District Advisory Committee (DAC)
Chavez Elementary & El Camino Continuation High School Properties
Meeting Minutes
Wednesday, January 17, 2024 – 4:00 PM

COMMITTEE MEMBERS PRESENT:
Marco Sanchez
Gema Rodriguez
Sonia Linares
Jennifer Amador
Elizabeth Jaimes
Anthony Armendarez
David Olea
Fernando Salazar
Carlos Barajas
Martha Jauregui

COMMITTEE MEMBER(S) ABSENT:
Janet Kang

1. **PRELIMINARY**
   The meeting was called to order by Rob Jacobsen.
   Members each stated their name for roll call purposes.
   Rob Jacobsen declared that a quorum has been established and that the meeting can continue.

2. **PLEDGE OF ALLEGIANCE**
   Estuardo Santillan led the group in the Pledge of Allegiance.

3. **PUBLIC COMMENTS**
   There being no cards from the audience wishing to speak, Rob Jacobsen moved on from the Public Comments section.

4. **INTRODUCTIONS**
   Superintendent, Dr. John Lopez, addressed the Committee.

   Committee Members introduced themselves, providing their background and their interest on the District Advisory Committee for Chavez and El Camino properties and Rob Jacobsen introduced staff supporting the DAC: Jennifer Sun, Administrative Assistant; Estuardo Santillan, Assistant Superintendent Business Services; and himself, General Counsel, and Gerry Ramirez, Technical Support Supervisor.

5. REVIEW, DICSUSSION and ADOPTION OF NORMS

Rob Jacobsen presented the District Advisory Committee Norms (Ground Rules) to the DAC. The DAC reviewed the handout. David Olea moved to adopt the Norms and Anthony Armendarez seconded the motion. All were in favor of adopting the Norms.

6. OPEN MEETING REQUIREMENTS

Rob Jacobsen presented the Brown Act Basics handout.

7. CONFLICT OF INTEREST LAW

Rob Jacobsen presented the Conflict of Interest Law: Real Property handout.

8. DISCUSSION OF THE MANDATE OF THE DAC

Rob Jacobsen talked about the Mandate of the District Advisory Committee and referred to Resolution #23/24-6 that the Board of Education (Board) adopted on October 9, 2023. Rob explained that El Camino High School formerly located on Keese Drive had been moved to Los Coyotes Middle School and that the Keese Drive site is now vacant. He stated that the DAC shall determine whether or not the District can surplus the Keese Drive site, what can be done with these properties, and make informal recommendations regarding the development of the former Chavez and El Camino sites to the Board of Education.

Rob Jacobsen asked for thoughts on establishing a priority list of what we should do with these properties. Sonia Linares asked what *can* be done with the properties. Rob gave examples of what the properties could be used for.

Carlos Barajas asked if there is a possibility that the lots could be sold.

David Olea asked if there was ever a time when the District leased surplus property. Rob shared that the District does have facilities that are currently leased and gave examples. David also asked if there were any historical significance to the auditorium on the Chavez property that the District knows of. Rob replied that he does not know offhand, doesn't think so.

Gema Rodriguez spoke about Costco recently restructuring the parking lot and asked if the District was involved. Rob advised that since the question was not directly related to the purpose of this DAC, he could talk to her on the side about that.

Sonia Linares commented to clarify Gema's question stating that it would be interesting to know if the District would incur additional expenses if one of the properties is leased. Rob responded that lease structures can be negotiated and that typically on the leases that the District has, the District does not incur any costs.

No further questions.

9. PROCESS and TIMELINE

Rob Jacobsen identified the four meetings setup for the DAC: January 17, January 31, February 21, and March 6.

Rob provided some history on previous DACs such as the Declining Enrollment DAC where it was recommended to the Board that the District close Chavez Elementary and to move those students to nearby elementary schools and that the District close Los Coyotes Middle School and move El Camino High School to the Los Coyotes site which is where El Camino High School has been housed since and the former El Camino site has been sitting vacant. Chavez currently has HeadStart as tenants.

Carlos Barajas asked if there have been times when the Board received a recommendation from the DAC and didn't follow it. Rob explained prior decisions of the DAC and how the Board handled them.

