

2018, Haley



Smart Growth Strategies:

El Centro Community College Expansion

Prepared for:

The Dallas County Community College District

May 2018

Author

Charles Lewis Haley Jr.
SRED: 6020 Directed Research
Master of Sustainable Real Estate Development
Tulane School of Architecture

Table of Contents

Introduction

- Smart Growth Principles
- Current State of El Centro
- DCCCD Background

El Centro Identity Today

- Findings
- Recommendations
- Options

Future Needs

- Proposal Development Scenario

Executive Summary

Smart growth approaches numerous multiple benefits to both campuses and their adjacent communities. New development on and off campus typically presents challenges related to traffic, parking, mobility, and the environment. New growth can also strain the financial resources of the institution as well as and the surrounding community. Smart growth approaches, however, can help colleges and universities to accommodate growth by creating great places, promoting positive environmental outcomes by enhancing transportation choices, fiscal responsibility through the re-use of existing infrastructure and underused properties, and economic development and job creation by supporting mixed-use and joint venture projects. Smart growth strategies support development patterns that are better for the environment, such as:

- Compact development that lessens the demand for the conversion of undeveloped land and thereby helps to protect working lands and habitat.
- Mixed-use development that increases transportation choices and decreases automobile trip generation.
- Re-using existing properties such as brownfields and underused sites that yield multiple environmental benefits including cleanup of contaminated sites and reduced demand for greenfield development.

On July 7, 2016 a mass shooting in downtown Dallas occurred within the perimeter of El Centro College. Through smart growth strategies I am trying to relocate El Centro College and change its identity. Not only because of crime or an increased crime rate of the area, but because it is a

great opportunity to rebrand. Rebranding offers strategic engagement among students constituents within the community.

Introduction

Colleges and universities are economic engines, and their impact extends beyond traditional campus boundaries. As institutions of higher learning are increasing in numbers, competition intensifies, hence the need for holistic strategic positioning, whether in academics, campus expansion, consolidation of building assets or repurposing of existing facilities. Moreover, this will align institution's initiatives to augment additional learning resources and accommodate the increasing number of student enrollments. Most institutions are cognizant of the fact that well-planned strategies for campus expansion have the power to inherently attract/retain skilled staff, students, employers, and non-profit partners. Each college and university prides itself on its unique traits of identity, culture, and core mission. An institution's campus and, in many instances, the surrounding college town are typically the physical representation of these characteristics. While emphasizing the importance of smart growth strategies, James Moeser, Chancellor of the University of North Carolina said that "smart growth strategies express and emphasize their values in what they build." Smart growth refers to an integrated real estate development approach which seeks to redistribute public investments, efficiently and equitably in a way to achieve sustainable growth through the balancing of economic, social, and environmental interests¹. Campus settings present challenges to integrating smart growth principles that are similar to those of the cities and towns in which they reside. In a bid to expand, each college must determine how to grow in a way that enhances its existing

¹ Smart Growth Leadership Institute; *Case Studies in Smart Growth Implementation*, Davis-California (2008).

unique resources incorporating quality sustainable solutions to repurpose and expand their campus for the students, staff, and community enjoyment. To achieve outstanding growth, community colleges in the downtown area need to implement smart growth strategies to better update the City Center. Explosive growth in the DFW metroplex presents an opportunity for the Dallas County Community College District to implement change through smart growth strategies to repurpose El Centro College's existing campuses and relocate to a new, more organic site, while preserving the downtown Historic District.

Smart Growth Principles

Kaid Benfield states, "smart growth is an approach to developing cities, suburbs, and metropolitan regions in ways that allows us to thrive environmentally, economically, and socially while still providing all the assets of the American Dream and conserving our landscape"². Thus, smart growth is the way to go for most community colleges seeking sustainable expansion that provides not only for the student but also for the city. Industry analysts have estimated that approximately 40% of universities and colleges are engaged in renovations, reconstruction of architectural projects on and even near the campus³. New projects for colleges center on the adoption of smart growth strategies. Smart growth for colleges involves creating a transparent partnership between the college administration, neighboring communities and other stakeholders

² Benfield, F.K., Terris, J., & Vorsanger, N. (2001). *Solving sprawl: Models of smart growth in communities across America*. New York, NY: Natural Resources Defense Council.

