

Excerpt from Gilroy Unified School District Enrollment Projections Report,  
prepared by Enrollment Projections Consultants, January 7, 2015

*Projected Enrollments from 2014 to 2024*

*Gilroy Unified School District*

**Projected Impacts of New Housing**

New dwellings impact the enrollment through a combination of (1) the number of residences expected in the various housing types, by year and location, and (2) the projected number of students in each of those units. These two components are discussed in the following italicized subsections.

**Average Student Generation Rates (SGRs) from Recently Built Housing**

Student generation rates are the average rates at which residences "yield" students, such as one student in every two homes (a 0.50 SGR). Public school SGRs are usually calculated by identifying the number of students in a Six such SGRs were determined necessary and have been determined in this study. These six categories are:

- (1) "Small-Lot SFD and Modern Duets" – tracts of mostly market-rate, single-family-detached (SFD) homes and/or comparable "Duets" (large, separately owned duplex units with attached two-car garages for each unit) that have minimal outdoor private areas;
- (2) "Medium- and Large-Lot SFD" – areas of mainly market-rate SFD residences with private yards;
- (3) "Seniors Designated" Housing – developments that require at least one occupant be over a specified age, but within which there are no age restrictions on the remaining family members;
- (4) "Regular ATT" – all non-duet and non-seniors-designated attached (ATT) housing developments with a majority of market-rate units, other than in situations of being over commercial uses;
- (5) "ATT over Com." – for attached housing developments with a majority of market-rate units that are over commercial uses; and

- (6) "Locations with at least 50% BMR" – complexes with at least 50% of the units originally offered at below-market rates (i.e., affordable to occupants with annual incomes below specified levels, such as 80% of the median income); this excludes motel-like "SRO" (single-room occupancy) BMR projects.

The samples taken in these categories are either new with this update or were refined to include the most recently completed tracts and exclude developments that are now too old (within the constraints of having suitable sample sizes). The updated sample of 161 new "Small-Lot SFD and Duet" homes currently provides 62 district-enrolled students. This translates into a (rounded) TK-12 SGR of 0.39, or the equivalent of 39 students in every 100 such new residences in the first few years of occupation. There are 245 GUSD students coming from the revised sample of 468 recent "Modest- and Large-Lot SFD" dwellings, for a 0.52 SGR. The "Regular ATT" sample, which comes from the one large recently built apartment complex, has a 0.13 SGR from 22 students in 170 units. The "ATT over Com." sample from several small projects near the downtown has six students in 72 units, for a 0.08 SGR. All of these rates are higher than those we are identifying from new housing in most other districts, which indicates the desirability of this community and district for families. The most recently built BMR ATT complexes in the GUSD have 102 students in 142 units, for a 0.72 SGR, which is in the normal range. And the two recently built seniors-designated developments in the district have four students in 175 units, for a 0.02 SGR. This applies to the large amount of seniors-designated units that could be built in the district in the future.

#### Projected New Housing

Residences built and occupied in the next decade should provide between 1,000 and 2,000 GUSD-enrolled students. The specific forecast is 863 students in five years and a cumulative 1,705 to 2024.<sup>16</sup> Without these gains, the projected enrollment would be declining.

The following text focuses on the specific developments being projected, especially in the next few years. Those readers who do not want as much detail can proceed to the final paragraph of this subsection.

The short-term housing forecast includes several underway locations of mainly small-lot SFD homes. The largest of these is a development on the south side of West Luchessa near Monterey Road. After meeting with a sales agent there, we are projecting 90 of these 212 dwellings will be occupied by next October (i.e., in the twelve months from October 1, 2014, to October 1, 2015). Another 90 could be occupied in the following twelve months, with the balance immediately thereafter. This is in the Las Animas elementary attendance area. A nearby project on the west side of Monterey Road and just south of 10<sup>th</sup> Street had the remaining 50 (of 60 total) residences pending as of last October 1. All of those should be "first occupied" by the end of 2015. These are in the Glen View region. The final 49 homes (of 91) in the first phase of "Harvest Park" near Antonio Del Buono (ADB) should be occupied this year. The last 20 regular (non-custom) large-lot dwellings on the west side of northern Rancho Hills Drive also should be completed promptly. These are in the Luigi Aprea region.

