

# **DEL MAR UNION SCHOOL DISTRICT**

**Date:** January 15, 2010

**To:** Board of Trustees

**From:** Sharon L. McClain Ed.D.  
Superintendent

**Re:** Recommendation for Relocation of District Office,  
Maintenance and Operations, and Child Care Program  
Located on the Del Mar Shores School Site

## **BACKGROUND**

On February 26, 2003, at a joint meeting of the Del Mar City Council with Lauraine Brekke-Esparza, City Manager, and the Board of Trustees of the Del Mar Union School District with Thomas Bishop, Superintendent, the agenda included the “further evaluation of a joint City/DMUSD project on the Shores Property.”

On July 25, 2007, the City and the DMUSD agreed on general terms of the sale of the Shores. Escrow opened on August 2, 2007, when the City of Del Mar entered into an agreement with the DMUSD to purchase the Shores Property. Escrow closed on May 15, 2008.

In order to relocate District Office facilities, including District Office staff, Maintenance and Operations and Employee Childcare, the Board elected to follow two parallel paths. One path was to actively seek suitable real estate for location of the D.O. facilities and the other was to evaluate the District’s schools for suitable space.

On January 21, 2009, the Board approved a contract with Chuck Wasker of Colliers International and Mark Kagan of MarkJen Corporation, real estate brokers to review and recommend property for the District offices. The first recommendations did not meet the District’s needs and on March 25, 2009, the Board approved the formation of a 7/11 District Advisory Committee (DAC) to examine potential surplus property according to the California Education Code Chapter 4, Article 1.5. Seven committee members, and four alternates, were appointed to represent the community. The DMUSD 7/11 DAC met twenty-two times between May 2009 and January 2010 including three public hearings.

On January 13, 2010, the 7/11 DAC submitted their Final Report, which included valuable information about the District's sites, specifically about space available and recommendations from the Committee concerning location of district office facilities.

***It is recommended that the Board rely on the Final Report of the 7/11 DAC to make a decision in an expeditious manner to ensure that the process of relocating District services moves forward as quickly as possible.***

## **RECOMMENDATION OF THE SUPERINTENDENT:**

### **PURCHASE A RECOMMENDED PROPERTY**

1. The current real estate market provides a prudent opportunity to invest in property.
2. Once a property is identified and tenant improvements are complete, funds in excess of the available \$8.3m in the Special Reserve for Capital Outlay may be used for future childcare facilities. This would make available up to \$1.7m in reserves in the Enterprise Fund for transfer to the General Fund where they can be used for operating expenses and budget deficit reduction. Excess funds could also be used to relocate the employee preschool.
3. The purchase of property responds to the concerns of school communities regarding school reconfiguration or closure.
4. Acquisition of a facility dedicated to district services would accommodate most, if not all, of the District's current departments in one location.
5. The resolution of where to locate district office facilities will allow district staff to focus more fully on the students' instructional program.
6. A facility dedicated to district office services will provide a focal point for school support services and community needs.
7. The Employee Childcare program will relocate to a school site. This may require the addition of one relocatable classroom.

**ALTERNATIVES TO THE SUPERINTENDENT'S  
RECOMMENDATION:**

***LEASE SUITABLE OFFICE SPACE AND CONTINUE TO INVESTIGATE  
PROPERTY FOR SALE.***

1. Lease of property on a short-term basis would allow the District to further investigate suitable property for purchase as a long-term investment. However, this may result in an increased purchase price at a later date as the economy improves.
2. Lease payments are required to be expended from the General Fund, reducing resources available for instructional programs.
3. Additional moving costs will be incurred to move District Office staff more than once.
4. The Special Reserve for Capital Outlay funding would be expended for tenant improvements that the District Office would be able to utilize only temporarily.
5. The District earns interest on the Special Reserve for Capital Outlay at the San Diego County Treasury Pool rate. If the funding were invested in real property, the District could continue to experience a return on the investment.
6. To minimize moving costs and disruption of District services, the District can formally request an extension of the current lease with the City of Del Mar pending mutually advantageous terms.

***CO-LOCATE THE DISTRICT OFFICE AT A SCHOOL SITE (Ashley Falls, Carmel Del Mar, Del Mar Hills, Torrey Hills) ACCORDING TO  
RECOMMENDATIONS IN THE 7/11 FINAL REPORT***

1. It is important to locate District Office services together for the following reasons:
  - a. A united District Office provides a single point of contact for the public. Parents, employees, vendors and others may need to see individuals in more than one district office department and would have to travel to different locations. Confusion and inconvenience to the public would result.
  - b. Communication, coordination, and productivity between District Office departments would be severely hampered if departments were not located in the same location. Human Resources, Business Services, and Instructional Services Departments (These departments also include Technology, Pupil Services, Special Education, and Child Care Programs) interact continuously each day. All departments require

access to records and documents maintained by other departments.

- c. Crisis response and disaster preparedness require an incident command center away from school sites in case of emergency. Staff would need to have information available in one location as was the case for the San Diego County Office of Education during the fires in North County.
2. Safety and space issues would impact the school site.
    - a. District office employees and visitors to departments would need dedicated parking on already crowded school parking lots.
    - b. Separate entrances and/or fences for office staff and vendors would need to be erected at extra cost to the District to keep department visitors off the schools' campuses for the safety of children.
    - c. Co-location of District Offices on a school site may be difficult because of the lack of availability of adequate space for all District Office services.
  3. This alternative does not respond to the concerns of the majority of parents and community members from whom the 7/11 Committee heard during three Public Hearings.
  4. The current timeline for re-locating the District Office facilities is just over one year if the Board makes its decision by February 2010. The current lease ends May 15, 2011. Extension of the timeline would result in funds expended from the General Fund for additional leasing fees. Other costs would be incurred by state and city regulations that may impact a co-location at a school site.
  5. Obstacles, which could significantly delay the process of co-locating on a school site:
    - a. City of Del Mar or City of San Diego Zoning regulations/requirements/general plan
    - b. Coastal Commission approval
    - c. California Environmental Quality Act regulations
    - d. Possible Mello-Roos restrictions on funding
    - e. Possible Joint Use issues.