³ Dalbey, Nelson, Bagnoli, Droge and Marie. *Communities of Opportunity: Smart Growth Strategies for Colleges and Universities*. Ayers Saint Gross-Washington DC. (2007).

to establish long-lasting projects for the benefit of both the college and the community at large⁴. Chief Executive at Gateway Technical College, Bryan Albrecht states that smart growth strategies for colleges can help create a great environment, improve livelihood of the surrounding communities and bring success for the particular institutions. ⁵Just like ULI Smart Growth Strategies for cities, strategies for college expansion are also based on certain key principles which include mixed land use, high density design, community engagement, mix income housing, and upgraded amenities.

Mixed Land Use is a development that consists of a blend of residential, commercial, and industrial uses. For instance, a college pursuing new construction projects can put offices, classrooms, and even student retail options in one building in order to bring services closer to users. By doing this, students will not have to walk long distances within the institution to reach their respective schools or faculties. Another key advantage of mixed land uses is that it improves the security of an area by increasing the density of the buildings and the police response time. Furthermore, mixed land uses yield economic, social, and environmental benefits.

High Density Design takes advantage of compact building design that advocates for the efficient use of available land while, at the same time, preserving open space. A lower density design does not result in a better project, and, in fact, many times it results in a deficient project because the developer has less money to invest in amenities and/or building upgrades.⁶

⁴ Haas, T. (2008). *New urbanism and beyond: Designing cities for the future*. New York: Rizzoli International Publications.

⁵ Rothwell, W. J., Gerity, P. E., & Carraway, V. L. (2017). *Community college leaders on workforce development: Opinions, observations, and future directions*. Lanham: Rowman & Littlefield.

⁶ *Designing high-density cities: For social and environmental sustainability*. (2015). Place of publication not identified: Routledge.

Mixed Income Housing creates a wide range of housing opportunities and choices for the consumer. Mix income housing provides quality housing for all levels of income, which is an integral part of the smart growth expansion. Community colleges can use this strategy by setting up the market rate, affordable housing, and student housing. Thus, this will give the college additional revenue thru its leases and allows the students a variety of housing option.

Amenities and social infrastructure are a vital component of smart growth strategies because it creates sustainable communities. In real estate, amenities are features such as location, outlook or access to a lawn, lake, park, and view which enhances the desirability of the real estate which contributes to the pleasure and enjoyment of the occupants. There is a strong connection between the quality of social infrastructure and the well-being of the residents of any project. Escalating stress levels involved in student and professional life, along with the inconvenience of traveling, have led to the need for amenities in expansion projects. Furthermore, amenities provide the feeling that a home should be more than just a place to arrive before or after class. It should be a personal haven where you can do what you want and enjoy it in the best possible way. Equally important amenities create a sense of local identity. This can be seen through the creation of dense walkable campuses with park and lawn access, which is aimed towards improving the quality of life for communities and other stakeholders within them.

Community Engagement directly strengthens the campus expansion process by collaborating ideas and forming a partnership with community stakeholders. This strategy encourages that communities become the core of development in order to maximize resource utilization in the neighborhoods and provide open and free natural resources. There are also other principles, such as a variety of transportation choices and reduction of vehicular usage to provide more space for consumer mobility and commercial activities.

Dallas County Community College District Background

The Dallas County Community College District (DCCCD) was incepted in 1966 by a visionary board that consisted of Mrs. Margaret McDermott, R.L Thornton and its founding chancellor Dr. Bill J. Priest. Since its inception, the DCCCD has received overwhelming support from Dallas County civic leaders, as well as Dallas County government. Over the years, the DCCCD has inaugurated seven community colleges. These colleges are credited with transforming the lives of over 100,000 students⁷. The current Chancellor of the Dallas County Community College District is Dr. Joe May. Primary reasons for launching the DCCCD was to offer convenience and to provide the best affordable college education in the country.

