

# Support Our Students

## CSD's Land Development Initiative

### Frequently Ask Questions

#### **1. What prompted the Board to create a land development proposal?**

With Sacramento's lack of adequate funding for public schools, our District is seeking additional funding that will sustain CSD's award-winning programs and provide students and teachers with the support they need to be successful.

#### **2. What is the Cambrian School District's budget shortfall?**

Cambrian School District has had an operational deficit for the last several years. Current projections show this trend continuing with an anticipated shortfall of \$770K this fiscal year and growing to \$1.3M and \$1.67M in the two subsequent years.

#### **3. How has Covid-19 impacted District finances?**

Covid-19 has had a significant detrimental impact on the global economy. The state of California and the Cambrian School District have not been immune to these negative impacts. K12 education is faced with a \$12B shortfall for the 2020-21 fiscal year. As a result, California school districts will not receive the 2.31% Cost of Living Adjustment (COLA) for this school year and our monthly apportionments will be deferred into the 2021-22 fiscal year beginning in February 2021. The loss of the COLA equates to a loss of approximately \$478,729 in ongoing revenue. Additional COLA's for the next two fiscal years are also anticipated to be unfunded which will further impact Cambrian's financial future.

#### **4. How is the Cambrian School District able to increase ongoing revenue?**

By law, school districts are restricted to the following mechanisms for revenue enhancement:

- Charging fees in accordance with the Civic Center Act for the community use of school facilities;
- Levying a Parcel Tax which must be approved by a two-thirds majority of voters;
- Fundraising through an educational foundation;
- Exchanging unused District property for income producing real estate;
- Leasing their unused property;

#### **5. How did the Cambrian School District identify this opportunity?**

Inadequate funding from the State left Cambrian in a position to seek out new options for developing an ongoing revenue stream to keep up with increasing operational costs. As many school districts have discovered, unused school facilities can be the answer to generating this revenue stream. In 2019, the Board directed the District to initiate a study of all of our school

sites to determine if there were areas where we could maximize the usage to create revenue options. This study was completed by Terra Realty Advisors and it was recommended that the Metzler and Curtner (Firehouse) properties held the most potential for generating long-term revenues.

After evaluating multiple options, we identified the closed site at Metzler Elementary School on Cambrianna Drive as a promising opportunity to convert a portion of this property by exchanging it into an income producing real property asset, and another portion by entering into a long term ground lease, both which result in an ongoing revenue stream to the District. In order to accomplish the exchange, the Metzler C site needs a General Plan amendment to allow single family housing. The proposed residential development matches and complements the character of the neighborhood.

**6. What are the plans for the existing Metzler buildings and tenants (Section B)? What opportunities have been identified at Metzler site sections A and C?**

For section B, Cambrian School District plans to continue the current use and would like to be able to improve the facility. Section C is currently being considered for residential housing and a General Plan amendment has been submitted to the City of San Jose. The Board has directed staff and their real property consultants to negotiate a long term ground lease on the Metzler A site with a senior memory care company. The District would not be responsible for any construction costs, and would continue to be the fee title owner of the land during the term of the lease.

**Metzler Site**



## **7. What considerations have guided the Board in creating this initiative?**

The Board, as the fiscal stewards of the District, wants to ensure that all land uses at this site meets the goal of maximizing revenue and are complementary with the surrounding area and greater community. In addition to being firmly committed to a good-neighbor policy, the proposed development has been guided by the following considerations:

- Traffic;
- Noise;
- School enrollment;
- Public services such as fire and police;
- Building height and viewscales; and
- Surrounding homeowner property values.

## **8. What is "zoning?" What is a "General" Plan?**

- A "General" Plan is a broad planning guideline expressing a city's future development goals. It must express the vision, goals, and objectives of the city taking into consideration eight different elements: land use, housing, circulation, conservation, noise, safety, open space, and environmental justice.
- "Zoning" is the process of dividing land into zones within which certain land uses are permitted or prohibited. For example, houses cannot be built on land zoned for commercial buildings.

## **9. What is the General Plan and zoning of the identified piece of land?**

Currently the land has a General Plan designation of PQP (Public Quasi-Public). It is a land use designation the City of San Jose uses to "protect" land for public use. The PQP zoning includes allowable uses such as schools, colleges, corporation yards, homeless shelters, libraries, fire stations, water treatment facilities, convention centers and auditoriums, museums, hospitals, governmental offices and airports. The current zoning of the Metzler site is R-1-8, which is consistent with the surrounding area, and allows a maximum density of 8 units per acre.

To implement our development proposal, our General Plan amendment application requests that a portion of the land be rezoned to RN to enable the residential housing. There is no change to the zoning requested by the District.

## **10. What steps has the Board taken to date and what's next?**

- The Board initiated a holistic assessment of all Cambrian School District's property to determine opportunities to increase unrestricted revenue.
- A comprehensive mixed-use land development proposal was created.
- An application to amend the City of San Jose's General Plan to accommodate a low density residential development proposal was submitted.
- Outreach to inform the community, build awareness and support.
- September 10, 2020: Community Meeting hosted by the City of San Jose.
- November 2020: San Jose City Planning Commission Meeting.
- December 2020: San Jose City Council Meeting

## **11. How you can help**

Please join Cambrian parents, staff, and neighbors and [click here](#) to sign a letter of support asking the City of San Jose to approve the Cambrian School District's general plan amendment application.

## **RESOURCES**

Stay informed on the District's Land Development Initiative, please sign up for our mailing list by [clicking here](#). Please contact former Cambrian School District parent Eve Walton with any additional questions. She can be reached at: [SOSCambrianSchoolDistrict@gmail.com](mailto:SOSCambrianSchoolDistrict@gmail.com).