



24-4498

DATE: February 27, 2024 (Item No. 17)

TO: Board of Supervisors

FROM: Paul Lorenz, Chief Executive Officer, Santa Clara Valley Healthcare
Jeff Draper, Director of Facilities and Fleet
Sarah Duffy, Chief Children's Officer, Office of Children and Families Policy

SUBJECT: Valley Health Center De Anza Feasibility Report

RECOMMENDED ACTION

Under advisement from September 19, 2023 (Item No. 11): Receive report from Santa Clara Valley Healthcare and the Facilities and Fleet Department relating to efforts to establish a new West Valley Clinic on the De Anza College campus.

FISCAL IMPLICATIONS

There are no fiscal implications associated with receipt of this informational report. There is no funding source currently identified for this project. The estimated capital costs of the project are included below and detailed in the attached feasibility study. The extent to which funding will be available for this and other potential new capital projects in the Fiscal Year (FY) 2024-2025 Budget is unknown at this time. Administration will be seeking direction from the Board of Supervisors regarding capital project priorities in the context of the overall FY 2024-2025 Budget process.

REASONS FOR RECOMMENDATION AND BACKGROUND

At the September 19, 2023 Board of Supervisors (Board) meeting (Item No. 11), at the request of Supervisors Arenas, Chavez, and Lee, the Board directed Santa Clara Valley Healthcare (SCVH) and the Facilities and Fleet Department (FAF) to provide a report relating to a potential Valley Health Center on the De Anza campus. Following up on the requests from that meeting, this report includes:

- a) A summary of the analysis that has been provided thus far related to the De Anza clinic and data regarding the De Anza College student population on campus,
- b) Feasibility of providing childcare on the De Anza campus,
- c) A report relating to on-site mental health services and training opportunities on campus for the Behavioral Health workforce, and
- d) An evaluation of solar replacements.

De Anza Feasibility Update

On September 19, 2023 (Item No. 11), the Board received a draft feasibility study for the potential Valley Health Center (VHC) De Anza at the De Anza campus. The study provided comprehensive information and preliminary estimates for the overall project. Subsequently, the project scope has been finalized, enabling the project team to develop a detailed estimate of the likely construction costs and overall project budget. An updated feasibility analysis is attached to this report.

The estimated cost, including soft costs and site improvement hard costs, of the potential VHC/Medical Office Building (MOB) on the De Anza campus ranges from \$66,500,000 to \$75,000,000. Construction soft costs include design, permits, and project management. Hard costs specifically refer to expenses directly associated with the physical construction of the building or structure.

While, from the perspective of County staff, additional parking is not an immediate necessity upon the establishment of the new Valley Health Center De Anza, the College does anticipate the potential future need for additional parking as on campus enrollment increases. De Anza plans to monitor the situation and is interested in ensuring sufficient parking to meet future needs factoring in the potential health clinic. The estimated cost of the parking structure, if needed, including soft costs, would range from \$45,500,000 to \$51,400,000.

The final feasibility study attached to this report provides more detail relating to the costs of the project.

Solar Replacement

The County's feasibility study includes an evaluation of removing and replacing the current photovoltaic panel arrays and related infrastructure. Depending on the terms agreed upon with the College, the replacement arrays could potentially be installed on the roof of the building or nearby parking. The estimated cost for this solar array replacement project ranges from \$675,000 to \$810,000 and is not included in the current project cost.

De Anza Clinic and Student Population

Located near the I-280 and CA-85 intersection, a VHC on the De Anza campus in Cupertino would provide Family Medicine, Urgent Care, Diagnostic Imaging, Specimen Laboratory, Pharmacy, and Dental Services for students and West Valley community residents. Accessible via Santa Clara Valley Transportation Authority (VTA) bus routes along Stevens Creek and De Anza Boulevards, and Stelling Road, the center would serve a diverse population.

The De Anza student population includes nearly 17,000 individuals, with the majority Asian (39%), Latinx (27%), and White (17%). Approximately 72% of students are 24 years of age or younger, and 45% are considered low-income, with over 10,000 receiving financial aid. De Anza students represent a broad geographic area within Santa Clara County. A plurality of De Anza students live within the San José Evergreen Community College District (CCD) boundaries (30%), while 23% come from the West Valley/Mission CCD, 17% are from the De

Anza service area, 4% are from the Foothill service area, and 2.4% are from the Gavilan Joint CCD.

Demographic studies conducted for existing Santa Clara Valley Healthcare (SCVH) clinic sites reveal that approximately 75% of residents who use services reside within the nearest seven zip codes to that clinic's location. While SCVH facilities serve all County residents, their primary focus lies in addressing the healthcare needs of lower-income and working-class communities. The community analysis concentrates on individuals below 400% of the federal poverty level (FPL) or \$120,000 annually for a family of four, encompassing those with health coverage through Medi-Cal and Covered California plans.

The nearest seven zip codes to De Anza College fall within supervisorial District Five (zip codes 95014, 95015, 94024, 95070, 95071), District Four (zip code 95129), and District Three (zip code 94087). The total population living in these zip codes is 216,117 with 38,602 individuals under 400% of the FPL, 21,758 Medi-Cal members, and 7,660 Covered California members.

DeAnza College Child Development Center and Neighborhood Surrounding De Anza Campus

The De Anza College Child Development Center (Center) is in the southwest corner of the De Anza campus. The Center provides childcare in a newly constructed and renovated campus facility, serving children from ages two to five years old, from families affiliated with De Anza College and the public. As De Anza already offers childcare services on-site, the Facilities and Fleet Department (FAF) and the Office of Children and Families Policy recommends against incorporating additional childcare facilities into the potential project.

On-Site Health Care Services Training Opportunities

Currently, De Anza Dental Hygiene students intern with SCVH dental services. If VHC De Anza were implemented, SCVH would be providing Behavioral Health, Dental Care, and Family Medicine clinical services supported by ancillary departments, such as the Lab and Pharmacy, on campus. This proximity of professional medical staff with students who may be interested in medical or technical careers presents a unique opportunity for collaboration between SCVH and De Anza College in developing future healthcare professionals.

Background

At the October 19, 2021, Board meeting (Item No. 12), at the request of Supervisor Simitian, the Board directed SCVH and FAF to establish a VHC clinic in District Five to improve affordable healthcare access in the West Valley region. While assessing the need and potential sites, discussions with the Foothill-De Anza Community College District leadership revealed the potential for a VHC clinic at the De Anza College campus in Cupertino. Such a clinic could potentially serve not only De Anza students and those from nearby community colleges but also the broader West Valley population.

CHILD IMPACT

The recommended action will have no/neutral impact on children and youth.

SENIOR IMPACT

The recommended action will have no/neutral impact on seniors.

SUSTAINABILITY IMPLICATIONS

The recommended action will have no/neutral sustainability implications.

STEPS FOLLOWING APPROVAL

Notify Jeff Draper of the Facilities and Fleet Department and George Hurrell of Santa Clara Valley Healthcare.

ATTACHMENTS:

- De Anza Feasibility Study