The DCCCD has transformed the lives of Dallas citizens, especially those who come urban areas of the city. Several significant milestones have been accomplished by the DCCCD since it was created. These include starting El Centro College in 1966, Eastfield College in Mesquite in 1970, and Richland College in North Dallas in 1972. Next, Brookhaven College and the Bill J. Priest Institutes were established in 1978 and 1989, respectively. The establishment of these colleges were coupled with increased funding set aside to help bright students gain access to the highest quality of college education available. Moreover, in 2014 the DCCCD hired Dr. Jose Adames as first Hispanic chancellor, strengthening the tenets of diversity and inclusivity in a global world. In addition, the DCCCD also received a \$450 million bond package to improve the facilities in all of its seven colleges. The final project of the DCCCD was completed in 2010 with the construction of 28 new buildings to serve as educational campuses in the midst of

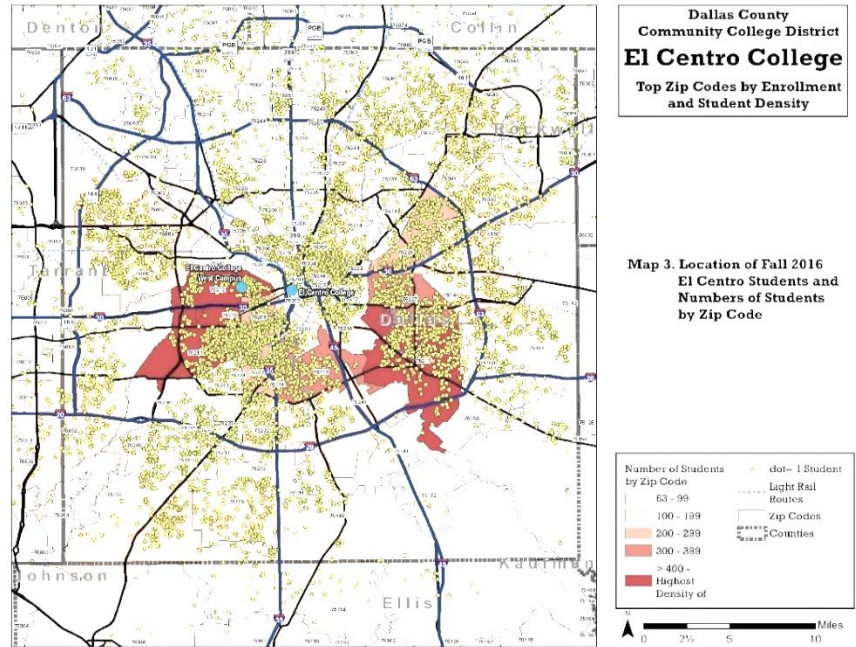
⁷ Szelényi, et al. "ERIC review: Educating immigrants: The community college role." *Community College Review* 30, no. 2 (2015): 59.

bustling communities. to its community colleges. The DCCCD has become a vital part of the community illuminating its academic excellence and strategic development record.

Current State of El Centro College

The El Centro College campus was established in 1966 in downtown Dallas. El Centro College name reflects its region of residence, which hosts a large Hispanic population. The facility is known for matriculating high quality professionals in culinary arts, nursing, fashion design and marketing. Over the years, the campus has grown exponentially from one college campus in downtown Dallas to its current 8 campuses⁸. This influx of students can be attributed to the proximity of the campus to the residential communities of the majority of learners in Dallas. Apart from hosting the downtown campus, it also serves as the home for the D.R. Wright L. Lassiter Jr. Early College High School. The El

