



## MEMORANDUM

**TO:** Board of Education  
Santa Barbara Elementary School District  
Santa Barbara High School District

**THROUGH:** J. Brian Sarvis, Ed.D., Superintendent

**FROM:** Peter Smirniotopoulos  
Vice President – Development, UniDev, LLC  
Senior Project Manager

**DATE:** 15 December 2005

**RE:** **Report No. 2 on the Status of the UniDev Feasibility Analysis**

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### INTRODUCTION

This is the second in a series of monthly written reports the UniDev Team is providing to the Board of Education of the Santa Barbara Elementary School District and the Santa Barbara High School District (the “School Board” and, collectively, the “School Districts,” respectively), regarding the status of the Feasibility Analysis for the School District’s Hidden Valley and Tatum properties. This written report is provided for information purposes only, as part of the Board Briefing from the Superintendent. The UniDev Team anticipates making an oral presentation to the School Board at its regularly scheduled meeting on January 24<sup>th</sup>, to report on the outcome of the Internal Demand Analysis (described below).

### BACKGROUND

The overarching goals of the Feasibility Analysis are (i) to provide greater fiscal stability to the School Districts by supplementing existing revenue sources, thereby allowing the Districts to continue and/or expand high quality educational programs available to the student body; and (ii) to explore options for providing reasonably priced, high-quality housing for the School Districts’ staff, to assist with the recruitment and retention of the best-qualified employees available.

In order to satisfy these dual goals, the Feasibility Analysis will consider four disposition options for each of the two sites:

- A. An “as is” sale, without development entitlements;
- B. Sale after securing development entitlements (i.e. sale of “fully entitled” land);
- C. Development as workforce housing, with a revenue stream to the Districts;  
and
- D. Development and sale of high-end, market-rate housing.

The UniDev Team’s recommendations regarding each of these four disposition options will flow from the analytical approach outlined in the proposal submitted to the School Districts in response to the public procurement process through which UniDev was selected. That analytical process, in turn, will be informed by methodologically sound research and analysis, the collective real estate development and financial expertise of the UniDev Team members, and regulatory and community input to be collected throughout the Feasibility Analysis process.

The Feasibility Analysis Final Report will not make any recommendations regarding any of the four disposition options; rather, it will quantify each option so that the School Board may make a fully informed decision. Once the Feasibility Analysis Final Report has been delivered, the School Board will be able to begin deliberating on the four disposition options presented in that report, as well as any other possible options, such as retention of one or both properties for the future construction of school-related facilities in the near or long term.

#### UPDATE ON THE FEASIBILITY ANALYSIS PROCESS

Since the delivery of Report No. 1 dated November 4, 2005, and UniDev’s oral presentation to the School Board on November 8, 2005, UniDev and the Working Group have been focused almost exclusively on designing and implementing the Internal Demand Analysis component of the Feasibility Analysis. Additional time has been devoted to refining the community outreach process, particularly with regard to scheduling and organizing a series of Community Forums. The status of these endeavors is summarized below.

**Internal Demand Analysis.** On Friday, December 9<sup>th</sup>, UniDev staff and members of the Working Group distributed a written survey instrument (the “Survey”) to each employee of the Santa Barbara School Districts. Completed Surveys are expected to be returned by Friday, December 16<sup>th</sup>, in sealed collection boxes placed in each School Districts facility for that purpose.

The production and distribution of the Survey is the culmination of an eight-week process that began on October 14<sup>th</sup> with an introductory meeting between UniDev staff and School Districts’ human resources personnel; included a series of targeted Focus Groups held in mid-November with School Districts’ employees; and concluded with testing a final draft of the survey instrument on December 7<sup>th</sup> with a cross-section of

the School Districts' employees (as recommended by School Board member Dr. Robert Noel, who served as an adjunct member of the Working Group on the Internal Demand Analysis) prior to finalizing the survey instrument for production and distribution.

An extensive Focus Group Report and the Survey distributed to all School Districts' employees are included as attachments to this Report No. 2. UniDev expects that the collection, data entry and compilation, analysis, and summarization of the Surveys will be undertaken and completed during a three-week period that concludes on January 8, 2006. UniDev staff will make a presentation to the School Board, at its regularly scheduled meeting on January 24<sup>th</sup>, to report on the outcome of the Internal Demand Analysis including, among other things, the results of the Survey. At that time, UniDev will also report to the School Board on the status of other components of the Feasibility Analysis.

**Public Outreach.** UniDev and the Working Group have continued to work out the process by which the UniDev Team proposes to engage all potential stakeholders and members of the general public in a dialogue about the School Districts' disposition options for the Hidden Valley and Tatum sites. Since the last report to the School Board, this effort has been focused primarily on organizing and scheduling a series of Community Forums. Although UniDev is waiting to receive final confirmation from the School Districts regarding dates, times, and locations, the tentative schedule for the Community Forums is as follows:

Thursday, February 2nd (evening), Adams Elementary School

Saturday, February 4th (morning), San Marcos High School

Monday, February 13th (evening), Santa Barbara Junior High School

Although it is not yet finalized (pending confirmation of the foregoing schedule), the most current draft Work Plan contemplates that the Feasibility Analysis Draft Report will be ready to be delivered to the School Board some time during the week of March 13th or March 20th. The Working Group has discussed with the Executive Committee the utility of having the School Board receive the draft report in a special Work Session scheduled expressly for that purpose, to be followed by a public hearing to elicit additional public input beyond what has been offered through the Community Forums. If the Board is amenable to this approach for eliciting additional public input, we will need to know the date on which the School Board would like to schedule that Work Session, prior to the commencement of Spring Break, so that the proposed Work Session and Public Hearing can also be integrated into an updated version of the draft Work Plan.