

**BOARD OF EDUCATION** Attachment: Discussion 12

**PALO ALTO UNIFIED SCHOOL DISTRICT** Date: 01.31.12

TO: Board of Education

FROM: Kevin Skelly, Superintendent

SUBJECT: Board Update Regarding District and City Cubberley Conversations

**Strategic Plan Areas: Budget Trends and Infrastructure  
Governance and Communication**

## **BACKGROUND**

At its July 11, 2011 Palo Alto City Council meeting, Council members passed a motion directing the city manager to establish a process for discussions regarding the future use of the Cubberley site and adjacent properties with the Palo Alto Unified School District and return to the City Council. Since that Council meeting, District staff and city officials have met to discuss next steps. The City Council met on November 2, 2011 to discuss this topic and the Palo Alto Unified School District School Board discussed this item again on November 8, 2011.

Over the past several months, the Technical Advisory Group on Cubberley (made up of the Palo Alto City Manager, the Assistant City Manager, Dr. Golton and myself) have met about once a month to discuss thoughts on Cubberley. The purpose of this agenda item is to give staff a chance to update the Board on these discussions, to gain the input of Board members on the composition of the Citizen's Advisory Committee on Cubberley and to hear from Board members regarding this important topic.

## **RECOMMENDATION**

This is a discussion item. Staff will share some thoughts from City staff and Council members regarding the composition of the Citizens' Advisory Council, receive input from Board members and discuss this committee.

### **Attachments**

- November 2011 - Staff Recommendation for a Process and Timeline Addressing the City's and Palo Alto Unified School District's (PAUSD) Interest in the Cubberley Campus and Adjacent Properties.
- Updated January – March 2012 Timeline
- Preliminary thoughts on some members of the Citizens' Advisory Council on Cubberley



# City of Palo Alto

## City Council Staff Report

(ID # 2249)

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Report Type: Action Items Meeting Date: 11/1/2011

**Summary Title: Cubberley Process**

**Title: Staff Recommendation for a Process and Timeline Addressing the City's and Palo Alto Unified School District's (PAUSD) Interest in the Cubberley Campus and Adjacent Properties**

**From: City Manager**

**Lead Department: City Manager**

### **Recommendation**

Staff recommends that Council discuss the Cubberley process proposed by the City Manager and adopt a process and timeline.

### **Executive Summary**

A lease and agreement executed almost 25 ago years has provided for Cubberley's continuous community use. The Cubberley campus houses many existing uses and constituencies in buildings owned by the City and the School District. These uses provide important benefits including the community's use of the playing fields, child care, art studios and non profit spaces. The lease and agreement will expire in 2014 unless the option is mutually agreed to by both the City and the School District. The School Board's recent action that it needs all of the property at Cubberley, has thrown the City and the District (and by extension the community) into definitive scenario planning for Cubberley over the next 14 months, as recommended by staff. This report proposes a process and timeline for addressing these challenges

### **Background**

At the City Council meeting of July 11, 2011, Council considered Foothill/DeAnza Community College District's proposal to purchase the City owned eight acre site, a part of the 35 acre Cubberley campus. While Council declined Foothill/DeAnza's offer to purchase the City's eight acres and build an education center, Council directed staff to propose a process to manage the discussion between Palo Alto Unified School District (PAUSD), the City, Cubberley stakeholders and the community at large for the future of the Cubberley campus. This report provides staff's recommended process for initiating and continuing a joint discussion between PAUSD, the City

and the community.

Council's July 11<sup>th</sup> action also included specific staff direction for the exploration of several Cubberley related land use, community service and financial issues including the following issues and questions:

1. Sharing of Costs with PAUSD for site planning and needs assessments.
2. Potential re-development of the City's 8 acres to accommodate community uses.
3. Should the City and District extend the lease beyond the December 2013 lease renewal deadline?
4. What is the future for joint use of the playing fields should the lease not be extended?
5. What are the implications of terminating the lease and covenant not to develop, particularly financial impacts to City and PAUSD of the \$7.06M the City is currently paying the district for Fiscal Year 12?

## Discussion

### 1. Collaborative PAUSD and City Process and Timeline on Cubberley:

Staff proposes an initial 14 month process which anticipates reaching City and PAUSD consensus on a Cubberley Master Plan by the end of 2012. Such a Master Plan may include alternative scenarios.

The process would involve a Technical Advisory Committee, a Policy Advisory Committee, and a Community Advisory Committee. .

**A Technical Advisory Committee (TAC)** working group will be established, co-chaired by the City Manager and Superintendent, focusing on developing the technical foundations for eventual policy decision making. TAC members would also include City departmental representatives including Community Services, Administrative Services, Planning, Attorney's Office and Public Works, and their PAUSD counterparts.

