and activate a stretch along a public greenway. (Approach 2A) A linear series of townhomes would make walking along Camden Avenue more pleasant for students on their way to school, it would help blend the campus into the scenic neighborhood by hiding away its vast parking lot, and it would offer views outward for the tenants within. At the same time, other locations on campus could also accommodate similar townhomes in different configurations. A site more nestled within the campus (Approach 2B), which would exclusively house teachers and staff of the LEA, could replace portable classrooms and help stitch together the campus' various parts.

Figure 39: Site Planning Strategies

Campus Strategy: Tactical Additions
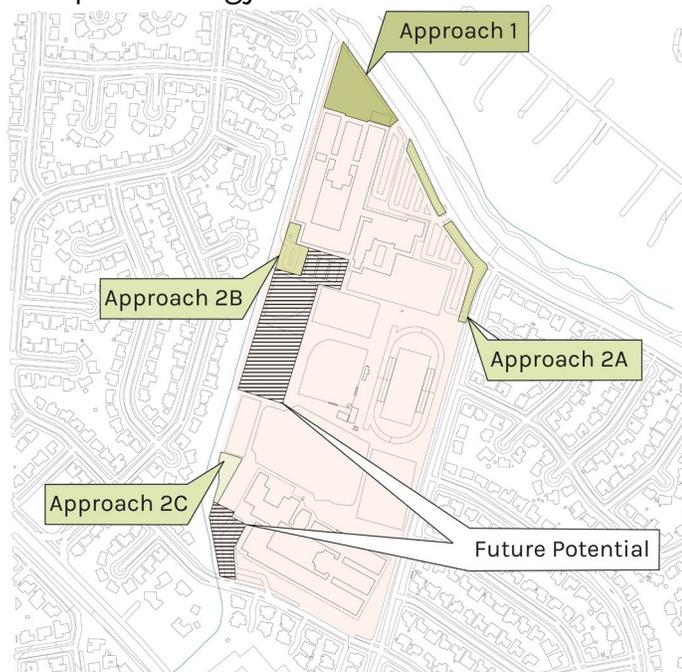
Extending and Linking Community Spaces

Source: Author Analysis. See Appendix 7.

Deep within the campus, it would be hidden from the neighborhood beyond. At another location, townhomes could turn inward to create a self-enclosed courtyard building (Approach 2C) that limits the project's relationship to nearby school buildings.

These approaches show how housing can be accommodated in multiple ways on the same campus and how design decisions can help address community concerns. As discussed above, a single building could offer a localized intervention with greater density while reducing disruption elsewhere on the campus. If the scale or visibility of such a project is of major concern, then smaller townhome developments could be utilized and located in other pockets of the campus.

Figure 40: Design Case 2. Urban Site and Context

Source: Author Analysis. See Appendix 8.

Design Case 2: Crafting a Development Proposal in Berkeley Unified School District

At a smaller scale, a clearly defined site still requires the consideration of many choices and tradeoffs. This design case looks at a staff parking lot for Berkeley High School located in Downtown Berkeley amid a dense, mixed-use urban fabric (Figure 40). The LEA parking lot site type is often ideal for development because there are few site improvements that need costly replacement or demolition. Context, however, matters. LEAs must still consider the history of the particular site, its relationship to the nearby schools, and its connection to the local community, allowing these insights to inform conversations about the land's reuse. Considering existing and surrounding land uses is critical and informs the project's development parameters. How the desired program will be accommodated, or what exactly will be built, shapes the outcome in fundamental ways. These form the development parameters of the project, regardless of what its final appearance may be.

The key considerations discussed here that shape the development proposal are context, site type, program and proposed use, zoning and development standards, parking, construction types, project yield, and financing. (An in-depth and step-by-step discussion of these factors can be read in Appendix 8.) At this location, the urban context makes a high-density and more intensive use of the site possible and appropriate for the neighborhood. Downtown Berkeley already has a mix of high-rise residential and commercial buildings nearby, and the existing surface lot is underutilized relative to the benefits a new development could provide. That being said, the first and crucial thing for the LEA to decide is what it wants to create among the different uses and possibilities at the site. This site in particular has been used as tennis courts for Berkeley High School, as a staff parking lot, and was recently a candidate for housing development. Deciding among multiple competing alternatives, and balancing the LEA's needs, are developmental realities that guide what is ultimately constructed.

Local zoning and development standards will determine the buildable envelope of the project and how intensively the site can be used. The site's constraints are commonly defined by height limits and required yards or setbacks. The site's overall development potential can also be limited by maximum floor area ratio, density, lot coverage, parking requirements, and open space standards. Not all of the buildable envelope needs to be used, but understanding the site's maximum potential allows a comparison with what will ultimately be built.

Parking is a crucial factor in residential development because of its cost and the amount of space it requires. The amount of parking can often limit how many housing units are created. Lower ratios of parking spaces to apartments allows more of the area to be used for housing, the main purpose of the development. Parking ratios can be set based on the tenant population, whether they are expected to have many personal vehicles, whether there will be car sharing services provided, or whether there is access to robust public transportation. This urban site can justify much lower parking ratios, and not require the project to create so many spaces for cars, due to the ample public transportation and the proximity that many tenants will have to their workplaces in the LEA.

The cost of parking is closely tied to the type of construction required. For example, parking garages are built with costlier steel-reinforced concrete. The construction type is also affected by how tall the building will be. Wood-frame construction is typically the most cost-effective for residential construction, yet building codes only allow it to be used in a limited number of stories above ground. Building beyond this requires a change in materials for fire and life safety reasons, and high-rise construction requires additional equipment and services to be provided in the building. These design choices have a connection with real materials and their costs, which can outweigh the benefits of additional housing units provided.

The project's yield, or the number of housing units it will create, depends on the combination of these choices and the size of units within its buildable envelope (Figure 41). Planning and development incentives can also increase the project's yield by augmenting the buildable envelope or offering concessions on development standards. These can include administrative approvals that allow height increases within particular zones, the statewide density bonus that incentivizes affordable housing construction, or transit-oriented development incentives that allow for reduced parking ratios. All of these can be applied at this site and help to increase the number of new homes built as education workforce housing.

The type of financing that is used by the project also shapes its development parameters because many programs have additional requirements to be eligible for funding. These requirements include certain building amenities, a particular mix of unit sizes, and private and shared open space on site. There may be other options as well, including mixed-income projects that may require less subsidy and offer more flexibility in the populations served by the project.

To illustrate the implications of these varied options, we conducted a financial analysis (known as a pro forma analysis) of three different housing scenarios on the Berkeley Unified School District site. The results of this analysis illustrate the various paths that LEAs may take to build housing, and how much subsidy might be needed for each of these scenarios.

This analysis considered three possible development scenarios: a 100% affordable housing project funded through the Low Income Housing Tax Credit (LIHTC) program (Scenario A); a half moderate income/half traditional affordable housing model (Scenario B), and; a fully moderate income project (Scenario C). Each of these were analyzed in both a low and high parking option, with the high parking scenario incumbent on building replacement parking for the existing parking available on the school site today. Current rents and development costs were used to illustrate feasibility in each scenario. (For a full breakdown of pro forma variables and results, please see Appendix 8.)

While all of our development scenarios may be feasible, a source of subsidy would still be needed for each. The 100% affordable scenario requires the most subsidy, at $25.5 million. Scenario B requires $21.1 million, and Scenario C requires $16.3 million. These additional subsidies in addition to tax credits could come in many forms, including city sources such as bond money (in Berkeley, this could be from Measure O bond dollars) or federal pass through dollars such as HOME or Community Development Block Grant (CDBG) funds. Aside from direct subsidies, local governments can help lower development costs overall, thereby reducing the need for direct subsidies. These policies could include reducing or waiving development impact fees, reducing required parking (as discussed below), or expediting approval timelines.

Figure 41: Development Program
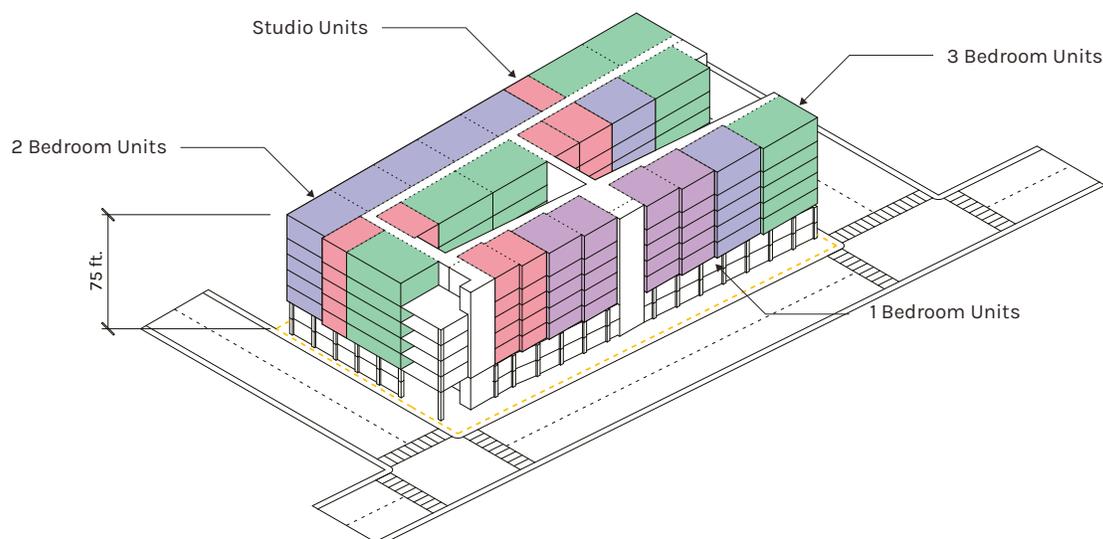
Source: Author Analysis. See Appendix 8.

Other sources may also be available from the state in addition to LIHTC, such as the Multifamily Housing Program (MHP), or the Affordable Housing and Sustainable Communities (AHSC) Program.[1] For larger required subsidy amounts, such as in Scenario A, it is likely that several sources of funding would be required. Research indicates that multiple funding sources increases the overall cost to develop due to additional administrative costs and potential impacts on timelines and carrying costs given the time required to assemble multiple sources.

We also analyzed the impact that parking has on development costs. Specifically, we conducted a sensitivity analysis to determine how much less subsidy may be required when parking was reduced, specifically when replacement parking (i.e., creating parking for residents as well as replacing parking that was previously on site for staff and students) was not required. Across the board, we found that lower on site parking greatly reduces the need for subsidy. In Scenario A, the amount needed was reduced to $20 million. In Scenario B, the amount was lowered to $15.3 million, and Scenario C was reduced to $10 million.

All of these factors, from site to financing, remain in play while crafting a proposed development. While discussed in a linear fashion here, defining any project is most often an iterative process that seeks to balance among many competing goals and possibilities, and a successful project will achieve its benefits in a feasible and cost-effective way for the LEA. The design process shown here establishes a preliminary idea for development. Also understood as a massing study or yield study (Figure 41), it provides the first basis for understanding what is possible to create on the site while balancing the project's goals, cost implications, and the many tradeoffs inherent to the process.

As the development project moves toward a single outcome among competing possibilities, the process opens up many questions and decisions that an LEA must think through carefully. Due diligence from the LEA opens up conversations among LEA leaders, LEA staff, educators, school workers, and the school community to begin understanding the potential for education workforce housing and creating shared expectations. As the LEA continues forward with selecting developmental partners to deliver the project, it will offer a baseline to size up proposals and determine which solutions will best meet its goals.

The project, at this point, is not set in stone. Its specific parameters, including costs and the look and feel of its architecture, will be refined with a selected developer that will bring its own expertise and creative approaches into making the project a reality with extensive community involvement (Figure 42). There is still much left to be designed to create a welcome and appropriate addition to the neighborhood. Whether completed with contemporary design aesthetics or traditional styles, as shown here, the structure and parameters of the project can carry through to offer lasting benefits to the LEA, schools, and community.

Figure 42: Potential Design Options

Contemporary Design
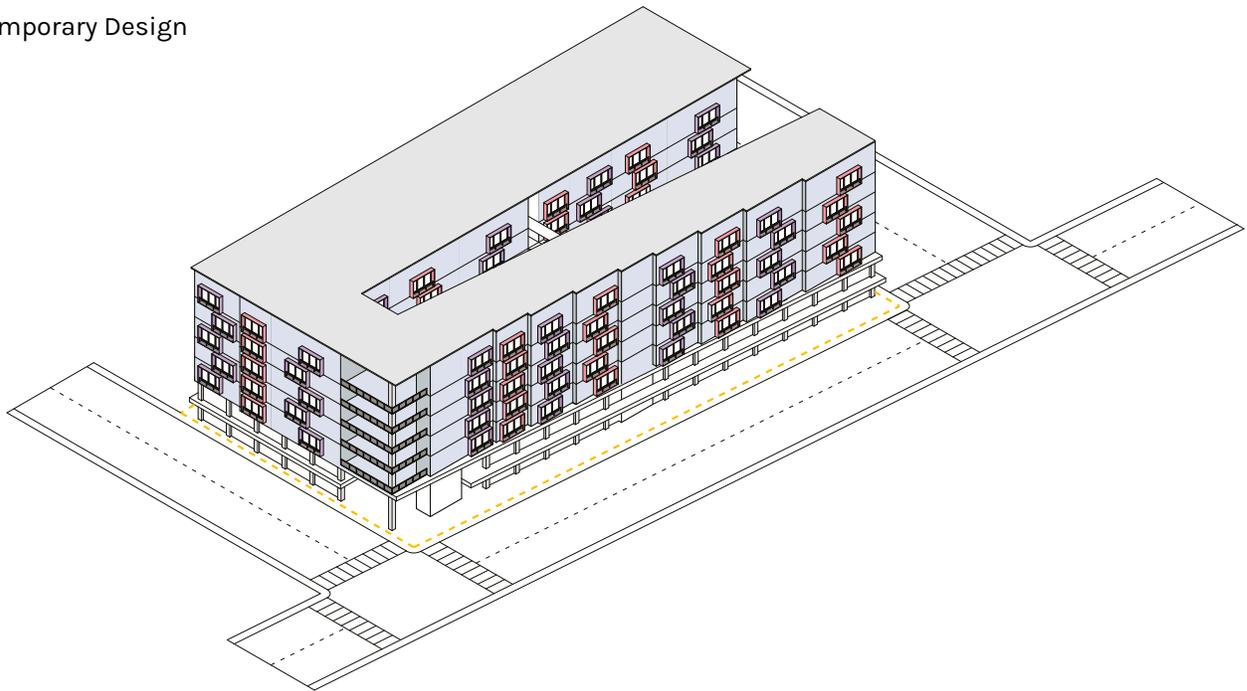
Traditional Design
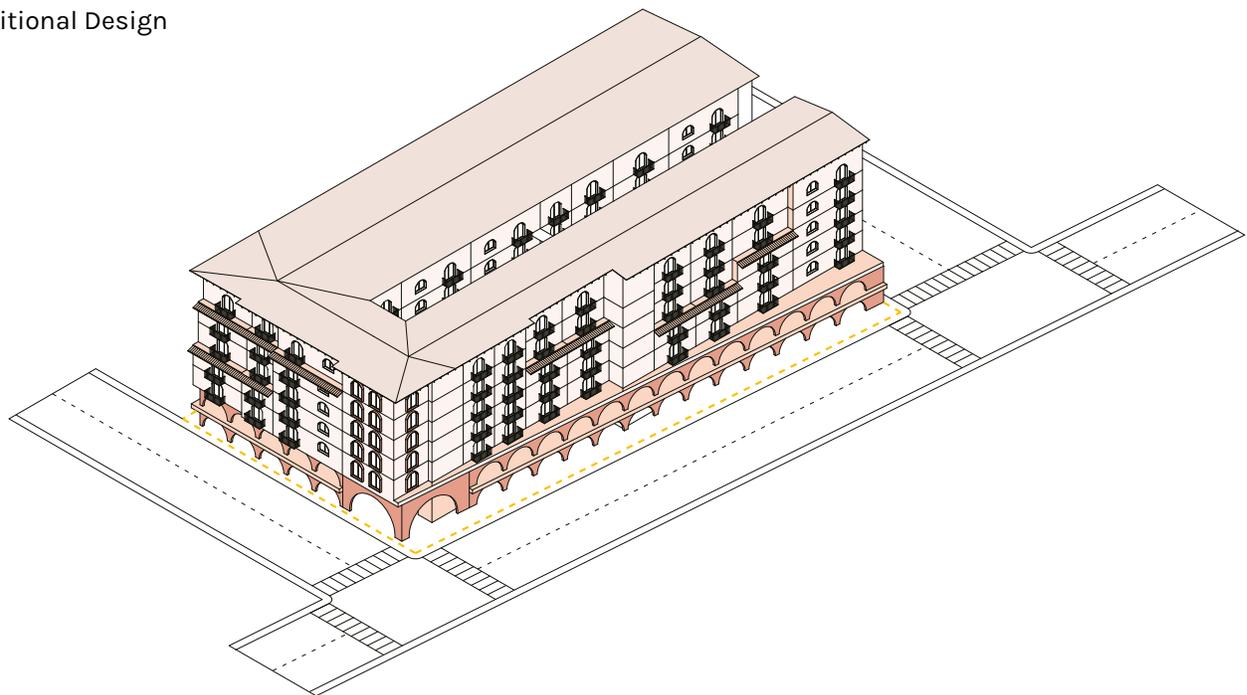
Source: Author Analysis. See Appendix 8.

Recommendations

6

As many California LEAs struggle to attract and retain teachers (in some cases, other staff as well), and housing costs continue to rise across the state, opportunity exists for experimenting with affordable workforce housing solutions in the public education sector. Our analysis reveals that there is a growing interest in LEAs building education workforce housing to help teachers and other school staff live in the communities where they work. Our analysis also reveals that there is significant development potential on tens of thousands of LEA-owned properties across the state.

For LEAs interested in pursuing education housing development, there are a number of steps they can take to prepare for and effectively navigate what can be a complex process to build housing. At the same time, while legislative action in recent years appears to be working to support LEAs in developing housing, progress has often been limited and piecemeal. More can be done through state and local policy action to better support LEAs in their efforts to plan for, finance, and build education workforce housing.

What LEAs Can Do to Effectively Pursue Education Workforce Housing Development

LEAs that have considered building education workforce housing, as well as the vast number of LEAs with the need and the sites for such housing, can take appropriate steps to advance projects.

Develop Partnerships with Community Before and Throughout the Process

Early, continuous, and long-term engagement with community groups, parent groups, and neighbors is necessary for education workforce housing to succeed. Because the public school—its campus and its teachers—holds a special status in many communities, transforming the land to a different use must be discussed and negotiated. LEAs can initiate those conversations in "safe" settings, where differing points of view are welcomed. It can be helpful to work with one or more community leaders early on, to gather insight into important issues and possible solutions. Robust community support can often be the crucial difference that sustains momentum throughout a lengthy and occasionally challenging project lifespan.

Prepare for a Lengthy Process: Due Diligence and Project Champions are Key

Education workforce housing will require years of planning, development, and construction before the first resident moves in. Over the life of the project, there will be changes in community issues, school board membership, housing and construction costs, and other relevant concerns. The most important stabilizing factor will be thoughtful due diligence that gives confidence to the stakeholders, which will serve as the foundation when necessary adaptations arise. LEAs and school board members must commit and identify ongoing leadership that can advance such initiatives over the long timeframes they require. Due diligence and engagement with all the stakeholders of any project can easily exceed the appointment of individual school board members or the tenure of district administrators. Commitment to supporting projects should be conveyed and implemented institutionally.

Design Solutions Must Be Specific to the School, the Site, and the Neighborhood

The standard solutions for housing development will not apply to education workforce housing. The education-based tenants, the public school campus, and the community's vested interests will uniquely frame any development. Any project for education workforce housing will need to negotiate specific conditions on the ground in communities with a wide range of circumstances and challenges. One of the most significant issues is how to envision the change all stakeholders want to see. Design studies and alternatives help everyone visualize the possibilities, providing a vehicle for gathering pointed, specific suggestions. Using architectural design in this manner, particularly in the early phases of a project, can offer assurance as well as accountability.

Keep the Process of Site Evaluation and Selection Transparent

Some LEAs, knowing that there will be community pushback, might begin their consideration of sites "behind the scenes" with closed, internal conversations that try to head off public discussion, but this starts the process on the wrong foot. Building trust means being transparent and listening to voices with concerns. Bringing examples and using models, such as the precedents and site types shared in this report, can build a shared understanding of the possibilities, constraints, choices, and tradeoffs required of such developments. Defining project goals along with the surrounding community sets up the process for success, which can look like education workforce housing "plus" additional community goals. These shared, desired outcomes bolster support in the community and can help sustain LEAs through the life of a project.

What State Agencies and Other Partners Can Do To Help LEAs Pursue Education Workforce Housing Development

To encourage and incentivize LEAs in California to explore developing education workforce housing on their property, certain policy changes should be considered.

Increase Land Use Flexibility and Streamline Approvals Process

State or local policy action can ease regulatory constraints and reduce other barriers to developing education workforce housing on LEA-owned property. For example, a locality may impose minimum parking requirements that increase costs and use up available land, or it may place limits on density (building height, massing, etc.) that both reduce the number of housing units that may be built and thereby make some developments financially infeasible. Jurisdictions may also impose burdensome fees or exactions on new development that can increase costs. In addition, the local entitlements process—through which developers get approvals for their development plans—can be lengthy, resource-intensive, and uncertain, which can add complexity, time, and costs to a project.

Any policy changes that address these kinds of constraints could support increased housing production more generally. But absent broader policy shifts at the state or local level, each of these policies, processes, and exactions should be examined as to whether and how they could be reformed to be more supportive of workforce housing development on LEA-owned land. For example, policymakers at the state level could pass legislation to: allow LEAs by-right entitlements, by-right zoning for residential use, and by-right parcel subdivision when building

education workforce housing on LEA-owned land, streamline (or eliminate) Division of State Architect approval of education workforce housing,[1] and allow increased density in education workforce housing projects.[2]

Even without—or in advance of—state action, localities can review their housing and land use policy and processes as they relate to LEAs to encourage and support the development of workforce housing. Such steps could also assist cities across California as they look to amend their zoning code in order to meet ambitious new Regional Housing Needs Analysis (RHNA) targets.

Expand Financing Tools Available

Financing affordable housing is complex. Projecting costs is riddled with uncertainty, particularly as the cost of construction continues to rise each year.[3] To help catalyze developments, LEAs need access to funding for both the "soft costs" of predevelopment (e.g., soils testing, architectural plans, community engagement) as well as the "hard costs" of actual construction. To make projects feasible, LEAs need access to both capital as well as cost containment options. State policymakers could support these efforts by establishing a revolving fund for predevelopment activities that provides grants to qualifying LEAs to support project start-up costs, staffing, management, and other feasibility/predevelopment analysis. The state could also establish a grant and/or loan program for capital costs associated with education workforce housing development. To set up these grant programs, the state could look for partnerships with philanthropy and/or the private sector. These funds should aim to leverage local funding (e.g., local general obligation bond funds or other locally-derived sources), but do so in a way that promotes equitable access to funding, even for LEAs with very low bonding capacity or taxable property values.

Given the costs of construction and limited resources available for affordable housing production, LEAs interested in pursuing education workforce housing strategies could explore cost containment options (e.g., alternative models of development such as scattered site or smaller scale projects, use of innovative building technologies and materials, and alternatives to conventional ownership and rental tenure such as community land trusts, cooperatives, limited equity cooperatives, or rental equity programs) that may increase the feasibility of a project and/ or stretch limited resources further. However, understanding the array of options available and appropriate tools for a given project will likely require additional technical assistance for LEAs learning the development process.

Build the Capacity of LEAs

Relaxing regulatory constraints and providing funding will go a long way to catalyzing education workforce development, but LEAs need to build the knowledge capacity to leverage opportunities. Of utmost importance is that training and technical assistance be made available to LEA leaders on how to effectively plan, finance, and develop education workforce housing.

The state (e.g., HCD and the Department of Education) should form strategic partnerships with professional associations (such as the California School Boards Association (CSBA), California Association of School Business Officials (CASBO), California's Coalition of Adequate School Housing (CASH)) and philanthropic organizations to build the knowledge capacity of LEA leaders across the state.

Activities these entities can support include:

- Establishing a central clearinghouse of relevant data, best practices, and documents from completed developments. These should include template employee housing

survey instruments,[4] template Requests for Qualifications/Proposals (RFQ/P) for consultants,[5] template feasibility analysis documents,[6] template tenant lease agreements, case study examples of successful projects, and a statewide inventory of LEA-owned land and facilities.[7]

- Establishing a learning network (e.g., Education Workforce Housing Academy) for LEA leaders offers regular workshops to LEAs considering education workforce housing.

In building LEA capacity, it will be essential to effectively engage local stakeholders in project planning and design. Ideally, school boards should be leading these efforts. For any project under consideration, community engagement should begin as early as possible. Stakeholders include local residents, impacted students, and school families, as well as school board members, superintendents, school administrators, teachers, and potential developers. Local communities often have a strong interest in how public school campuses are used in their neighborhoods. Local communities are also typically vocal about new, proposed development in their neighborhoods. Some stakeholders support development (including housing development), while others oppose it. Early and transparent engagement should be prioritized to build relationships with these stakeholders. The clearinghouse should include a "toolkit" for effective local stakeholder engagement in planning education workforce housing.

The recommendations listed above will bring additional knowledge, funding, and policy clarity to LEA leaders pursuing education workforce housing development. These resources should aid in localized processes of stakeholder engagement by ensuring LEA leaders are good stewards of their land assets: learning from past projects, learning from their peers, and leveraging guidance and templates to save time and money. All of these resources should aid in structuring

effective dialogues with local stakeholders and in communicating the feasibility (and value) of a local education workforce housing development. The result, hopefully, will be strong local political and community will for education workforce housing.

7

Conclusion: Housing and the 21st Century Public School Campus

Building education workforce housing may prove to be a key ingredient to (re)developing the 21st century public school campus. As school leaders look at innovative new uses on their properties, they will need to be thoughtful. An LEA's first priority is public education, as they are stewards of a significant amount of local public investment in land and facilities. Local leaders will need to make decisions—and tradeoffs—when considering land for education workforce housing as building housing requires land that might otherwise be used for other important educational programming responsibilities, such as sports fields or building more classrooms in the future. At the same time, for public school facilities and grounds already in need of repair and upgrading, considering how housing could be incorporated into broader efforts to modernize these campuses could provide an opportunity to move forward complementary goals of improving school quality and equity.[1]

For LEAs interested in pursuing education workforce housing development, it can be daunting to know where to start. This report, paired with the companion Handbook, offers relevant information about education workforce housing to LEA administrators, school board members, community members, and other local stakeholders. It provides the basis for shared understandings among these groups, who will need to work together as they evaluate whether such housing makes sense in their LEA. That process is made more efficient when best practices and relevant information are shared.

Additional research will also be needed to shape the field and guide future efforts. As more LEAs move forward with education workforce housing projects, these processes and outcomes should be carefully studied. Researchers should also examine the costs and benefits of these projects, with a focus on questions such as: How do project costs compare to other housing assistance options an LEA might consider (e.g., higher salaries, down payment assistance)? Does education workforce housing reduce teacher turnover and increase teacher tenure in a district? Which community engagement strategies contribute to better project success? How can financing mechanisms and cost containment strategies be best utilized and leveraged? While this report has begun to answer these questions, much will be learned through local experimentation in education workforce housing development.