Three additional major developments are just getting started (as of October 2014). The "Heartland" complex of 126 small-lot SFD homes could have approximately 25 occupied by next October and the rest in the following 18 months. This is located west of the Santa Teresa Blvd. and 3<sup>rd</sup> Street intersection in the Las Animas region. Also starting in that region, and near that school, is a 24-home tract at the west end of Alder Street. And a project of 55 residences adjacent to the Christopher campus, in the Rucker region, could have around 15 occupied next fall.

Several more mid-size developments are expected to have occupancies in 2016 and 2017, including at the former Las Animas site in the Rod Kelley area, on the south side of Hecker Pass Road in the Las Animas area and in the next phases of "Harvest Park" for ADB. The latter includes 81 below-market-rate units.

The largest development projected in the next decade, in terms of completed units, is at "Glen Loma" in the Las Animas region. This also has the most questionable timeline. Although well over 1,500 units are possible here,

<sup>16</sup> The breakdown of these student numbers by grade and grade level are shown in the lowest data row of Appendix A1.

**Table 9: Projected New Housing Units**

New Housing Type (Developments of)	Projected First Occupations of Net Added Units in 12 Months to Oct. 1 of										Total
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Small-Lot SFD and Duet	209	293	212	129	112	95	90	150	150	150	1,590
All Other SFD	78	90	109	121	132	130	145	145	145	145	1,240
Seniors Designated	0	0	0	0	0	50	50	50	50	50	250
Regular ATT	0	0	103	176	171	170	135	75	75	75	980
ATT over Com.	0	0	5	5	5	5	5	5	5	5	40
Mainly BMR	0	40	41	39	30	0	25	25	25	25	250
<b>Projected Total</b>	<b>287</b>	<b>423</b>	<b>470</b>	<b>470</b>	<b>450</b>	<b>450</b>	<b>450</b>	<b>450</b>	<b>450</b>	<b>450</b>	<b>4,350</b>

we are projecting only 1,100 will be occupied in the next ten years, starting with 75 in 2016. Both that starting date and unit total in the next decade could be overly optimistic.<sup>17</sup>

The other huge project possible in the GUSD is a new proposal being called "Rancho 101". This involves all of the currently unincorporated lands between Santa Teresa Blvd., Monterey Road, Fitzgerald Avenue and the City of Gilroy boundary in that vicinity. These will need to be annexed to Gilroy for urban development, for which several issues have to be resolved beforehand, including getting "LAFCO" approval. We believe the earliest probable occupancies within this Rancho 101 area will be in eight years, with around 250 units annually in 2022, 2023 and 2024 (and many more thereafter). This also could be an overly optimistic timeline.

The result is a forecast of 4,350 housing units being "first occupied" in the next ten years, which is close to the realistic maximum. While a Glen Loma build-out is not included (as had been projected a year ago at the request of the GUSD), that reduction is offset in the forecast by units added in Rancho 101. This total can be achieved only by accelerating from the 287 units projected for 2015, in what is already a "hot" housing market, to averaging 450 between 2019 and 2024.<sup>18</sup> If there is a major market slowdown at any point in the next decade, then a lower ten-year total should occur.

**Concluding Commentary**

These new housing amounts could happen and we would be remiss if we did not show the District the potential results. If the total projected in 2015 also becomes the approximate annual average from 2016 to 2024, however, which easily could happen (i.e., with some years having over 400 and others fewer than 200), then the GUSD enrollment will be consequentially lower by 2024. Having the kindergarten enrollments stay below 800, which is another real possibility, would further reduce the long-range numbers to a consequential degree. We will not be surprised if the 2024 figure ends up being under 10,800 rather than the projected essentially 11,800.

<sup>17</sup> The Regular ATT units that previously were forecast in Glen Loma are now expected to be Seniors Designated units instead, but that is a small part of the projected total occupancies in 2024. Most of those seniors ATT units should occur after 2024.

<sup>18</sup> This includes 50 Seniors Designated units annually starting in 2020, which had not been factored into our previous housing forecasts. Such units are now included because there eventually could be well over 2,000 such residences added in the GUSD. Appreciation is due to Sue Martin and Melissa Durkin of the Gilroy City Community Development Department for their insights into all of the planned and potential housing. Final decisions on the projected amounts, however, were made by EPC.