



Los Altos School District

Measure N Update: 10th Site

Last Update (Oct 23)

- At last board meeting (Oct 23) staff provided an update and recommendations re: acquiring a school site in the North of El Camino Real area of the district
- Staff reviewed the pros and cons of acquiring a 10th site, including costs
- At this meeting we will
 - update the community on the process and challenges
 - review cost estimates
 - update our timeline

Process and Benefits

- Many moving parts and agreements are complex, but success achieves the 10th site
- Agreement with City of Mountain View
 - MOU and terms
- TDRs with multiple, individual developers to substantially reduce costs for LASD
 - LOIs
- Result: Win-Win
 - LASD obtains cost-efficient 10th site through partnership with Mountain View
 - LASD gains flexibility and options to best educate students
 - Community-driven process tells us 10th site is preferred option
 - School located in area of district with highest student enrollment growth
 - City of Mountain View gains open space

Cost Estimates

- At last meeting we noted that costs of acquiring property in NEC area and building a school were roughly comparable to costs of building a school on existing district land
- Of course, this is dependent on the ability to sell development rights in the City of Mountain View and to rely on the City's contribution of dedicated park funds

Cost Estimates (land at \$15M per acre)

	10th Site			Covington Site		Blach/Egan Sites
	K-5 school (600 students)	K-8 school (900 students)		2 schools shared campus		sharing of campuses with BCS similar to current arrangement
Land Acquisition						
(8 acres @ \$15M/acre)	\$ 120,000,000	\$ 120,000,000		n/a		n/a
Less, Sale of TDRs	\$ (74,000,000)	\$ (74,000,000)		n/a		n/a
<u>Less, Park Funds from City of MV</u>	<u>\$ (23,000,000)</u>	<u>\$ (23,000,000)</u>		<u>n/a</u>		<u>n/a</u>
Net Cost	\$ 23,000,000	\$ 23,000,000		\$ -		\$ -
Facilities Construction	\$ 46,400,000	\$ 70,200,000		\$ 77,700,000		\$ 78,600,000
Total Cost	\$ 69,400,000	\$ 93,200,000		\$ 77,700,000		\$ 78,600,000
				<i>(excludes purchase of properties adjacent to St. William for access to El Monte Road as possible egress)</i>		

Cost estimates provided by Gelfand Partners (architect firm)

Cost Estimates (land at \$10M per acre)

	10th Site			Covington Site		Blach/Egan Sites
	K-5 school (600 students)	K-8 school (900 students)		2 schools shared campus		sharing of campuses with BCS similar to current arrangement
Land Acquisition						
(8 acres @ \$10M/acre)	\$ 80,000,000	\$ 80,000,000		n/a		n/a
Less, Sale of TDRs	\$ (74,000,000)	\$ (74,000,000)		n/a		n/a
<u>Less, Park Funds from City of MV</u>	<u>\$ (23,000,000)</u>	<u>\$ (23,000,000)</u>		<u>n/a</u>		<u>n/a</u>
Net Cost	\$ (17,000,000)	\$ (17,000,000)		\$ -		\$ -
Facilities Construction	\$ 46,400,000	\$ 70,200,000		\$ 77,700,000		\$ 78,600,000
Total Cost	\$ 29,400,000	\$ 53,200,000		\$ 77,700,000		\$ 78,600,000
				<i>(excludes purchase of properties adjacent to St. William for access to El Monte Road as possible egress)</i>		

Cost estimates provided by Gelfand Partners (architect firm)

Cost Estimates (land at \$12.5M per acre)

	10th Site			Covington Site		Blach/Egan Sites
	K-5 school (600 students)	K-8 school (900 students)		2 schools shared campus		sharing of campuses with BCS similar to current arrangement
Land Acquisition						
(8 acres @ \$12.5M/acre)	\$ 100,000,000	\$ 100,000,000		n/a		n/a
Less, Sale of TDRs	\$ (74,000,000)	\$ (74,000,000)		n/a		n/a
Less, Park Funds from City of MV	\$ (23,000,000)	\$ (23,000,000)		<u>n/a</u>		<u>n/a</u>
Net Cost	\$ 3,000,000	\$ 3,000,000		\$ -		\$ -
Facilities Construction	\$ 46,400,000	\$ 70,200,000		\$ 77,700,000		\$ 78,600,000
Total Cost	\$ 49,400,000	\$ 73,200,000		\$ 77,700,000		\$ 78,600,000
				<i>(excludes purchase of properties adjacent to St. William for access to El Monte Road as possible egress)</i>		

Cost estimates provided by Gelfand Partners (architect firm)

Cost Estimates (summary of total costs)