8

Appendix

Appendix 1: Methods and Data Sources

A variety of methods and data were used in this report.

Figure A1.1 Data Sources for Housing, Staffing, and Property Analyses

LEA and School Data			
Data Category	Entity Name	Year	Note
LEA and school- level administrative data	California Department of Education (https://www.cde.ca.gov/ds/si/ds/pub-schls.asp)	2020	Contains all active, pending, closed, and merged public schools, LEAs, and county offices of education.
LEA and school- level enrollment and socioeconomic data	California Department of Education (https://www.cde.ca.gov/ds/ad/documents/cupc1920-k12.xlsx)	2019-2020	California Longitudinal Pupil Achievement Data Systems (CALPADS) provides data pertaining to the Unduplicated Pupil Count (UPC) of free or reduced-price meal (FRPM) eligibility, English Learner (EL), and foster youth.
Teacher salary data	California Department of Education (https://www.cde.ca.gov/ds/fd/cs/index.asp)	2018-2019	Lowest scheduled salary offered. For most LEAs, this is the entry-level ("beginning") teacher salary.
Teacher turnover and attrition data	Learning Policy Institute Understanding teacher shortages in California: A district- and county-level analysis of the factors influencing teacher supply and demand (interactive map). Palo Alto, CA: Learning Policy Institute. (https://learningpolicy-institute.org/product/interactive-map-understanding-teacher-shortages-california)	2017-2018	Data obtained from the Learning Policy Institute (LPI), which draws from several public-use and restricted-use California data sources. Teacher turnover refers to teachers who left teaching in the district/county during the 2017–18 school year, including those who left teaching in California public schools entirely and those who left to teach in a different LEA/county. Teacher attrition refers to the percentage of teachers who left public school teaching in California during the 2017–18 school year. Beginning teachers refers to the percentage of first- and second-year teachers in 2017-2018.
Housing Data			
Housing data	U.S. Census Bureau, American Community Survey 5-Year Estimates (https://www.census.gov/data/developers/data-sets/acs-5year.html)	2014-2018	County and census tract-level pretabulated estimates were used as were Public Use Microdata (PUMS).
Income Limits	Department of Housing and Urban Development (HUD) (https://www.huduser.gov/portal/data-sets/il.html#2018_data)	2018	The Department of Housing and Urban Development (HUD) sets income limits that determine eligibility for assisted housing programs.
LEA Property and Building Data			
LEA-Owned Land	California School Campus Database (CSCD) and County Assessor's Offices	2020	Parcel ownership data from all 58 California counties was obtained from GreenInfo Network. Parcels/property owned by LEAs was identified and geocoded in a Geographic Information System (GIS).

Existing buildings data on LEA-owned land	Microsoft (https://www.arcgis.com/home/item.html?id=f40326b-0dea54330ae39584012807126)	2020	Microsoft released a set of deep learning generated building footprints covering the entire U.S. Building footprints on LEA-owned properties in California were identified for analysis in Geographic Information System (GIS).
Physical Education (PE) and bus drop off space	California Department of Education (https://www.cde.ca.gov/ls/fa/sf/documents/schoolsiteanalysis2000.pdf)	2000 (most current)	The California Department of Education provides recommended acreage for PE and bus drop off for K-12 schools in its document, "Guide to School Site Analysis and Development. These numeric requirements were utilized in analyzing potentially developable acres on each property.
Locale and Transit Data			
Geographic Locale Codes	National Center for Education Statistics, Common Core of Data (https://nces.ed.gov/programs/edge/Geographic/School-Locations)	2020	Geographic locale codes for each public school and LEA in the U.S. are reported NCES Common Core of Data (CCD). The locale code is a general geographic indicator that classifies the type of area where a school is located. Locale codes are based on a twelve-category framework that includes four primary classifications (city, suburban, town, and rural) that each have three sub-types: 11 = City, Large: Territory inside an urbanized area and inside a principal city with population of 250,000 or more. 12 = City, Midsize: Territory inside an urbanized area and inside a principal city with population less than 250,000 and greater than or equal to 100,000. 13 = City, Small: Territory inside an urbanized area and inside a principal city with population less than 100,000. 21 = Suburban, Large: Territory outside a principal city and inside an urbanized area with population of 250,000 or more. 22 = Suburban, Midsize: Territory outside a principal city and inside an urbanized area with population less than 250,000 and greater than or equal to 100,000. 23 = Suburban, Small: Territory outside a principal city and inside an urbanized area with population less than 100,000. 31 = Town, Fringe: Territory inside an urban cluster that is less than or equal to 10 miles from an urbanized area. 32 = Town, Distant: Territory inside an urban cluster that is more than 10 miles and less than or equal to 35 miles from an urbanized area. 33 = Town, Remote: Territory inside an urban cluster that is more than 35 miles from an urbanized area. 41 = Rural, Fringe: Census-defined rural territory that is less than or equal to 5 miles from an urbanized area, as well as rural territory that is less than or equal to 2.5 miles from an urban cluster. 42 = Rural, Distant: Census-defined rural territory that is more than 5 miles but less than or equal to 25 miles from an urbanized area, as well as rural territory that is more than 2.5 miles but less than or equal to 10 miles from an urban cluster. 43 = Rural, Remote: Census-defined rural territory that is more than 25 miles from an urbanized area and is also more than 10 miles from an urban cluster.

Figure A1.1 Data Sources for Housing, Staffing, and Property Analyses (continued)

Transit Rich Areas data	Othering & Belonging Institute at the University of California, Berkeley (https://mappingopportunityca.org)	n.d.	Transit Rich Areas are those within ¼ mile of a high quality bus stop and/or ½ mile of a major transit stop. Criteria for "high quality" derived from Senate Bill 827, Weiner (https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB827) Geographic buffers around transit stops were created in a Geographic Information System (GIS).
TCAC Opportunity Map data	California Tax Credit Allocation Committee (https://www.treasurer.ca.gov/ctcac/opportunity.asp)	2021	To allow TCAC and HCD to incentivize equitable development patterns in each region to the same degree, the TCAC/HCD Opportunity Map allocates tracts (or block groups in rural counties) to one of five categories. The 20% of tracts in each region (or rural block groups in a rural county) with the highest relative index scores are assigned to the "Highest Resource" designation and the next 20% to the "High Resource" designation. The remaining tracts are divided into "Moderate Resource" and "Low Resource." Tracts or rural block groups with poverty rates of 30% or higher AND a racial Location Quotient of 1.25 or higher are designated as "High Segregation & Poverty."

Statewide Inventory and Analysis of LEA-Owned Properties

The data listed above was used to create and analyze a statewide inventory of LEA-owned properties.

California has the second largest public K-12 education system in the U.S., enrolling about 6 million students in more than 10,000 K-12 schools. Each of these schools sits on land owned by an LEA. There are two main types of LEAs: K-12 public school districts (classified as either elementary school districts (ESD), high school districts (HSD), or unified school districts (USD) depending on the grades they enroll) and County Offices of Education (COEs).[1] In 2020, California had 944 K-12 public LEAs (524 ESDs, 76 HSDs, and 344 USDs) and 58 COEs.

Most of the land these LEAs own has one or more schools operating on it. But they also own land for "non-school" uses, which can include land for administrative buildings, bus barns, maintenance shops, or land/facilities that are rented out to other users. LEAs may also own land that is vacant. Often vacant land has been purchased to house a future school or administrative facility. It is important to note that ESDs, HSDs, and USDs each have unique boundaries and often overlap geographically (and rarely coincide with other local government boundaries), while COEs share the same geographic boundaries as counties.

To analyze the potentially developable land/acreage on LEA-owned land in California, we created a robust geo-spatial inventory of all land and existing buildings under the ownership of California's LEAs in the state. The spatial inventory was created in partnership with GreenInfo Network[2] and is an expansion on the existing California School Campus Database (CSCD). CSCD is a curated database that uses the California Department of Education school list, county assessor parcel ownership data from all 58 counties, and imagery (aerial and street view) to accurately define all of California's public K-12 school campuses.[3] We then assembled relevant characteristic data on each school operating on these lands (e.g., enrollment, grade levels served, and student socioeconomic indicators) and the LEA it belongs to (e.g., LEA teacher turnover rate, percentage of LEA teaching staff that are beginning teachers, lowest scheduled salary in the LEA). Characteristics for each school were then joined to the geo-spatial

representation of each LEA property. This enabled us to create a profile of each property relative to the school(s) currently operating on it and the LEA it is owned by.

Building footprint data for each property was assembled to quantify the amount of built and unbuilt land on each property. The unbuilt acreage was calculated by subtracting out the existing building footprints on each property.

Estimating Potentially Developable Acreage on LEA-Owned Properties

Determining which LEA properties might be contenders for workforce housing depends not only on the size of the parcel, but also on its existing uses. For properties that currently house one or more schools on it, we assume that the school(s) will remain and, if feasible, education workforce housing could be built and operate alongside the school on the property. For LEA-owned land without a school operating on it, the property may already be vacant, have fewer existing uses present, or have uses present that could be relocated to another property and make way for education workforce housing.

To estimate potentially developable acreage on both property types, we: 1) measure existing building footprints and quantify unbuilt acres per property. For lands with schools on them we also: 2) estimate and exclude the amount of outdoor physical education space needed on each property; and 3) estimate

Figure A1.2: Calculation Process
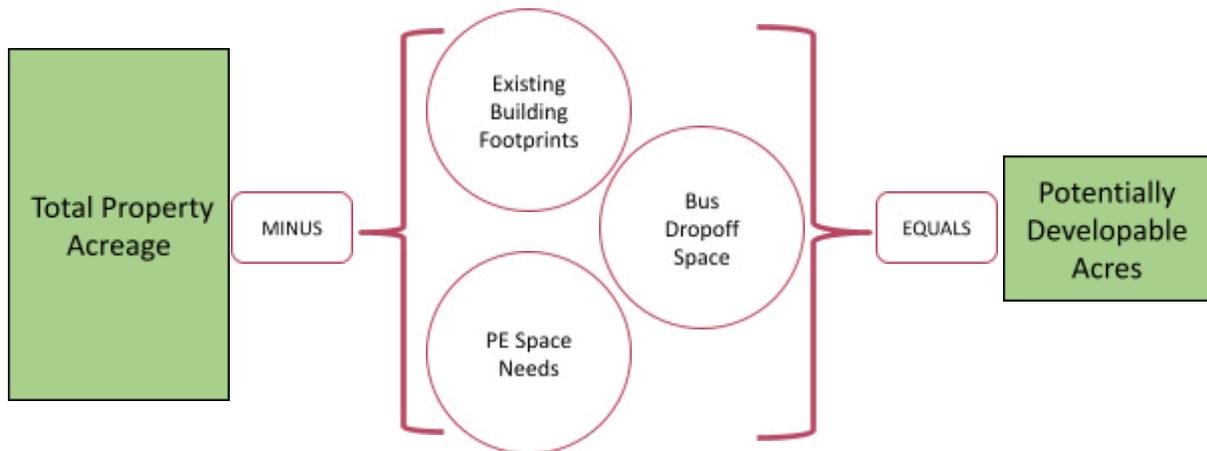
Figure A1.3: Spatial Database Output

and exclude minimum drop-off space needed for busses on the property (see the maps below for examples of school site configurations). We walk through each technique in detail below.

1. Measuring Existing Building Footprints and Quantifying Unbuilt Acres per Property.

Using the spatial inventory, we quantify the existing building footprints on each property and subtract that from the total property acres to arrive at each property's "unbuilt acres." The median amount of unbuilt acreage for all LEA-owned properties is 7.97 acres.

2. Estimating and Accounting for Outdoor Physical Education Space Needs.

The California Department of Education recommends minimum acreage to meet state-mandated physical education curriculum and minutes requirements by grade. Elementary schools are required to have between 0.5 to 7.4 acres depending on enrollment size, while high schools are required to have between 13.8 and 25.3 acres depending on enrollment size.[4] Based on the grades enrolled in the school(s) located on the property, we quantify the recommended PE acreage for each property.[5] This total acreage is then subtracted from the "unbuilt acres" on each property.

3. Estimating and Accounting for Bus Drop-Off Needs.

The California Department of Education recommends the minimum area needed for bus drop-off (15,000 square feet). We assign 15,000 square feet to each school enrolling students in kindergarten up through high school.[6] This total space is then also subtracted from the "unbuilt acres" on each property.

After tallying existing building footprints, PE space needs, and bus drop-off space needs, the result is each property's "potentially developable" acres. For workforce housing development purposes, we assume that properties with less than one acre of "potentially developable" land will likely be too small in most locales to be logistically or financially feasible for housing.

We purposefully do not tally acres on each property needed to accommodate automobile parking demand. While some parking for staff, students, and visitors is likely needed on most school sites, we feel there are opportunities for creative parking solutions that will ultimately take up less space on a property. For example, under- or above-ground parking structures could be built in conjunction with workforce housing development or parking demand could be reduced by improving non-auto transportation access (e.g., installing bike racks and/or providing free or reduced-priced transit passes to students/staff). As the state law and individual localities across California increasingly look to reduce on-site parking requirements, education workforce housing planning should also consider such options.[7]

Across California, there are 7,068 properties with potentially developable land of one acre or more—totaling more than 75,000 acres statewide, as shown in Figure A1.4 below. The median potentially developable acreage of these properties is 5.9 acres.

Figure A1.4: Potentially Developable Land Owned by California Local Educational Agencies, by Local Educational Agency Type

		All Properties			
		Number of Properties	Total Acres	Total Potentially Developable Acres	Median Potentially Developable Acres
By LEA Type	K-12 School District	6,847	122,294	67,729	5.9
	ESD	1,828	24,102	13,753	5.7
	HSD	465	17,698	9,958	11.8
	USD	4,554	80,493	44,019	5.8
	County Office of Education	221	8,299	7,745	5.0
	Total	7,068	130,593	75,474	5.9

Source: Author analysis of the California School Campus Database (CSCD) and California County Assessors' Offices parcel ownership data, Microsoft Building Footprints data, and acreage recommendations for physical education and bus drop off space from CDE's Guide to School Site Analysis and Development (2000).

From there, we assembled data on the urban density and affordability found near each property using U.S. Census data to understand the relationship between teacher salaries and area rent prices. When there was missing school-district level data on teacher turnover, beginning teacher salaries, or other salary data, we used the county median. We then overlaid transit stops and service near each property and 2020 California Tax Credit Allocation Committee (TCAC) Opportunity Maps. Transit stop locations by service type and frequency allow us to gauge the transit access of each school property. TCAC Opportunity Maps assign each census tract in the state to one of five opportunity categories based on an index of economic, education, and environmental characteristics that research has shown to be important for improving outcomes for low-income children and adults.[8] These designations are used in tax credit allocation decisions, making applications for housing developments in High and Highest Resource areas particularly competitive.

Statewide Inventory of Education Workforce Housing Projects

The statewide scan for education workforce housing projects was conducted as follows. We searched every California Local Educational Agency by name using the Google query "[Name] LEA employee housing." We uncovered evidence of LEAs with demonstrated interest in education workforce housing from a variety of sources including news articles, district meeting minutes, press releases, and architectural documentation. We reviewed these sources more extensively using search terms such as "workforce housing," "teacher housing," "building teacher housing," and "building workforce housing," in addition to "employee housing." From the results, we compiled a database of built, in progress, interested, and abandoned education workforce housing initiatives undertaken by California LEAs. We also compiled data on the types of sites being pursued, the zoning and neighborhood characteristics of the sites chosen for development, the physical size and shape of the sites, rental costs and the projected numbers of housing units, the financing mechanisms used for the projects, who the expected tenants were, and demographic information for the LEAs pursuing the projects. This scan found 46 LEAs pursuing projects on 83 sites across the state (see Section 4).

Figure A1.5: 46 California LEAs associated with Education Workforce Housing Projects

Alameda Unified School District	Inglewood Unified School District	Monterey Peninsula Unified School District	Pacifica School District	San Diego Unified School District	Santa Rosa High School District
Berkeley Unified School District	Jefferson Elementary School District	Mountain View Los Altos Union High School District	Palo Alto Unified School District	San Francisco Unified School District	Soledad Unified School District
Cabrillo Unified School District	Jefferson Union High School District	Mountain View Whisman School District	Panoche Elementary School District	San Jose Unified School District	Sonoma County Office of Education
Campbell Union High School District	Lagunitas Elementary School District	New Haven Unified School District	Pasadena Unified School District	San Lorenzo Valley Unified School District	South San Francisco Unified School District
Chula Vista Elementary School District	Las-Virgenes Unified School District	Newark Unified School District	Patterson Joint Unified School District	San Mateo Union High School District	Sunnyvale School District
Cupertino Union School District	Los Altos Elementary School District	Novato Unified School District	Pittsburg Unified School District	Santa Clara Unified School District	West Contra Costa Unified School District
East Side Union High School District	Los Angeles Unified School District	Oakland Unified School District	Ravenswood City Elementary School District	Santa Cruz City High School District	
Fremont Unified School District	Menlo Park City Elementary School District	Orcutt Union Elementary School District	Redwood City Elementary School District	Santa Rosa Elementary School District	

Source: Author analysis.

Figure A1.6: LEA Properties by County

County	All Properties			Potentially Developable Properties			
	Number of Proper-ties	Total Acres	Median Property Size (Acres)	Number of Potentially Developable Properties	Total Acres in Potentially Developable Properties	Total Potentially Developable Acres	Median Potentially Developable Acres
Alameda	380	3,840	8	200	2,962	1,367	5
Alpine	4	22	4	3	19	14	6
Amador	13	195	8	7	175	111	13
Butte	100	1,307	8	64	1,207	783	6
Calaveras	25	377	10	19	352	250	10
Colusa	25	245	5	17	227	108	3
Contra Costa	285	4,238	10	224	3,912	2,209	7
Del Norte	19	226	10	14	211	144	7
El Dorado	75	1,529	12	62	1,518	1,133	10
Fresno	294	5,344	11	198	4,631	2,512	6
Glenn	24	210	6	15	175	82	5
Humboldt	88	1,043	8	63	985	634	5
Imperial	103	1,222	9	65	1,071	689	6
Inyo	20	204	3	6	153	104	8
Kern	327	5,989	11	234	5,470	3,552	9
Kings	65	1,227	13	49	1,177	756	8
Lake	44	359	6	27	315	162	5
Lassen	20	358	13	16	341	217	8
Los Angeles	2,460	23,182	7	1,249	16,631	8,123	4
Madera	74	1,687	12	57	1601	1,139	7
Marin	91	4,125	10	64	4,054	3,636	7
Mariposa	17	155	6	11	136	81	4
Mendocino	60	785	9	41	720	443	8
Merced	139	2,727	10	111	2,590	1,910	8
Modoc	8	81	7	6	66	53	6
Mono	12	155	8	7	127	89	9
Monterey	169	2,206	10	111	1,903	1,090	6
Napa	46	973	10	38	918	657	6
Nevada	40	814	11	30	780	599	10
Orange	565	8,383	10	390	6,956	2,728	6
Placer	135	2,765	10	103	2,585	1,878	6
Plumas	20	160	3	10	129	70	3
Riverside	476	9,004	12	374	8,122	4,376	7
Sacramento	391	5,763	10	267	4,850	2,519	6

* Each column is independent from all other columns in this table.

Figure A1.6: LEA Properties by County (continued)

County	Potentially Developable Properties						
	Percent of Properties Where the District-Level Teacher Turnover Rate is Above the Statewide Median*	Percent of Properties Where the Share of Beginning Teachers in the District is Above the Statewide Median*	Percent of Properties Where the Median Asking Rent is Unaffordable to Teachers at the Lowest Scheduled Salary	Percent of Properties Where the Lowest Scheduled Salary is Less than 80% AMI	Percent of Properties Located in a Census Tract that Contains at Least One Multifamily Housing Development	Percent of Properties Located in a Transit Rich Area	Percent of Properties Located in TCAC Designated High or Highest Resource Area
Alameda	74%	47%	100%	63%	90%	34%	43%
Alpine	100%	100%	100%	0%	100%	0%	0%
Amador	100%	0%	0%	0%	57%	0%	0%
Butte	56%	25%	0%	0%	80%	2%	34%
Calaveras	84%	42%	74%	26%	79%	0%	37%
Colusa	35%	82%	0%	0%	71%	0%	47%
Contra Costa	45%	31%	100%	100%	78%	7%	33%
Del Norte	100%	0%	0%	0%	29%	0%	36%
El Dorado	24%	32%	3%	15%	60%	0%	53%
Fresno	23%	82%	0%	0%	74%	1%	54%
Glenn	13%	80%	0%	0%	100%	0%	60%
Humboldt	75%	71%	2%	0%	57%	0%	41%
Imperial	35%	35%	0%	0%	75%	0%	31%
Inyo	33%	33%	0%	0%	83%	0%	50%
Kern	45%	83%	0%	0%	67%	1%	42%
Kings	71%	43%	0%	0%	69%	2%	43%
Lake	89%	100%	0%	0%	70%	0%	44%
Lassen	88%	81%	0%	19%	63%	0%	38%
Los Angeles	18%	47%	99%	85%	80%	14%	44%
Madera	37%	79%	0%	0%	54%	0%	26%
Marin	58%	36%	100%	100%	83%	9%	55%
Mariposa	100%	91%	0%	0%	64%	0%	36%
Mendocino	98%	85%	100%	0%	51%	0%	46%
Merced	22%	74%	0%	0%	63%	1%	35%
Modoc	100%	100%	0%	0%	50%	0%	50%
Mono	0%	57%	0%	0%	100%	0%	43%
Monterey	85%	84%	89%	45%	74%	1%	25%
Napa	82%	3%	100%	0%	79%	0%	18%
Nevada	80%	33%	57%	0%	63%	0%	30%
Orange	1%	9%	100%	100%	85%	4%	38%
Placer	26%	13%	86%	70%	69%	5%	66%
Plumas	100%	100%	0%	0%	100%	0%	20%
Riverside	5%	23%	29%	0%	61%	1%	48%
Sacramento	27%	68%	19%	24%	85%	10%	27%

* Each column is independent from all other columns in this table.

Figure A1.6: LEA Properties by County (continued)

County	All Properties			Potentially Developable Properties			
	Number of Proper-ties	Total Acres	Median Property Size (Acres)	Number of Potentially Developable Properties	Total Acres in Potentially Developable Properties	Total Potentially Developable Acres	Median Potentially Developable Acres
San Benito	23	400	10	16	374	240	6
San Bernardino	628	9,973	10	448	8,657	4,931	7
San Diego	805	11,445	10	581	10,282	5,620	6
San Francisco	156	490	2	12	128	58	2
San Joaquin	288	3,894	10	187	3,403	1,899	5
San Luis Obispo	88	1,151	10	63	1,007	538	6
San Mateo	218	2,177	7	141	1,845	914	5
Santa Barbara	133	1,753	9	83	1,438	787	6
Santa Clara	402	6,446	10	322	5,840	3,084	6
Santa Cruz	72	1,048	10	46	882	507	6
Shasta	103	1,989	10	78	1,929	1,470	7
Sierra	7	43	4	4	26	20	2
Siskiyou	47	850	8	33	808	583	8
Solano	145	2,109	8	90	1,830	1,214	6
Sonoma	177	2,171	9	120	1,874	1,053	4
Stanislaus	213	2,682	10	145	2,329	1,192	6
Sutter	51	582	8	26	477	280	6
Tehama	48	854	9	38	842	608	8
Trinity	15	208	10	13	200	114	6
Tulare	250	4,626	11	185	4,374	3,128	8
Tuolumne	37	716	8	24	685	569	9
Ventura	241	3,251	10	178	2,778	1,478	5
Yolo	77	1,047	9	47	857	509	6
Yuba	49	695	8	36	660	460	5
Total	10,887	151,500	9	7,068	130,593	75,474	6

* Each column is independent from all other columns in this table.

Figure A1.6: LEA Properties by County (continued)

County	Potentially Developable Properties						
	Percent of Properties Where the District-Level Teacher Turnover Rate is Above the Statewide Median*	Percent of Properties Where the Share of Beginning Teachers in the District is Above the Statewide Median*	Percent of Properties Where the Median Asking Rent is Unaffordable to Teachers at the Lowest Scheduled Salary	Percent of Properties Where the Lowest Scheduled Salary is Less than 80% AMI	Percent of Properties Located in a Census Tract that Contains at Least One Multifamily Housing Development	Percent of Properties Located in a Transit Rich Area	Percent of Properties Located in TCAC Designated High or Highest Resource Area
San Benito	43%	41%	100%	99%	78%	5%	45%
San Bernardino	77%	54%	100%	86%	72%	21%	49%
San Diego	89%	63%	100%	100%	87%	0%	43%
San Francisco	81%	81%	100%	50%	63%	0%	19%
San Joaquin	34%	63%	2%	0%	67%	2%	31%
San Luis Obispo	48%	23%	100%	93%	82%	13%	40%
San Mateo	100%	100%	100%	100%	100%	100%	33%
Santa Barbara	67%	60%	1%	1%	67%	3%	55%
Santa Clara	57%	49%	100%	37%	71%	2%	41%
Santa Cruz	89%	59%	100%	100%	76%	16%	55%
Shasta	58%	81%	5%	5%	68%	1%	33%
Sierra	75%	100%	0%	100%	100%	0%	0%
Siskiyou	76%	58%	0%	12%	67%	3%	45%
Solano	92%	100%	97%	69%	76%	3%	4%
Sonoma	69%	69%	100%	85%	88%	3%	24%
Stanislaus	8%	46%	1%	0%	74%	1%	32%
Sutter	15%	15%	15%	4%	88%	0%	38%
Tehama	37%	29%	0%	0%	66%	0%	53%
Trinity	15%	69%	0%	0%	38%	0%	54%
Tulare	34%	77%	0%	0%	82%	0%	37%
Tuolumne	75%	38%	0%	0%	75%	0%	33%
Ventura	28%	20%	100%	100%	78%	4%	50%
Yolo	57%	77%	85%	85%	98%	0%	49%
Yuba	72%	86%	0%	0%	75%	0%	53%
Total	40%	49%	61%	51%	76%	8%	41%

* Each column is independent from all other columns in this table.

Appendix 2: Existing Housing Assistance Programs for LEA Employees

At the federal level, the Department of Housing and Urban Development (HUD) offers affordable homes to pre-kindergarten through 12th-grade teachers along with firefighters, full-time law enforcement officers and emergency medical technicians through their Good Neighbor Next Door program. Workers in these occupations can purchase homes in HUD-designated "revitalization areas" for 50% off the list price and finance their purchases with down payments as low as $100. However, one of the major limitations of the program is only HUD real estate-owned foreclosures are eligible, resulting in a limited supply. Teachers who qualify must work in their field for one year after purchase and continue to occupy the home for at least three years thereafter—serving the program's goal of strengthening communities by making homeownership possible for public servants.

On the state side, CalHFA's MyHome Assistance Program offers deferred payment junior loans of an amount up to the lesser of 3.5% of the purchase price or appraised value of a home with a cap of $10,000. First time homebuyers who are either school or fire department employees are not subject to the loan cap amount. Many counties and cities also offer programs to help teachers pay the down payment and closing costs on a home. San Francisco administers a Teacher Next Door (TND) program that offers zero interest loans for San Francisco Unified School District educators (making less than 200% AMI) purchasing their first home in San Francisco. San Francisco's TND Program provides $40,000 for a market rate home or $20,000 for a below-market rate home. The loan is forgiven after 10 years.

