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DISTRICT ADMINISTRATIVE OFFICE FACILITY ANALYSIS

Board Follow Up and Recommendations

PRESENTED TO COLUSA UNIFIED SCHOOL DISTRICT'S BOARD OF EDUCATION BY DCG STRATEGIES

March 16, 2026

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ABOUT US

DCG Strategies

Founded in 2005, DCG Strategies is a commercial real estate firm with a distinct mission to serve California's public schools and districts.

DCG Strategies provides consulting, development and brokerage services to local educational agencies statewide.

REAL ESTATE CONSULTING

Purpose of Analysis

- Provide objective market data and facility options to support informed Board decisions
- Evaluate long-term solutions for District administrative offices
- Assess costs, risks, and feasibility of each alternative
- **The goal of today's presentation is the following:**
  - Summarize findings from prior options analysis presented February 2026
  - Review key considerations for each option
  - Discuss recommendations regarding potential path forward
  - Obtain Board direction on next steps

OPTIONS PREVIOUSLY EVALUATED

Long-Term Administrative Office Considerations

SPACE REQUIREMENTS

- Within district boundaries
- ~ 5,000 SF of office space
- ~ 20 parking spaces
- Functional, efficient and code-compliant workspace

Option A: Rehabilitate existing building

Review prior completed third-party consultant reports and assess the financial and operational feasibility of rehabilitating the current administrative building.

Option B: Construct new office building

Assess the feasibility of constructing a new, purpose-built administrative office on district-owned vacant land.

Option C: Purchase building for adaptive reuse

Review the local market to ascertain acquisition options for existing buildings that align with the district's space requirements.

**Options listed in no particular order*

OPTIONS PREVIOUSLY EVALUATED

Options Comparison Summary

	Option A Rehabilitate	Option B New Construction	Option C Purchase
Cost Estimate:	~$25,000,000	~$6,000,000	N/A
Timeline Estimate:	~18-30+ months	~10-24 months	Unknown*

**dependent on market availability*

Cost and timeline estimates are preliminary and provided for comparative planning purposes only. Estimates are based on previously completed consultant and vendor reports, market data, and high-level assumptions. Actual costs and timeline may vary based on final scope, design, site conditions, permitting, and market conditions.

Option A: Rehabilitate Existing Building

**Rehabilitation costs are preliminary estimates based on previously completed consultant and vendor reports and available facility assessments. Actual costs may vary due to design development, hazardous materials, code requirements, and unforeseen conditions discovered during construction.*

Building is in poor physical and structural condition with major seismic, life-safety, and deferred maintenance issues

- Structural degradation and deferred maintenance
- Water intrusion and material deterioration
- Code compliance issues affecting safe occupancy
- Outdated and failing fire alarm and emergency systems
- Escalating repair costs exceeding long-term building value

Estimated repair / rehabilitation cost is over $25,000,000*

- Repair/replacement of roof, substrate and downspouts: $1,009,100
- Repair/replacement of window systems, hazmat mitigation, ceiling, wall, fire corridor, exit systems, fire alarm, emergency lighting: $2,479,460
- Non-seismic cost estimate: $3,847,560
- Seismic mitigation: $15,000,000 to $18,000,000

Significant construction timeline and cost uncertainty

- General estimated timeline can be 18 to 30+ months; duration may extend due to unforeseen conditions and required code upgrades.

Option B: Construct New Office Building

**Construction costs are preliminary planning-level estimates based on market benchmarks and prior third-party consultant input. Actual costs may vary due to final design, permitting requirements, site conditions, material pricing, labor rates, and bidding results.*

Build purpose-designed facility on District-owned land

- Development requires ~10,000 SF of vacant land consisting of ~5,000 SF of office space + ~5,000 SF for parking, setbacks and circulation.
- Analysis was limited to district-owned vacant / underutilized land.

Estimated construction cost is $6,000,000 ($1,200/SF)*

- General estimated timeline can be 10 to 24 months.

Site review indicates current administrative office location is the most viable for development of new building

- Site feasibility review completed: Evaluation of District-owned parcels included aerial review, zoning and development standards, setbacks, parking requirements, existing improvements, and buildable area analysis; the current office site was identified as the most viable, and likely only, location.

Option C: Purchase Building to Adaptively Reuse

Acquire commercial / retail building and convert to office use

- Due to limited supply and low turnover of properties in the Colusa submarket, acquisition opportunities are largely limited to adaptive reuse or conversion scenarios.

Currently, no suitable properties available for sale; limited market supply makes near-term availability unlikely

- There are presently no properties for sale that meet the District's size and location requirements. Due to market constraints, suitable options are not expected to become available in the near term.

Decision Framework

Key factors considered in evaluating options:

- Capital cost
- Long-term operational value
- Schedule certainty (in comparison)
- Market feasibility
- Risk and unknown conditions
- Ability to meet District operational needs

Construct New Office Building

Based on cost, feasibility and long-term operational considerations, DCG recommends proceeding with the construction of a new administrative office building.