Rob Jacobsen advised that Colliers will be presenting at 4:45 to look at development and use options. They have a SWOT presentation and the DAC will focus on Chavez and El Camino. They will walk the DAC through what can be done with them after which the DAC might be able to start ranking the priority of uses and develop, by consensus, uses that the DAC would prefer to see. He explained that, at some point, there would be a public hearing for the public to hear the DAC's recommendation. Following that process, the DAC would prepare a report to the Board stating that the DAC has completed their review of these two sites, this is what the DAC is recommending, and then the Board would recognize the DAC for their work.

Elizabeth Jaimes asked if the DAC's recommendation would be separate; one for Chavez and one for El Camino, or would they be together. Rob responded stating that the DAC's recommendations would be a group of recommendations for Chavez by itself and a group of recommendations for El Camino and they can be different recommendations.

Marco Sanchez identified that SWOT stands for strengths, weaknesses, opportunities, and threats.

Rob Jacobsen announced a five-minute recess.

10. SURPLUS PROPERTY PRESENTATION

Rob Jacobsen introduced Kitty Wallace from Colliers who talked to the group via WebEx about the surplus properties, Chavez Elementary and El Camino High School. Kitty stated that the plan is to review the financial analysis and the overview of the Chavez Elementary site and the El Camino High School site. Rob shared with Kitty that the DAC is looking at how these two properties are zoned and possible uses.

Kitty started with the Chavez Elementary site sharing a slide that was projected for the DAC to view. It is an 8.4-acre site and the current median household income in this area is about $76,700 which is slightly higher than the average household in the United States but, really, is a low to moderate income level for California. This is a high density, multi-family lot which means with Norwalk's R-3 zoning, you can get one unit for every 2,000 square feet of land which allows you to build 180 market rate units. Colliers underwrote it at 100% affordable rate which would be 80-120% of median income buyers which would allow unlimited density with zoning variances. Colliers underwrote 980 units, 100% affordable project. Colliers came up with pricing somewhere in the $10-$11.5 million price range. Rob explained that this is best use that Colliers sees for this site.

Rob asked, with the current zoning, what else could be done for this site. Kitty responded stating that you are allowed to go in and re-zone the property but re-zoning opens up all sorts of questionable problems and possibility of not getting things executed. Norwalk's R-3 Zone (residentially zoned) allows 180 market rate units and you can build an unlimited amount of median, low income, affordable housing units or do some mix thereof; a little retail, some homes/apartments. If you wanted an office or retail comple or a hotel, that is not in this zoning and you would need to get a variance in the zoning which is expensive and timely and the likelihood of success is substantially diminished and the value goes down a lot. Affordable housing is one of the highest and best uses for the vicinity. Anything other than a residential development would need a variance. However, if you want to make it a park, potentially the city would allow you to put a park there because you're down-zoning.

Rob asked the DAC if they had any questions or if there were any clarifications needed.

Sonia Linares asked if the $10-$11.5 million number is an estimated profit of rentals or for the sale of the property. Kitty responded stating that this number is for a flat-out sale a and also mentioned that profitable possibilities for a sale-leaseback are very slim. The highest and best use in this particular deal, if you want an income stream, would be to sell it, buy an income producing property. Sonia mentioned the notation that the population is expected to decrease 33% over the next five years and the impact on projected price. Kitty responded that a decline in population is definitely not helpful but adding more affordable housing is helpful because 80-120% median income is typically the wages of teachers and firemen. Not everybody can afford $6,000 rents.

Elizabeth Jaimes asked if the District were to sell, could the developer choose to go with whatever units *they* want, would that also impact the sale/purchase price, and is that something the District would put on their contract. Kitty responded stating that it's very likely that all developers will have a different opinion on what they want to do with the site. The District would have an opportunity to look at all of the offers and what the developer wants to do with the site and would have the choice of which buyer to choose based on either this is the one we think is going to execute and close and get us the highest price, or this one has something we would like them to do. Rob added that he would follow up on this but he believes that when the District offers for sale, we could have some conditions in there.

Carlos Barajas asked what the options would be if the District sold the property and wanted to use those proceeds to fund another source of income. Kitty responded stating that there would be an option for an exchange.

No further questions regarding Chavez.

Rob Jacobsen moved the discussion to the former El Camino property on Keese Drive and projected a new slide (Page 10).