Alternatives to public homeownership programs in the private sector include the Educator Mortgage Program and Homes for Heroes. Supreme Lending's Educator Mortgage Program offers up to $800 in discounts on closing costs and realtor fees as well as a $400 donation to the teacher's or LEA employee's school of choice. Intended for firefighters, military veterans, and teachers, Homes for Heroes discounts 25% of the realtor fee when buying and selling a home as long as the realtor or broker used is a program affiliate. Applicants also receive reduced closing and home inspection fees. On the local level, Landed, a San Francisco-based startup, matches down payment assistance for educators by working as a co-investment; teachers have the company cover 50% of their down payment in exchange for 25% of the teacher's home value appreciation after buying out of the investment or selling their home. Tools like this can help address the affordability challenge many educators face in high-cost cities across California and allow them to stay in the community where they work.

While various housing assistance programs have catered to subsidizing homeownership for teachers, rental subsidies for LEA employees are not common practice, although employee housing programs have cropped up in high-cost areas in California as illustrated in this report.

Appendix 3: Finance Mechanisms for Education Workforce Housing in California

The following is a brief description of finance tools available for California LEAs to combine with their land assets to develop workforce housing.

Low Income Housing Tax Credit

The Low Income Housing Tax Credit is a federal program that gives state and local allocating agencies the authority to issue tax credits to investors in exchange for equity to acquire, rehabilitate, or newly construct rental housing targeted to lower-income households.[9] LIHTC includes two types of federal tax credits for affordable housing projects, referred to as the 9% and 4% tax credit. Each type consists of a separate application process administered at the state level through the California Tax Credit Allocation Committee (TCAC), with their respective numbers approximating the percentage that is multiplied against a given project's "qualified basis" to arrive at the amount of annual federal credits the project will be awarded. The 9% federal credits are the most desirable because they are better able to fund larger projects (generating about 70% of a project's equity). However, because they are in limited supply, TCAC awards them through a competitive process using scoring criteria and a tiebreaker formula. A 4% LIHTC deal pairs tax credits with federally funded tax-exempt private bonds and are limited by the state's bond cap, generally contributing about 30% of a project's equity.[10] The 4% credits have traditionally been awarded non-competitively to all projects that met designated criteria, however the program has become over-subscribed and may be subject to competition in the near future.

LIHTC units must restrict household incomes to one of the federal set-aside requirements: a minimum of 40% of units at 60% AMI; 20% of units at 50% AMI; or 40% units at 80% AMI with an average of units at 60% AMI.[11] Despite the prevalence of housing cost burden for many teachers, their incomes are often above federal income requirements for affordable housing financed with tax credits. Just 27% of all California teachers and 52% of teachers with the lowest salaries are below 80% AMI.

State Funds

Important sources of public funds exist at the state level, intended to help fill the capital stack for affordable housing development projects through a myriad of financial assistance programs.

California Department of Housing and Community Development

Specifically, the California Department of Housing and Community Development (HCD), which implements and administers the state's housing policies, provides grants and loans to a variety of projects that further the state housing goals, including affordable housing, multifamily housing and transit-oriented, sustainability, and infill development. HCD is additionally responsible for managing and overseeing the deployment of federal programs and funds, including the National Housing Trust Fund.[12] While HCD often administers funding directly to approved project developers, they also act as a conduit for deploying state and federal resources to local city and county governments. HCD serves as the local housing authority and administers all housing

programs in the following 12 rural California counties: Alpine, Amador, Calaveras, Colusa, Glenn, Inyo, Modoc, Mono, Sierra, Siskiyou, Trinity, and Tuolumne.

California Housing Finance Agency

The California Housing Finance Authority (CalHFA) offers multifamily programs like tax-exempt or CalHFA funded Permanent Loan programs for the long-term financing of affordable multifamily rental housing projects as well as the CalHFA Conduit Issuer Program, designed to facilitate access to taxable and tax-exempt bonds by developers for eligible affordable multifamily housing projects. Another financing source is the Mixed-Income Program, which provides long-term subordinate financing for the new construction multifamily housing projects that restrict units at a mix between 30% and 120% AMI. This program was created as a result of SB 2 (2017), the Building Homes and Jobs Act, which gives CalHFA 15% of an annual housing appropriation for creating mixed income multifamily housing for lower to moderate income residents.

Local Funds (City and County)

At the local city and county levels, there are a number of avenues for affordable housing project funds. Decision making authority to allocate funds ultimately rests with the city council, mayor, and board of supervisors. The committed money is then administered as financial assistance to developers in the form of grants and loans. In certain cases, a city or region will establish a housing trust fund dedicated to receiving public funding to preserve and produce local affordable housing supply. Cities and counties may also receive federal funding directly from HUD or indirectly through the state (e.g., in the case of the Community Block Development Program or HOME Program, some cities and counties qualify to receive a direct allocation of funds from HUD, while others may receive resources from the state's allocation). City and county governments may also issue G.O. bonds and/or levy taxes specifically for affordable housing (e.g., Berkeley's Measure O[13]).

The following are local-level financing options available to and often utilized by local governments and LEAs in particular.

General Obligation Bonds

Under California law, LEAs are granted taxing and bonding authority. A main capital financing tool used by LEAs is issuing general obligation (G.O.) bonds, which are used to build new school facilities or major renovations and expansions of existing schools. G.O. bonds are repaid through a tax on local residential and commercial property. Like other municipal bonds, the LEA's general revenue and ability to levy taxes guarantee bonds sold to investors in the open market in exchange for upfront capital and subsequently paid back with interest over time. These types of bonds are a particularly attractive option for investors due to tax exemptions on generated profits and the issuer's creditworthiness.[14] LEAs must first put bond measures on their local ballot and receive voter approval to issue bonds. California law gives LEAs options in how they structure the bonds and what level of voter approval is necessary, ranging from 55% to 2/3rds.[15] LEAs are allowed to issue G.O. bonds to fund workforce housing development.

Certificate of Participation

A certificate of participation (COP) is another tax-exempt alternative to bonds for investors that allows for a share in the revenue generated from a project and does not require voter approval. In the case of workforce housing development, the revenue would be derived from rents collected once the project is complete and operating. COPs can be a worthwhile funding tool in places with a strong economy, but present potential risk in the event of decreased rental rates. If rental revenues dropped, the LEA would still be liable and may need to draw from the general fund to cover COP payments.[16]

Parcel Tax

Parcel taxes, passed through 2/3 voter approval in elections, raise revenues through a special property tax paid by the owners of parcels or units. Rather than basing the taxed amount on property value like a standard property tax however, a parcel tax is based on parcel characteristics like square footage, number of units, or a flat rate per parcel. Parcel taxes notably tend to be concentrated in wealthy LEAs and are not widespread. While parcel taxes are one of the only local revenue options allowed by Proposition 13, they comprise less than 1% of statewide K-12 funding and 87% involve a simple flat fee for all parcels.[17] Furthermore, they have not typically been used to fund housing development; more precedents exist for G.O. bonds and COPs.

Private Funds (Public-Private Partnerships)

Lastly, there are private sources (e.g., philanthropy, developer-contributed equity) that can be leveraged in public-private partnerships. For example, philanthropic partners could serve as a source of financing to cover critical early stage resources needed to fund predevelopment activities. This helps reduce project cost by avoiding more costly and rigid predevelopment sources of money.

Appendix 4: California Legislation on Education Workforce Housing

Although land owned by LEAs is completely locally controlled, there are a variety of state laws that define how LEAs can use their land and processes they must go through to change the use of land (including sale, lease, rental, or construction). AB 1157 (Mullin) passed in 2017, giving LEAs more flexibility in designating already-owned land for workforce housing. The bill waived the requirement in Education Code § 17388 that LEAs must appoint an advisory committee (known as a "7-11 Committee") and facilitate a public process to deem any LEA owned property "surplus" and eligible for sale, lease, or rental if the LEA intends to develop workforce housing. 7-11 Committees can take up to a year or more to facilitate, so this reform is an important effort to streamline development. AB 1157 also provides two financial incentives to LEAs building workforce housing: first, it grants tax exemptions for property used to provide rental housing for employees; and second, the bill allows LEAs to invest funds generated from the sale or lease of surplus property into the development of education workforce housing.[18]

SB 2 (Atkins), the Building Homes and Jobs Act, passed in 2017 and established a permanent ongoing source of local funds for affordable housing development as a whole. The legislation further required that 20% of annual allocations be dedicated to affordable owner-occupied workforce housing. In recent years, the state legislature has additionally taken action to solidify a commitment to affordable housing more broadly on publicly owned surplus lands. These changes have potential to bolster partnership opportunities with LEAs for affordable workforce housing specifically. In early 2019, Governor Newsom signed Executive Order N-06-19, prioritizing excess state-owned property for affordable housing and aligning with the Surplus Land Act, which prioritizes affordable housing on local publicly owned surplus lands. Later in 2019, AB 1486 revised the Surplus Land Act to require designated local agencies, including LEAs themselves, to provide a notice of availability to interested parties. In 2020, AB 3308 (Gabriel) was signed into law and allows local governments to collaborate with LEAs on building affordable housing for employees or the general public on LEA-owned land while utilizing LIHTC. The combined momentum of these policy changes build the foundations for more state and local-level coordination with LEAs on affordable housing projects located on public lands overall.

AB 305 (O'Donnell), approved by Governor Newsom in July 2021, exempts LEA workforce housing from the existing Field Act. The Field Act requires the Department of General Services to supervise the design and construction of any school building exceeding $100,000 in estimated costs to ensure plans and specifications comply with current rules, regulations, and building standards. By excluding this requirement for any building or facility that serves or is intended to serve as residential housing for LEA teachers, staff, employees, and their families, the bill removes design obstacles for LEA workforce housing in California.

While recent state policy shifts make incremental progress toward promoting education workforce housing, there have been numerous other bills proposed that have not become law. Most of these unsuccessful proposals have generally attempted to accomplish two goals: 1) further define and prioritize affordable housing options within LEA-owned workforce housing; and 2) provide financing assistance to LEAs for the purpose of developing workforce housing on LEA property. The latter goal—financial assistance—appears to be the most difficult to pass.

Assemblymember Tony Thurmond (currently serving as California's State Superintendent of Public Instruction) made multiple attempts in the legislature to provide funding to LEAs to build workforce housing. Thurmond authored AB 2200 (2016), AB 45 (2017), and AB 2788 (2018), each of which proposed development funds through the California Housing Finance Agency (CalHFA) or HCD. In each iteration, the proposal weakened in strength from setting aside $100 million to $25 million, then lastly calling for the administration of a program to provide an undefined amount of financial assistance. This may suggest that there has not been enough support among legislators in Sacramento to dedicate state funds for education workforce housing development over affordable housing for other target populations. AB 1318 (Mullin 2019) sought to define the purchase of property for use as LEA employee housing as an allowable capital outlay expenditure within existing funding streams.

A number of other legislative bills—all without funding tied to them—have also failed to become law in recent years. These included a repeated focus on further defining and prioritizing affordable housing options within LEA-owned workforce housing. AB 1648 (Levine, 2019) would have designated a majority of housing on LEA-owned land to be restricted to employees with incomes under 200% AMI. The author's intent with AB 1648 was to ensure that education workforce housing targeted more entry-level and beginning teachers, as opposed to senior-level teachers (who likely make more money). SB 1017 (Portantino, 2020) would have required rental housing for LEAs to be affordable while expanding the allowable uses for proceeds from the sale or lease of property used to construct LEA workforce housing. AB 2755 (Levine, 2020) would have simply stated the Legislature's intent to expand affordable housing opportunities for teachers and employees through the Teacher Housing Act of 2016. A successful bill would have signified a clear commitment to supporting low-salaried educators and improving retention through targeted affordable workforce housing, separate from affordable workforce housing more broadly.

2021 Proposed Legislation

Legislation for Increasing Flexibility in the Use of LEA Funds for Education Workforce Housing Development

A handful of bills were proposed in the first year of the California 2021-2022 legislative session, but ultimately failed to pass. It is possible that these proposals could be revisited in the second year of the session. These proposals followed suit of recent legislation that have granted fund-related authorizations and exemptions which LEAs already enjoy to additionally cover activities related to utilizing LEA-owned lands and/or workforce housing development. SB 616 (Rubio) proposed that when proceeds from the sale or lease of surplus school property are used for creating rental housing facilities for LEA employees, the units are made affordable in addition to flexibility in use of the proceeds for one-time capital expenditures and LEA property maintenance. This a familiar bill, echoing that of the failed SB 1017 (Portantino, 2020) which offered the same proposals with the exception of more allowable expenses using proceeds from the sale or lease of surplus school property.

AB 1248 (O'Donnell) would have made inoperative in July 2027 and repeal in January 2028 the following: 1) the requirement for LEA governing boards to adopt a resolution before entering a lease or agreement related to school property; 2) existing law that authorizes an LEA to lease real property for a minimum of $1 per year when a lessee is constructing a building to be used by the LEA and requires the title to the building to vest in the LEA at the end of the lease; and 3) requires a competitive solicitation process and certain procedures when awarding construction subcontracts. While most of the changes would increase overall flexibility, the bill also restricts it in some areas by requiring written approval from the Department of General Services (DGS) before receiving preconstruction services and no longer allowing LEAs to identify specific types of required subcontractors to be included in a proposal.

ACA 1 (Aguiar-Curry), which will be reconsidered in 2022, takes matters further by adding an additional exception to the 1% ad valorem tax rate limit on full property values imposed by Prop 13 for the purpose of paying off bond debt that supports the creation of local public infrastructure and affordable or permanent supportive housing with a 55% vote.[19] Secondly, the proposed Assembly Constitutional Amendment lowers the special tax (i.e., parcel and sales taxes) voter approval required from 2/3 to 55%, much in the same way Prop 39 did for bond measures supporting school facilities and capital outlays.

Legislation Aimed at Removing Local Zoning and/or Design Obstacles to Education Workforce Housing Development

AB 780 (Ting) sought to exempt LEAs from existing zoning restrictions if the proposed use of property is to offer LEA employee housing under specified conditions. The bill did not advance this year, but could be revisited in 2022. California state law enables LEAs to override local zoning by a 2/3rds school board vote when they wish to build an educational facility (California Education Code § 53094). However, LEAs may not override local zoning when building other facilities, including workforce housing. Similarly, under existing law, the LEA must adhere to density and other design restrictions in the local zoning code. While LEAs can take advantage of new state-mandated rules around density bonuses when building workforce housing, AB 780 would have allowed them to override local zoning and density standards altogether when building workforce housing. The bill would create these changes on a statewide basis, applying to all cities, including charter cities.[20]

Legislation Aimed at Establishing Priority in State Policy for Education Workforce Housing

While the previous proposals stalled, one bill that did pass is SB 791 (Cortese). This bill establishes a new California Surplus Land Authority, which will primarily facilitate the development of residential housing on state and local surplus properties, providing technical assistance and consultative service to local agencies with surplus land and developers that seek to develop housing on surplus land. The bill further established the California Surplus Land Fund in the state treasury and requires the authority to be administered and governed by the same board of directors as the CalHFA, which can then designate a nine-member advisory committee and executive director.

Legislation Aimed at Increasing Flexibility in the Use of Public Lands for Affordable Housing Development

The idea of building affordable housing on public lands more broadly has also gained traction. The passage of AB 1390 (Horvath) makes an exception to existing requirements to reserve an easement when the State Lands Commission determines that it is in the state's best interest and authorize the delegation of authority to the Commission's executive director to make nonrefundable down payments on potential acquisitions of property and remove the existing 5% limitation on costs and expenses paid from the School Land Bank Fund.

AB 1271 (Ting), which stalled, would have added to the definition of "exempt surplus land" a former military base or other planned residential or mixed-use development of adjacent or nonadjacent parcels greater than 5 total acres, that are subject to a written plan, where at least one of the owners is a local agency and meets other specified criteria.

Appendix 5: Site Types of LEA-Owned Land

Active School Campus

The most prevalent site type considered for education workforce housing is land that is part of an active school campus. The 29 projects proposed for active campuses engaged with their sites in various ways, with the physical location of the development within the larger campus area adding a layer of nuance. The subtypes we observed are listed below, from most amenable to development to most complicated.

1. No school demolition—vacant land
2. No school demolition—underused land
3. No school demolition—sport court
4. Auxiliary building reuse
5. School building reuse
6. Demolition of school

The benefits of building on an active school campus are numerous and compelling, with some of the examples being short commute times for residents and the creation of a visual link between education, housing, and community. Depending on which subtype is being pursued, the opportunities for taking advantage of adjacencies with existing campus amenities change. For example, an addition to an existing school building could include a renovation of classroom facilities in the school itself, generating net positive impacts for staff and students. Alternatively, a project that is sited on a part of the campus where a set of tennis courts once stood could include tennis courts on its roof or a gym facility within the development, becoming a multi-use space that combines education workforce housing with new campus amenities. While active school campuses may offer these kinds of creative design synergies, the fact that the school will likely be in operation during housing construction poses one of the most difficult problems for this site type. Strategies such as modular construction to reduce construction time, or staging the project to construct mostly during breaks in the school year can be turned to to lessen this negative impact.

LAUSD and SCUSD have successfully built on properties with active schools. Sage Park Apartments (LAUSD) was built on a portion of an active school site that was previously used as farmland for an agricultural educational program no longer offered. Casa del Maestro (SCUSD) was built on the outer unpaved edge of the school's sports fields, a portion of the campus that was deemed excess to recreational requirements. These "edge" areas of campuses may be easier to subdivide and may have less impact on the active school during construction. However, building housing on more interior site land may also be feasible, especially when taking advantage of existing structures, consolidating campus uses, and inserting housing within, above, or around campus buildings.

Underutilized LEA Land

Underutilized LEA land is a broad site typology, and many properties may fall under this designation. In addition to land utilized for educational purposes, LEAs often own parcels of vacant land, parkland, miscellaneous storage space, and vacant non-educational buildings. Similar to LEA facilities, some of

these sites may be in locations that do not lend themselves to housing production, but for those that are near residential areas or in mixed use downtowns, underutilized land may offer an efficient path to development. These sites often require little to no demolition, they do not host an active or essential LEA activity, and developing these sites often does not cause major changes to the LEA's facilities plan.

A number of LEAs in the Bay Area (e.g., San Francisco Unified, Oakland Unified, and Novato Unified School Districts) have considered underutilized land for their proposed housing developments.

LEA Facility

LEA facility sites including LEA operations and maintenance offices, warehouses, and bus depots, can offer strong development potential as they are often large, underbuilt, and are in areas that are zoned for taller structures. However, the type of LEA facility impacts the desirability of housing development on a particular site. LEA office buildings often are compelling sites for development as they are likely to exist in a commercial area with increased height allowances and amenities in close proximity. Bus depots on the other hand— large flat sites that could in theory house many tenants—are often situated in industrial areas that do not lend themselves well to residential development. In any case, LEA facility sites offer impressive housing potential and can present an untapped resource for education workforce housing projects. As the "developability" of an LEA facility site varies depending on facility type and location, LEAs must be intentional when selecting a site for housing development to ensure it is well suited for housing.

While District Facilities are less predictable in their siting, compared to school campuses that are typically in residential neighborhoods, the examples considered by LEAs for development were nearly all (12 of the 14) in mixed-use or residential contexts that could be amenable to housing development.

Former School Campus

Former school campuses offer great opportunities for housing development as they are often large, the site has been lying dormant for years, and there is already an existing building on the campus, both indicating the land is developable and indirectly conditioning the neighbors to expect a structure in that location. Issues arise when considering the cost of potentially demolishing the existing structure (though it may also be reused), as well as when considering the long-term land use plan of the LEA. As these sites already have school buildings and are set up for educational operation, they are ripe for use if the LEA were to expand and an LEA may want to retain the site as such for the future. Even in this case, an LEA could decide to construct on parts of the site that are underutilized, or to expand by adding to the existing school building.

San Francisco Unified School District is currently in construction for a project at the former Francis Scott Key Annex, where a closed school was demolished. In San Lorenzo Valley Unified School District, a project at the closed Ravenswood Elementary School intends to retrofit the old school buildings and campus for housing.

LEA Parking Lot

This typology includes sites that were previously utilized as surface parking lots or parking structures. It is not a coincidence that many of the built education workforce housing projects have been sited on LEA-owned parking lots. This typology is often characterized by large, flat sites close to school campuses that are not complicated by deep emotional community attachment. These factors combined with the current gradual shift away from the use of personal automobiles could make LEA-owned parking lots prime sites for education workforce housing developments. However, one drawback to keep in mind is that normally these lots are actively providing parking, and any proposal to completely remove active parking spots will likely spark strong community pushback. To ensure smooth operations, the proposed project could include some parking that is made available to previous lot users to help encourage community acceptance for the project.

LAUSD has seen success using this site type and has built projects such as Selma Community Housing and Norwood Learning Village on former surface parking lots owned by the School District.

City-Owned Land

This typology refers to land originally owned by the city that is either purchased by, loaned to, or gifted to an LEA. This is a viable and advantageous option especially for LEAs that do not see parcels they own as potentially developable. Furthermore, a city-provided lot offers an opportunity for multiple LEAs to come together to construct a joint education workforce housing project. While not all municipalities may be in a position (or willing) to give land and help with financing a project, for those that are, this route can offer an LEA inexpensive land, tacit approval by the city, and the ability to keep hold of other LEA land for future flexible use.

A prominent example of education workforce housing on this site type is the 231 Grant Avenue development underway in Palo Alto.

Set Aside Agreements

The typology is less of a site-specific designation as it is a project-based one. In some instances, LEAs have been able to secure units for their staff within another in-progress or completed housing development. LEAs have done so through purchasing units, renting units, or partnering with a private company who subsidizes the rents for LEA staff. Especially for LEAs without many land holdings or with strong ties to local businesses and investors, this approach can be very efficient and lead to education workforce housing without the need to pursue a lengthy development process. Other than the difficulty of securing such units, in a piggyback approach the LEA has minimal control over what is planned, designed, and built. Instead, LEAs are able to slot in after the major decisions have been made to secure units for their employees. One significant caution: it can be especially problematic that the LEA does not control management or maintenance when there are problems for their staff-tenants.

Two examples of this type of site are 777 Hamilton in Menlo Park and the Alexan Webster in Oakland, California. At 777 Hamilton, Facebook helped to subsidize units in a private existing development for LEA staff. At the Alexan Webster, Oakland Unified and the Oakland City Council were able to secure a promise from the developer that teachers will have preference for the 80-100% AMI units.

Appendix 6: Development Timeline and Process

A key takeaway from the study of development processes and timelines among the 46 interested LEAs is the lack of homogeneity among their projects. Even when looking only at projects in a specific site context (e.g., suburban surroundings), or of a particular site type or size (e.g., 2 acres of LEA parking lot), there is substantial variation in the type of projects pursued by LEAs. Despite the variety, this research demonstrates that building on LEA-owned land can be separated into two macro approaches: A) using the land to build affordable housing for LEA employees and B) using the land in order to generate revenue through a sale, lease, or exchange with a property developer.

Both the education workforce housing and revenue-generating approaches have their positives and negatives. This report emphasizes the use of land to construct housing for LEA employees for several reasons: it engages the LEA's role as a public sector entity; it addresses California's affordable housing crisis; it preserves the land and housing stock for the long term benefit of LEA staff; and it improves an LEA's ability to recruit and retain experienced staff.

For both of these approaches, the development process begins in a similar fashion but diverges after the feasibility stage. The following section of this appendix will outline the entirety of the development process, first breaking it down into stages, then breaking the stages down into steps, and finally outlining defined goals within each step. The conclusions, takeaways, and timeframes listed were informed by a deep dive into a number of LEAs with housing projects at various levels of completion. Data was drawn from board meeting minutes, news articles, and public statements made by the LEAs to determine the stages in the process, how long these stages took, and whether partners and consultants helped along the way. Timelines for each LEA project were then re-constructed after sequentially going through the types of documents outlined above. While each LEA's timeline and process was unique, there were significant moments of overlap that informed the following framework. The LEAs investigated and the key parts of the process they helped illuminate are listed in Figure A6.1.

Figure A6.1: LEA References by Stage in Development Process

STAGE 1: Preliminary Exploration	STAGE 2: Feasibility	STAGE 3: Development	STAGE 4: Construction	STAGE 5: Leasing Up	STAGE 6: Management and Operations	Unique Process/ Goal
Berkeley Unified School District	Berkeley Unified School District	Berkeley Unified School District	Los Angeles Unified School District	Los Angeles Unified School District	Los Angeles Unified School District	Cambrian School District
Cambrian School District	Cambrian School District	Cambrian School District	Jefferson Union School District			Cupertino Union School District
Jefferson Union School District	Jefferson Union School District	Jefferson Union School District				Jefferson Union School District
San Jose Unified School District	Los Angeles Unified School District	Los Angeles Unified School District				
	San Jose Unified School District	San Francisco Unified School District				

Development Process Framework

The following framework of the development process was created to show the process and timeline that LEAs undertake when pursuing workforce housing. Each stage of this framework will be singled out for explanation below.

