

IRVINE UNIFIED SCHOOL DISTRICT

ASSET MANAGEMENT PLAN ADVISORY COMMITTEE

April 22, 2004

Call to Order:	The meeting of the AMPAC was called to order by Chairperson Vernon Medeiros at 4:10 p.m.
Roll Call:	Sign in sheet provided for members to sign in.
Members Present:	Dick Fenner, Tim McSunas, Vernon Medeiros, Douglas Rapp, Frank Rugani, Teri Sorey, Terry Walker,
Members Absent:	James Colclaser, Ray Hudash, Ken Stone, Janet C. Wang
IUSD Staff:	Vern Medeiros, Deputy Supt./CFO Judy Mueller, Confidential Secretary
Others:	Guests: Chuck Rein, City of Irvine; Frank McGill, David J. Daehler.
Next Meeting Dates:	Thursday, May 20 th , 2004; June 10 th , 2004; June 24 th , 2004: Superintendent's Conference Room: 4:00 p.m. - 5:30 p.m. The proposed meeting schedule has been approved and is now posted on the IUSD Internet under the Fiscal Information>AMPAC link.

Oral Communications

There were no oral communications.

AMPAC Committee Business

1. Call to Order

- Vernon Medeiros called the meeting to order at 4:05 p.m.

2. Roll Call

- Roll Call completed through Sign In sheet

3. Adoption of the Agenda

- Agenda adopted for the April 22, 2004 meeting.

4. Adoption of Meeting Minutes from March 18, 2004

- Meeting minutes – Section 6 – Were revised per Terry Walker and submitted to the committee for final review and approval on 4/22/04. Meeting minutes were approved based on the revisions submitted.
- Meeting minutes will be posted on the internet for public information.

5. General Fund Capital Projects

- Indicated that dollars could only be spent on Capital Projects
 - What do we have in our budget:
 - A match of deferred maintenance (longer than 5 years)
 - \$750K Match is the Maximum the state will match – as a 50/50 match
 - We could save \$750K each and every year to general fund and it could allow us to do more projects each year.
 - Could access a modernization match (facilities over 25 years of age) 40/60 match = 40 IUSD and 60 state.
 - Priorities for the expenditures of this money.
- Priorities: Creekside and Alderwood in parallel
- Alderwood – Fall of 2005

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- Creekside – January 2007 is the deadline for Harvard/Barranca; Creekside would be done by Spring of 2006
 - Reference Creekside Value #6

6. Creekside Value

- Terry Walker researched and provided the following information:
 - Possibly tear down and use for other fast food restaurants
 - This is not prime real estate because not a major road for access
 - Fair Market Value is \$30-\$35 per square foot
 - At 4.5 Acres = \$5.8 to \$6.8 Million for that site as a straight sale
 - The other possibility is to go into a partnership to generate an ongoing revenue stream
 - Identify ahead of time the return you are looking for and if you would eventually go from lease to sale
 - Proximity to Woodbridge is good for Retail, even though not a major street and not as much exposure
 - Different Alternatives:
 - Ongoing Revenues
 - Sell it Outright
 - Most feedback is to have an ongoing revenue stream
 - We have a big need for meeting space – possibly investigate collaborative things with our joint use agreements
 - Joint Venture Partner and we lease it – however, we cannot sublease out this property (Tustin Marine Base). We go to the developer to do the construction, we lease from the developer and at the end of the lease/term, then we take over final ownership. Therefore, we don't have to front the initial development fees (Frank Rugani's input).
- Priorities – Creekside be moved to the Harvard/Barranca site (this is one of IUSD's priorities)
- Deadline: January 2005
- Woodbridge High School Master Plan is being reviewed.
- Identify the possibility of the District Office at Harvard / Barranca.
- We could also identify where we could put our counseling offices.
- Financing piece depends upon what the Board recommends and adopts.
 - Next steps are to research options at individual sites and do more extensively.
 - Hold on to every piece of land for as long as we could.
 - The fees don't have to be handled in a separate accounting piece.

7. District Office Relocation

- How much would it cost to build a District Office? About \$300/square foot.
- District Office is 32,500 square feet.
- Alderwood is 24,000 square feet and 6.2 acres (approximately \$16M).
- Vista Verde is 36,925 square feet and 9.12 acres.
 - What is the process to develop the District Office?

8. Community Input Process - Updates

- Sent out letters to HOAs.
- Will extend a written invitation to the HOAs if they would like to attend an AMPAC meeting.
- We need to formalize the value, zoning, legalities and the financing of the following three sites, before we make a recommendation to the Board:
 - Creekside – Keep as a commercial property; revenue generating

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- Alderwood – Fall of 2005; March 2004 to put on the market
 - District Office – Keep as a commercial property; revenue generating
 - Vista Verde – Summer of 2006; March 2005 to put on the market
 - Maintain ownership of the DO and Creekside (ongoing revenues)
 - Sale of the Alderwood Property and where we want to go with that (not likely to be commercial).
 - How soon before vacating does it go on the market?
 - Entitling process takes about 1 year; therefore, some properties may need to go on the market summer of 2004.
 - Buyer would not be able to do anything until after summer of 2006; therefore, buyer wants the entitlement once the property is vacated and not when there are still students on site. Entitlement comes after the school is closed.
 - Identify when a developer/construction manager could begin construction on the site. Work backwards to identify the scope of work. Usually 18 months even when done concurrently (March 2004). You give the developer time to investigate the value of the properties.
 - Get the recommendations identified
 - Place the properties on the market
 - Action Items:
 - Entitlement Aspects - Doug Rapp can meet with the city to identify current/existing timeline for the entitlement process, zoning and maximize/minimize the timeline. Identify an alternative if the Alderwood property would be good as a multi-family property. Doug will email this information to Vern. Could this be fast-tracked? Note that apartment developers cannot compete with for-sale developers.
 - Legal Aspects - Frank Rugani and Vernon Medeiros (meeting or conference call)
 - Financing Aspects – Vernon Medeiros

9. Adjournment

- Meeting was adjourned at 5:03 p.m.

Meeting minutes for 04/22/04 were approved by the committee on June 10, 2004 and posted on the IUSD Internet on August 11, 2004.