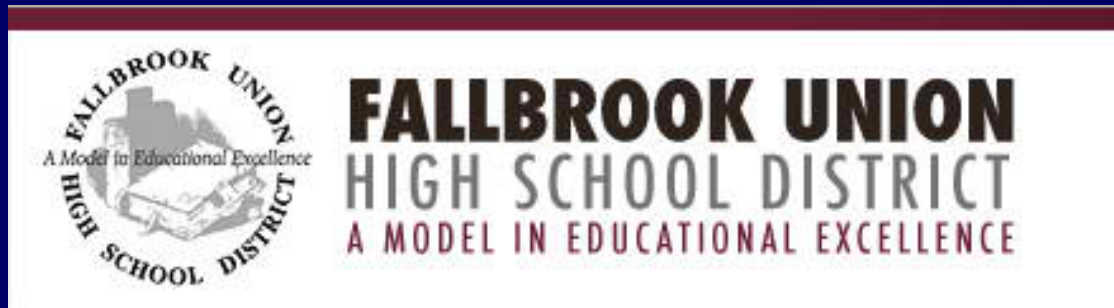




# Real Property Advisory Committee Report



Fallbrook Union High School District  
Board of Trustees  
November 14, 2011





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# “7-11” Committee Functions

- ❑ Review Brown Act
- ❑ Review projected student enrollment
- ❑ Review capacity at existing schools
- ❑ Review property information
- ❑ On-going updates on process to Board
- ❑ Gather community input at public meetings
- ❑ Issue report and recommendations



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# Real Property Advisory Committee Report Process

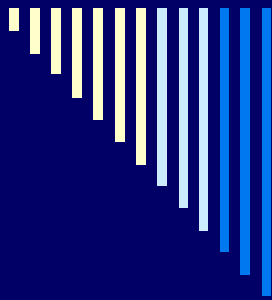
- Committee provides Board with recommendations
- Board review & receive report



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# Report Outline

- Committee Members
- Introduction
- Site Reviewed and Property Profile
- Criteria and Information Considered
- Findings
- Recommendation
- Summary and Closing Comments
- Exhibits



# Real Property Advisory Committee Members

- Chairman: Jack Wood
- Vice Chair: Lou Riddle
- Sam Logan
- Jill Alperstein
- Liduvina “Lido” Favela
- Eric Jones
- Felipe Jimenez
- Wilson Hatcher

Special thanks to Kim Espejo  
for administrative support!



# Report Introduction

- Education Code Section 17388 requires that prior to sale, lease or rental in excess of 30 days of any excess real property a governing board of a school district must appoint an Advisory Committee
- The advisory committee must consist of no less than seven members and not more than eleven members



# Report Introduction (cont.)

- ❑ Board established the RPAC in May 2011
- ❑ Five meetings between August and October 2011
- ❑ Reviewed data, discussed real property
- ❑ Discussed criteria and other considerations
- ❑ Advertised and conducted two public hearings
- ❑ Formulated and discussed recommendations
- ❑ Finalized recommendations to the Board
- ❑ Approved final report



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# Site Reviewed by the Committee

- At request of the Board, the Committee investigated the Gird Road property as a potential surplus site

# Property Profile

- Gird Road Site consists of approx 49.78 acres
- Site is bordered by the Golf Club of California and residential properties





# Criteria and Information Considered by the Committee

- ❑ Zoning and planning data
- ❑ Appraisal report and information
- ❑ Capacity analysis 2011
- ❑ Building inventory
- ❑ Classrooms in use by period
- ❑ Population and housing forecasts
- ❑ District enrollment, attendance agreements, boundaries and demographics
- ❑ Profile of potential surplus site
- ❑ Long Range Facilities Master Plan Executive Summary
- ❑ Public hearings



# Committee Findings

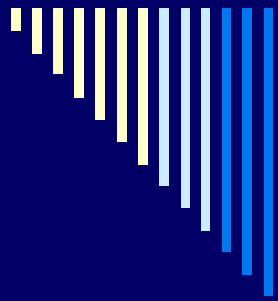
- Voted 8-0 to recommend property be declared surplus
- Current available seating can accommodate current and future needs of the district
- Current maximum capacity
  - 4,249 available seats
  - 2,964 current enrollment



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# Committee Recommendations

1. Designate Gird Road Property surplus
2. Site be considered for long term lease



# Summary and Closing Comments

The Committee thanks the Board of Trustees for the opportunity to serve the District and community in this very important process.

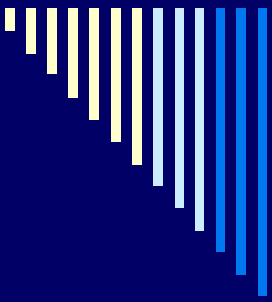
The Committee appreciates being selected to participate in discussions and to develop priority recommendations to the Board regarding the Gird Road site.



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# Exhibits

- A. RPAC Members
- B. Property Profile
- C. Appraisal Information
- D. Agendas and Minutes
- E. Demographic Study
- F. Enrollment
- G. Capacity Study



# Next Steps



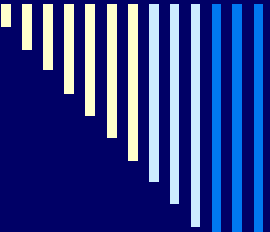
# Possible Board Decision After 7-11 Committee Report...

- Board may choose to declare the property surplus
- District can increase value and propose rezone or “entitle” the property
- Option to joint venture with developer
- Consider long term lease, keep the ownership



# Restrictions on Use of Proceeds from Sale of Property

- ❑ Proceeds from the sale of property is highly regulated
- ❑ Revised State budget July 2009 included flexibility
- ❑ Districts allowed to deposit proceeds in general fund
- ❑ EC 17463.7: The proceeds can be used for any “one-time general fund purpose”



# Restrictions on the use of Proceeds (con't.)

- To use this new provision on flexibility the governing board must declare:
  - No major deferred maintenance requirements
  - Sale does not violate provisions of local bond act
  - Property is not suitable to meet projected school needs for 10 years
  - Onetime use will not result in an ongoing fiscal obligation
  - A plan for expending the one time resources
  - Identify the source and use of the funds
- This provision is repealed on January 1, 2014
- If purchased with GO bonds or development fees: separate rules apply
- Less flexibility for hardship districts under the SAB regulations



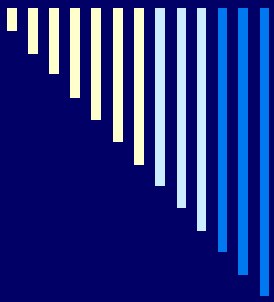
# If the Board Declares Property Surplus...

- Chose to retain ownership and leave property vacant
- Enter into long term lease
- Sell the property
  - Need to publically advertise and take bids
  - Need to offer to public agencies, if sell
  - Required to take highest bidder



# Process to Solicit Design/Development Firms

- ❑ Identify level of interest
- ❑ District may enter into a “pre-development” agreement with interested entity
- ❑ District could hold interest and joint venture with a developer
- ❑ Value in school sites typically increase once entitlements have been obtained
- ❑ This is becoming a more popular option with the depression of property values



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# Thank You!

## Board Discussion and Questions