El Centro College Profile Students by Location



El Centro College Campus

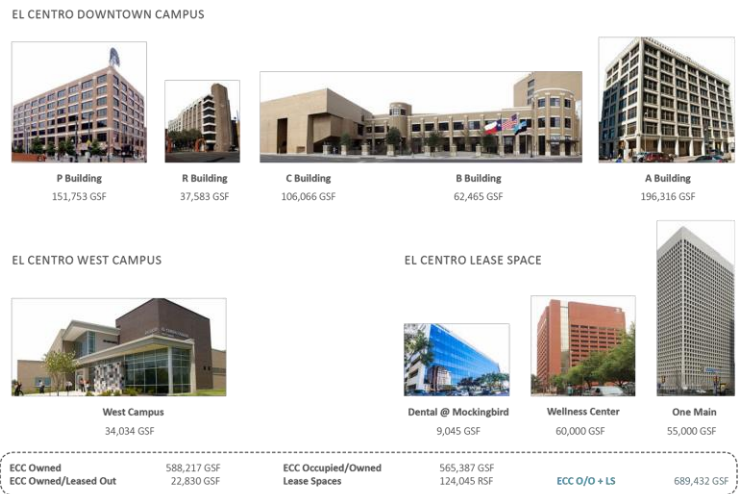


⁸ Lassiter, Wright L. "Capacity building: Reshaping urban community college resources in response to emerging challenges." *New Directions for Community Colleges* 2013, no. 162 (2013): 87.

Centro College is one of the 7 community colleges that are operational in Dallas, which is home to over 10,450 students⁹. Out of this population, about 2,000 are full-time students. The student teacher ratio is 41:1, as compared to the state average of 35:1, an area that the school can improve on. School enrollment includes a 64% minority population, 3% above the state's average and primarily Hispanic¹⁰. The main campus is located at 801 Main Street in downtown Dallas. The tuition fees for the institution average at around \$3,015 per semester, which is lower than the Texas average of \$4,070. Also, key to note is the average graduate earns \$34,000 post-graduation, which is higher than average.

El Centro Identity Today

El Centro College offers high quality education at relatively lower costs than the other 7 community colleges in the Dallas District. The strategic location of the college among lower income consumers has been able to spur some economic growth within the community. Note that, the school has a diversity population with 64% of its students coming from minority groups¹¹. The rich history associated with the institution has promoted relations between the school and the local community. El Centro's location also offers the chance for various



⁹ Gramlich, John. "Hispanic dropout rate hits new low, college enrollment at new high." *Pew Research Center Fact Tank*, September (2017).

¹⁰ Gramlich, John. "Hispanic dropout rate hits new low, college enrollment at new high." *Pew Research Center Fact Tank*, September (2017).

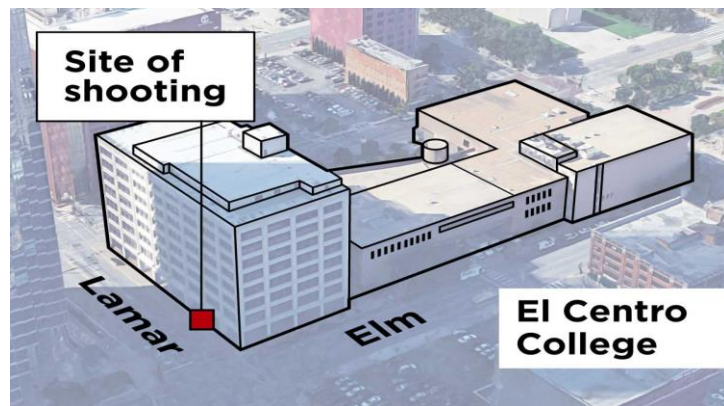
¹¹ Floyd, Deborah L. "Community college baccalaureate in the US." *The community college baccalaureate: Emerging trends and policy issues* (2015): 32.

people from different parts of Dallas to be able to seek higher education opportunities in their facilities. The original five main campus buildings also offer separate specialized interaction between learners and professors¹². The main campus, which consists of buildings A, B, and C, houses registration, administration and financial aid offices. While the P building is specifically for Allied Health and the nursing program. Also, the R building occupies all STEM program students.

