

RESOLUTION NO. 16/17-10

RESOLUTION OF THE BOARD OF THE LOS ALTOS SCHOOL DISTRICT AUTHORIZING THE SUPERINTENDENT TO EXECUTE AN AGREEMENT OF PURCHASE AND SALE WITH REALTY ASSOCIATES FUND X, L.P. FOR THE PURCHASE OF PROPERTY LOCATED AT 5150 EL CAMINO REAL, LOS ALTOS, CALIFORNIA

WHEREAS, the Los Altos School District ("District") currently educates approximately 4,700 students within 9 District schools (7 elementary schools, 2 junior high schools); and

WHEREAS, the District's award-winning public schools have attracted new families to the area, and the District has seen an increase in enrollment of approximately 1,000 students since 2004; and

WHEREAS, since the 2004-2005 school year, the District has been obligated to, and has, accommodated the Bullis Charter School ("Charter School"), which has projected its enrollment to reach approximately 1,000 students, under Education Code section 47614 ("Proposition 39"); and

WHEREAS, in July of 2014, after approximately 10 years of litigation over the Charter School's school site under Proposition 39, the District and Charter School reached an agreement under which the Charter School would share facilities with Blach Intermediate School and Egan Jr High School through June 30, 2019; and

WHEREAS, on November 4, 2014, the District's voters approved Measure N to issue bonds for up to \$150 million to address the District's enrollment growth and other facility needs as defined by a facilities master plan; and

WHEREAS, the District has retained a broker to assist it in identifying potential sites for a 10th school; and

WHEREAS, due to a severely impacted commercial real estate market in a dense area marked by significant development, the District and its broker had extreme difficulty identifying parcels of land suitable for a school site, especially in the District's Northeast corridor, which is experiencing the District's largest and most rapid population growth; and

WHEREAS, the impacted commercial real estate market has inhibited the District in negotiating a long-term purchase option on one or more sites that would allow the District to engage in an extended site evaluation process; and

WHEREAS, the District and its broker have identified the property commonly known as 5150 El Camino Real, Los Altos, CA ("Property"), as a potential school site; and

WHEREAS, the District's broker and attorneys have engaged in negotiations with the owner of record of the Property, Realty Associates Fund X, L.P., with respect to the timing, terms and condition of a potential agreement for purchase and sale of the Property; and

WHEREAS, under the terms of the proposed Agreement of Purchase and Sale between Realty Associates Fund X, L.P. and District ("PSA"), District will have approximately 60 days (which may be extended for an additional approximately 30 days upon release of \$100,000 of the District's good faith deposit) within which to conduct due diligence investigations and inspections and to preliminarily determine whether the Property may potentially be suitable for use as a school; and

WHEREAS, nothing in the PSA commits the District to development of a new school on the Property and District has not made any decision as to whether to recommend development of any particular school project on the Property; and

WHEREAS, District retains full and complete discretion in accordance with the California Environmental Quality Act ("CEQA") and applicable laws before action on any proposed school project to (a) determine whether to adopt or certify an environmental analysis of any such proposed school project prepared in accordance with CEQA; (b) identify and impose mitigation measures to mitigate significant environmental impacts of any proposed project, if any; (c) select other feasible alternatives to avoid significant environmental impacts; (d) adopt a statement of overriding considerations in accordance with Public Resources Code Section 21081(b) relative to any significant environmental impacts of any proposed school project which cannot otherwise be avoided; or (e) determine not to proceed with any school project on the Property;

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The District Board hereby authorizes the Superintendent to execute the PSA in the form attached to the staff report, subject to any minor, non-substantive edits approved by the District's general counsel.

2. The District Board hereby directs the Superintendent to proceed with due diligence investigations and to report to the Board on the results of such investigations prior to expiration of the Feasibility Period (as defined in the PSA), so that the Board can determine whether to (a) direct the Superintendent to waive District's right to terminate the PSA and authorize the Superintendent to execute and deliver such documents as may be necessary to consummate the purchase and sale transaction, or (b) terminate the PSA in accordance with Section 5.5 of the PSA.

3. The District Board hereby directs the Superintendent to notify the Planning Commission of the City of Los Altos of the District's proposed acquisition of the Property and to request that the Planning Commission investigate the potential of the Property as a new school site and submit to the District a written report of its investigation and recommendation concerning such potential acquisition within 30 days in accordance with Public Resources Code Section 21151.2.

Dated: November 14, 2016

ATTEST:

_____, Secretary

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I, _____, District Secretary, do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Board of the Los Altos School District this 14th day of November, 2016 by the following vote:

AYES: Board members: _____

NOES: Board members: _____

ABSENT: Board members: _____