	10 th Site (K-5 school)	10 th Site (K-8 school)	Covington Site (2 schools)	Blach/Egan Sites (shared with BCS)
Land @ \$15M per acre	\$69.4 M	\$93.2 M	\$77.7 M	\$78.6 M
Land @ \$10M per acre	\$29.4 M	\$53.2 M	\$77.7 M	\$78.6 M
Land @ \$12.5M per acre	\$49.4 M	\$73.2 M	\$77.7 M	\$78.6 M

Updated Timeline

- Because of the complexities involved in partnering with several different developers (potential buyers of development rights), it is taking longer to get firm commitments than originally assumed
- We are still finalizing the key terms of the Letters of Intent (to be signed by TDR buyers) with City staff, before buyers will sign off
- Additionally, different buyers have different issues and requests that need to be addressed before agreements are finalized

Updated Timeline

<i>Update/Next Steps</i>	<i>LASD Board</i>	<i>Nov 13 (tonight)</i>
Identify TDR Buyers; secure commitments		Through Dec 5
Finalize MOU and LOI terms w/ City		Through Nov 21
<i>Discuss site options</i> <i>Review final MOU and LOI's</i> <i>Receive 10th Site Committee recommendation</i>	<i>LASD Board</i>	<i>Dec 11</i>
MV City Council action to enable TDRs (approval of MOU and form of LOI)	MV Council	TBD (in Jan)
Garner funds for purchase: District will use an increased Line of Credit with Wells Fargo Bank		4 - 6 week process

Pursuing a 10th School Site

- We continue to believe the acquisition of a 10th site is the best option for the district
 - Especially if we can acquire property at a substantially reduced price
 - We increase our flexibility to educate students, including a middle school option, with an additional site (makes good sense)
- Time and time again our community driven process has indicated that acquiring a 10th site is the community's preferred option

Pursuing a 10th School Site

- The TDR framework (the vehicle for acquiring land at a reduced price) is complicated and complex, involving multiple parties
 - As a result it takes time and diligence, and we continue working hard to make this an available option for the district

Next Steps

- Short Term
 - Take public input (tonight)
 - Finalize TDR agreements
 - Identify top priority site in NEC area
 - Secure funding for site purchase
- Longer Term
 - Review capital needs and bond capacity
 - Finalize draft of Facilities Master Plan
 - Reconvene the Facilities Master Plan Committee to provide input on Master Plan draft
 - Board to adopt Master Plan

Appendix: October 23 Board Presentation



Los Altos School District

Measure N Update: 10th Site
(staff recommendations for board discussion)

- Acquiring a 10th site is a significant investment
- We need to evaluate the pros and cons before making a final decision
- Our community has stated several times acquiring a 10th site is the best option for dealing with enrollment issues (both current and future)
 - Including Facilities Master Plan Committee's March 2015 "consensus statement" that preferred option includes the purchase of a new school site

Recap from last board meeting

- On Oct 3 the Mountain View City Council agreed to support LASD's ability to transfer (sell) development rights (TDRs) to another area of the city if LASD purchases property for a school site in the San Antonio Precise Plan Area
- If LASD can secure buyers of those development rights, the sale proceeds can be used to offset the net cost of land to the district

How TDRs Work (example)

8 acre site in San Antonio Precise Plan Area of MV

	348,480	square feet (SF)
x	1.85	Floor Area Ratio (FAR)
<hr/>		
	644,688	Developable SF
less	75,000	School buildings SF
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	569,688	Unused SF

\$74,059,440 Unused SF @ \$130 per SF

FAR: Ratio used to determine the SF of buildings (density) versus the SF of land, as defined in the City's precise plan.

How TDRs Work (cont.)

	@ 15M per acre
6 acres	\$ 90,000,000
8 acres	\$ 120,000,000
10 acres	\$ 150,000,000

	8 acres
Cost	\$ 120,000,000
TDR offset	\$ 74,059,440
Net Cost	\$ 45,940,560
less, park funds	\$ 23,000,000
LASD cost	\$ 22,940,560

TDR offset: from previous slide; the amount LASD could potentially garner from the sale of development rights

MV tentatively has offered up to \$23M in park funds to help LASD purchase a site

Evaluation of Pros/Cons (Key Factors) re Acquiring a 10th School Site

Weighing Key Factors

- We will analyze and evaluate whether or not to purchase a 10th school site using the following key factors:
 - Flexibility
 - Traffic
 - Costs
 - Other Issues

- 10th site provides flexibility for future enrollment growth, especially along the El Camino corridor
- Having ten sites provides greater flexibility regarding long term location for BCS
- 10th site provides greater flexibility and efficiency for construction phasing, including potential implementation of middle school