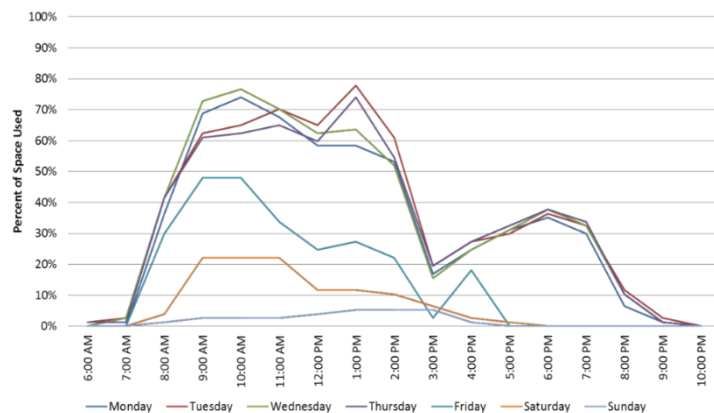
Findings

Despite the location being hugely advantageous, the college is faced with several disadvantages.

Firstly, security is seen as a weakness due to the July 2016 shooting at the institution. The shooting led to the killing of five police officers. The looming threat of hovers security lingers around the campus due to increased crime in the area where one out of four individuals are living below the poverty line¹³



Inefficient space utilization is apparent because the El Centro College has a ratio of one teacher to 41 students compared to the national average one teacher to 18 students. The opportunity here is to identify the right combination and usage suited to secure a better ratio for students' optimal



This chart indicates the number of classrooms in use throughout each day of the week.

¹² Brewer, et al. "Strategic planning for continuous improvement in a college of business." *The Mid-Atlantic Journal of Business* 36, no. 2/3 (2017): 123.

¹³ Lane, Kristina. "Educating a growing community." *Diverse Issues in Higher Education* 18, no. 16 (2016): 28.

learning experience. This is a crucial component that needs to improve so that staff can effectively carry out the aims and objectives of the school¹⁴. There are several opportunities that the college can undertake which are the expansion of classrooms from 1-27 seats to 28-88 seats¹⁵. Due to a 68% increase in enrollment from 2014-2017, El Centro College requires additional classroom/building space since the current five buildings are not enough.

Additionally, there is opportunity for El Centro College to try and improve its \$20 million annual energy consumption through the use of multiple plants instead of centralized plants. The reason for this is when using centralized plants energy will be lost when it goes through the loop. Moreover, multiple plants allow for more redundancies and is a more efficient way to use and process energy for heating and cooling.

El Centro College has poor access and navigation. The campuses are difficult to get to if you are not familiar with downtown. Once in the building, navigation poses a problem for staff and students because of a lack of visual aids such as prominently displayed signage. Thus, the poor access and navigation makes it difficult for students



Bldg C - Elm



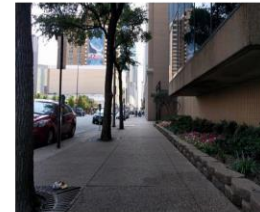
Bldg C - Main



Bldg C - Market



Bldg R - Market

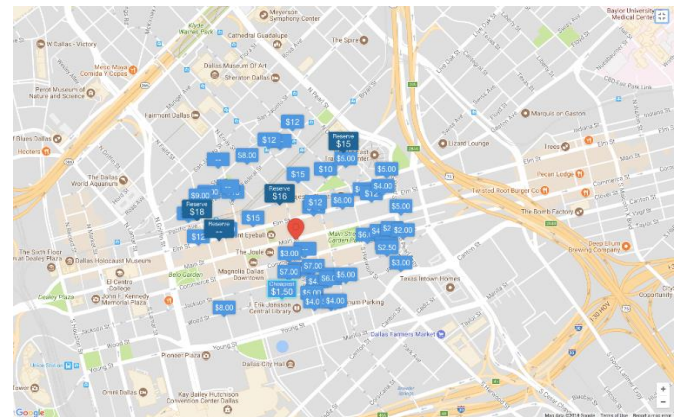


Bldg B - Elm



Bldg A - Lamar

Poor Access and Navigation



Parking Rates within a 5-mile radius

¹⁴Moeck, et al. "On-campus housing at rural community colleges." *Community College Journal of Research and Practice* 31, no. 4 (2015): 327-337.