Figure A6.2: Approaches to LEA Property Development

	Approach A: Education Workforce Housing Construction	Approach B: Income Generation
Description	Directly addresses staff and educational quality, improves the school and local community, and leans into the unique public status that LEAs possess.	Directly addresses LEA finances and the business aspect of running an LEA. Indirectly addresses quality of staff and education.
Positives	Improves ability to recruit and retain quality workforce	Generates income within 2–4 years
	Addresses the California housing crisis	Can be structured as either a one time revenue bump or as a consistent annual source of revenue
	Improves overall financial circumstances of participating staff (i.e., residents) by means of monthly rental savings	Tends to be more of a hands-off process for the school board
	Integrates school staff into the local community	Can garner community support as market rate developers often build at lower densities than affordable developers
	Leads to less pollution, less stress on staff, and more possibilities for after school programs because of reduced commutes	With a land exchange, can generate revenue that can be freely applied to changing LEA needs
	Retains the LEA's long term land control and flexibility for the future	
	Enables public use of public lands	
	Can garner community support as a sign of appreciation for teachers and school staff	
Negatives	Can take 5–10 years to complete the development process	Provides no direct help to LEA staff
	Is predicated on demand from LEA staff	Offers limited community benefit
	Includes complex processes, such as tenancy control	Can lead to the loss of long-term ownership/flexibility over the land
	Requires consultant assistance in order to finance	Minimal recruitment improvement
		Shifts burden of school support from taxpayers to entrepreneurial LEAs
		Requires a lengthy surplusing process, especially in the case of land sales or long-term leases, and the revenue can often be linked to only capital outlay projects
Mode of Land Disposition	Joint Occupancy (Must identify an LEA use—66 year ground lease term)	Sale (Requires surplus declaration)
		Lease (Requires surplus declaration—99 year term)
		Exchange

Figure A6.3: Development Process Framework

A ———— **B**

1. Stage: Preliminary Exploration

1.1. First Conversations — Goals
- 1.1.1 Goal: Familiarize LEA Members with Land Development

1.2. Initial Research - Land
- 1.2.1 Goal: Survey Property Holdings
- 1.2.2 Goal: Select Potential Parcels

1.3. Initial Research - Survey and Financing
- 1.3.1 Goal: Survey LEA Staff
- 1.3.2 Goal: Understand the Political and Financial Landscape

1.4. Initial Community Outreach
- 1.4.1 Goal: Conduct Initial Community Conversations
- 1.4.2 Goal: Decide on Development Path
- 1.4.3 Goal: Outline Resident Population Options

1.5. Move Forward with Site Options
- 1.5.1 Goal: Narrow Down Site List
- 1.5.2 Goal: Issue RFP for Feasibility Analysis

Word of Warning

Potential Opportunity

Word of Warning

1-2 Years

2. Stage: Feasibility

2.1. Produce Feasibility Report — Goals
- 2.1.1 Goal: Select a Firm for Feasibility Report and Complete Analysis
- 2.1.2 Goal: Establish Core LEA Team
- 2.1.3 Goal: Present Feasibility Report to Board

2.2. Continue Community Outreach
- 2.2.1 Goal: Conduct Sustained Community Outreach

2.3. Finalize Development Plans
- 2.3.1 Select Site
- 2.3.2 Select Project Design
- 2.3.3 Finalize Financing Strategy

Word of Advice

B — Goals
- 2.3.4 Finalize Land Agreement
- 2.3.5 Issue RFP for Development

Note on Efficiency

1-1.5 Years

Approaches Diverge

3. Stage: Development

B

3.1. Finalize Development Team — Goals
- 3.1.1. Select Developer

3.2. Complete Pre-Construction Process
- 3.2.1. Secure Entitlements
- 3.2.2. Finalize Project Design
- 3.2.3. Produce Final Documentation
- 3.2.4. Select Contractor

Word of Advice

1-3 Years

4. Stage: Construction

4.1. Begin Construction — Goals
- 4.1.1. Break Ground
- 4.1.2. Monitor Construction Process
- 4.1.3. Establish Tenancy and Property Management Strategies

4.2. Finish Construction

2-2.5 Years

5. Stage: Leasing Up

5.1. Act on Tenancy Strategy — Goals
5.2. Lease Up Units

.5-1 Year

6. Stage: Management & Operations

6.1. Act on Property Management Strategy — Goals
6.2. Maintain the Property Through its Useable Lifetime

Detailed Development Process

Stage 1: Preliminary Exploration (1-2 Years)

Step 1.1: First Conversations

Goal 1.1.1: Familiarize LEA Members with Land Development

The first stage in the process of constructing education workforce housing can be called "preliminary exploration". Based on LEAs' past experiences (Figure A6.1), board members or staff interested in generating a conversation around housing begin by engaging the full board, LEA leadership, and community leaders. These early conversations usually involve board members presenting research on precedents (i.e., projects that are already built), communicating information on area housing costs, or consulting with experts in education workforce housing. Early conversations lead to further research and information gathering, a process streamlined by this report. Previously LEAs have found that communities should be involved from the very outset of a development project, even if later community participation is more structured. (See Step 1.4: Initial Community Outreach).

Step 1.2: Initial Research—Land

Goal 1.2.1: Survey Property Holdings

Once LEA members decide to consider using their land for housing, LEAs can then undertake a survey of their property holdings to get a sense of what land they own, where this land is, and how this land is currently being used. This initial land survey can be conducted by the staff themselves or by an external entity, though some larger LEAs may already have this information readily available and have designated employees who oversee facilities and land assets. For the majority of LEAs without such resources, it is important for board members and staff to then collaborate on a land asset master plan. This plan describes all of the LEA's land holdings in their current condition, as well as the future use and planned renovations for each parcel. Importantly, the land asset master plan is useful to any LEA, even when there is no desire to construct education workforce housing. As such, the land survey can be seen as part of general LEA business which ties an understanding about the available land and its developability to the LEA's larger educational mission. Understanding this, some LEAs pursuing education workforce housing projects see development as an opportunity to consolidate land uses, to make their property more efficient, and even to correct enrollment imbalances in their jurisdiction. For LEAs where building education workforce housing may not be immediately actionable, tying the land asset master plan to other educational goals can be a potent strategy.

Goal 1.2.2: Select Potential Parcels

Once board members and staff have created this inventory of LEA-owned land and considered current and future uses, they can then turn to selecting parcels from their land holdings to investigate their potential as sites of development. At this point it is useful to hire a consultant with experience in real estate development. Identifying "developability" involves a complex evaluation process, and consultants bring an understanding of land conditions, zoning regulations, geological requirements, and other

factors that contribute to a smooth development process. The most common consultants for this phase are nonprofit housing developers or real estate advisors.

Word of Warning: Consider Multiple Sites

Rather than engage in a detailed look at their property holdings, some LEAs may target a specific parcel—perhaps one with a recently closed school or one that has long been vacant—as the ideal site to pursue a housing development. Such a site may, in fact, be ideal, and an LEA could save the time of conducting a full land survey. However, even if that is the case, an LEA would benefit from evaluating the specific parcel in the grand scheme of a land asset master plan. By conducting a full land survey, an LEA demonstrates their due diligence, illustrates to the surrounding community the suitability of a particular site over others, and mitigates opposition to a project. An LEA with a specific parcel in mind can be intentional and successful in education workforce housing development, but conducting the process in full gives the LEA's project a greater chance of success.

Step 1.3: Initial Research—Survey and Financing

Goal 1.3.1: Survey LEA Staff

It is essential that an LEA understand not only the land it owns but also the demand for housing amongst its staff. If an LEA can prove that there is demonstrated need amongst its staff for education workforce housing, then it can promote the efficacy and positive impacts of such housing to the community at large. LEA employees can conduct a survey themselves, but consultants are often helpful in crafting and administering a survey on housing demand. As the LEA will likely have hired a consultant for Goal 1.2.2, it is possible to use the same consulting company to conduct the staff survey as well.

Goal 1.3.2: Understand the Political and Financial Landscape

The previous goals introduce the possibility of hiring a consultant, but consultants are especially useful when an LEA begins to face essential political and financial questions. As the process moves forward, it is crucial that an LEA understands the political will of local politicians to support a development, as well as the political will of the surrounding community to support financing mechanisms like a bond issuance. In addition to placing a bond measure on the ballot, there are a number of financing paths that LEAs can pursue. Some financing mechanisms are specific to affordable housing development (Approach A: Affordable Housing Construction) and other financial tools are specific to land exchanges and sales (Approach B: Income Generation). As indicated by the mention of specific land ownership strategies, project financing is directly linked to the land agreement an LEA intends to pursue. A consultant with development experience will be able to help guide and answer questions in all of these areas. (For more information on financing mechanisms, see Appendix 3. For more information on land agreements, see Goal 2.3.4: Finalize Land Agreement.)

Step 1.4: Initial Community Outreach

Goal 1.4.1: Conduct Initial Community Conversations

By this point, an LEA has gathered a substantial amount of information: an initial list of sites that can be developed, survey results indicating the demand for housing among LEA staff, initial financing possibilities, and an understanding of the political climate. An LEA can use this information when it reaches out more broadly to the surrounding community and familiarizes neighbors with the development proposal and the potential sites. In the past, when an LEA failed to introduce its plans early in the development process, it encountered vocal pushback: members of the surrounding community alleged that the LEA had completed too much work behind closed doors without the input of its neighbors. It is essential that LEAs understand which of their developable sites may be suitable to its neighbors and which amenities may appeal to the surrounding community. Most importantly, it is crucial that LEAs ensure, first and foremost, that the surrounding community feels engaged in the development process.

Goal 1.4.2: Decide on Development Path

With the collected information gathered through initial community conversations (outlined in Goal 1.4.1), the LEA must make a decision about which pathway they want to follow with their land holdings. Approach A: Affordable Housing Construction is the pathway that this report most heavily supports because the benefits accrued are numerous both for the LEA and for its surrounding community. Approach B: Income Generation is a worthwhile pathway as well and one that leads to a much needed increase in funds available to an LEA. It is worth noting the disparities in liability and risk between Approach A and Approach B. Exchanging or selling a property to a developer comes with the benefit—and the drawback—of the property no longer belonging to the LEA. Although we support the construction of affordable housing on LEA-owned land, we understand that this approach exposes an LEA to more liability than the exchange or sale of that land. That said, the information gathered by following the proceeding steps should help make this a clear choice. In California, 46 LEAs, which together represent almost a quarter of the students and educational staff in the state, have already found the evidence in favor of building affordable housing for their workforce to be substantial and actionable. These two development pathways most distinctly diverge during Step 2.3: Finalize Development Plans, but before the full divergence there are some goals that do not directly apply to LEAs interested in income generation on their parcels. LEAs interested in leveraging their land for income generation would benefit from completing every goal in order to fully understand and exhaust the affordable housing construction option as well, but the diagram above identifies (shown with an encircled A next to the number) the goals that might be extraneous to an income generation approach.

Goal 1.4.3: Outline Resident Population Options

In the past, LEAs have frequently discussed the intended tenants of their education workforce housing projects at community meetings. While some members of the community push back against housing developments regardless of the population served, an LEA's identification of employees (i.e., people already familiar to the community) as the target resident population helps increase project acceptance. While LEA-employee tenancy directly improves an LEA's attractiveness to potential staff members,

some LEAs have discussed tailoring their projects towards hybrid populations, expanding the list of possible tenants to include additional in-need community members. There are many tenant options for LEAs to discuss, and there are many different financing options that LEAs can utilize depending on the target population. The tenancy conversation is an important one, and it is a conversation that should be frequently revisited throughout the development process. Starting early, and including the surrounding community in the decision making process, helps align funding approaches with project design and leads to more robust community support as the project moves towards completion.

Potential Opportunity: Mixed Tenancy

There is potential in this mixed approach. There are numerous innovative ways an LEA may be able to approach the question of tenancy. For example, welcoming students with families at risk of homelessness into the project, or including a handful of market rate units that help fund even more deeply affordable unit options, can make for a housing development that further enmeshes the LEA in its surrounding community. Furthermore, opening up the project to tenants of differing income levels can make additional funding sources available and can help mitigate the concern voiced by some teachers of being worried about living with others who are too similar to themselves.

Word of Warning: Pursue a Complete Process

The importance of the preliminary exploration stage cannot be overstated. While checking off each of the steps and goals above may seem tedious and unnecessary, LEAs that have failed to do so in the past have run into serious roadblocks, stalling many projects and forcing some to be abandoned. Furthermore, simply bringing a consultant on board does not ensure a smooth process. Having consultants survey an LEA's land holdings is useful, but if they do not also help with the staff survey or investigate the political climate, the project may face future issues that could have been avoided. Each step in this process is incremental and important to the overall success of an education workforce housing development. Following this thorough step-by-step process will help an LEA's project stand up to criticism because it can demonstrate the need for such a project and the benefits expected for LEA staff, LEA students, and the larger community.

Step 1.5: Move Forward with Site Options

Goal 1.5.1: Narrow Down Site List

After gathering the information above and listening to feedback from the community, it is time to narrow down the list of developable parcels that will be further explored for their potential to generate housing. Having a consultant on board is helpful during this step since they can talk an LEA through ways of narrowing in on a concise list for final scrutiny. (For more discussion on selecting sites see Section 3 of this report.)

Goal 1.5.2: Issue RFP for Feasibility Analysis

The preliminary exploration stage concludes with the issuance of a Request for Proposal (RFP) for a feasibility analysis. The RFP asks for submissions from companies, including architecture firms, developers, and design-build firms, who will then be tasked with researching the sites and generating architectural schematics with robust financial and development plans. These plans are created to demonstrate the feasibility of making the scheme a reality. The RFP should at a minimum ask for the following:

- Massing studies
- Renderings/visualizations of the proposed developments
- Predicted constructions costs
- Numbers of units, unit mix, and preliminary plan layout of spaces in the building
- Site geotechnical analyses
- Site environmental considerations
- Zoning regulations and allowable envelope dimensions
- Financing plans to fund development

Stage 2: Feasibility (1 - 1.5 Years)

Step 2.1: Produce Feasibility Report

Goal 2.1.1: Select a Firm for Feasibility Report and Complete Analysis

While an RFP allows an LEA to choose between multiple submitters and potentially expands the range of companies with which an LEA might work, it is also common for LEAs to select firms for the feasibility analysis with which they already have a relationship. Sometimes an LEA will retain the consultants that conduct the initial research for the feasibility stage as well (the consultant firm can partner with an architecture firm to create building proposals). If an LEA does issue an RFP, it usually takes 1–2 months to select a firm with which to proceed, after which it takes approximately 6 months to conduct the full feasibility analysis on the narrowed site list of 2–4 sites. LEAs can winnow down the firms that respond to the RFP based on the firms' previous experience with these types of projects and with local regulations, their proposed cost for their analysis, and their portfolio's compatibility—or lack thereof—with the school board's vision for development.

Goal 2.1.2: Establish Core LEA Team

Because the feasibility study is a major step that begins to make plans for housing production seem tangible and achievable, at this point it is worthwhile for an LEA to establish a subcommittee focused on housing. In the past, LEAs have established a facilities subcommittee, assigned the task of shepherding the housing process to an existing facilities subcommittee, or created an entirely new housing subcommittee to more directly oversee the remaining process. Any of these routes can allow LEA business to continue efficiently alongside the development process as the specified committee takes the lead on planning outreach, selecting a site, communicating with the architect about design options, investigating financing approaches, and other such responsibilities before bringing their suggestions to the full board for a vote. Finding champions among LEA employees can prove invaluable for successful

project construction, especially as LEA board members can change and overall priorities can shift throughout the development process.

Goal 2.1.3: Present Feasibility Report to Board (Only for Approach A)

The feasibility analysis will include a number of deliverables to help an LEA make a final decision on a site and building proposal. This report should at a minimum include the requirements listed in Goal 1.5.2: Issue RFP for Feasibility Analysis.

Step 2.2: Continue Community Outreach

Goal 2.2.1: Conduct Sustained Community Outreach

The information included in the feasibility analysis gives an LEA a strong foundation from which to conduct concerted community outreach. If the LEA has systematically followed this process from the beginning, then community members should be aware that the LEA is pursuing a housing development on a handful of sites and should have been given the opportunity to voice their opinions on the project. Now, with the additional massing, design, and financing information, the community members will be given the opportunity to comment on the advanced project designs. To do so, LEAs often organize public meetings with the design team that conducted the analysis on hand to answer design-oriented questions. In addition, comments can be gathered by making parts of the feasibility report available online for public viewing. Conducting a process that allows for robust involvement from LEA families directly supports the mission of the LEAs while helping to avoid any appearance of an opaque process, which could derail a development project.

Step 2.3: Finalize Development Plans

Word of Advice: Define the Target Tenant Population

Additional community outreach and the completed feasibility report can help LEAs make a final decision about who they hope to house in their education workforce housing project. Our research has shown that this conversation often occurs late in the process, but the earlier this is established, the better. In some of the earliest education workforce housing projects initiated by LAUSD, the selected funding approach did not allow their targeted population of district teachers to meet the income requirements for units. This lesson instigated legislative and financing changes that offer new avenues for LEAs to consider. These new avenues give LEAs more flexibility in defining a tenant population, and the earlier a population is established the more explicitly project financing and building design can be aligned. Building upon earlier tenancy conversations should also allow an LEA to consider how they intend to manage and enforce their decisions (Goal 4.1.3: Establish Tenancy and Management Strategy describes the management decision making process in more detail). As such, as the LEA finalizes its development plans it is essential that it defines the target resident population.

Goal 2.3.1: Select Site

Taking into account the tenant possibilities, feasibility analysis, community feedback, and financing options, the next step requires an LEA to make a final decision on which site they want to pursue. The site is inextricably linked to the number of units, massing, and overall spirit of the project, and it is at this point in the process that all of these decision points start to come together (see Section 3 for more information on site types).

Goal 2.3.2: Select Project Design

Similarly, taking into account the previously completed analyses, this next goal requires an LEA to select the design direction they want to pursue. The design will undergo further minor changes as it proceeds from conceptual drawings to construction drawings and finally to a finished building, but choosing an option from the feasibility analysis defines the direction for the project. As mentioned in Goal 2.3.1, site and project design are directly linked, so selecting a site also often means selecting the design direction already proposed for that site in the feasibility study. (See Appendix 7 and Appendix 8 for an examples of design proposals on specific sites.)

Goal 2.3.3: Finalize Financing Strategy

With an advanced idea of the scale, tenant population, and construction costs of the proposed project, as well as an idea of the feasibility and impacts of various funding approaches, an LEA should have the information necessary to make a decision about which funding approach it intends to pursue. Each funding approach comes with its own set of positive and negative implications. Furthermore, each funding approach requires preparation in order to secure the finances. (For more information about financing, see California's Emerging Policy and Financing Landscape for Education Workforce Housing.)

Goal 2.3.4: Finalize Land Agreement

There are numerous types of land agreements that LEAs have pursued as they consider the best means to leverage their property holdings (see Figure 32: Methods of Land Disposition for LEAs in the full report). As the subsequent stage involves the finalization of development plans, deciding which type of land deal the LEA will pursue is fundamental to the rest of the process. Joint Occupancy is, thus far, the most successful type of agreement for education workforce housing. In most joint occupancy agreements, an LEA strikes a deal with the developer they select via the development request for proposals (RFP) process. The type of land agreement an LEA pursues, while discussed earlier in the process (see Goal 1.3.2), is finalized at this point, when an LEA makes a decision about ownership of the land and moves towards design completion and building construction.

Approaches Diverge: Disposing of Land

Approach A: Affordable Housing Construction and Approach B: Income Generation diverge before the issuance of an RFP for development. If an LEA decides to use their land for income generation by selling it, long-term leasing it, or exchanging it with a developer, the LEA can move forward with the land deal and no longer needs to be regularly involved in the process. However, it is worth noting that selling or long-term leasing a parcel of land requires the LEA to go through the process of declaring the land as surplus (as outlined in Education Code § 17388). Exchanging the parcel, or entering into a 66-year joint occupancy lease avoids this requirement. If an LEA decides to construct education workforce housing on its land, at this point their role changes mostly to an advisory one, although they remain an active participant in subsequent developmental decisions.

Figure A6.4: Approaches Diverge
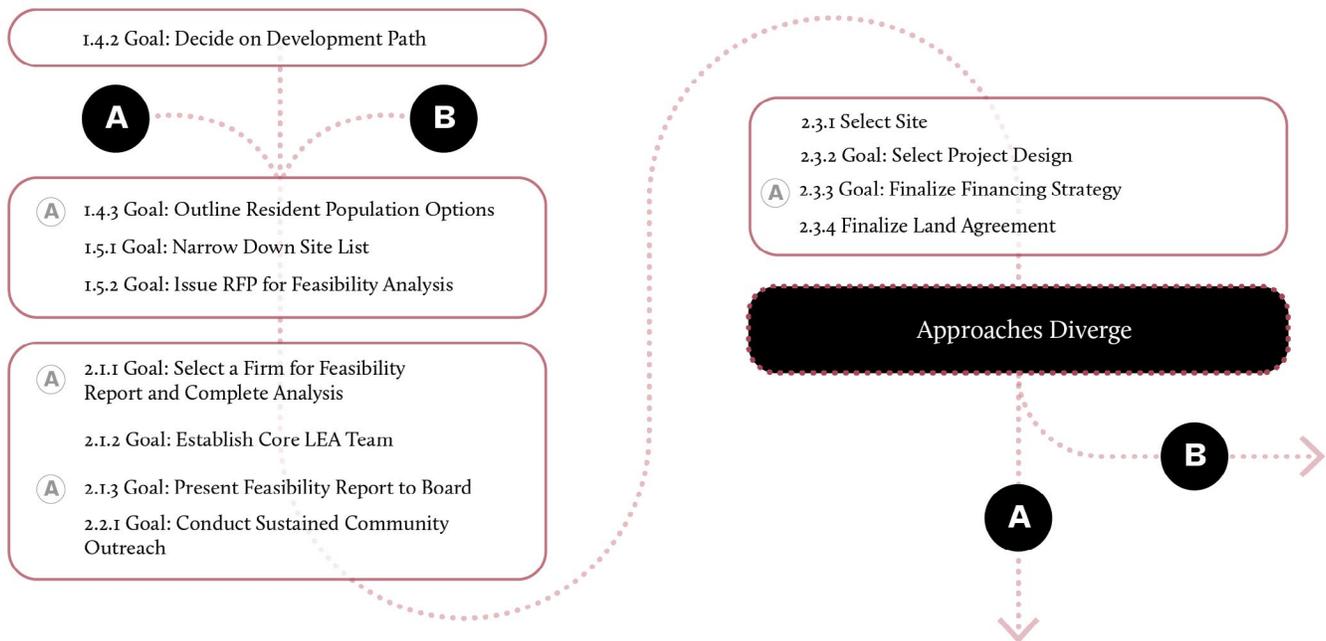
Goal 2.3.5: Issue RFP for Development

With the site and building design selected from the options in the feasibility report, the next step requires the LEA to issue an RFP for development. This RFP outlines what is expected from the selected company:

- Procurement of planning and zoning entitlements
- 100% construction documentation for the project and related site improvements
- Enumeration of a construction timeline
- Coordination of job site and project phasing
- Coordination and facilitation of initial occupancy
- Execution of any necessary post-construction corrective work

Stage 3: Development (1 - 3 Years)

Step 3.1: Finalize Development Team

Goal 3.1.1: Select Developer

Choosing between RFP submissions can be a challenge, but each response will come with a project timeline, fee proposal, and expected project cost. Although budgetary constraints or hiring requirements may compel an LEA to choose the proposal that is least expensive and has the shortest timeline, it is important to consider that the lowest proposed fees and costs may not lead to the lowest final cost, given later change orders and budget adjustments. In any case, an LEA should examine which of the submitting companies have experience delivering projects on time and within budget in order to make their selection. An LEA should always ask for references and contact prior clients. An LEA may also lean on an owner's representative to facilitate this process.

Common Refrain: Continue Community Outreach

Past projects demonstrate that a common reason for an LEA to pause or abandon its education workforce housing efforts was strong community pushback tied to feelings of being ignored by the LEA or being under-informed about project decisions, even late in the process. Public meetings that outline what developer team has been selected, which site has been chosen, what the updated design looks like, and how long the process (especially construction) is expected to take can go a long way to improving community feelings about the project. Furthermore, last minute design comments fielded during these meetings still have the potential to be incorporated before the final construction drawings are created.

Baton Pass:

While throughout development consultants are hired to guide decision making and to lend their expertise, after a developer is selected they take on much of the responsibility for bringing the project to fruition. At this point the heavy lifting shifts to the developer themselves, and the LEA steps back to advise the remainder of the process.

Step 3.2: Complete Pre-Construction Process

Goal 3.2.1: Secure Entitlements

In addition to producing construction documents, the selected developer must obtain entitlements from the city to allow construction to commence. These entitlements include environmental reviews, zoning changes, and other such civic amendments that allow a project to move forward. If an owner's representative has been contracted by the LEA, they will have begun this process already, expediting entitlement procurement and allowing pre-construction to proceed without delay.

Goal 3.2.2: Finalize Project Design

Now, with the funding approach decided upon, community comments addressed, a site and design direction selected, and a tenant population targeted, the project design can be finalized. As previously mentioned, the broad strokes of a schematic design during the feasibility analysis phase provide a guide for the evolution of a project's design. The final feedback from community members and other stakeholders will be incorporated by the developer/architect team to finalize all decisions for building construction. As a project moves from schematics to final documentation, important decisions are made about details, materials, program specifics, building systems, and costs.

Goal 3.2.3: Produce Final Documentation

As mentioned in Goal 2.3.5: Issue RFP for Development, it is the job of the selected developer and the architecture team to produce construction documents. During this time—sometimes termed the "pre-construction" phase of development—the developer will work alongside the architect to prepare the required documents and acquire the permits necessary for construction.

Goal 3.2.4: Select Contractor

This task falls under the purview of the developer chosen via the RFP process, but the General Contractor is the person/company that executes the construction of the project. The contractor will be in charge of scheduling construction activities, overseeing the jobsite, and ensuring that the construction drawings are accurately followed and completed.

Stage 4: Construction (2 - 2.5 Years)

Step 4.1: Begin Construction

Goal 4.1.1: Break Ground

With the construction documents completed and the requisite entitlements secured, construction can proceed and the project can break ground. While there is inevitable variability in the construction process, the standard timeframe for multistory projects across the state is approximately two years from groundbreaking to project opening.

Goal 4.1.2: Monitor Construction Process

During the construction process, the LEA further transitions from a position of driving the project to one of providing project oversight. The LEA coordinates with the development team to monitor progress and approve change orders and agreements with subcontractors. These conversations take place approximately once a month with a regular cadence until construction is complete.

Goal 4.1.3: Establish Tenancy and Management Strategy

With construction proceeding in the background, LEAs shift their focus to managing their newly constructed asset. One of the most important management strategies is defining an LEA's approach to

tenancy. As mentioned previously in this timeline, an LEA will hopefully have already made a tenancy decision and aligned their funding approach with these tenants in mind. However, questions regarding tenancy bring up two difficult issues that LEAs have previously tried to address through the creation of independent housing corporations consisting of LEA board members as well as unelected community members. The first issue arises when such a housing corporation considers how to allocate the units to those who are eligible. In the past, LEAs have used a lottery system paired with a waiting list for those unable to initially secure a unit. Even if an LEA intended for a project to only house beginning teachers, California's high housing demand and high housing prices will likely mean that demand for the units will far exceed supply. As such, a lottery system can help fairly allocate the units among the targeted population. The second issue arises when a housing corporation considers how to address unit turnover and the changing characteristics of the tenant population. What happens when a teacher has been living in the same building and teaching in the same LEA for many years, increasing their income and advancing beyond an entry-level designation? Even more drastically, what happens when a teacher leaves the LEA altogether? These are complicated questions, and no LEA has sufficiently answered them in the past. However, strategies like tenancy length limits or income limits owing to the use of government affordable housing funds can be avenues for managing the units after they have been filled. It is a task for the independent housing corporation to establish the rules it thinks will best govern the project, and subsequently it is up to the property management company to enforce those rules.

Many developers—both those that construct affordable housing and those that specialize in market rate housing—have property management wings that they operate in-house. Moving forward with an in-house property management team is often the most efficient option for education workforce housing projects, and whether or not a developer includes an in-house management company may factor into the selection of a firm via the RFP process. Alternatively, an LEA can elect to hire an outside management firm to manage their project if they do not believe that the developer's management will be adequate.

Step 4.2: Finish Construction

As construction concludes, the final task requires an LEA and its primary consultants to conduct an on-site review and to create a "punch list" of any remaining work to be done before the appropriate public agency issues the Certificate of Occupancy. Approximately 2 years after breaking ground, the building should be complete and ready to fill with tenants.

Stage 5: Leasing Up (6 months - 1 year)

Step 5.1: Act on Tenancy Strategy

With the building complete and ready to be occupied, the Tenancy and Management strategies mentioned in Goal 4.1.3 are ready to go into effect. It is the responsibility of the property management team (see Step 6.1) to enforce the rules established by an LEA or their independent housing corporation. This part of property management can be difficult and can lead to strained ties between the LEA and its staff. However, clear communication about the requirements and restrictions will help reduce conflict and lead to smooth project operation for the life of the project.