Weighing Key Factors

Key Factors	10 th Site	No 10 th Site
Flexibility	X	
Traffic		
Costs		
Other Issues		

- 10th site spreads traffic load across 10 sites instead of 9
 - Should improve student safety
- Spreading the load also reduces impact on school parking lots
 - Should improve student safety

Weighing Key Factors

Key Factors	10 th Site	No 10 th Site
Flexibility	X	
Traffic	X	
Costs		
Other Issues		

- Land costs of 10th site significantly reduced due to collaboration with City of Mountain View
 - TDRs and park dedication funds
- Facilities costs estimated to be slightly more using existing land than building on a 10th site
 - Depending on land costs for 10th site, total costs could be approximately the same for both options

Weighing Key Factors

Key Factors	10 th Site	No 10 th Site
Flexibility	X	
Traffic	X	
Costs	X	X
Other Issues		

Other Issues

- Acquiring a 10th site is part of the collaborative partnership with City of Mountain View to address complex community issues in the San Antonio Precise Plan Area
 - Need for public services (park, school) in a densely populated area of MV
 - Potential for joint use projects and city to provide fields maintenance
- Acquiring a significant asset (10th site) at a reduced price makes good economic sense
- Acquiring a 10th site has been the community consensus preferred option over and over; the only barrier has been cost (which now can be ameliorated through the transfer of development rights)

Summary

- Staff recommends pursuing the acquisition of a 10th site in the NEC (North of El Camino) area of our district
 - Specifically, in the MV San Antonio Precise Plan Area

Key Factors	10 th Site	No 10 th Site
Flexibility	X	
Traffic	X	
Costs	X	X
Other Issues	X	

Timeline/Next Steps

Timeline

<i>Update/Next Steps</i>	<i>LASD Board</i>	<i>Oct 23 (tonight)</i>
Identify TDR Buyers; secure commitments		Through Oct 27
Finalize MOU and LOI terms w/ City		Through Oct 27
10 th Site Committee recommendation		By Nov 3
<i>Discuss site options</i> <i>Review final MOU and LOI's</i>	<i>LASD Board</i>	<i>Nov 6 or 13</i>
MV City Council action to enable TDRs (approval of MOU and form of LOI)	MV Council	TBD (likely Dec 5)
Garner funds for purchase (Line of Credit or Bonds)		6 weeks to 2 months

Next Steps

- Short Term
 - Take public input (tonight)
 - Identify top priority site in NEC area
 - Review funding options (Line of Credit or Bonds) and process for garnering funds
- Longer Term
 - Review capital needs and bond capacity
 - Finalize draft of Facilities Master Plan
 - Reconvene the Facilities Master Plan Committee to provide input on Master Plan draft
 - Board to adopt Master Plan

Appendix: October 9 Board Presentation



Los Altos School District

Measure N Update

A Long-Term Solution

- Enrollment growth and school overcrowding is a long-term problem
- We cannot settle for a short-term solution
- We have diligently sought a solution to serve our community for the decades to come:
 - Superintendent's Enrollment Growth Task Force
 - Facilities Master Plan Committee
 - 10th Site Subcommittee
 - Community forums, workshops and meetings

A Community-Driven Solution

- LASD identified three options to address future enrollment growth with Measure N:
 - Purchase additional land
 - Configure public land for shared use
 - Use existing LASD land
- Community's preferred solution: identify (and acquire) a 10th school site

Finding a 10th Site

- 10th Site Subcommittee created publicly adopted criteria for a site
- Finding suitable land that meets these criteria at the right price has been difficult, but we have been diligent