- **No land acquisition cost:** Site is already owned, eliminating purchase expenses.
- **Full customization:** Tailored design, layout, and features to suit specific space needs, providing a modern, purpose-built facility.
- **Cost certainty:** Construction costs are easier to define and manage.
    - Rehabilitation costs for the existing building are disproportionate to the building’s value.
- **Long useful life:** Typically, a 40+ year lifespan with reduced near-term capital repairs.
    - New construction provides strong long-term value.
- **Avoids Market Uncertainty:** Creates a stable, predictable long-term solution.
    - Acquisition opportunities in the local market are limited.

NEW CONSTRUCTION

New Building Location

Should the Board elect to proceed with construction of a new administrative office building, the preferred location on the current property will need to be determined.

Two potential approaches exist with different operational, cost, and timeline implications.

Option 1: Build in Current Footprint

- Utilizes established building location
- Eliminates long-term maintenance of the current structure
- Requires demolition prior to construction and temporary relocation of administrative staff
- Demolition adds cost and schedule considerations
- May create disruption to site operations

Option 2: Build Elsewhere on the Property

- Reduces need for temporary relocation
- Construction could begin sooner without demolition
- Existing building would remain and may require future maintenance or demolition
- Potential site layout or circulation constraints

**Options listed in no particular order*

Option 1: Build in Current Footprint

**The demolition cost and timeline estimates provided are approximate and intended for preliminary planning purposes only. Actual costs and duration may vary based on building materials, site conditions, hazardous materials, permit requirements, contractor rates from real-time bidding, and other factors.*

Requires demolition of existing ~28,000 SF building at an estimated cost of ~$550,000 to $1,000,000

- Commercial demolition typically costs between $20 to $35 per square foot.
- Factors that can increase costs include:
  - Asbestos or hazardous material abatement
  - Structural concrete demolition
  - Environmental remediation
  - Utility disconnections
- Demolition process is estimated to take ~8-14+ weeks inclusive of permitting and preparation, structural demolition, and debris removal and site clearing.

Requires temporary relocation of administrative staff during demolition and construction

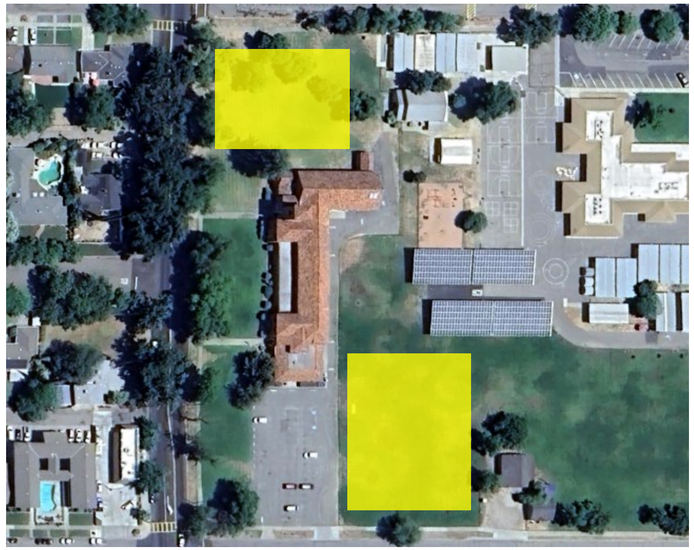
- Temporary relocation options include temporary rental space available on the market and/or use of available portables placed onsite.

Total cost for demolition and construction is estimated at ~$7,000,000 (not including relocation costs) with a total timeline of ~13-27 months

Option 2: Build Elsewhere on Property

Requires ~10,000 of vacant land consisting of ~5,000 SF of office space + ~5,000 SF for parking, setbacks and circulation

- Allows administrative staff to remain in the existing building during construction and provides flexibility in phasing and transition.
- Allows for use of existing parking lot and circulation which could potentially decrease the amount of vacant land needed.
- Requires further analysis from an architect to confirm assumptions, however, potential location options include the following, as highlighted in yellow.
- Allows for demolition of existing building at a later phase, if necessary.



Estimated construction cost is $6,000,000 ($1,200/SF)

- General estimated timeline can be 10 to 24 months.

Option Comparison

Factor	Build in Current Footprint	Build Elsewhere on Property
Temporary relocation	Required	May not be required
Construction Start	After demolition	Can begin sooner
Long-term site condition	Removes old building	Old building remains
Project complexity	Moderate	Moderate
Demolition	Required	May not be required
Estimated Total Cost	~$7,000,000	~$6,000,000
Estimated Total Timeline	~13-27 months	~10-24 months

Proposed Next Steps

Recommended Project Path

- Board discussion and direction
- Select development strategy (New Construction)
- Select building location on site
- Initiate preliminary site planning
- Begin conceptual design and cost validation
- Evaluate potential funding sources
- Develop design, permitting, and construction timeline

THANK YOU

Questions?

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