Step 5.2: Lease Up Units

Following the assigned tenancy strategy, the project's developer or property management company will advertise for applicants and select tenants, most often through a combination of employee preferences and lottery. The property management team will execute lease agreements with tenants, and it is important that units lease up quickly in order to avoid unnecessary loss of revenue. Financing structures include contingencies for a certain percentage (often 5%) of units being vacant, but the faster an LEA leases the units, the faster the cash flow of the building can reach full capacity, and the faster the rental income can sustain building costs. It is imperative that an LEA clearly outlines the tenancy management strategy, and that a property management company quickly enacts this strategy so that tenants can move in at the earliest possible time.

Stage 6: Management and Operations (Ongoing)

Step 6.1: Act on Property Management Strategy

As mentioned above, the LEA decides whether to use the developer's property management services or whether to secure the property management services of a separate entity. Either way, the property management team will be responsible for enforcing the tenancy management strategies as well as ensuring the smooth operation of the building itself. The property management company will be the public face of the project, handling tenant concerns, property fixes, and overall building maintenance. It is worth noting that as part of the property management agreement, the management company will set aside funds for repairs and maintenance over the life of the project.

Step 6.2: Maintain the Property Through its Useable Lifetime

The length of time that a building remains in operation can vary dramatically, but generally, well-maintained buildings are expected to last 50–75 years before they require extensive repairs or demolition. Depending on the land use agreement established with the local jurisdiction and the developer team, the usable lifespan of the building can align with the terms of land use (e.g., a 66-year ground lease). If an LEA pursues a joint occupancy 66-year land lease, then at the end of that time the land and the building return to the LEA.

Appendix 7: Design Case Study for San Jose Unified School District

Figure A7.1: Two different approaches, one with several variations, are sketched out to show ways to address community concerns, improve campus conditions, and provide affordable housing.

Housing Approaches

Approach 2A

Approach 1

Approach 2B

Public Greenway
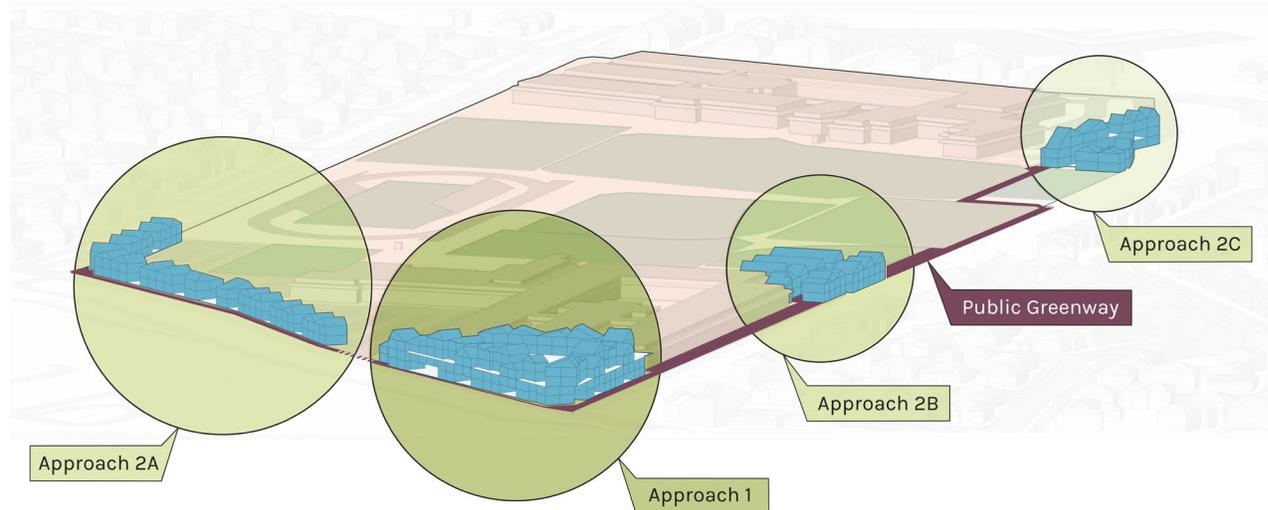
Approach 2C

Figure A7.2: Housing Approach Organization (left), Public Park and Pathway (right)

Campus Strategy: Tactical Additions

Approach 1

Approach 2B

Approach 2A

Approach 2C

Future Potential

Extending and Linking Community Spaces

Existing Public Path

Proposed Extension
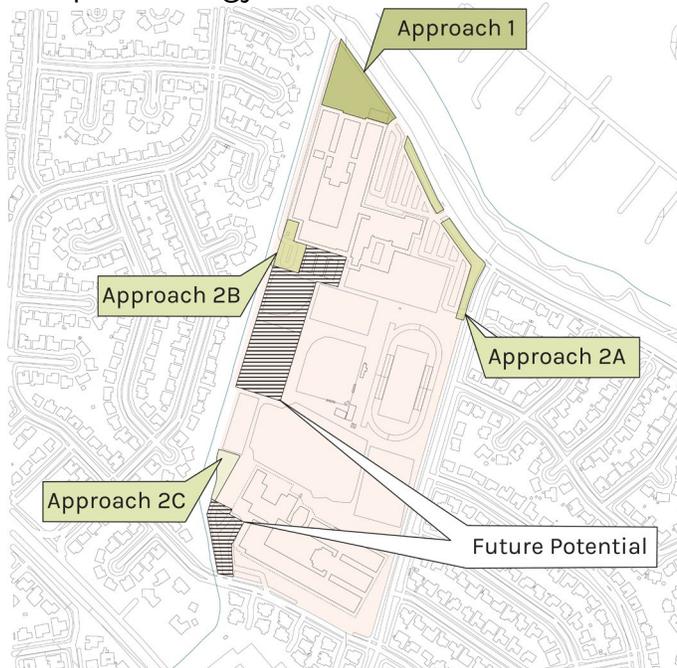
Concept & Design Decisions: Approach 1

Figure A7.3: Podium Building Campus Connection (left), Proposed Building Massing (right)

Approach 1: Open Vacant Corner
69,500 sq ft - 1.56 acres
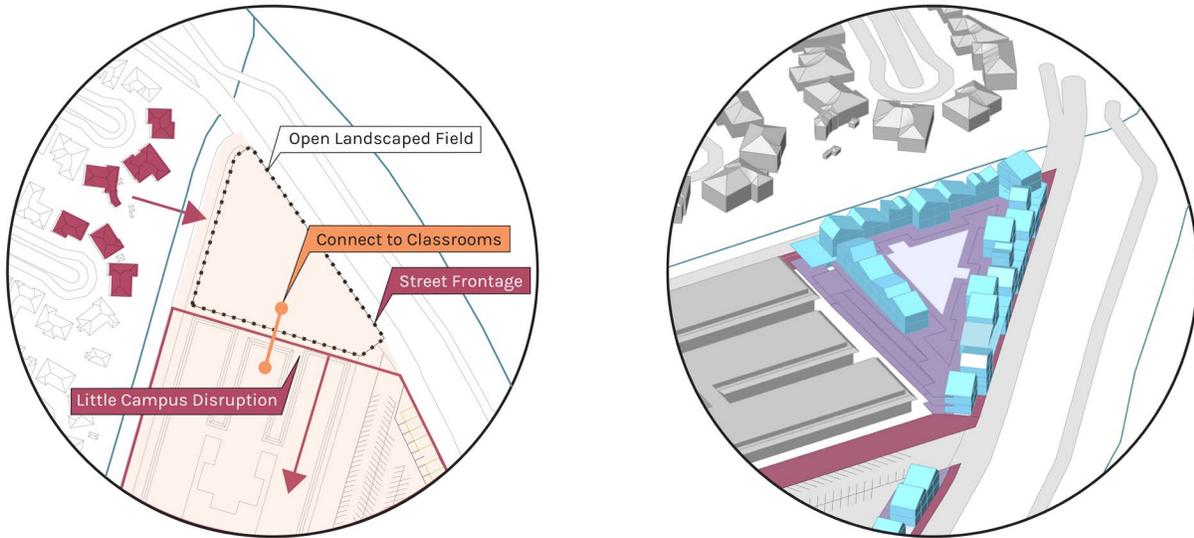
Design and Campus Connection

Taking into account zoning, community feedback, and the site contextual restrictions, our design proposals are separated into two typological buckets. The first typology (Approach 1) is that of a podium building with two levels of parking below and two levels of housing above. Approach 1 demonstrates how relatively tall (4-5 stories to fit zoning requirements) and dense housing (approximately 75 dwelling units/acre) can be accommodated on campus, especially if a few important considerations are met.

Firstly, the housing units themselves are conceptually designed around a townhome model. This way, community concerns about large, out of character housing structures invading San Jose would not be borne out. Instead, neighbors would see a type of housing that they are familiar with rather than one that changes their community. Secondly, thoughtfully siting this type of dense housing is fundamental to the success of the project. Construction causes disruption, and a multistory building is a relatively intensive construction undertaking. As such, we identified a pocket on the site with few neighboring residences, where the operations of the school would be minimally affected, and where the building would establish a defined street edge.

As mentioned in the overview of the San Jose Unified Design Case Study, seeing the active school campus as a site for strategic housing intervention opens the door to combining housing development alongside campus improvement, using the construction of one to renovate and improve the other. With Approach 1, the NW corner of the site is adjacent to existing classroom wings in Leland High School. This adjacency led us to think about strategies to unite the projects, including the potential construction of new classrooms in the base of the podium or of taking the opportunity of construction to renovate the existing classrooms at the ends of each wing. Engaging in a campus giveback such as this more firmly connects the housing development to LEA business.

Housing Type

A multi-story podium building such as this would lend itself well to a housing product with mixed levels of affordability. Alongside affordable units for LEA staff, market rate apartments could be sold as well, increasing the monthly income generated and helping offset the reduced rents from the affordable units. This type of project could also effectively accommodate multiple affordability levels. Beyond the inclusion of market rate units, the project would likely include affordable units at a variety of AMI levels.

Typological Example

Because the project outlined for San Jose is schematic, to help imagine outcomes we present similar built projects from California as well as other cities and countries. The photos associated with each design approach show existing housing projects that are not associated with schools but demonstrate the ethos of the design proposals shown here. These are not replicas of what could be built on a school campus, nor do the building styles match what might make sense in a specific neighborhood context. Instead, the related typological examples show related massing, building organization, and how a general strategy might appear.

Figure A7.4: Section Cut Through Podium and Neighboring Context
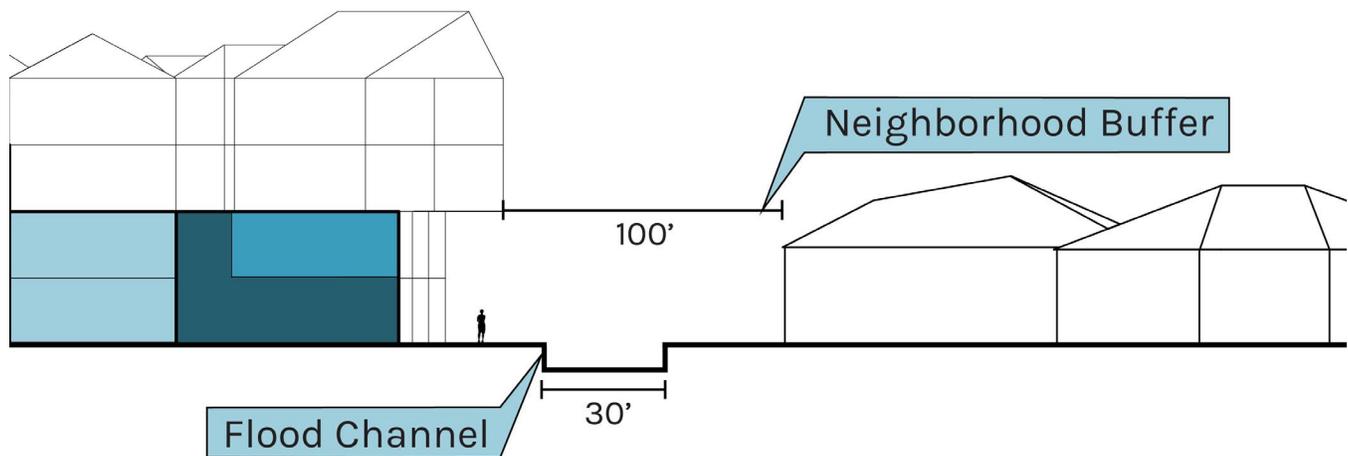
Figure A7.5: MAD Architects, Gardenhouse. Los Angeles, CA.

Concept & Design Decisions: Approach 2

Higher density construction projects are worthwhile as they produce more dwelling units per acre, potentially housing more tenants and having a greater impact on LEA's goals, like teacher recruitment and retention. However, collaborating with community members to consider the benefits of constructing a substantial housing development on campus and finding a place to locate the project may prove difficult. Approach 2 demonstrates a different way forward, i.e., one that uses the traditional townhouse to create a number of spatial organizations that can fit into pockets and along edges across the school's campus. Not only more adaptable, this two- to three-story housing type can be constructed more inexpensively and fit more contextually into the neighborhood fabric.

Figure A7.6: Section Cut Through Townhomes and Neighboring Context
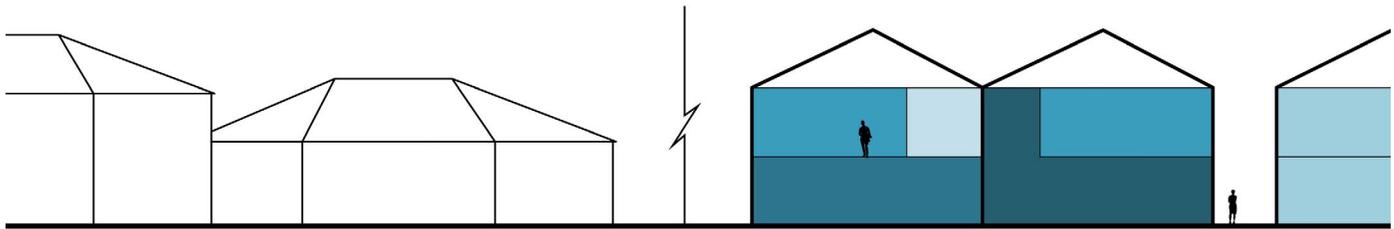
2A - Linear Townhomes

Figure A7.7: Linear Townhome Campus Connection (left), Proposed Building Massing (right)

Approach 2A: Underactivated Streetfront Strip
41,000 sq ft - 0.94 acres

Frame Campus Entry
Alamitos Creek
Parking Spaces
Street Frontage

◻ Current Site Usage ◼ Contextual Influences ◼ Immediate Campus Relationship   ◼ Parking ◻ Housing ◼ Public Greenway
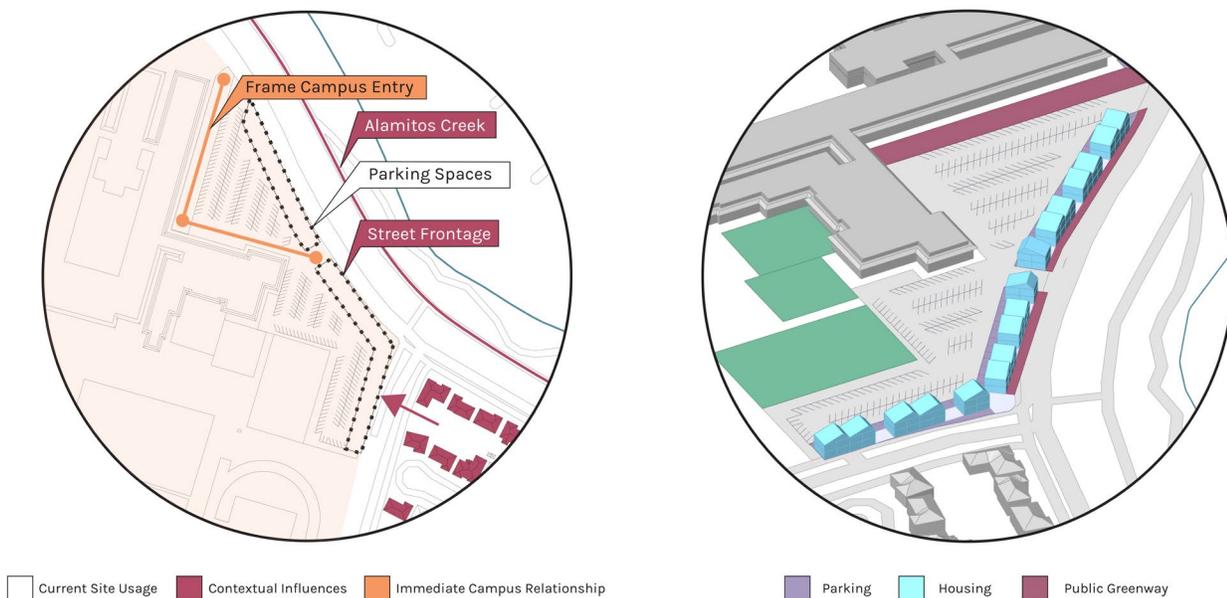
Design and Campus Connection

Many school campuses set aside substantial site areas to accommodate parking for students and school staff. Parking area remains an important consideration for school design, but parking lots often muddle the site organization of school campuses as they obscure the intended entry sequence and project an unwelcoming outward appearance to the neighborhood surrounding the school itself. To establish

a street edge, lessen the abrupt change between the single-family residential district and the school campus, and to better frame the entry to the school, we propose a linear ribbon of townhomes running along the NE edge of the campus. Rather than couple with a targeted amenity or addition to the existing structure (like Approach 1), Approach 2A gives back to the school by improving campus organization and edge definition, while creating a more welcoming residential environment out of what was an unwelcoming sea of concrete. The massing of the townhomes mirrors that of the surrounding building context, and townhomes are clustered into small pods with shared green frontage between them. This approach can be widely replicated as the linear nature of the homes can adapt to a variety of edge shapes in a variety of contexts. Each of these varieties can still generate the positive impacts of framing the campus, creating more well-defined entries and exits, and softening the boundary between residential areas and educational ones.

Housing Type

A series of townhomes could offer an opportunity to explore paths to ownership for residents. We are imagining that the townhomes would be built with multiple units within each building, but options could exist for residents to buy and combine units as they come on the market, or to transition from renting an apartment to owning it as a condo. A large source of wealth for American families is property equity, and creating a pathway for lower-income residents to establish long-term wealth could begin to change this dynamic among LEA staff.

Typological Example

Figure A7.8: A linear row of townhomes organized along a water boundary on one side and a roadway on the other; pH+, Old Ford Road. London, UK.

2B - Townhome Community

Figure A7.9: Townhome Community Campus Connection (left), Proposed Building Massing (right)

Approach 2B: Nestled Campus Lot
27,400 sq ft - 0.63 acres

Parking Lot

Fit Amongst Fields

Sports Fields

☐ Current Site Usage ■ Contextual Influences ■ Immediate Campus Relationship

■ Parking ■ Housing ■ Public Greenway
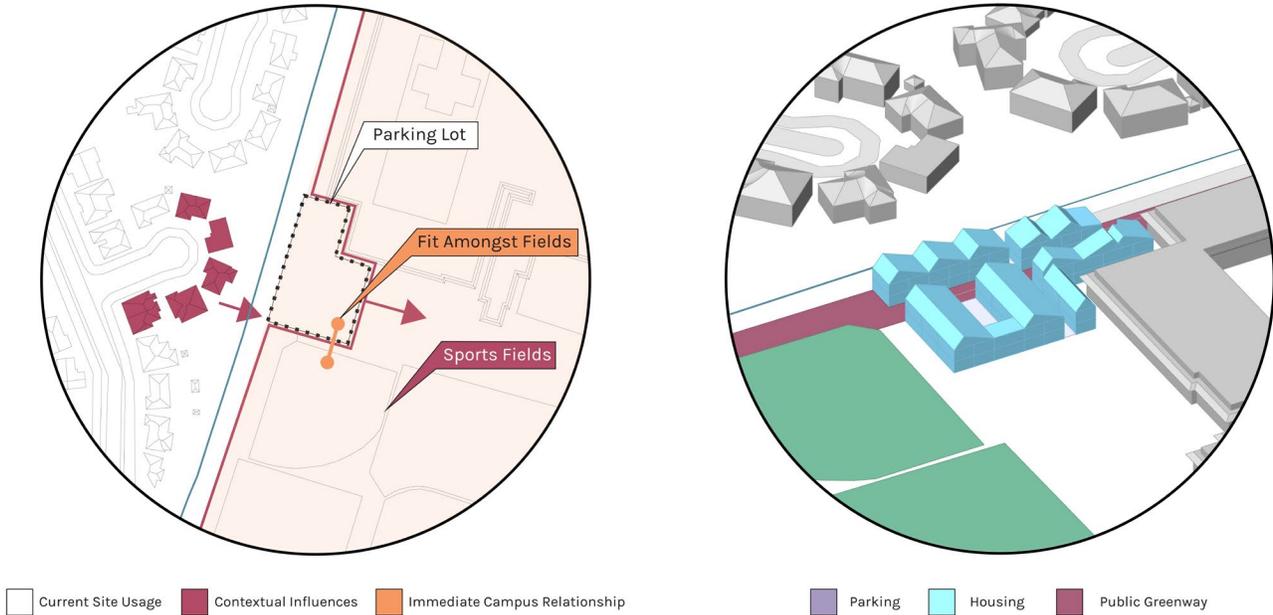
Design and Campus Connection

Taking the linear townhome and turning the line in on itself can generate a tightly packed mini-community able to fit into small spaces between buildings, or in this case, between the recreational fields and the back end of Leland High. This version of the townhome typology is especially flexible, as it can change its shape enough so as to not disrupt school activities nor any of the important existing site uses.

Housing Type

The mini-community aspect of this housing organization could lend itself well to a limited equity cooperative ownership model. Rather than the normal system of de-centralized ownership with units paid for by individual tenants, collectives own their land as a whole, with residents joining together to form a group that controls the land and the buildings on top of it. Such a model may lend itself well to a housing community nestled within the interior of campus.

Typological Example

Figure A7.10: Townhouses can be connected in linear fashion, but designed to express the individual units; 745 Bonita Place. San Jose, CA.

2C - Courtyard Townhomes

Figure A7.11: Courtyard Townhome Campus Connection (left), Proposed Building Massing (right)
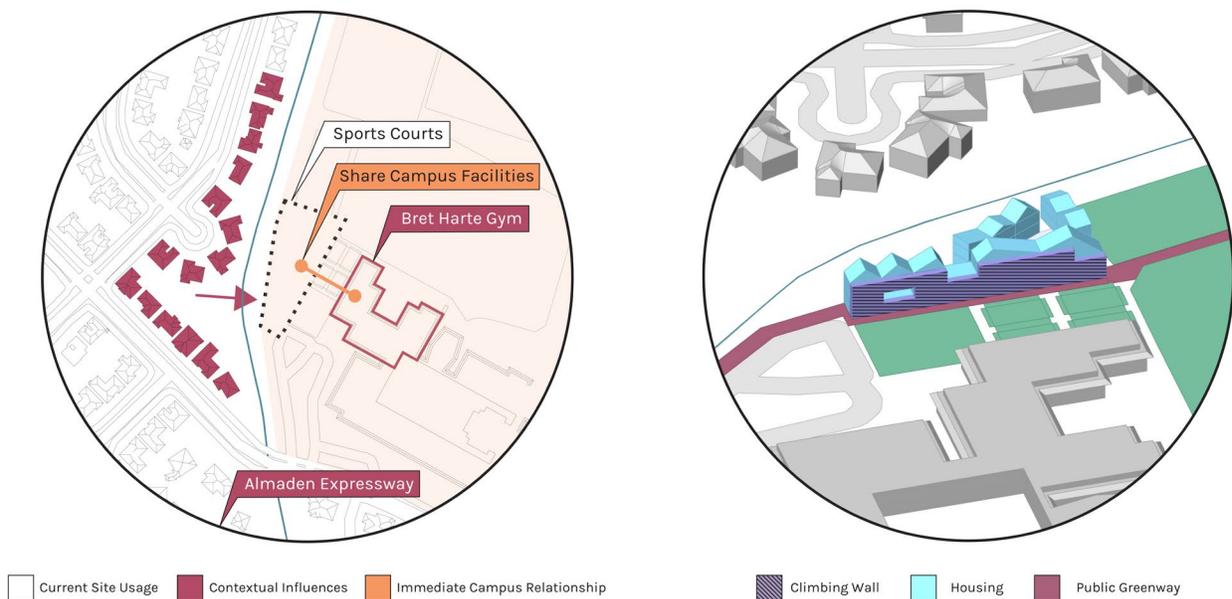
Design and Campus Connection

Wrapping the linear townhomes around a central courtyard creates yet another variation on the typology, i.e., a courtyard-facing community with shared public space at the center. This strategy can be used in parts of the site where the surroundings are not visually pleasing, or near streets with a lot of car traffic. By turning the focus of the development inward, there are also opportunities presented by the exterior outward-facing facades. Here, as the project abuts Bret Harte's gym and existing tennis courts, we propose a climbing wall for student use on the exterior building facade. This approach demonstrates that the housing itself can resonate against and directly improve the built structures that already exist around it.

Housing Type

Each housing model could feasibly support multiple approaches to tenancy, but this courtyard housing approach would be well suited for the more traditional affordable apartment rentals for LEA staff. With unit turnover and tenancy limits, projects that create an internal community where new neighbors can get to know each other could help ease transitions.

Typological Example

Figure A7.12: Courtyard housing emphasizes the shared open space around which dwelling units are oriented; Baca Architects & Stolon Studio Ltd, Kaolin Court Housing. London, UK.

Site Specific Considerations

While this case study is intended to show conceptual examples of housing models and types that can be inserted on active school campuses across the state, the specific site in San Jose posed design considerations, environmental constraints, and legislative regulations that an education workforce housing projects would have to respond to. Other active school campuses will have their own set of unique circumstances and considerations.

Design x Safety

School buildings come with unique safety considerations, not least of which is the requirement for direct fire truck access to the school buildings. This need for access required maintaining entries at both ends of the site and ensuring that the street edge was not fully built out.

Design x Edge Conditions

As is, there is an overly porous and unwelcoming property edge defined by a chain link fence. To counter the issue, and to establish a street frontage which improves the pedestrian experience, we looked at placing housing interventions along the edges of the site. Additionally, as is common for neighborhood schools, the transition from single-family homes to the school campus is abrupt. By placing housing at specific locations around the edge of the campus, we were able to soften this transition while creating a much more visually interesting property edge condition. Bringing the

residential neighborhood into the campus, while simultaneously establishing a more well defined campus edge, improved the campus' stance towards the community.

Design x Campus

Learning from the community feedback about SJUSD's original proposal, our design leaves all athletic fields as they were and only touches the existing school buildings when adding amenities accessible to students. Our interventions are innovative but not revolutionary. Owing to the existing suburban fabric and neighborhood fears about changes to existing systems and structures, our schematic proposals show sensitive ways of increasing density and adding height. Furthermore, all design options we show are works in progress. LEAs interested in strategically inserting housing on an active campus will have ownership over design direction, style, building scale, and all the major factors that determine what is ultimately constructed on their land.

Environmental

The western edge of campus abuts a drainage channel. In order to make this area of campus more beautiful and to mitigate the flood risk posed by the channel, we propose a landscaped greenway. This greenway acts both as a unifying element connecting each potential zone of intervention and as an extension of Los Alamitos Creek Trail. It also acts as an additional drainage area protecting potential housing from flooding through natural water infiltration.

