

Orange Education Center

Board Of Trustees Meeting
December 7, 2015



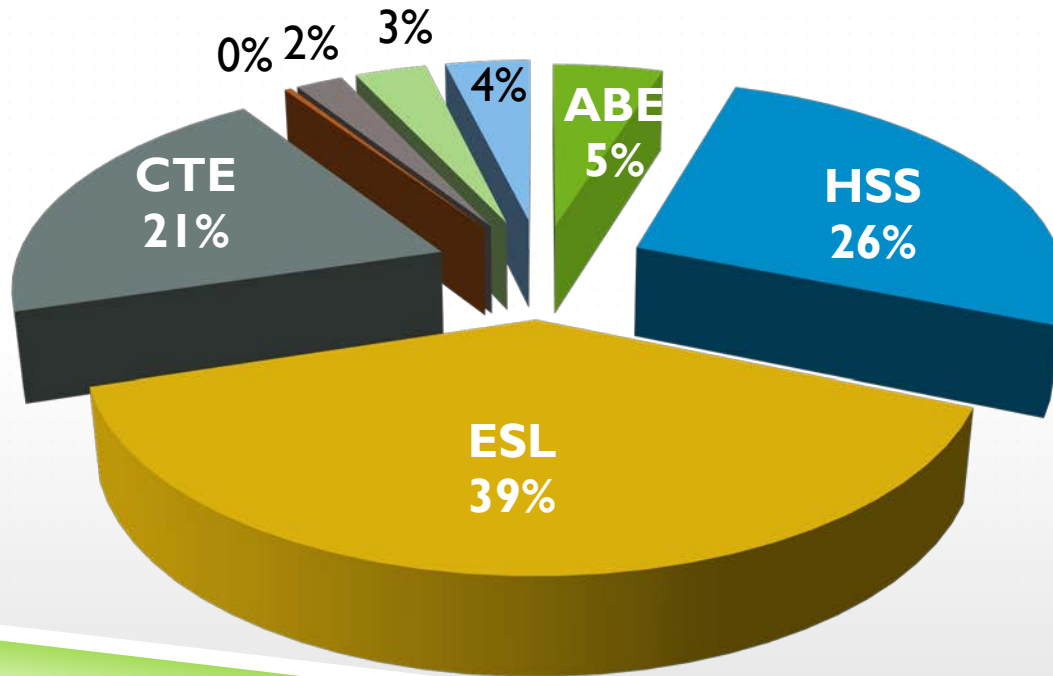
**Santiago
Canyon
College**

ORANGE EDUCATION CENTER

- Approved by Board of Governors as an Authorized State Education Center in November 2009
- The State Center status base allocation funding of \$1.1 million per year acknowledges the cost of operating a full student service facility
- State Center status carries the responsibility of operating a full service facility for students
- The 2015-16 increase in FTES funding for CDCP classes acknowledges the need and importance of these programs and services.

PROGRAM OFFERINGS (%)

- Adult Basic Education
- English as a Second Language
- Adults With Substantial Disabilities
- Programs for Older Adults
- High School Diploma Program
- Career Technical Education
- Parenting Education
- Health & Safety Education



91% of Program Offerings Address Community Barriers

Strong Community Need for OEC

City of Orange Demographics

➤ **Population: 136,000**


- White, non-Hispanic: 47%
- Hispanics: 38%
- Asian: 11%
- Other: 4%

➤ **Language:** 9% of Households are linguistically isolated, meaning that those in these households age 14 and over speak little or no English.

➤ **Education:** 18% of Adults 25 and over do not have a high school diploma; over 40% of Hispanic adults do not have a high school diploma.

➤ **Unemployment: 8.5%**

ORANGE EDUCATION CENTER

- Research confirms that the OEC is located in the perfect location to serve our student population.
 - The location provides the greatest accessibility.
 - The building programming is designed to meet the needs of students/community.
- 

EARNED REVENUES

2009-2016

Year	Revenue
2009-2010	\$8,867,262 (first year of State Center Status)
2010-2011	\$8,610,837
2011-2012	\$7,586,969
2012-2013	\$7,135,708 (classes moved January 2013)
2013-2014	\$6,905,416
2014-2015	\$6,686,872
2015-2016	\$9,185,220 (new per/FTES rate)
TOTAL (Cumulative)	\$54,978,284

OTHER SCENARIOS CONSIDERED

30 options considered which included:

- ▶ Selling the property
- ▶ Purchasing new property and constructing a new building
- ▶ Purchasing new property with renovations to an existing building
- ▶ Various options by type of construction: renovation, modular construction and new construction on the existing property
- ▶ Various program scenarios were considered
- ▶ Various construction target cost scenarios were evaluated
- ▶ Option 3 was re-evaluated and confirmed as recommended

Past Project Costs 2003-2005

- Past Acquisition Cost: \$7.45 million
- Past Costs to Renovate: \$13.7 million
- Past Total Project Cost: \$20.1 million
- All Past Costs: \$27.5 million

COMPARABLE PROPERTY LISTINGS WITHIN THE REGION

No.	Subject Property	Land SF	Land Acres	Building SF	Price/SF	Asking/Sold Price	Status	County
1	OEC	331,627	7.61	85,130	N/A	N/A	N/A	Orange

Properties (Land Only)								
No.	Property	Land SF	Land Acres	Building SF	Price/SF	Asking/Sold Price	Status	County
2	14445 Alondra Blvd.	387,248	8.89	N/A (land only)	\$ 26.88	\$ 10,414,000	SOLD	La Mirada
3	15092 Brookhurst Ave.	243,500	5.59	N/A (land only)	\$ 54.41	\$ 13,250,000	SOLD	Westminster
4	12322 Florence Ave.	271,814	6.24	N/A (land only)	\$ 17.96	\$ 4,886,000	SOLD	Santa Fe Springs
5	3370 Harbor Blvd.	174,240	4.00	N/A (land only)	\$ 36.16	\$ 6,300,000	SOLD	Costa Mesa
6	E Imperial Hwy.	229,997	5.28	N/A (land only)	\$ 21.74	\$ 5,000,000	SOLD	Norwalk
7	400 N Studebaker Dr.	291,416	6.69	N/A (land only)	\$ 34.32	\$ 10,000,000	SOLD	Long Beach
8	1631 W Lincoln Ave.	258,077	5.93	N/A (land only)	\$ 32.54	\$ 8,400,000	Under Contract	Anaheim
9	2350-2394 W Lincoln Ave.	304,049	6.98	N/A (land only)	\$ 29.93	\$ 9,100,000	Under Contract	Anaheim
AVERAGES (#2 through #9)		270,043	6.20	-	\$ 31.74	\$ 8,418,750	-	-

Properties (Building & Land)								
No.	Property	Land SF	Land Acres	Building SF	Price/SF	Asking/Sold Price	Status	County
10	551 & 555 S Harbor Blvd.	348,480	8.00	18,000	Unknown	\$ 10,300,000	FOR SALE	La Habra
11	1000 Leslie St.	222,156	5.10	26,864	\$ 24.75	\$ 5,500,000	SOLD	La Habra
12	1295 W Lambert Rd.	192,100	4.41	60,660	\$ 31.10	\$ 5,975,000	Escrow	Brea
AVERAGES (#10 through #12)		254,245	5.84	35,175	\$ 27.93	\$ 7,258,333	-	-

Note: Listings are as of November 2015. Pricing for comparable properties range between \$8 and \$12 million with an average of \$8.4 million.