¹⁵ Chang, June C. "Faculty student interaction at the community college: A focus on students of color." *Research in Higher Education* 46, no. 7 (2015): 793.

and staff to fully interact with their downtown environment. This hinders young adult learners to fully develop holistically.

El Centro College has a lack of affordable parking which can be seen within El Centro College’s downtown foot print of 2.9 acres. The average student and staff spend an average of two to four hours on campus. These daily parking fees range from \$7.00-\$25.00 which impacts the students and staff financially. Moreover, this is determinant because students will be paying \$1,050 annually do to lack of private parking provided by the school. Thus, El Centro College needs to incorporate student parking permits which will cost approximately \$250 annually.

Development Recommendations

We need to terminate the following leases Wellness Center, One Main, and Dental at Mockingbird which will give us an annual saving of \$10,050,258. However, the P Building will remain because it is currently generating an annual revenue of \$513,232; and potentially the property value will increase due to the new construction of the downtown Holocaust Museum.

The second development recommendation is to repurpose Building A into historic multifamily lofts that offer 170 units with a total development cost of \$27,000,000. Further, Building B and C will be repurposed as apartments. Lastly, Building R will be converted into a parking garage to accommodate the tenants. On another note, Dallas is on the short list for the possible relocation of Amazon’s new headquarters. The site that Amazon is currently looking at is the former Dallas Morning News building on Young St. The

Leases to Terminate:

Terminate Lease:	
Wellness Center	\$ 2,125,000.00
One Main	\$ 7,503,185.00
Other	\$ 87,408.00
Dental	\$ 334,665.00
Total saving	\$ 10,050,258.00
Generating Revenue:	
P Building	
FBI	\$ 402,784.00
Other Retailers	\$ 110,448.00
Total	\$ 513,232.00

Building A



**1-2 Bedroom (\$950-\$1,200)
Per/unit: 1200 sq./ft
Total sq./ft: 200,000**

possibility of Amazon moving into downtown Dallas gives DCCCD the ability to have building A, B, and C at maximum compacity. This will boost El Centro College's revenue because the old campuses of A, B, and C will be leased to those in the community. Another possibility for the DCCCD, is to do a joint venture with Amazon to create job opportunities for El Centro College students.

El Centro's Options

Upon relocation there will be a need for an improved master plan. El Centro College will not only be required to revamp the existing master plan but might have to create an entirely new one¹⁶. This new plan must include the intended location of the new campus, as well as a comparison of what the new premises will offer for the students. It will also need to include the what streams of revenue it will receiving. Furthermore, to make this master plan become economically enticing the DCCCD need to form a public private partnership (P3). This public private partnership allows a specialized developer to build what DCCCD wants to our standards. Acquiring a private partner gives us an opportunity use alternative sources like historic tax credits, and new markets tax credits to lower DCCCD costs instead of using their own revenue bond. Additionally, this allows DCCCD to have high level of control, while maintaining a 15-year lease with the developer. This allows DCCCD to represent a significant occupancy in new El Centro College development and frees up more assets for re-use.

While trying to advertise the new premise, the college will give a comparison between what it offers and what it previously offered. That comparison is indicated below:

¹⁶ Brewer et al, "Strategic planning for continuous improvement in a college of business." *The Mid-Atlantic Journal of Business* 36, no. 2/3 (2017): 123.