Legislative

The zoning plan and general plan in San Jose are mismatched. An easy way to think about these two documents and how they operate is that the general plan acts as the constitution, a document that lays out what a municipality wants to happen on each parcel of land and what they hope will occur as a result of that specific land use. The zoning code on the other hand is more like the series of laws that make that goal a reality. Builders have to follow the zoning code, even if the goals of the general plan are not fully realized by the zoning code. This is the case in San Jose at the moment, where school parcels across the city are zoned R1-5 which restricts building on these parcels to very low residential densities. However, per the general plan, parcels like Bret Harte/Leland should be zoned in such a way to match the General Plan's R-M Residence District that allows for multifamily zoning, higher unit densities, and taller buildings. The Mayor of San Jose and his team have been working to fix this inconsistency, and they are proposing a law that allows for more efficient changes to the zoning code in regards to these parcels. Such a law would reduce the delay in the development process associated with waiting for a zoning change. Our building proposals assume a zoning code similar to that which is outlined in the General Plan.

In conclusion, active school campuses are a widespread resource for LEAs interested in constructing education workforce housing. As we demonstrated with the preceding case study, large campus sites offer numerous opportunities. Through the intentional selection of housing type, housing location, and campus connection, residences can be developed on active campuses in ways that benefit those associated with the school as well as those in the community at large. The examples and housing types investigated in the preceding section are not meant to be definitive, nor to prescribe an approach that will work for all LEAs all of the time.

Appendix 8: Design Case Study for Berkeley Unified School District

Overview

In the following Design Case Study, we walk through steps of designing an education workforce housing project for a selected site in the Berkeley Unified School District. The example builds upon lessons learned from previous teacher housing projects, demonstrates strategies of site assessment, shows the implications of one site type, and extends strategies of developing projects that contribute to school campuses. We explain common trade-offs that occur in decision-making about project design and show ways housing incentives can help make projects feasible.

Figure A8.1: The case study site is across from Berkeley High School and adjacent to the Downtown Berkeley area.
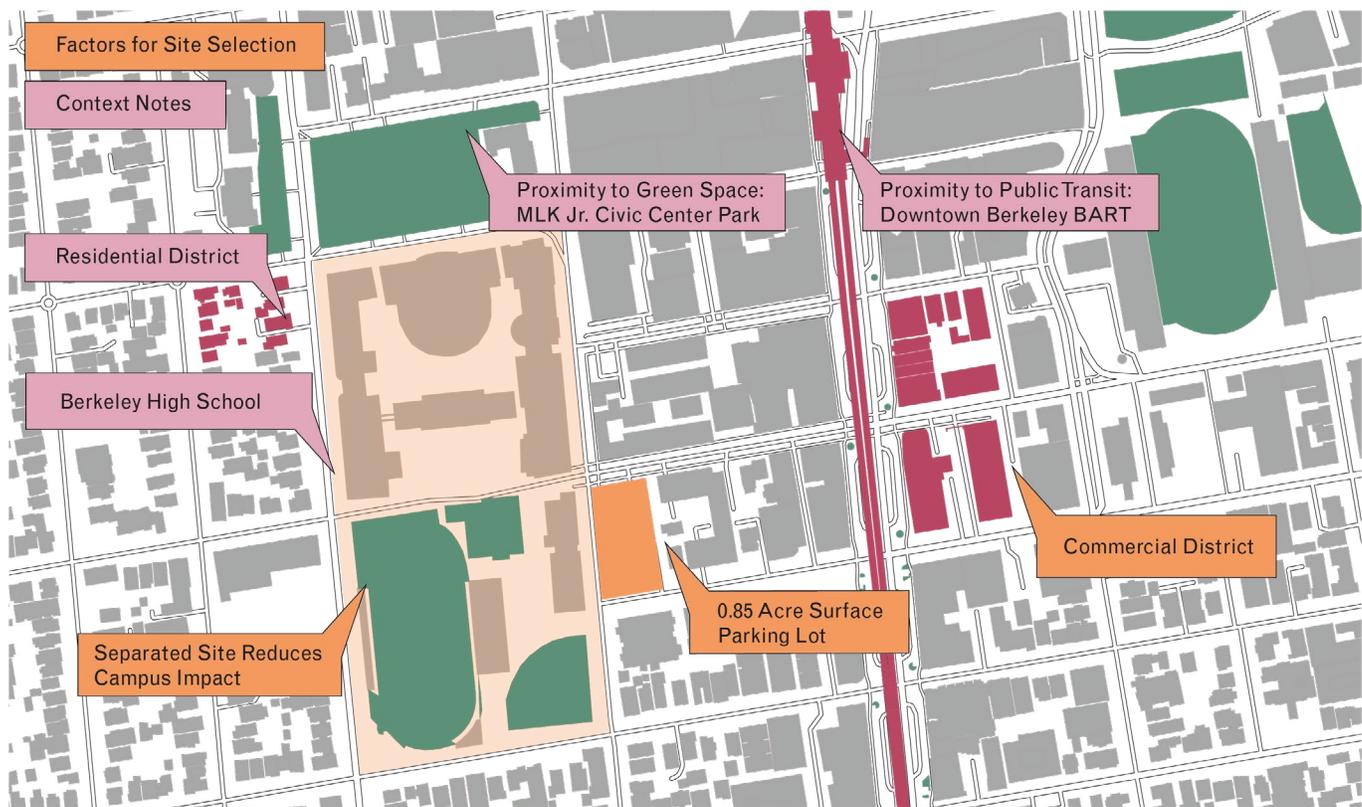
Context and Site Type

The site used for this example, located at 2309 Milvia Street, is currently a surface parking lot used for Berkeley High School staff (Figure A8.1). The school and parking lot are centrally located in the city's downtown neighborhood, close to a major public transportation hub along its main avenue, which carries a number of bus routes and the regional light rail system. The downtown area is densely built, with commercial storefronts and mid- and high-rise apartments in a number of buildings within walking distance of the site.

Surface parking lots, a site type common to all LEAs for employee and visitor use at schools, are amenable to new development because there are few improvements or structures that require

demolition before a new project is created. Many of the completed education workforce housing projects have used surface parking lots that are physically detached from school campuses for precisely this reason, and also because subdivisions and ground leases can be readily defined. Although this type of site may be ideal, each LEA must also consider the history of the particular site, its relationship to the nearby schools, and its connection to the local community to inform conversations about its reuse.

Program and Proposed Use

This parking lot, which previously held the Berkeley High School tennis courts (Figure A8.2), was converted to surface parking after serving as a construction staging area for expansion of the school's gymnasium. While the existing parking is critical to operational needs of the adjacent school, a community's memory of its school campuses often persists and shapes expectations for its future. Some would like to see the lot turned back into tennis courts for the school's use. Engaging these expectations with thorough conversations about the benefits and tradeoffs of a proposed program or mix of uses is essential for building community support, creating transparency, and making the most of an LEA's limited resources of time, funding, and space.

Currently, the site provides approximately 135 staff parking spaces (Figure A8.3). It is directly across from the active school site, and the spaces will still be needed even if the site is redeveloped for other uses. Replacing the existing parking is often the largest barrier for this type of site, and the amount of space and kind of construction required to do so adds considerable cost to any project that follows in its footprint. The existing surface lot is also at its maximum capacity and cannot accommodate any more spaces without improvements.

Figure A8.2: Before its use as a parking lot, the site was home to Berkeley High School's tennis courts.
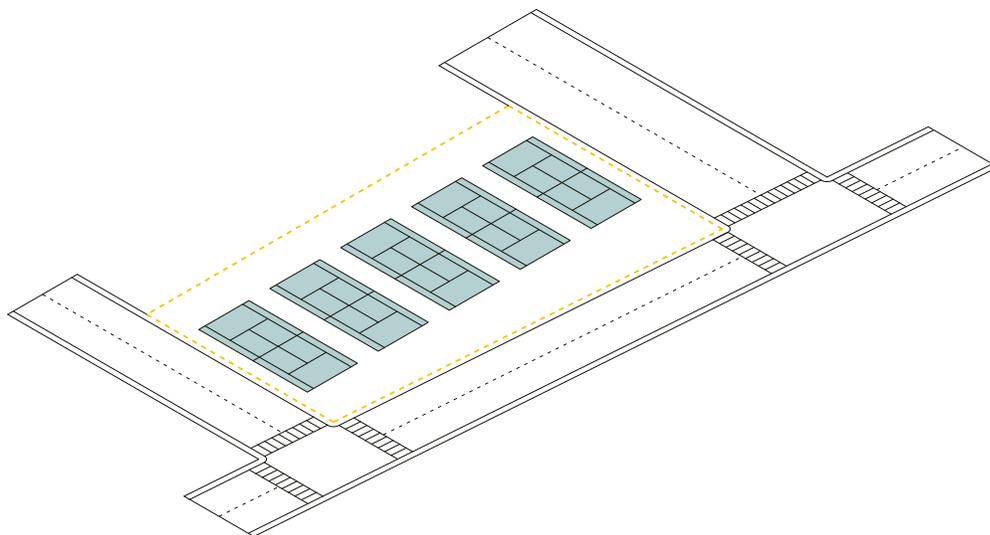
Figure A8.3: The site is used in 2021 for surface parking for Berkeley High School employees.

Existing Surface Parking Lot
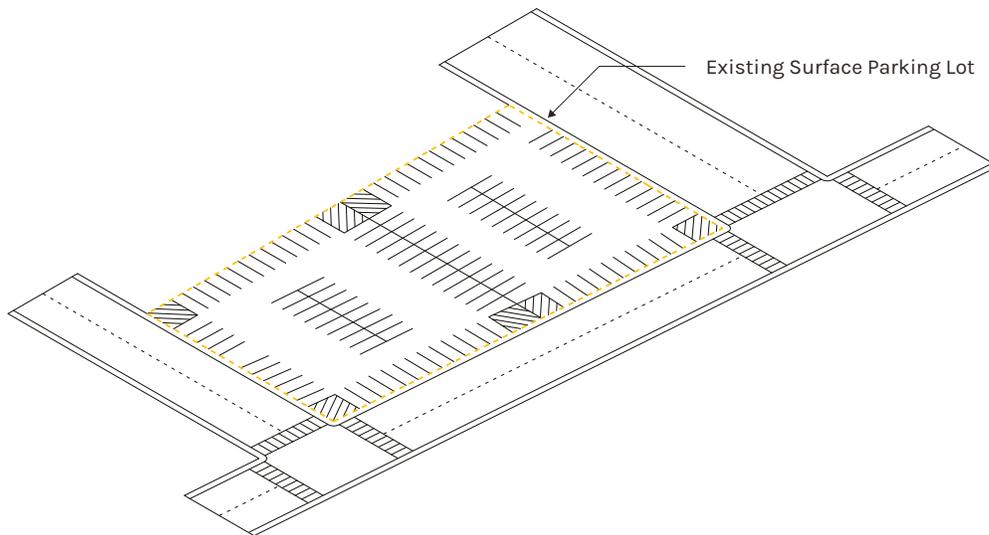
Figure A8.4: A dedicated parking structure would increase staff parking capacity at the school.

Parking Structure with Additional Spaces
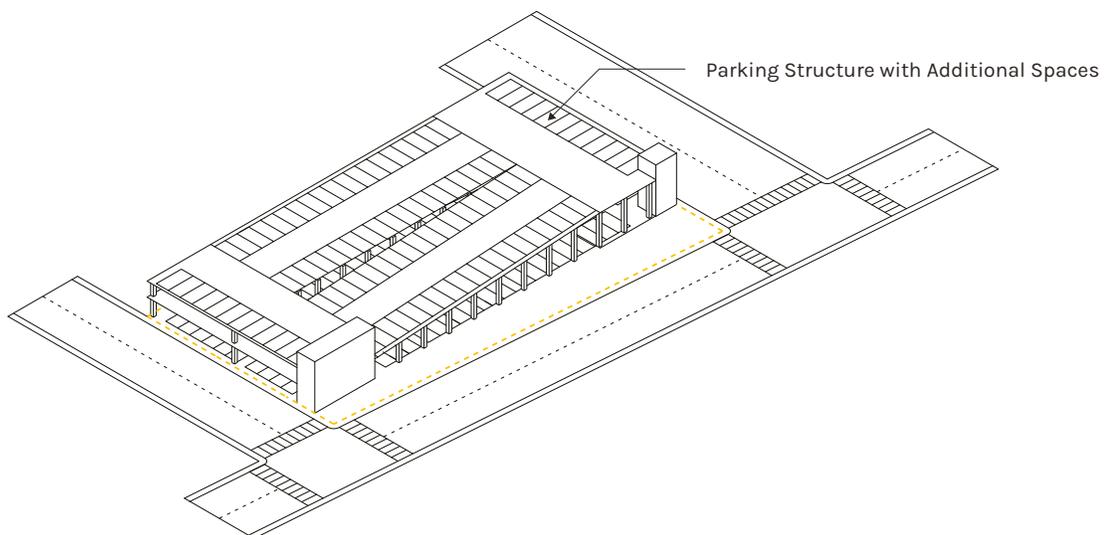
To meet growing and expected operational demands, the site could be developed with a dedicated parking structure to increase the number of cars it holds (Figure A8.4). Increased capacity in the lot would also make it attractive to lease parking spaces and allow public use in evening hours to generate revenue for the LEA. Yet future opportunities to easily use the empty lot would disappear. Once substantial investments are made in a structure, an LEA's goal will likely be to gain as much value from it as possible and maximize its usable lifespan. The site would be built up with a parking structure, and now with existing improvements, any future redevelopment of the site would require expensive demolition. Long-term planning is needed in considering what mix of uses will make the most of the site's current development potential and create the most lasting benefits to the LEA and community.

One proposal on the table is to create a parking structure that also carries tennis courts on its roof (Figure A8.5). This idea expands the amount of staff parking and also brings tennis courts back to the site. Compared to the parking lot-only structure, construction costs would be greater to provide a roof deck, rather than an open-air top level, that doubles for hardcourts. The site would again provide tennis courts for Berkeley High School students and could also be opened to the neighborhood and surrounding community outside of school and competition hours. This arrangement would expand the number of users for the site and beneficiaries for the project, although the impact of the development would remain mostly limited to those attending the school or near the site area itself.

Another possibility is to create education workforce housing, which would provide a major ongoing, LEA-wide benefit at the site (Figure A8.6). While the scale of development of the project would be much greater, it would also be appropriate to the scale of opportunity available at the site. On this open lot close to Downtown Berkeley, public transportation, and a dense mix of uses, a larger scale project would

Figure A8.5: Currently the site is slated for a parking structure combined with tennis courts on its upper level.

Parking Structure with Tennis Courts
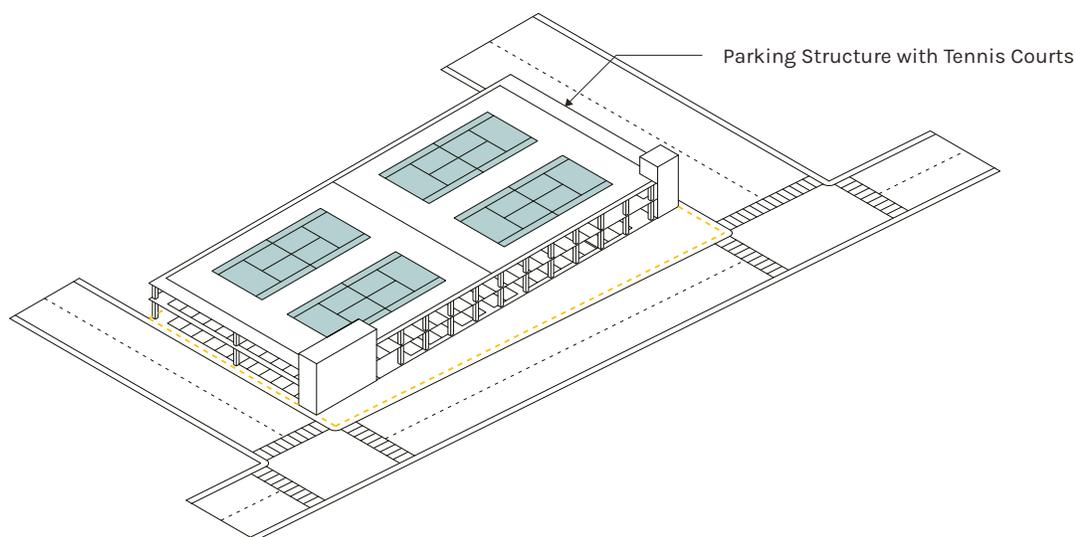
easily fit into the neighborhood and context, even as it sits across the school campus. The project's context paves the way for a more ambitious project and can help it achieve multiple goals for the school and larger LEA, including long-term staff retention and recruitment goals. The steps that follow shape a development proposal to capitalize on various incentives available for affordable housing that would make such a mixed-use project for education workforce housing the "highest and best use" for the site.

Figure A8.6: A project can retain its connection with the school campus, replace parking, and still provide new uses.

Proposed Educator Workforce Housing
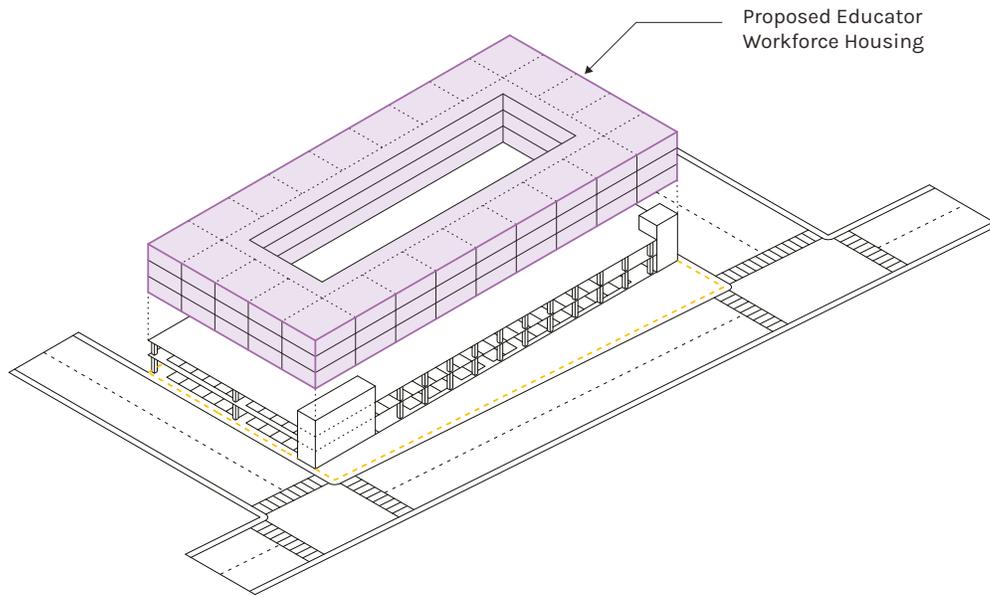
Figure A8.7: The buildable envelope of the site is determined by local zoning regulations.

By-Right Buildable Envelope

50 ft.

5 ft.

6 ft. 8 ft. 10 ft.
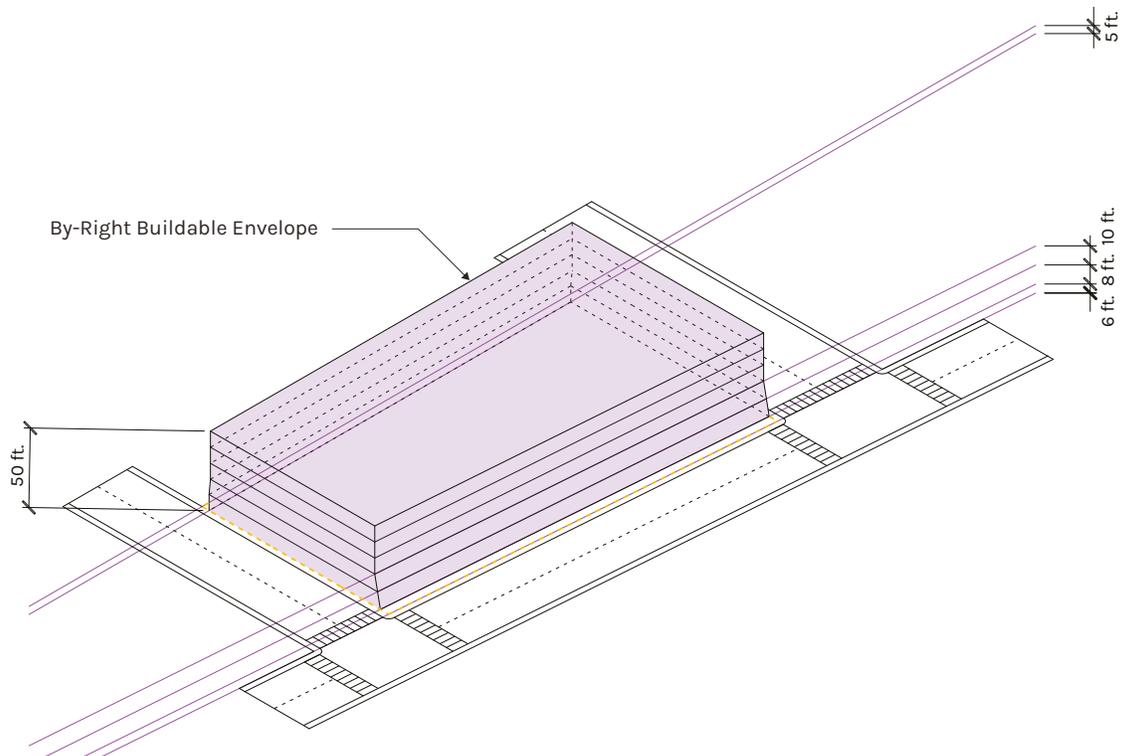
Zoning and Development Standards

The first step in envisioning a project on the site is to determine the maximum envelope within which any new structure must be built, defined by the local zoning code and development regulations (Figure A8.7). This envelope will determine the yield, or number of apartments, that can be fit into a project. The site here is located within a downtown mixed-use zone that requires some setbacks and shaping of the building mass but otherwise allows up to five stories "by-right," or in other words, without additional reviews, permits, or conditions that add time and cost to the project. Common development standards that shape the buildable envelope in zoning codes are height limits and required yards or setbacks. The site's overall development potential can also be limited by maximum floor area ratio, density, lot coverage, parking requirements, and open space standards. The project is not required to maximize the buildable envelope or to be constructed to its fullest extent for it to fulfill its goals, but visualizing the envelope provides a necessary baseline to understand how the site is being used compared to what is possible within its current zoning.

Parking & Construction

In residential developments, parking is often a constraining and determining factor for the project (Figure A8.8). The balance of the intended use and areas that support it (i.e., apartments for school staff to live in and parking spaces for their use) greatly affects the scale and cost of the entire project. Parked vehicles require a substantial amount of space and pose a direct trade-off with apartment units, the main value of the project. Minimizing parking costs preserves resources for the intended use, and a surface lot is often the most economical solution.

Figure A8.8: Minimizing the cost of providing parking can also limit the project's potential
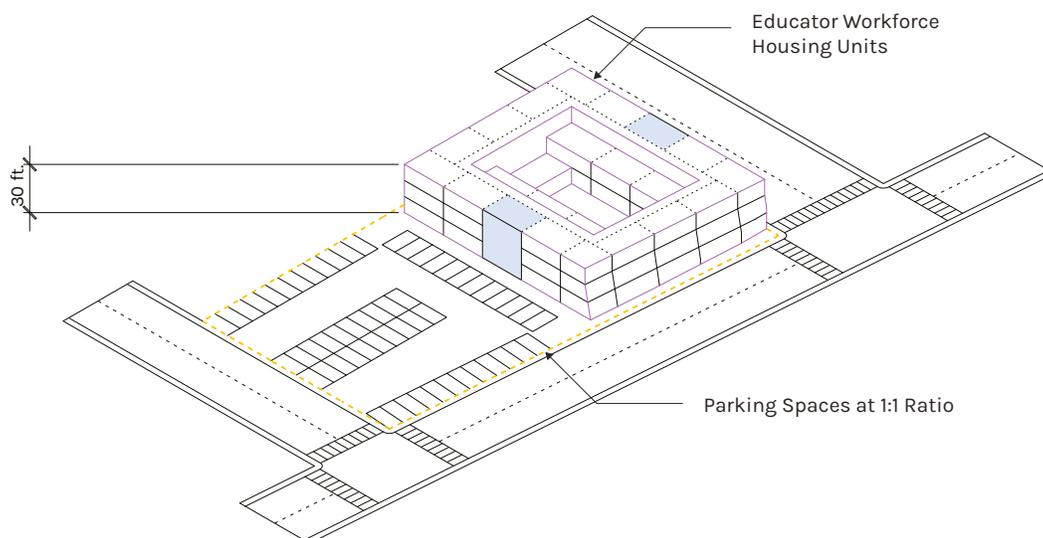
Here we start by considering what a balance of parking and apartments looks like at a ratio of one space per unit, located on the ground level. Approximately half the site is dedicated to surface parking, requiring minimal improvements, and the number of units that it can support is shown on the rest.

In a walkable urban setting such as this one with convenient access to numerous public transportation options, the parking ratio can be lower than the usual calculations based on bedroom counts (Figure A8.9). This depends upon prospective tenants accepting the number of parking spaces assigned to each apartment. Already, the City of Berkeley has codified parking maximums, rather than minimums, in transit-rich areas such as its downtown. Limiting residential parking meets multiple goals of promoting livable, mixed-use density, allowing more affordable housing, and reducing greenhouse gas emissions. Lowering the ratio of parking spaces to apartments from the initial scenario would accommodate more residents on the site without dedicating more space to cars.

Changing how much parking is provided can greatly increase the number of apartments on the site. In this scenario, reducing the parking ratio further, to 0.5:1 instead of 1:1 (meaning that half the apartments are rented to tenants without cars or parking spaces), doubles the number of units supported by the same parking area. Rather than one space per unit, which would rely on each household to own a car in order to use the space efficiently, one space is provided for every two households. A lower ratio reduces the risk of excess space being built beyond the actual demand from residents. This scenario also uses roughly half of the buildable envelope, and the additional units are accommodated within increased building height. The overall cost of the project is greater when compared to before but it is directly tied to apartments, since the parking being provided with minimal development costs on the surface lot.