Kitty Wallace stated that this property's zoning is RA-6000. The average income in this neighborhood is $119,000. The site is in the City of Whittier with some home values over $1 million in the area. It's an 11.39 acre site. Colliers suggested a lower density site to build market rate homes. With the interest rate rise, home values have mediated a tad and to sell a

large percentage of million dollar+ homes in the area is going to be a little more challenging. In today's market, we'd probably get someone to do a mix of multi-family and single family homes instead of just single family homes on this site. The property was valued at $15.4 million with a conservative number of $13.5 million.

Rob opened the floor to any questions about the El Camino site.

Sonia Linares asked if there were population increase or decrease considerations taken for this property as with the Chavez. Kitty responded stating that there is a small population decline in this pocket which is expected to decrease 25% over the next five years and also mentioned that these numbers were done six to nine months ago and that they could have placated because they have seen that some of the people who left California have started to come back.

Elizabeth Jaimes asked if there was a SWOT slide for this property which Rob then projected for the DAC (Page 8).

Kitty shared that there's a good average household income in the area. The household income has gone up, which is helpful, adding that Whittier is a very quiet, safe, conservative place. There's no tremendous rent growth and there's typically not a population decrease as well. Rob opened the floor for any questions on the El Camino property which there were none.

Rob introduced audience attendee, Sal Flores, from Grapevine Development Company (Grapevine) and invited him to say a few words.

Rob moved to discuss, at this point, what members think and what would be their priorities. Jennifer Amador asked if there was an option to re-zone Chavez Elementary. Rob answered, yes, and shared that he has a zoning map for the City of Norwalk and a development plan as to what the City sees for the area that he can share with the DAC. If the community wanted to down zone to open space, we could recommend to do that as well. We could preserve the auditorium, as David mentioned.

David Olea stated that hearing both pitches in regards to the two separate properties, he thinks that there's historical problematic issues. The suggestion of housing projects of up to 980 units for Norwalk whereas on La Mirada/Whittier side, they're talking million dollar homes. We have homes in the City of Norwalk that are selling for one million plus dollars. Rob noted what Colliers presented was a highest economic value suggestion. This does not exclude single family homes. It's not zoned for that and if you were to do single family homes for Chavez, you can only do so many, so your number, the monetary value for sale, would just be lower.
Sonia Linares stated that there are two reasons people are leaving California and the Los Angeles area. It's not just for affordable housing, it's affordable homes. People want to own a home. Another reason is the loss of places for the community. There's no area for the community to gather.

Jennifer added that there's a lot of car traffic in that area as well.

Sonia raised concern how increased traffic might affect the safety of the children at Waite coming and going to school. Rob noted a CEQA analysis for any development is done where

they look at the impacts of the development on the community and that would be part of any review of what could be done at the site.

Jennifer commented that she lives in the neighborhood (Chavez) just down Bloomfield. She's noticed a lot of her neighbors moving out of the area due to crime and issues like that.

David commented that when he works with his students, he thinks about their quality of life. Making sure we do our best, not just look for the most money but look at the best quality of life for our students and for our community. The decisions we make could have historical consequences. He thinks it's important to look into those factors and look into the housing definitions.

Martha Jauregui requested data. She would like to have a copy of the property overview so that they can make better analysis to ask the right questions.

Elizabeth Jaimes asked, with regards to Chavez, what is the District/Board trying to get out of this property. Is there a list that the District or Board already has on what their priorities are for this property? Rob responded that there isn't a list. The Board hasn't taken a position on what to do with these properties other than, let's look at what we can do here.

Gema Rodriguez asked if there was a possibility of a private/public partnership for these properties such as a walking trail amid single family homes. Rob responded yes.

Jennifer asked if the DAC could get more information on the Rancho property being leased by YMCA. She asked if something like that would be a possibility for Chavez to get some sort of place for kids from the community to go to after school. Rob mentioned that YMCA has a license to be at the Rancho site. He also mentioned that YMCA's use falls under the Civic Center Act.

11. NEXT MEETING

Rob Jacobsen stated that the next meeting will be January 31, 2024. Same place, same time. He asked for members to send any requests to Jennifer Sun.

12. ADJOURNMENT

Rob Jacobsen adjourned the meeting at 5:57 PM.