Current location	After relocation
Congested and not well fitted	Spacious and well fit
Poor navigation systems	Student eccentric navigation
Old buildings that are not supportive of new technology	New buildings that support new technology innovations
Consumes a lot of energy	Consumes less energy since the environment is both new and sustainable

There are several opportunities that will arise when DCCCD relocates El Centro College to a land acquisition/buildout. Essentially, the relocation will lead to more rapid growth in the number of students enrolling in the institution. Consequently, revenue will be essential, considering El Centro College will be operating in rented swing space until the new El Centro development and facilities are finished. In the new development, there will be a need for cafeteria space, shopping outlets and a health facility. This will not only serve the student population but the community as it opens up more job opportunities. The new location will have an established health center where the nursing students can learn while serving the community. In fact, the health facility will play a pivotal role in improving the performance of its nursing program. The new development will have high density design which increase easy navigation routes that allow secure access to first responders, students, and faculty. It will also increase the interaction between the students and the downtown environment. In addition, the relocation will grant El Centro College a chance to get repurpose, sell, or lease its old facilities which are not cost effective to run and/or maintain.

Proposal Development Scenario

When relocating, you must make sure the site can incorporate smart growth principles like mixed land use, high density design, community engagement, mix income housing, and improved amenities. The site that gives El Centro College the highest and best use to build for the needs of the school is the Reunion site. The acquisition price for the Reunion site is \$30,000,000. The Reunion site is 21 acres which is currently owned by Hunt Investment Group. This site is in a prime location of the west end of downtown Dallas. You have the amenities of the 8.04-acre lawn and within the current infrastructure of the site is a 300-space parking garage. Moreover, the Reunion site gives you the ability to create a denser environment which will help with security in three ways: access control, territorial reinforcement, and surveillance. Additionally, using LEED certified construction practices, will drastically reduce the previously stated 20 million dollars' worth of deferred maintenance used by El Centro College. Furthermore, this location has suitable elements as it offers more classroom space, high density design, affordable parking, security and lawn access. In addition, the relocation to the Reunion site will also assist in consolidating assets and repurposing existing assets. Additionally, the Reunion site is located within new markets tax

Reunion Site



Lawn Access

credit census tract because it has 31.4% poverty rate and an unemployment rate 6% which makes it qualify as distressed.

Furthermore, the new development of El Centro College will create a Community Benefits Agreement (CBA) that promotes training and/or hiring of local residents, establish percentage goals to use local suppliers, encourage the construction of new facilities, stimulate the use of green building

techniques and establish job training and/or replacement centers. The CBA allows developers and coalitions representing low-income communities the ability to settle their disputes directly, outside the formal approval processes. The CBA agreement for El Centro’s new development will be between the DCCCD, Developer, City of Dallas, and the Downtown Neighborhood associations. The real question is how much will the total hard

construction cost be for land acquisition/buildout be? Well the total new construction square-footage will be 1,270,000 SF with a cost of \$286,799,650. The total development budget will be \$ 369,216,783.

I believe that the El Centro College should use smart growth elements to create a dynamic mix-use development which consists of office space, education space, and retail space. El Centro College will be able offer space for the locals to open up restaurants, which will drive

Community Benefits Agreements

The purpose of the Community Benefits Agreement (“Agreement”) for the Downtown Dallas Smart District Mixed-Use Development Project is to provide for a concerted and coordinated effort on the part of the City of Dallas, the Dallas County Community College District and the Developer to maximize the benefits of the Smart District to the community.

This Community Benefits Agreement is agreed upon this ___ day of January, 2020, by and between the Uptown Neighborhood Association, Downtown Dallas Neighborhood Association, The Downtown Improvement District Association and the Developer. These parties hope that the CRA will include this Agreement as an attachment to the DDA for the Smart District Project.

Attachment 1 to this Agreement, “Contractor and Tenant Responsibilities,” sets out the responsibilities of Contractors and Commercial Tenants regarding the community benefits described in this Agreement. The Downtown Dallas Neighborhood, Uptown Neighborhood Association, The Downtown Improvement District Association, and the Developer intend that all Contractors and Commercial Tenants at the Development commit to these responsibilities through attachment of the document to relevant contracts and lease agreements.