Figure A8.9: Reducing the parking ratio allows relatively more residential units to be built.
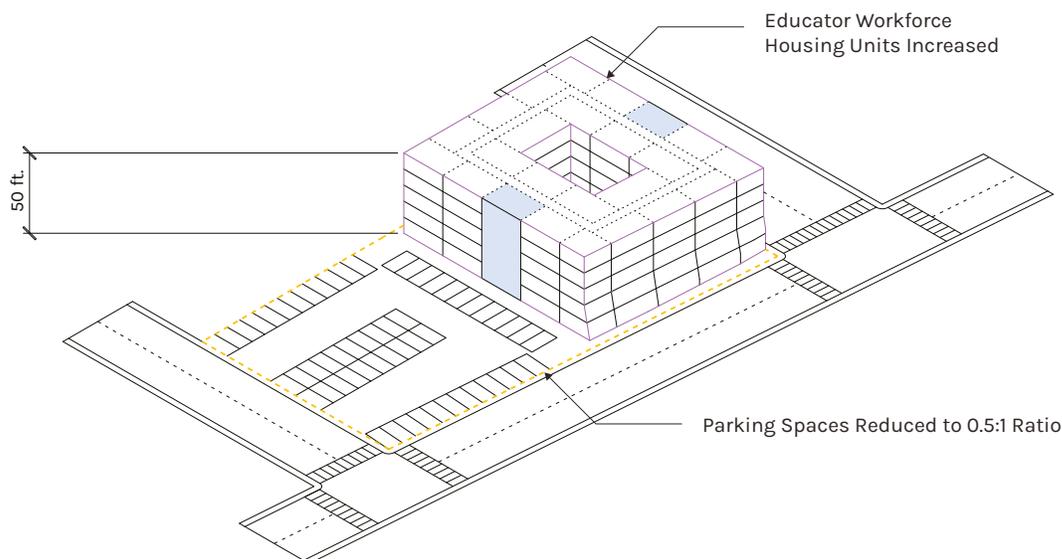
These design options show that a consideration of parking, just one element of the project, affects its scale, cost, and ability to meet its intentions.

The project's type of construction is another key element of the design, which dovetails with its approach to parking. Rather than a surface lot, dedicated space can be constructed with a larger investment and upfront cost to the project. A full ground level of parking could be accommodated within the building structure, with apartments built above (Figure A8.10). This type of design is commonly referred to as a podium building, where a concrete structure contains the heavy car-related uses and bears lighter wood-framed apartments above it.

At the 0.5:1 parking ratio, where one parking space is built for every two units, a greater number of parking spaces allows many more units to be constructed and comes closer to maximizing use of the site's buildable envelope. The project design capitalizes on more of the site's potential, reaching closer to the 50' height limit allowed by-right within the zoning code. Building codes typically limit wood frame construction to four stories, where each is about 10' tall, but in combination with a story of concrete or concrete block on the ground floor, economical wood framing can be used up to the maximum height of 50'.

Within the by-right envelope in this strategy, the project can accommodate more parking spaces but they would come at the cost of apartments units (Figure A8.11). The diagram demonstrates these tradeoffs by showing how an additional level of parking in the concrete podium would increase the parking ratio closer to 1.5:1, or three parking spaces for every two units, for residents in the project, by reducing the total number of apartments. Parking spaces could be created on just a portion of the
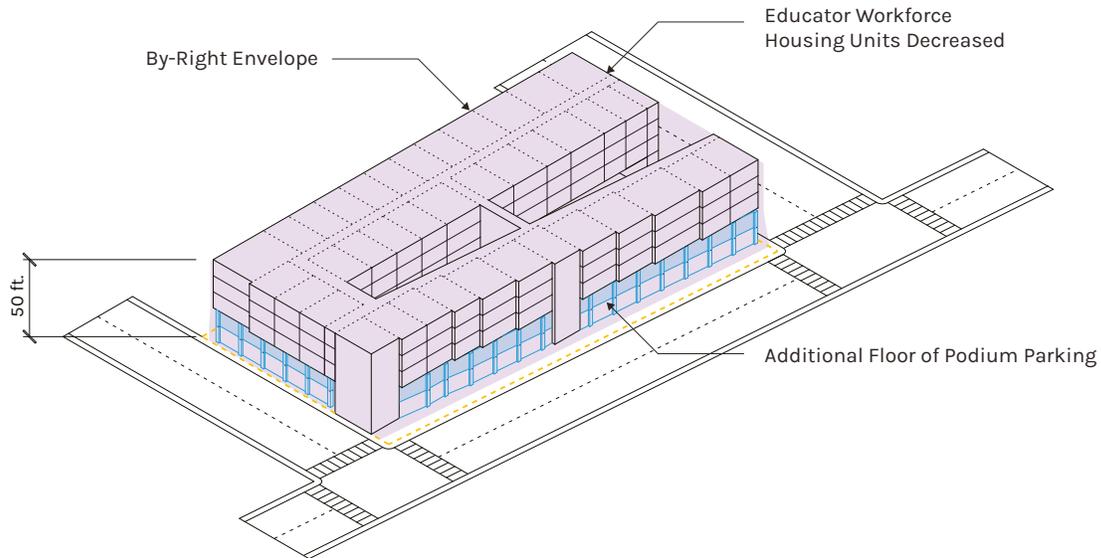
Figure A8.10: The cost of structured parking can create greater value for the project as a whole.
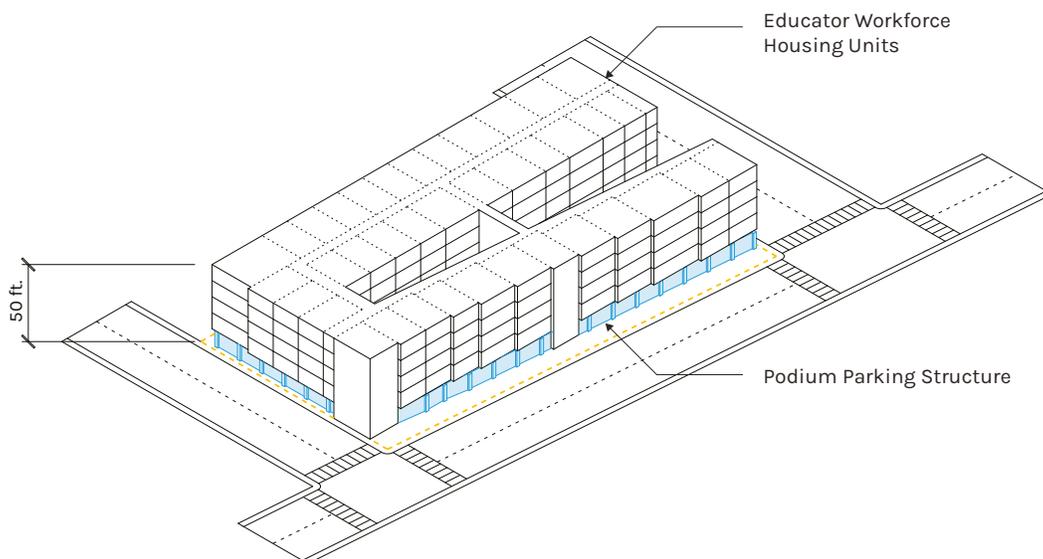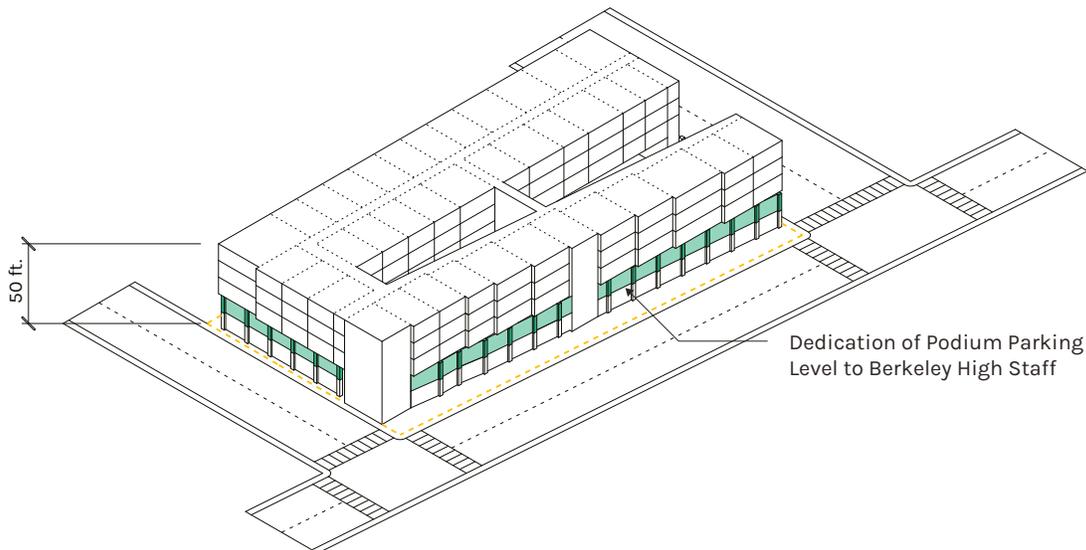
level, but the dimensions of a typical parking structure are different from the measurements typical to residential units and for illustrative purposes an entire floor is used.

The potential for additional parking shows how the site can support multiple uses beneficial to the LEA and campus: these additional spaces can be dedicated for school staff use and help replace the existing surface lot's spaces (Figure A8.12).

Figure A8.11: Within the buildable envelope apartments and parking can often compete for space.

By-Right Envelope

Educator Workforce
Housing Units Decreased

50 ft.

Additional Floor of Podium Parking

Figure A8.12: Parking can be a shared use between the project and the school campus.

50 ft.

Dedication of Podium Parking
Level to Berkeley High Staff

The parking reserved for apartment tenants could be provided at a lower ratio while serving the school campus, since residents would live close to public transportation and close to work. Note again that the City of Berkeley zoning code does not have a minimum parking requirement in this area, so the LEA and its residential development consultant can ultimately decide the amount of parking needed based on its expected tenants. For many young teachers and staff, especially those within walking distance to their workplace at neighboring Berkeley High School, a personal car and parking space may not be needed. Car sharing options could also be provided within the project, meeting the need for occasional trips. Additionally, the parking dedicated for school staff could be leased outside of school and event hours for visitors to the downtown area, creating additional revenue to support the project and LEA operations.

Increasing Yield

More intensive use of the site can also come from additional permits and planning incentives for affordable housing. If the project applied for a Use Permit with the City of Berkeley, its limit on building height would increase up to 60' (Figure A8.13). The extra 10' of height allows a greater number of units in the project with an extra story of apartments. With two floors of parking, both in concrete construction, the podium can still support four floors of wood framing to fill out the expanded, taller, building envelope. This height reaches the upper limit for this kind of podium building, known as Type V over Type I construction, which combines housing and parking in the same structure.

Projects that provide affordable housing are eligible for the State Density Bonus, a program enacted locally throughout California. The "density bonus" is a percentage of units awarded to projects that create homes reserved for households with lower incomes and permits a development to include more units than local zoning regulations otherwise allow. Greater density in a project helps spread the total

Figure A8.13: The potential to build more is often checked by additional costs in time and construction.
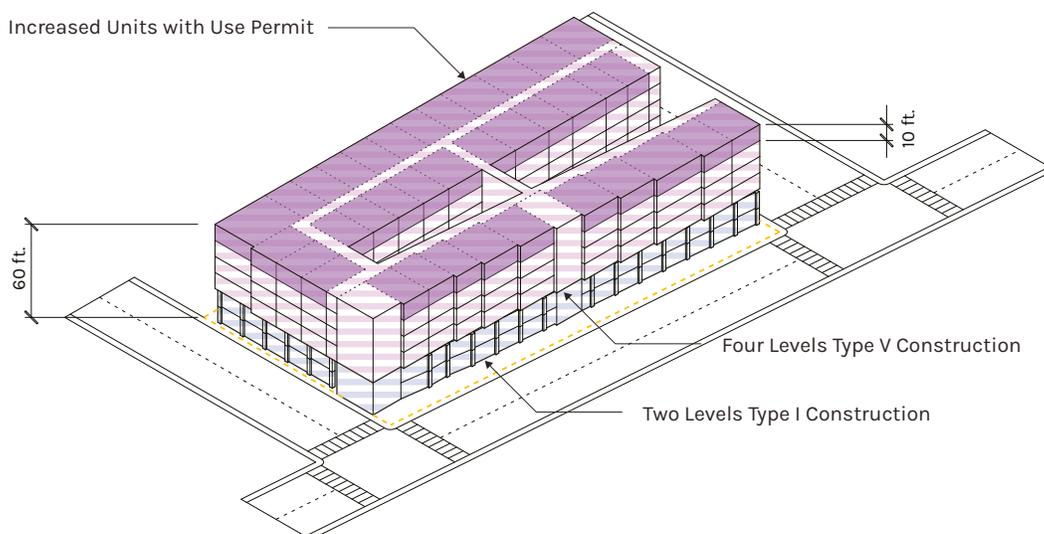
cost of development over more units—reducing the costs for each apartment and in effect subsidizing their affordable rents or sales prices. Incentives, waivers, and concessions from local development standards are also awarded under the program in order to accommodate the number of affordable units and reduce their associated project costs. Developers can propose what modifications to development standards best serve the project. Each development standard to be modified counts as a single incentive or concession, and up to four incentives can be requested for a project. The number of incentives granted is based on the project's percentage of affordable housing units and the income levels of the households they support.

An education workforce housing project benefiting entry- and junior-level teachers and classified staff, who often make salaries less than the area's median income, would be eligible for such incentives. In this case, the project can apply for a density bonus to create more units within the project and gain a concession for additional height to accommodate them in an extra story (Figure A8.14). Considering the resulting construction costs will help limit just how many additional units and how tall the project will be.

With the state density bonus and a city use permit, the project could rise up to 75' and still be cost efficient. A structure above 75' tall is considered a high-rise building under the California Building Code. It requires additional fire and life safety equipment and standards to be included at substantial cost to the project. At this height limit, the relatively economical Type III construction can be used rather than costly Type I concrete and steel. Although Type III construction is more expensive than the previously considered Type V, it can be built up to five stories above a concrete podium, compared to four stories. Building materials in this construction type can still be wood or light-gauge steel framing and have greater fire resistance in the overall structure. A successful project design creates balance between the total number of units and the total cost of construction.

Figure A8.14: LEAs can tap into existing support for affordable housing if they design with program requirements in mind.
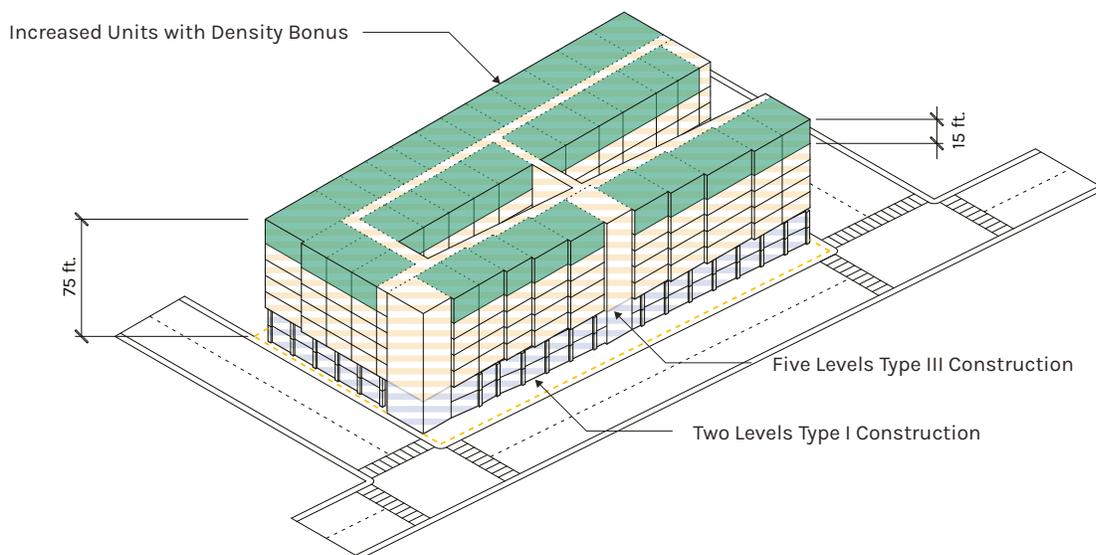
All together, thinking through the development program, construction costs, and housing policies has maximized the LEA's use of its site and increased its yield of apartments for teachers and staff. As can be seen here, the design process is iterative, and each decision can affect previous assumptions and outcomes like the total number of units, parking ratios, and building height, and number of units. These parameters of the project are all in conversation with one another. Up to this point the project's design has assumed smaller households and shown smaller unit sizes—mostly studios and one bedrooms (Figure A8.15). This mix of units reflects the LEA's pressing operational need to recruit and retain young teachers who are costly to train and can turnover quickly without support. Studios and one bedroom apartments may be appropriate for this target population, yet the size of units also have important implications for the project's costs and ultimate yield.

Financing

A final point for consideration in this case study is the financing that will be used to support the project. LEAs creating education workforce housing can use funding for affordable housing to help develop their projects, but they will need to incorporate any additional requirements to meet program priorities and policy goals. The largest source of such funding, the Low-Income Housing Tax Credit program (LIHTC), is established by Federal law and implemented through state programs to help subsidize construction costs.

To be competitive in California's allocation process, a housing type created by the project must be specified. The housing type relates how the project's design will support resident populations of interest, such as Seniors housing or Special Needs housing. One category fitting for LEAs is Large Family housing. Large families are identified for support within LIHTC because large apartments with affordable rents are often difficult to find in the private rental market. This housing type's additional requirements include larger bedroom counts in the project's design. To compete for LIHTC funding in the Large Family category, the project must provide at least 25% of its units as 2 bedroom units or larger and another 25% as 3 bedroom units or larger.

To account for this and be eligible for LIHTC funding in the category, the proposed development's unit mix is adjusted to provide the proper ratio of bedroom counts (Figure A8.16). Incorporating these unit sizes will affect the project in two ways. First, within the same building envelope, larger units that have more bedrooms will reduce the total number of units created. Second, although the exact numbers will depend on incomes and the level of affordability assigned, the size of units may change the relative proportions of certificated teachers and classified staff within the project. The final number of units here is reduced to a total of 125.

The following tables show a pro forma analysis of different financing scenarios that could be used with the project's development program (Figures A8.17, A8.18, A8.19). All use the same mix of units, as designed above, and assumptions for development costs in the project area (Figures A8.20, A8.21). The three scenarios differ in their mix of income level restrictions and consider total costs with and without replacement of the existing parking spaces.

Figure A8.15: Smaller unit sizes can mean more apartments are created on the site, but they may not suit all households they are intended for.
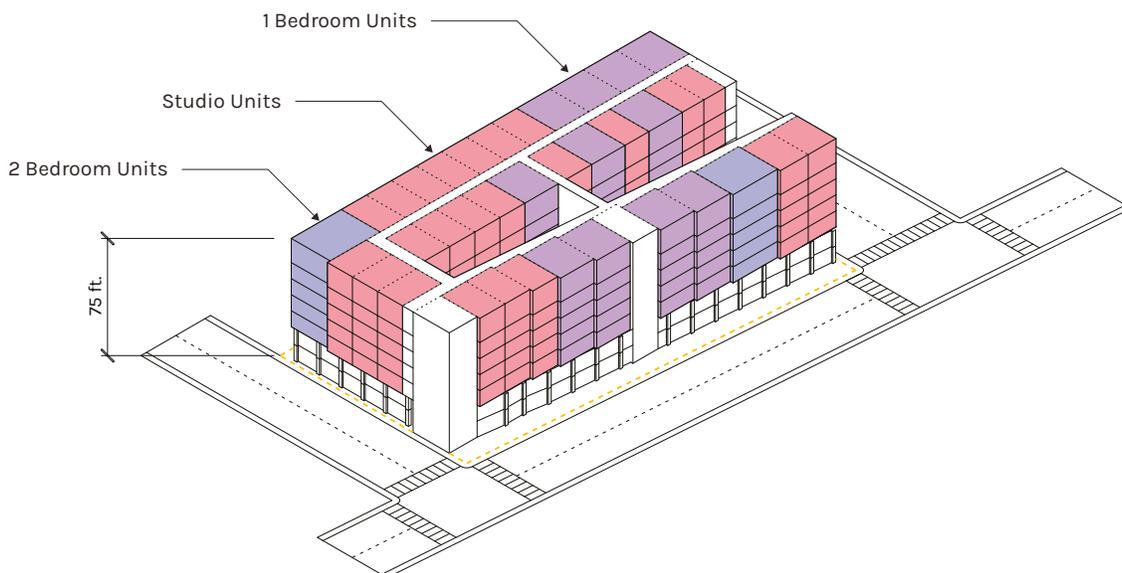
Figure A8.16: A mix with larger units would mean fewer apartments but could support a greater diversity of households and gain.
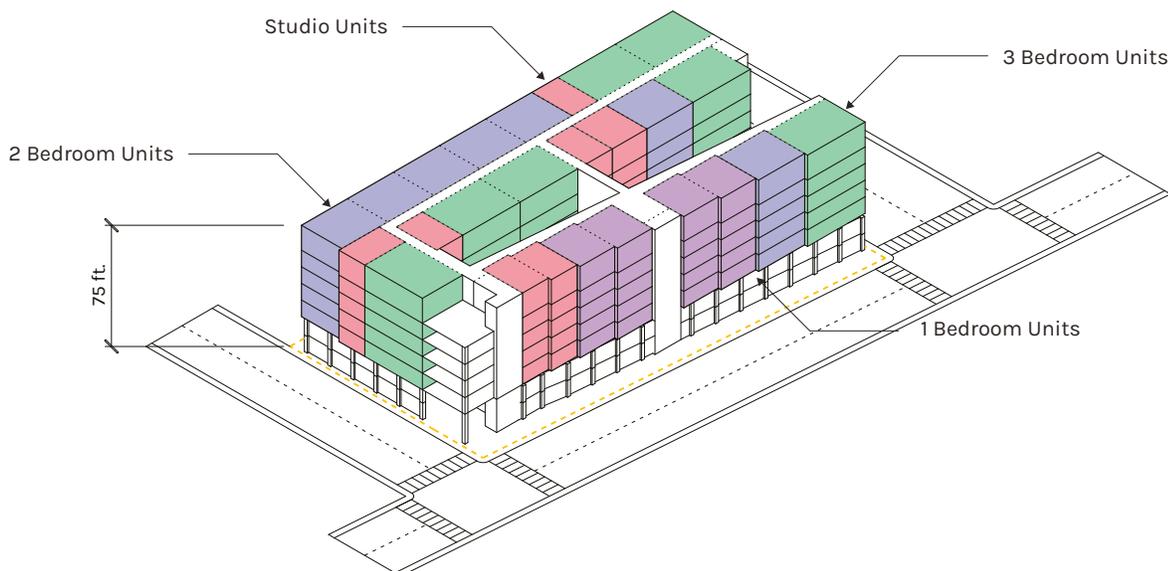
Figure A8.17: Summary of Preliminary Results from Financial Analysis of Alternatives

Alameda County

	Scenario 1 100% TCAC Affordable	Scenario 2 50% TCAC 50% Moderate Affordable	Scenario 3 100% Low/Moderate Affordable
Target Household Income (Affordable) **Number of Units**	48% AMI per TCAC 125	84% AMI per TCAC/HCD 125	110% AMI per HCD 125
With Replacement Parking			
Residual Value Per Unit	($204,000)	($169,000)	($131,000)
Residual Value Per Site	($25,500,000)	($21,125,000)	($16,375,000)
Without Replacement Parking			
Residual Value Per Unit	($160,000)	($123,000)	($80,000)
Residual Value Per Site	($20,000,000)	($15,375,000)	($10,000,000)

Figure A8.18: Preliminary Financial Analysis of Development Alternatives (Replacement Parking)

School District Housing and Property Ownership
Alameda County

	Scenario 1 100% TCAC Affordable		Scenario 2 50% TCAC 50% Moderate Affordable		Scenario 3 100% Low/Moderate Affordable	
Development Program						
Total Number of Units	125 units		125 units		125 units	
% of Affordable Units	*100%*		*100%*		*100%*	
Target Household Income (Affordable)	*49%*	*AMI per TCAC*	*84%*	*AMI per TCAC/HCD*	*110%*	*AMI per HCD*
Density	90 DUA		90 DUA		90 DUA	
Market Rate Unit Size	- NSF		- NSF		- NSF	
BMR Unit Size	821 NSF		821 NSF		821 NSF	
Average Unit Size	821 NSF		821 NSF		821 NSF	
Average No. Bedrooms	1.78 bedrooms		1.78 bedrooms		1.78 bedrooms	
Average Parking Ratio (w/Replacement Parking)	1.38 spaces/unit		1.38 spaces/unit		1.38 spaces/unit	
Revenues	Per NSF	Per Unit	Per NSF	Per Unit	Per NSF	Per Unit
Market Rate Gross Revenue (Sales/Rents)	$0	$0	$0	$0	$0	$0
BMR Gross Revenue (Sales/Rents)	$19	$15,480	$33	$26,760	$42	$34,560
Average Gross Revenue	**$19**	**$15,480**	**$33**	**$26,760**	**$42**	**$34,560**
Vacancy	($1)	($774)	($2)	($1,338)	($2)	($1,728)
Effective Gross Income (EGI)	**$18**	**14,706**	**$31**	**25,422**	**$40**	**32,832**
Base Operating Expenses	($8)	($6,700)	($8)	($6,700)	($8)	($6,700)
Property Taxes	$0	$0	$0	$0	$0	$0
Net Operating Income	**$10**	**$8,006**	**$23**	**$18,722**	**$32**	**$26,132**
Development Costs (Without Land)	Per NSF	Per Unit	Per NSF	Per Unit	Per NSF	Per Unit
Hard Construction						
Site Improvement	$10	$8,200	$10	$8,200	$10	$8,200
Parking	$59	$48,300	$59	$48,300	$59	$48,300
Building	$406	$333,000	$406	$333,000	$406	$333,000
Contingency	$24	$19,500	$24	$19,500	$24	$19,500
Subtotal	$498	$409,000	$498	$409,000	$498	$409,000
Planning & Building Permits	$6	$5,000	$6	$5,000	$6	$5,000
Inclusionary Housing Fee	$0	$0	$0	$0	$0	$0
City Impact Fees	$37	$30,000	$37	$30,000	$37	$30,000
Level 1 School Impact Fees	$5	$4,200	$5	$4,200	$5	$4,200
Other Soft Costs	$74	$61,000	$74	$61,000	$74	$61,000
Construction Financing	$28	$23,000	$28	$23,000	$25	$23,000
Development Costs (Without Land)	**$648**	**$532,200**	**$648**	**$532,200**	**$572**	**$532,200**
Revenue from Sale of Tax Credits	$290	$238,000	$146	$120,000	$0	$0
Net Development Costs (Without Land)	**$358**	**$294,200**	**$502**	**$412,200**	**$648**	**$532,200**
Residual Land Value (Supportable Debt Basis)	Per NSF	Per Unit	Per NSF	Per Unit	Per NSF	Per Unit
Permanent Loan Type	*Tax Exempt Revenue Bond*		*Tax Exempt Revenue Bond*		*Tax Exempt COP Bond*	
Supportable Debt	$139	$114,000	$325	$267,000	$521	$428,000
Less: Net Development Costs (Without Land)	($358)	($294,000)	$88	($412,000)	$69	($532,000)
Less: Developer Margin/Profit	($29)	($24,000)	($29)	($24,000)	($33)	($27,000)
Residual Land Value (Per Unit)	**($249)**	**($204,000)**	**($206)**	**($169,000)**	**($160)**	**($131,000)**
Residual Land Value (for the Site)		*($25,500,000)*		*($21,125,000)*		*($16,375,000)*

Note: Please see Figure A8.20 for Key Assumptions.

