



MINUTES

Meeting No. 1

ORANGE UNIFIED SCHOOL DISTRICT
Surplus Property "7-11" Committee Meeting / Killefer Annex Property

District Office
1401 N Handy Street
Orange, CA 92867

February 17, 2016, 4:30 P.M.
Boardroom 2, Bldg. H

I. CALL MEETING TO ORDER

Joe Sorrera called the meeting to order at 4:32 p.m.

II. ESTABLISH QUORUM

A quorum was established. Committee members present: Mark Chew, Lisa Kim (present at 4:56 p.m.), Pam McDonald, Ken Miller, Ava Schumacher, Ronda Wun, Committee Member absent: Robert Baca.

III. INTRODUCTIONS

Joe Sorrera, Assistant Superintendent, Business Services, made introductions; District legal counsel representative, Constance Schwindt, Atkinson, Andelson, Loya, Ruud & Romo.

Committee members introduced themselves as follows: Kenneth Miller, Administrative Director of Student Community Services; Pam McDonald, Director of Transportation, and a graduate of Canyon High School; Mark Chew, a financial planner with Morgan Stanley who has two girls attending Imperial Elementary School; Ronda Wun, a mother of students in the District and employed at Orange Unified Education Association (OUEA); Ava Shumaker, Special Education teacher at Richland Continuation High School and a mother of two young adults who attended District schools. Upon her arrival, Ms. Kim introduced herself as a city development manager with the City of Orange for over 15 years.

IV. SELECTION OF CHAIR AND CO-CHAIR

Discussion:

Joe Sorrera explained the committee must select a chair and a co-chair to preside over the meetings and to develop the future agenda with staff. Ms. Schwindt and Mr. Sorrera will function as staff to this committee. The committee will create a report, which is presented to the Board of Education for its consideration and approval, by the chair and co-chair

Ava Schumacher nominated Dr. Miller as Committee Chair; second by Mark Chew.

Motion passed: 5-0-2

Pam McDonald volunteered as co-chair; second by Ava Schumacher

Motion passed: 5-0-2

V. COMMENTS FROM THE FLOOR

There were no comments from the floor and no one in the audience.

VI. OVERVIEW OF SURPLUS PROPERTY COMMITTEE PURPOSE AND DUTIES / INFORMATION.

Discussion:

Ms. Schwindt described the committee responsibilities and explained that District staff would assist the committee from an administrative perspective, but that the committee will make its own determination on the recommendation to present to the Board. She explained that the committee would need to prepare a priority use list to circulate prior to the public meetings. This priority use list gives the community notice of the property under review and the potential uses that may be considered.

Ms. Schwindt explained that as an advisory committee, they are a legislative body subject to the Brown Act and conflict of interest laws. Meetings are to be agenzized similar to the board meetings. Committee members need be cognizant of accidental meetings, which may occur if four or more members meet. Serial meetings may accidentally occur if there are a series of emails between four members or more. Ms. Schwindt recommended rather than e-mail each other to direct all questions to Joe or his designates.

Ms. Schwindt addressed a committee member's question by confirming conversations about the property with fewer than four (4) committee members is acceptable.

Ms. Schwindt discussed that if any committee member lived within 500 feet of the property that it would be a conflict of interest. A committee member asked if working on the campus was conflict. Ms. Schwindt confirmed it was not.

Ms. Schwindt summarized the surplus property procedures under Tab 4 and explained that a 7-11 committee is the first step in a long process to identify the parcel as surplus. Ms. Schwindt continued that the final step in the process, if the Board so chooses, is either a sale at a public auction or a waiver from the state, requested by the District, to allow negotiations for a sale.

Ms. Schwindt responded to a committee member's question regarding continued committee responsibility after recommendations reported to the Board, the committee would have no continuing involvement.

VII. OVERVIEW OF THE KILLEFER ANNEX PROPERTY / INFORMATION

Discussion:

Mr. Sorrera combined agenda items 7 and 8 as they are presented together in his PowerPoint presentation. A copy of the presentation is included under Tab 5. He summarized the history of the property and the reason for considering it surplus. The District anticipates escrow closing on the Killefer Site within the next few months.

Mr. Sorrera explained Western States Housing expressed an interested in acquiring adjacent property for use as an underground parking lot. The request stems from the project's need for additional parking. Potentially RHS may lose twenty-two (22) parking lot spaces out of 59. Use of RHS's parking lot by staff, students, and parents depends on school events, fluctuating student enrollment, and the time of day. The District based the value of the Killefer Annex property on the appraised value of the Killefer site, which sold for \$5,075,000 (Five million seventy-five thousand dollars). Therefore, staff approximated Killefer Annex property cost per

square foot at \$723,000 as a point of reference. In 2014, the Killefer site went to bid at \$2.4 million.

Mr. Sorrera provided additional RHS enrollment history.

Ms. Schumacher stated RHS's 2015/16 school year began with 297 students and agreed enrollment figures fluctuate as students recover credits and transition back to their home school or graduate. Currently, students consist of juniors and seniors who may be eligible to drive.

DEVELOPMENT OF PRIORITY USE LIST / INFORMATION

Discussion:

Ms. Schwindt explained the priority use list as required by statute is developed prior to public hearings. The list needs to identify the widest scope of possible uses under consideration, which lends itself to a flexibility of options. Ms. Schwindt explained that a major committee role is conveying your communities' opinion to the Board.

The Committee discussed and agreed to reflect on the priority list until next meeting.

DISCUSSION OF PROPOSED NEXT COMMITTEE MEETING AND TIMELINE/ ACTION.

Discussion:

A committee member questioned the formation of the Killefer Annex 7-11 committee. Ms. Schwindt clarified Western States Housing is aware that surplus District property is a long process and in a bid process there is no guaranteed outcome. She also noted the property is better suited to go through a waiver process rather than a public auction. Considering the size and location of the Killefer Annex site interest from additional developers is probably low.

Ms. Kim noted that property development needs to have some flexibility and it may be that a shared use arrangement with the school can possibly address some parking issues, however, she noted that the property is very small—just two residential lots. Ms. Kim further explained the City would study the project, involving pertinent city departments, to assess the site plan, and determine viability of the project.

A committee member asked about the income from a sale. Ms. Schwindt explained statute dictates capital facilities receives the funds. Mr. Sorrera added the Board would determine use.

The committee agreed to meet at the District Office on Tuesday, March 15, 2016 at 4:00 p.m. and that the third meeting would be March 23 at 3:00 p.m. at RHS.

Dr. Miller adjourned the meeting at 5:41 P.M.