Sources & Uses: Land Acquisition/Buildout

Component	SF	Total Cost
Acquisition		30,000,000
Construction:		
ECC Education Spaces	750,000	159,650,000
Retail Spaces	250,000	58,400,000
Residential	250,000	37,049,650
Residential Garage (105)	20,000	1,700,000
Construction Subtotal	1,270,000	286,799,650

the downtown economy and provide hands-on opportunities for the culinary students. The expansion move to the Reunion site is a crucial part for El Centro's growth and new identity. Thus, applying smart growth strategy principles should be the core part of the development process in ways that allows them to be the thriving economic driver within the community while still providing ALL the american dream of access to higher education.

References

- Albritton, Harold. "Testing highest and best use." *The Appraisal Journal* 47, no. 3 (2017): 406-11.
- Bailey, Thomas, Juan Carlos Calcagno, Davis Jenkins, Timothy Leinbach, and Gregory Kienzl. "Is student-right-to-know all you should know? An analysis of community college graduation rates." *Research in Higher Education* 47, no. 5 (2016): 491-519.
- Bailey, Thomas. "Challenge and opportunity: Rethinking the role and function of developmental education in community college." *New directions for community colleges* 2015, no. 145 (2015): 11-30.
- Borcoman, Gabriela. "Student outcomes in selected distance learning and traditional courses for the Dallas County Community College District: A pilot study (Texas)." (2014): 4483-4483.
- Brewer, Peggy D., Virgil L. Brewer, and Michael Hawksley. "Strategic planning for continuous improvement in a college of business." *The Mid-Atlantic Journal of Business* 36, no. 2/3 (2017): 123.
- Chang, June C. "Faculty student interaction at the community college: A focus on students of color." *Research in Higher Education* 46, no. 7 (2015): 769-802.
- Fanning, Stephen F. *Market analysis for real estate: concepts and applications in valuation and highest and best use*. Appraisal Inst, 2015.
- Floyd, Deborah L. "Community college baccalaureate in the US." *The community college baccalaureate: Emerging trends and policy issues* (2015): 25-48.
- Foley, Ellen, Jacob Mishook, and Jaein Lee. "Developing College Readiness within and across School Districts: The Federal Role." *Voices in Urban Education* 36 (2013): 7-17.

- Goomas, David T. "The impact of supplemental instruction: Results from an urban community college." *Community College Journal of Research and Practice* 38, no. 12 (2014): 1180-1184.
- Gramlich, John. "Hispanic dropout rate hits new low, college enrollment at new high." *Pew Research Center Fact Tank*, September (2017).
- Lane, Kristina. "Educating a growing community." *Diverse Issues in Higher Education* 18, no. 16 (2016): 28.
- Lassiter, Wright L. "Capacity building: Reshaping urban community college resources in response to emerging challenges." *New Directions for Community Colleges* 2013, no. 162 (2013): 85-92.
- Moeck, Pat G., David E. Hardy, Stephen G. Katsinas, and J. Mark Leech. "On-campus housing at rural community colleges." *Community College Journal of Research and Practice* 31, no. 4 (2015): 327-337.
- Pride, William M., and Odies C. Ferrell. *Foundations of marketing*. Cengage Learning, 2016.
- Szelényi, Katalin, and June C. Chang. "ERIC review: Educating immigrants: The community college role." *Community College Review* 30, no. 2 (2015): 55-73.
- Benfield, F.K., Terris, J., & Vorsanger, N. (2001). *Solving sprawl: Models of smart growth in communities across America*. New York, NY: Natural Resources Defense Council.
- Haas, T. (2008). *New urbanism and beyond: Designing cities for the future*. New York: Rizzoli International Publications.
- Designing high-density cities: For social and environmental sustainability*. (2015). Place of publication not identified: Routledge.