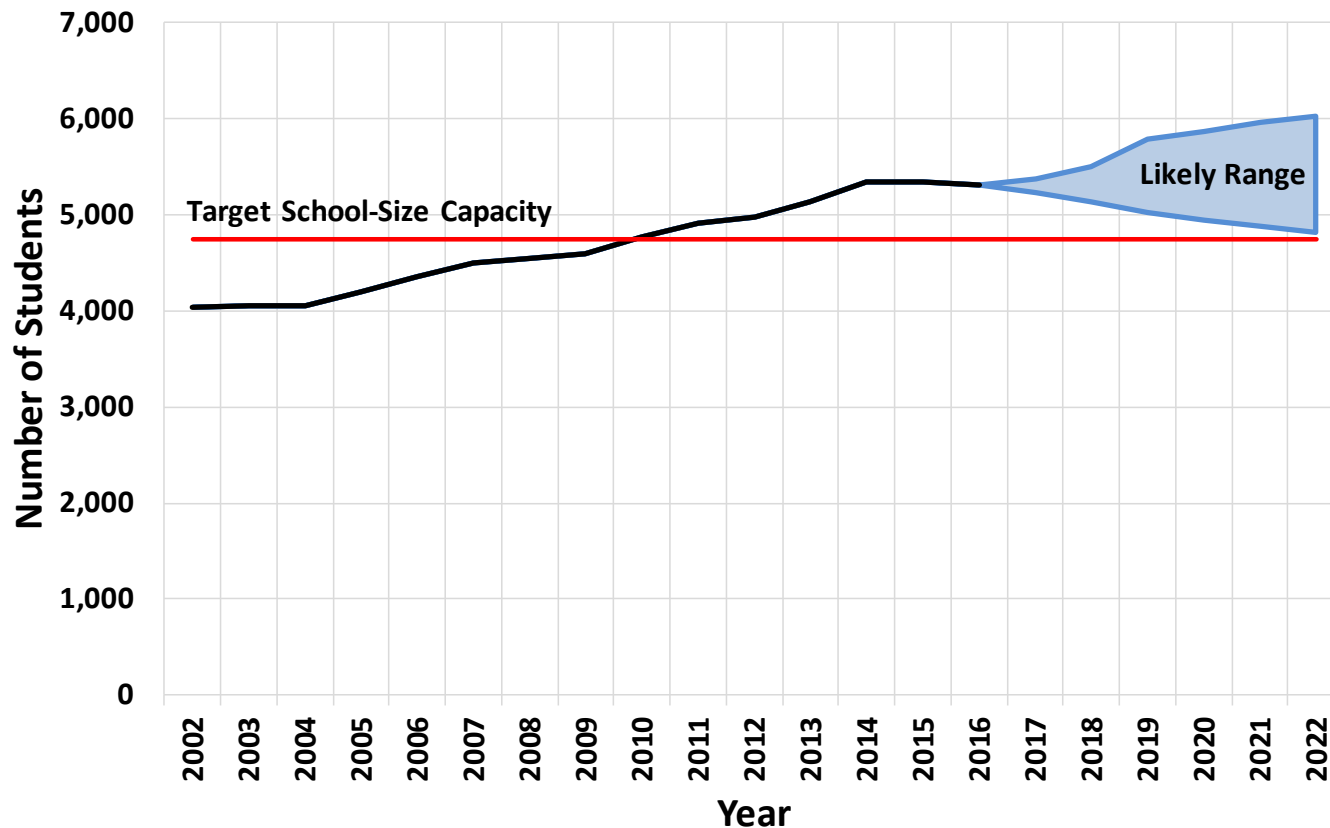
Progress Made

- We pursued shared land-use with the City of Los Altos until the City voted to halt discussions
- We have been exploring solutions with the City of Mountain View
 - City of MV is garnering funds from developer of 400 San Antonio for significant community benefit and park in-lieu funding; some \$ may be available to help in acquiring a school site

Enrollments/Capacity

LASD and BCS K-8 Forecast Range

Does not include enrollments from San Antonio Center East



Note: The forecast does not include enrollments from the future San Antonio Center East project. That project alone could generate a whole school's worth of students (demographer's forecast projects 490 students).



Los Altos School District

Mountain View Opportunity

City Council Study Session

- On Oct 3 in a special study session, the City Council of Mountain View reviewed and discussed the idea of transferring development rights (TDRs) from one area of the city, the San Antonio Precise Plan Area (SAPPA), to other areas of the city
- This session was in response to the council's direction to staff at a February 2017 study session to bring back to council more detailed information on how this idea might work and specifically if it would help LASD afford to acquire a school site in the SAPPA

City Council Study Session

- The council gave direction to staff supporting the concept of TDRs, providing LASD with additional information as it makes a decision about a 10th site
- LASD has generated interest from a number of prospective buyers of TDRs; next step is to decide whether to proceed down this path
- The council also gave direction to use a portion of its park in-lieu fees in helping LASD acquire land large enough to house a school and significant open space (playing fields, etc.) which could be used as a public park after school hours

Opportunity in North of El Camino (NEC) area of LASD

- NEC Area option
 - Locates a school in densest section of the district where additional high density housing is planned
 - More new high density housing projects along ECR corridor
 - Provides a site—for both short and long term—where student population continues to grow
 - Cost will be ameliorated by TDRs
 - Potential for joint projects with City of MV for public facilities (gym, theater, meeting spaces, fields for sports groups, etc.)

Board Direction

- Do we want to pursue acquisition of a site in the NEC area of the district, since we may be able to acquire 6 – 10 acres at a significantly reduced price?
 - If so, we need to identify which site(s) to pursue and begin real estate negotiations
- What information does the board want discussed at its next public meeting?