

SWEETWATER

UNION HIGH SCHOOL DISTRICT

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ASSET UTILIZATION PLAN

PRESENTED BY:
MR. THOMAS CALHOUN
CHIEF FACILITIES EXECUTIVE

MRS. KAREN MICHEL
INTERIM CHIEF FINANCIAL OFFICER

Basic Assumptions of L Street Purchase:



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- Real Estate values would be flat or appreciate in near future
- Access to Redevelopment funds
- City support for District Office/Corporation Yard at L Street
- Title held by California Trust for Public Schools
 - Access to Variable Rate Demand Bonds
- Exchange Agreement with Plan 9 Partners (PNP)
 - Involving other District properties (3rd Ave, Moss St., 5th Ave.)
 - Funds derived from excess District properties used to defease Variable Rate Demand Bonds
 - Total completion in 2-3 years from purchase of L Street **2/1/2005**
- Letter of Credit supporting interest payments until property developed
 - Union Bank

3rd Ave.

Owe: Zero
Entitled Value: \$8M
Net Proceeds: \$5M

Moss St.
North and South

Owe: Zero
Value: \$1.6M
Credit: \$1.6M

5th Ave.

Owe: Zero
Entitled Value: \$7.2M
Net Proceeds: \$5M



L St.

Owe: \$33.65M
Value: \$17.7M
Entitled Value: \$40 M
Net Proceeds: \$5M



**Dist.
Office**

\$14M

**Corp
Yard**

\$15M



Proposed Plan to address L Street:



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- Secure Letter of Credit for additional 18-24 months
- Develop all District properties to highest and best use, including entitlements for residential or mixed use
- Work in partnership/collaboration with City of Chula Vista
- Utilize funds from excess properties to secure District Office and Corporation Yard
- Utilize District's Financing Corporation to hold title of L Street
- Separate all arrangements with Plan 9 Partners and California Trust for Public Schools

3rd Ave.

Owe: Zero
Value: \$4.1M
Entitled: \$8M

Moss St.
North and South

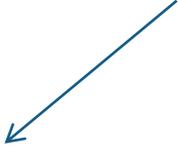
Owe: Zero
Value: \$1.6M
Credit: \$1.6M

5th Ave.

Owe: Zero
Value: \$4.6M
Entitled: \$7.2M

L St.

Owe: \$33.65M
Value: \$17.6M
Best Use: \$40M



**Dist.
Office**

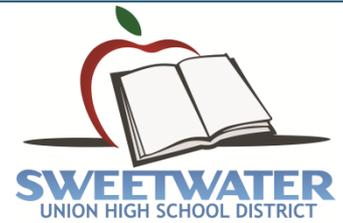
\$14M

**Corp
Yard**

\$15M



Timeline:



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13/14

Entitle 3rd Ave
City Council
11/19/13
Sell 3rd Ave

Purchase D/O
860 Harold Pl.

Continue
Entitlements for 5th
Ave.

Develop L street
plan/entitlements

14/15

Establish viable Corp
Yard sites

Tenant Improvements
for
DO/860 Harold Pl

Complete Entitlement
Process for 5th Ave

Continue Entitlement
Process for L street.

15/16

Tenant Improvements
Corp Yard

Move into DO
860 Harold Pl

Sell 5th Ave

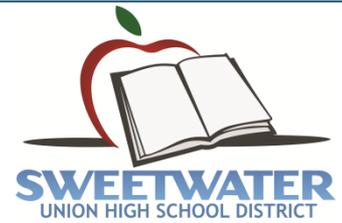
Complete Entitlement
for L Street

16/17

Move to Corp Yard

Sell L St.
Use Moss Street Credit

Flow of funds from Excess Properties:

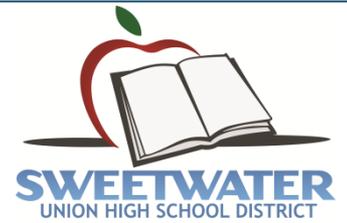


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Property	2013/14	2014/2015	2015/2016	2016/2017
3 rd Ave	+5m			
Moss St. (North and South)				+1.6m (credit)
5 th Ave.			+5m	
L St.	-500k (fees)	+500k (Rent)	+500k (Rent)	+5m
District Office (New)	-2m (TI)	- 250k (lease) - 2m (TI)	-575k (lease)	-575 (lease)
Corp. Yard (New)		-1m (Down)	-4m (TI)	-10m (Close)
PNP	-125k	X	X	X
Cash Flow	+2.4m	-2.75m	+925k	-4m=-3.4m

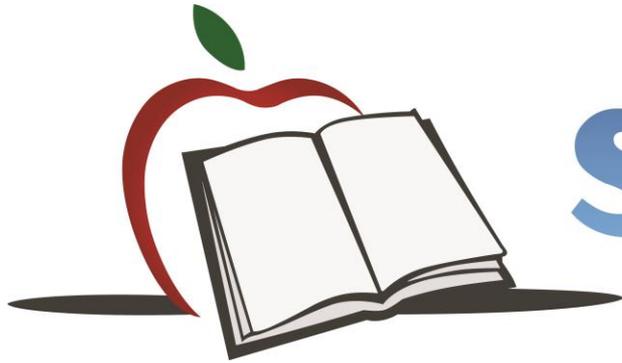
This funding includes only special reserve funds. No **general** fund unrestricted funds are being used for this plan

Next Steps:



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- Purchase DO
 - Tenant improvements
- Fees for Project Management
- Consultants/City Fees



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