Figure A8.19: Preliminary Financial Analysis of Development Alternatives (No Replacement Parking)

School District Housing and Property Ownership
(No Replacement Parking)
Alameda County

	Scenario 1 100% TCAC Affordable		Scenario 2 50% TCAC 50% Moderate Affordable		Scenario 3 100% Low/Moderate Affordable	
Development Program						
Total Number of Units	125 units		125 units		125 units	
% of Affordable Units	*100%*		*100%*		*100%*	
Target Household Income (Affordable)	*49%*	*AMI per TCAC*	*84%*	*AMI per TCAC/HCD*	*110%*	*AMI per HCD*
Density	90 DUA		90 DUA		90 DUA	
Market Rate Unit Size	- NSF		- NSF		- NSF	
BMR Unit Size	821 NSF		821 NSF		821 NSF	
Average Unit Size	821 NSF		821 NSF		821 NSF	
Average No. Bedrooms	1.78 bedrooms		1.78 bedrooms		1.78 bedrooms	
Average Parking Ratio (No Replacement Parking)	0.30 spaces/unit		0.30 spaces/unit		0.30 spaces/unit	
Revenues	Per NSF	Per Unit	Per NSF	Per Unit	Per NSF	Per Unit
Market Rate Gross Revenue (Sales/Rents)	$0	$0	$0	$0	$0	$0
BMR Gross Revenue (Sales/Rents)	$19	$15,480	$33	$26,760	$42	$34,560
Average Gross Revenue	**$19**	**$15,480**	**$33**	**$26,760**	**$42**	**$34,560**
Vacancy	($1)	($774)	($2)	($1,338)	($2)	($1,728)
Effective Gross Income (EGI)	**$18**	**$14,706**	**$31**	**$25,422**	**$40**	**$32,832**
Base Operating Expenses	($8)	($6,700)	($8)	($6,700)	($8)	($6,700)
Property Taxes	$0	$0	$0	$0	$0	$0
Net Operating Income	**$10**	**$8,006**	**$23**	**$18,722**	**$32**	**$26,132**
Development Costs (Without Land)	Per NSF	Per Unit	Per NSF	Per Unit	Per NSF	Per Unit
Hard Construction						
Site Improvement	$10	$8,200	$10	$8,200	$10	$8,200
Parking	$13	$10,500	$13	$10,500	$13	$10,500
Building	$406	$333,000	$406	$333,000	$406	$333,000
Contingency	$21	$17,600	$21	$17,600	$21	$17,600
Subtotal	$450	$369,300	$450	$369,300	$450	$369,300
Planning & Building Permits	$6	$5,000	$6	$5,000	$6	$5,000
Inclusionary Housing Fee	$0	$0	$0	$0	$0	$0
City Impact Fees	$37	$30,000	$37	$30,000	$37	$30,000
Level 1 School Impact Fees	$5	$4,200	$5	$4,200	$5	$4,200
Other Soft Costs	$67	$55,000	$67	$55,000	$67	$55,000
Construction Financing	$25	$20,900	$25	$20,900	$22	$20,900
Development Costs (Without Land)	**$590**	**$484,400**	**$590**	**$484,400**	**$520**	**$484,400**
Revenue from Sale of Tax Credits	$285	$234,000	$144	$118,000	$0	$0
Net Development Costs (Without Land)	**$305**	**$250,400**	**$446**	**$366,400**	**$590**	**$484,400**
Residual Land Value (Supportable Debt Basis)	Per NSF	Per Unit	Per NSF	Per Unit	Per NSF	Per Unit
Permanent Loan Type	*Tax Exempt Revenue Bond*		*Tax Exempt Revenue Bond*		*Tax Exempt COP Bond*	
Supportable Debt	$139	$114,000	$325	$267,000	$521	$428,000
Less: Net Development Costs (Without Land)	($305)	($250,000)	$32	($366,000)	$11	($484,000)
Less: Developer Margin/Profit	($29)	($24,000)	($29)	($24,000)	($29)	($24,000)
Residual Land Value (Per Unit)	**($195)**	**($160,000)**	**($150)**	**($123,000)**	**($97)**	**($80,000)**
Residual Land Value (for the Site)		**($20,000,000)**		**($15,375,000)**		**($10,000,000)**

Note: Please see Figure A8.20 for Key Assumptions.

Figure A8.20: Key Assumptions

	Alameda	
	(a) With Replacement Parking	**(b) Without Replacement Parking**
Building Type	Podium	Podium
Average Household Size	2.62 persons	2.62 persons
Average Number of Bedrooms	1.78 bedrooms	1.78 bedrooms
Average Unit Size (net square feet)	821	821
Residential Parking (spaces)	135	0
Replacement Parking (spaces)	38	38
Monthly Utility Allowance	$150	$150
Vacancy Rate	5%	5%
Monthly Base Operating Expenses	$550	$550
Property Tax Rate	1.12%	1.12%
Site Improvement Cost Per Net Square Foot	$10	$10
Parking Construction Cost Per Space	$35,000	$35,000
Bilding Construction Cost Per Net Square Foot	$406	$406
Contingency	5%	5%
Total Hard Construction Cost Per Net Square Foot	$499	$499
Impact Fees (City/School) Per Unit	$34,200	$34,200
Other Soft Costs (% as of Hard Construction Costs)	15%	15%
Financing Cost (% as of Hard Construction Costs)	5.6%	5.7%
Developer Margin/Profit (Assuming Fee Developer)	5% of Development Costs	5% of Development Costs
Developer Margin/Profit Limitation Based on Tax Credit Regulations	$2.5M + $20,000 per unit above 100 units	$2.5M + $20,000 per unit above 100 units

Notes on Assumptions:

Utility allowance is calculated based on local Housing Authority schedule.

Operating expenses are based on TCAC minimum operating expense for non-targeted units in elevator buildings.

Figure A8.21: Household Income Levels and Estimated Rents

Based on Illustrative Apartment in Alameda County

	Alameda County Household Income Levels			Affordable Rent*	Scenario 1	Scenario 2	Scenario 3
Bedroom Count	1 Bedroom	2 Bedroom	3 Bedroom	*(Estimated Average)*		*50% Moderate*	*100% Low/Moderate Affordable*
HCD Household Size	1	2	3		*100% TCAC Affordable*	*Moderate Affordable*	
TCAC Household Size	1	1.5	3				
BMR Units (% of Total)							
<u>Target Income Level</u>							
30% of AMI (TCAC)	$28,770	$30,830	$36,990	$740	25%	13%	0%
50% of AMI (TCAC)	$47,950	$51,380	$61,650	$1,340	40%	20%	0%
60% of AMI (TCAC)	$57,540	$61,650	$73,980	$1,630	35%	17%	0%
80% of AMI (HCD)	$70,350	$80,400	$90,450	$2,060	0%	0%	20%
110% of AMI (HCD)	$96,700	$110,500	$124,350	$2,880	0%	0%	20%
<u>120% of AMI (HCD)</u>	$105,500	$120,550	$135,650	<u>$3,160</u>	<u>0%</u>	<u>50%</u>	<u>60%</u>
Total					**100%**	**100%**	**100%**
Weighted Average Rent					**$1,292**	**$2,221**	**$2,884**

*Assumes average unit mix of 1.8 bedrooms, 821 net square feet (NSF) unit size.

Source: Income limits are based on the 2021 Income Limits published by the State and Federal government (HCD/HUD) or published by the Tax Credit Allocation Committee (TCAC) that provides the income and rent standards for Low Income Housing Tax Credits.
Income levels by Area Median Income (AMI) are calculated based on the household income standards in the Health and Safety Code in order to determine affordable housing cost for various household income levels per HCD/HUD.
Affordable rent is estimated based on 30% of household income toward rent given an assumed mix of 1, 2 and 3 bedroom units and a standard deduction for tenant-paid utilities based on published utility allowances from the County Housing Authority.

Endnotes

01. Introduction: Education Workforce Housing in California

1   Bates et al. (2018). California's Housing Future: Challenges and Opportunities, Final Statewide Housing Assessment 2025. California Department of Housing and Community Development. Retrieved from: https://www.hcd.ca.gov/policy-research/plans-reports/docs/sha_maindoc_2_15_final.pdf.

2   We use the term "local educational agencies" (LEA) to refer collectively to California public K-12 school districts and county offices of education.

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11   Darling-Hammond, L., Sutcher, L., & Carver-Thomas, D. (2018). Teacher shortages in California: Status, sources, and potential solutions. Palo Alto, CA: Learning Policy Institute. Retrieved from: https://gettingdowntofacts.com/sites/default/files/2018-09/GDTFII_Report_Darling-Hammond.pdf.

12   See appendix for descriptions of programs noted in this paragraph.

13   "Los Angeles Unified Launches Effort To Provide Affordable Housing for Teachers and Staff (06-09-21)" Retrieved from: https://achieve.lausd.net/site/default.aspx?PageType=3&DomainID=4&ModuleInstanceID=4466&ViewID=6446EE88-D30C-497E-9316-3F8874B3E108&RenderLoc=0&FlexDataID=107017&PageID=1.

14   Doocy (2018) uses an in-depth survey to examine housing challenges and needs for employees in the Berkeley Unified School District (BUSD). The study found broad interest among employees, especially among entry-

level employees. Davis (2017) profiles of employee housing developments from across the country to determine applicability for Denver Public Schools (DPS) to pursue similar projects. The report distinguishes between developer-driven and LEA-led projects, which are further grouped by sale of LEA property, use of ground lease, and LEA-run delivery methods, but the different processes they follow are not described in further detail. Seminatore (2020) outlines the pathways for LEA-led housing by evaluating data on four example projects. The report identifies the need to "secure land, funding, and public support during the planning phase," as three major hurdles that LEAs must overcome to build workforce housing. Yet the focus on describing how each LEA met these hurdles as case studies limits discussion of how to evaluate a range of possibilities, choose among them, and assess the impact of particular decisions. Blumenfeld et al.'s report for the City of Los Angeles (2007) takes an approach closest to ours here by producing a joint use study for campus reconfiguration and new housing construction at a Los Angeles Unified School District high school. The report models a process for determining a site, speaking with community members, developing design alternatives, and analyzing financial feasibility. It walks through these considerations on a single site in order to demonstrate the potential for further connecting school campuses with community-serving uses like affordable housing and open spaces.

02. Why Build Housing on Lands Owned by Local Educational Agencies?

1   During the Great Recession, many California LEAs reduced their teacher staff and increased class sizes. As a result, California's student-teacher ratio became the highest in the country (24:1 compared to a 15:1 national average). As LEA budgets have slowly recovered in more recent years, many LEAs are working to bring class sizes down to pre-recession levels by hiring more teaching staff. The Learning Policy Institute estimates that California needs more than 4,100 additional teachers per year to return to its overall pre-recession student-teacher ratio of 21:1. Source: Carver-Thomas, D., Kini, T., & Burns, D. (2020). Sharpening the divide: How California's teacher shortages expand inequality. Palo Alto, CA: Learning Policy Institute. Retrieved from: https://learningpolicyinstitute.org/sites/default/files/product-files/Sharp_Divide_California_Teacher_Shortages_REPORT.pdf.

2   Teacher turnover refers to teachers who left teaching in the LEA/county during the 2017–18 school year, including those who left teaching in California public schools entirely and those who left to teach in a different LEA/county. Teacher attrition refers to teachers who left public school teaching in California during the 2017–18 school year.

3   Between 2012-13 and 2016-17, the number of teachers entering teaching on emergency-style permits in California increased more than six-fold. Darling-Hammond, L., Sutcher, L., & Carver-Thomas, D. (2018). Teacher shortages in California: Status, sources, and potential solutions. Palo Alto, CA: Learning Policy Institute. Retrieved from: https://gettingdowntofacts.com/sites/default/files/2018-09/GDTFII_Report_Darling-Hammond.pdf.

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13   Staff recruitment and training costs can vary from LEA to LEA, but The Learning Policy Institute estimates costs can be more than $20,000 for each newly hired teacher in an LEA (https://learningpolicyinstitute.org/product/the-cost-of-teacher-turnover).

14   Much research has looked at what drives teacher turnover and attribution. For example, see: Hanushek, E. A, Kain, J.F., and Rivkin, S.G. (2004). "Why Public Schools Lose Teachers." Journal of Human Resources 39(2): 326-354.

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21   California's Department of Housing and Community Development (HCD) works with each regional council of government (COG) in the state to determine the regional housing needs assessment segmented by income levels. From this, each COG allocates the housing need for each city/county in the COG. The result is a Regional Housing Need Allocation Plan (RHNA Plan). As of this writing, HCD is on the 6th Cycle RHNA Plans. For more information, see: https://www.hcd.ca.gov/community-development/rhna/index.shtml.

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27   Data reported in this section come from Terner Center analysis of American Community Survey 2018 5-year estimates, California Department of Education data on Staff Demographics and Certificated Salaries & Benefits , Department of Housing and Urban Development Income Limits, and Learning Policy Institute. See appendix for additional detail and findings.

28   "Beginning teachers" refers to first- and second-year teachers.

29   The California Department of Education reports each LEA's "lowest scheduled salary" for teachers. For most LEAs, this is the beginning teacher salary. Retrieved from: https://www.cde.ca.gov/ds/fd/cs/index.asp.

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42   California Legislative Information. Bill Text - SB-1413 School districts: employee housing. Retrieved from: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB1413.

43   See appendix for a description of current legislation.

03. *Where Might Education Workforce Housing Work Well?*

1   A full description of the data and methods to build and analyze the inventory can be found in the appendix.

2   See LEA-Owned Properties by County table in appendix.

3   Of the 8,669 LEA properties with a school on them, 87% (7515) have only one school operating on it while 10% (858) have two schools, and 3% (296) have three or more schools operating on it.

4   Manhattan is 14,600 acres. For additional size reference, the surface of Lake Tahoe is 122,616 acres and Rhode Island, the smallest state, is 776,960 acres.

5   With the fairly generous recommended acreage standards for elementary, middle, and high schools set by the California Department of Education, California LEAs have, in essence, land-banked on their school sites. While specific sizes by enrollment are listed in the CDE's "Guide to School Site Analysis and Development" (https://www.cde.ca.gov/ls/fa/sf/documents/schoolsiteanalysis2000.pdf), the general rule of thumb according to CDE School Facility and Transportation Services Division staff is 10 acres for Elementary Schools, 15-18 acres for Middle Schools, and 40-50 acres for high schools.

6   Teacher turnover refers to teachers who left teaching in the district/county during the 2017–18 school year, including those who left teaching in California public schools entirely and those who left to teach in a different LEA/county.

7   Beginning teachers are those in their first or second year of teaching.

8   Lowest scheduled salary offered. For most LEAs, this is the beginning teacher salary.

9   Housed in the California State Treasurer's Office, the TCAC administers the federal and state Low Income Housing Tax Credit programs, which are primary financing tools for affordable housing development. In conjunction with the California Department of Housing and Community Development (HCD), TCAC adopted an Opportunity Area Map as part of its scoring process to incentivize the production of more affordable housing for families in "opportunity-rich" areas. The map assigns each census tract in the state (or in the case of rural areas, block groups) to one of five resource categories based on an index of economic, education, and environmental characteristics that have been found to be important to improving outcomes for low-income children and adults. Areas designated "High Resource" or "Highest Resource" are given priority for LIHTC, in order to increase affordable housing development in high opportunity areas. The Opportunity Area Map is increasingly being used to allocate state funds for affordable housing, including LIHTC (see: https://www.treasurer.ca.gov/ctcac/tax.asp). HCD also uses the Opportunity Area Maps in its Multifamily Housing Program funding decisions (see: https://www.hcd.ca.gov/grants-funding/active-funding/mhp.shtml) and the California Debt Limit Allocation Committee (CDLAC) also recently moved to incorporate the Opportunity Area Map into its funding considerations.

10   Transit Rich Areas are those within ¼ mile of a high quality bus stop and/or ½ mile of a major transit stop.

11   It is possible that some of these properties may have feasibility for other community benefits, such as parks, community centers, etc.

12   Geographic locale codes for each public school and LEA in the U.S. are reported NCES Common Core of Data (CCD). The locale code is a general geographic indicator that classifies the type of area where a school is located. Locale codes are based on a twelve-category framework that includes four primary classifications (city, suburban, town, and rural) that each have three sub-types. For more detail see the methods appendix and https://nces.ed.gov/programs/edge/Geographic/SchoolLocations.

13   Median asking rent statistic represents the median rent asked for vacant units of any size.

14   Mallach, A. (2020, November 17). "More Housing Could Increase Affordability-But Only If You Build It in the Right Places." Shelterforce. Retrieved from: https://shelterforce.org/2020/06/19/more-housing-could-increase-affordability-but-only-if-you-build-it-in-the-right-places-urban_housing/.

15   For a discussion of opposition to new housing (i.e., "Nimbyism") in California, see: Monkkonen, P., & Livesley-O'Neill, W. (2017). Overcoming Opposition to New Housing. UCLA: The Ralph and Goldy Lewis Center for Regional Policy Studies. Retrieved from: https://escholarship.org/uc/item/01g0297v.

16   In recent years, numerous laws have been passed in California including Assembly Bill 744 (Chau, 2015), Senate Bill 35 (Wiener, 2017), and Assembly Bill 1763 (Chiu, 2019), limiting the amount of parking required at certain housing development types.

04. Which LEAs Have Considered Building Education Workforce Housing, and What Have They Considered?

1   A full description of the methods used to build the project inventory can be found in the appendix.

2   Christopher, B. (2017, March 1). "To attract teachers, pricey school districts are becoming their landlords." CalMatters. Retrieved from: https://calmatters.org/education/2017/03/to-attract-teachers-pricey-school-districts-are-becoming-their-landlords/.

3   Los Angeles Unified School District Board of Education. (2020, November 10). Regular Meeting Order of Business. Retrieved from: https://boe.lausd.net/sites/default/files/11-10-20RegBdOBMaterialsWithLinks.pdf.

4   Los Angeles Unified School District Board of Education. (2020, November 10). Regular Meeting Order of Business. Retrieved from: https://boe.lausd.net/sites/default/files/11-10-20RegBdOBMaterialsWithLinks.pdf.

5   Christopher, B. (2017, March 1). "To attract teachers, pricey school districts are becoming their landlords." CalMatters. Retrieved from: https://calmatters.org/education/2017/03/to-attract-teachers-pricey-school-districts-are-becoming-their-landlords/.

6   Los Angeles Unified School District Board of Education. (2020, November 10). Regular Meeting Order of Business. Retrieved from: https://boe.lausd.net/sites/default/files/11-10-20RegBdOBMaterialsWithLinks.pdf.

7   Reid, C. (May 2019). "Rethinking 'Opportunity' in the Siting of Affordable Housing: Resident Perspectives on the Low Income Housing Tax Credit." Housing Policy Debate, 29(4): 645-669. Retrieved from: https://doi.org/10.1080/10511482.2019.1582549.

8   As of this report writing, OUSD is moving ahead with education workforce housing at two sites. In 2018-19, OUSD conducted a 7-11 process (as outlined in Education Code § 17388) for 5 sites, then hired a firm to help evaluate options generated through the process and solicit bids from developers. The OUSD Board of Directors approved moving forward in Fall 2020. See: https://oaklandside.org/2021/07/01/oakland-unified-affordable-teacher-housing/.

05. How Can Local Educational Agencies Design Housing to Meet Their Needs?

1   Both MHP and AHSC are administered by the California Department of Housing and Community Development. The Multifamily Housing Program exists to "assist the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households." More information on the program is available at: https://www.hcd.ca.gov/grants-funding/active-funding/mhp.shtml. The Affordable Housing and Sustainable Communities Program "funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas emissions." More on this program is available at: https://www.hcd.ca.gov/grants-funding/active-funding/ahsc.shtml.

06. Recommendations

1   Public school capital development projects of all types must be reviewed by the Division of the State Architect (DSA). DSA review primarily focuses on making sure the design meets Field Act requirements for seismic safety. Non-LEA housing developments obtain their approvals entirely from local governments. But LEA-owned projects must be reviewed both at the local level and by the DSA. Further, the state should clarify Field Act approval requirements for non-school buildings (e.g., housing, parking structures) on LEA-owned land. The DSA approval process is independent of local building and safety review, adding time and uncertainty to the process.

2   This reform is proposed in Senate Bill 780, Ting.

3   Terner Center for Housing Innovation. (2021, July 27). The Cost of Building Housing Series. Terner Center for Housing Innovation. Retrieved from: https://ternercenter.berkeley.edu/research-and-policy/the-cost-of-building-housing-series/.

4   Example Survey of School District Staff on Housing: BUSD Employee Housing Survey. (2017). Berkeley Unified School District and University of California-Berkeley's Center for Cities + Schools. Retrieved from: https://citiesandschools.berkeley.edu/uploads/BUSD_Employee_Survey_FINAL_2017.pdf.

5   Example Request for Proposals for Pre-Development Work:

        Berkeley Unified School District Request for Proposal for Architectural Services. (2019). Berkeley Unified School District. Retrieved from: https://agendaonline.net/public/Meeting/Attachments/DisplayAttachment.aspx?AttachmentID=1006400&IsArchive=0/.

        Request For Proposal/Qualifications for Teacher Workforce Housing Project Advertisement. (2021). Soledad Unified School District. Retrieved from: https://soledadusd.org/blog/2021/01/28/rfp-for-teacher-workforce-housing-project/.

6   Example Feasibility Studies:

        Workforce Housing Feasibility Report Presented to Mountain View Whisman School District. (2018). Dutra Cerro Graden. Retrieved from: https://mvwsd.novusagenda.com/AgendaPublic/AttachmentViewer.ashx?AttachmentID=1118&ItemID=669/.

        BUSD Employee Affordable Housing Development: Predevelopment Study and Feasibility Analysis of BUSD Sponsored Housing. (2020). Mithun. RCD. The Housing Workshop. Retrieved from: https://www.berkeleyschools.net/wp-content/uploads/2021/01/BUSD-Housing-Report-7-24-20.pdf.

        San Jose Unified School District Faculty-Staff Housing Assessment from Education Housing Partners. (2020). Education Housing Partners, Inc. Retrieved from: https://sjusd.box.com/s/wykwnrlpt6eu8nb4i9ew467zgq4la1a7.

7   The inventory could be used as an online tool by LEAs in planning and managing their properties (and existing facilities) as well as assess workforce housing developability on each of their properties. The inventory should enable LEAs to identify, quantify, and categorize their properties with regard to development potential.

07. Conclusion: Housing and the 21st Century Public School Campus

1   Brunner, Eric and Jeffrey M. Vincent. (2018). Financing School Facilities in California: A Ten Year Perspective Getting Down to Facts II Series. Palo Alto: PACE and Stanford University. Retrieved from: https://gettingdowntofacts.com/sites/default/files/2018-09/GDTFII_Report_Brunner-Vincent.pdf.

08. Appendix

1   There are 58 COEs, 522 ESDs, 76 HSDs, and 344 USDs in California.

2   GreenInfo Network is a non-profit organization that assists others in the use of Geographic Information Systems (GIS) and related information technologies. GreenInfo Network's mission is to create, analyze, visualize and communicate information in the public interest. Retrieved from: https://www.greeninfo.org.

3   Based on the parcel ownership data from the 58 county assessor's offices statewide, we found additional lands under the ownership of public K-12 educational entities. 154 properties totaling 62,879 acres statewide are owned by the State of California. Fifteen of these properties have charter schools operating on them, with the charter being granted by the State Board of Education. Most of the remaining state owned properties are located in very rural or mountainous areas and are likely not optimal for workforce housing. Seventy-nine properties (totalling 499 acres) are under other public K-12 ownership, about a third of which have Regional Occupational Programs (ROP) operating on them.

4   The precise physical education space guidelines can be found in: California Department of Education. 2000. Guide to School Site Analysis and Development. Sacramento, CA: CDE. See site requirement tables, pp 19-25. Retrieved from: https://www.cde.ca.gov/ls/fa/sf/documents/schoolsiteanalysis2000.pdf.

5   When the site consists of elementary, middle, and/or high school students, we allot the larger of the grade-based PE space allocation. Source: California Department of Education. 2000. Guide to School Site Analysis and Development. Sacramento, CA: CDE. Retrieved from: https://www.cde.ca.gov/ls/fa/sf/documents/schoolsiteanalysis2000.pdf.

6   We only account for bus drop off space for properties with one or more schools enrolling students in school. We do not account for bus drop-off space for preschools, adult schools, or other nontraditional schools.

7   For example, see Assembly Bill 1401 (Friedman, 2020-21) Residential and commercial development: remodeling, renovations, and additions: parking requirements. For a discussion of AB 1401 impacts, see: Garcia, D. and J. Tucker. April 13, 2021. How AB 1401 May Impact Residential Parking Requirements. Berkeley: Terner Center for Housing Innovation. Retrieved from: https://ternercenter.berkeley.edu/research-and-policy/ab-1401-residential-parking-requirements/.

8   California Fair Housing Task Force. December 2020. Methodology for the 2021 TCAC/HCD Opportunity Map. Sacramento, CA: California Tax Credit Allocation Committee. Retrieved from: https://www.treasurer.ca.gov/ctcac/opportunity/2021-hcd-methodology.pdf.

9   Low-Income Housing Tax Credits, U.S. Department of Housing and Urban Development, Retrieved from: https://www.huduser.gov/portal/datasets/lihtc.html.

10   Novogradac & Company LLP. (2020, November 9). About the LIHTC. Retrieved from: https://www.novoco.com/resource-centers/affordable-housing-tax-credits/lihtc-basics/about-lihtc/.

11   California Tax Credit Allocation Committee. California Tax Credit Allocation Committee: Program Overview Retrieved from: https://www.treasurer.ca.gov/ctcac/program.pdf.

12   The National Housing Trust Fund is a federal affordable housing production and formula grant program that complements existing state and local efforts to create housing for extremely low- and very low-income households, established under Title I of the Housing and Economic Recovery Act of 2008 and administered by states. Retrieved from: https://www.hud.gov/sites/dfiles/CPD/documents/National-Housing-Fund-Trust-Factsheet.pdf.

13   Raguso, E. (2020, October 18). "Berkeley wins $42 million in grants for 150 units of affordable housing." Berkeleyside. Retrieved from: https://www.berkeleyside.org/2020/07/09/berkeley-wins-42-million-in-grants-for-150-units-of-affordable-housing.

14   Robinson, N. (2018, November 8). "How Do School Bonds Work?" BizFluent. Retrieved from: https://bizfluent.com/how-does-4566176-school-bonds-work.html.

15   Traditionally, school bonds needed a 2/3rds voter approval to be successful. In 2000, Proposition 39 provided an alternative path for the structure of local bonds and reduced the voter approval required down to 55%. Since then, most local school bonds have been structured under the Proposition 39 requirements. For a description of the Proposition 39 local bond requirements, see: https://lao.ca.gov/ballot/2000/39_11_2000.html.

16   Chen, J. (2020, July 1). Certificate of Participation (COP). Retrieved from: https://www.investopedia.com/terms/c/certificateofparticipation.asp.

17   McGhee, E. & Weston, M. (2013) Parcel Taxes for Education California. Public Policy Institute of California. Retrieved from: https://www.ppic.org/content/pubs/atissue/AI_913EMAI.pdf.

18   California Legislative Information. Bill Text - AB-1157 School property: school district advisory committees: teacher and school district employee housing: property tax exemption. Retrieved from: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB1157.

19   California Constitution - CONS, Article XIII A [Tax Limitation] [Section 1 - Sec. 7]. (2000). Retrieved from: https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=CONS&article=XIII+A.

20   California Legislative Information. Bill Text - AB-780 Local Zoning Ordinances: school district employee housing. Retrieved from: https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB780.

Notes

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