Much of the TAC's work will occur early in the process and will establish the technical foundations necessary to eventually develop and evaluate preliminary use scenarios. The School District's facility growth needs as well as the City's community cultural, social and recreational demands will be quantified during this initial phase. The TAC will most likely require some technical expertise not available within the existing organizations. This could include, for example, architecture and site planning, construction cost estimating and space planning. In addition to completing the data collection and analytical work, the TAC will also

identify some general scenarios to assist in focusing subsequent planning discussions.

**Estimated Timeline: November 2011 to March 2012.**

**A Policy Advisory Committee (PAC)** is proposed to be comprised of two PAUSD Boardmembers and three City Councilmembers appointed by the Mayor and Board President. The Committee's work will be advisory to each's respective Board and Council. Staff envisions the PAC's work to begin soon after the completion of the staff's foundational work in March 2012. Staff envisions the PAC working under guiding principles adopted by the City Council and the School District. Operating withing the guiding principles, the PAC will provide general policy direction to staff to assist in the development of possible use/re-use strategies the TAC will be working on over the rest of 2012. The PAC members will also serve as intermediaries between the respective governing bodies and staff and will be expected to report back to the Council and the Board. The PAC's mission will be to forward a recommendation to the Council and Board for a Cubberley Scenarios Master Plan.

**Estimated Timeline: April 2012 to January 2013**

**A Community Advisory Committee (CAC)** will be a cross section group of community stakeholders (15 to 20 members). For example, the CAC could have representatives from adjacent neighborhoods (i.e. Greenmeadow and Charleston Terrace), city-wide groups such as PAN, Charleston Plaza, PTAs, Cubberley tenants, recreation users and sports leagues, and liaison members from appropriate City and School District boards, commissions and committees.

The CAC's principle function will be to provide feedback to staff and the PAC on use/re-use scenarios. Initial ideas will be drafted and tested with community members to help refine concepts to a point where a consensus Scenarios Master Plan is developed and can be considered by the School Board and Council. The CAC is expected to work concurrently with the PAC schedule.

**Estimated Timeline: April 2012 to January 2013**

# Joint City/PAUSD Cubberley Timeline

2011  
Nov

2012  
March

2013  
January

2013  
Dec

Technical Advisory Committee:  
Build Technical Formulations,  
Identify Data & Needs, Develop  
Initial Scenarios. Includes timing  
factor

Complete data  
collection and  
general site  
planning  
constraints &  
opportunities

Technical Advisory  
Committee; Policy Advisory  
Committee; Community  
Advisory Committee:  
Selects Scenarios, Test and  
Review Alternatives

Complete  
Master Plan  
Scenarios.  
Adoption

Lease Options Review (process  
and structure to be determined)

Decision  
on  
Renewal  
Options

## **2. Resources and Cost Sharing:**

As discussed above, specialized expertise not available with either the City's or School District's organization may be needed. Consulting services could include: architecture and site Planning, school and housing growth projections, and real estate appraisers. Staff's preliminary cost of all services could reach \$150,000. This level of funding includes the potential work throughout 2012 (not just during the initial technical period). Council's July 11, 2011 motion requested that costs be shared equally between the District and the City. The District has agreed to an equal sharing of these expenses.

## **3. Issues regarding re-opening Cubberley as school site (examples)**

**School Population Growth:** The Council's July 11 motion identified several key issues associated with the potential re-opening of the Cubberley campus as a PAUSD school site(s). The foremost of these questions concern school population growth and the size and number of additional facilities need to accommodate that anticipated growth. While PAUSD is working on refining its growth projections, a firm idea of future facility needs has not been established at this time and will be necessary.

**The City's 8 acres:** As the Council is aware, the City owns 8 acres of the Cubberley campus generally located on the north eastern corner of the campus. The District has the right to re-purchase the 8 acres only if the the City were to offer it for sale to another party. The City's 8 acres will be a significant element in addressing tenant displacement should the district require the remaining 27 acres for school facility expansion.

**525 San Antonio:** Since the Council's July meeting, PAUSD is in final negotiations to complete the purchase of the 2.5 acre site adjacent to Greendale School. Staff believes that 525 San Antonio is a important land asset that should be included in the overall Cubberley Master Plan efforts.

**Re-use or Rebuild:** The City has good estimates regarding Cubberley's long term maintenance needs, but very little research has been done to evaluate whether or not re-use or building replacement will be the most economically sensible options for re-use. Typically buildings of Cubberley's age and condition generally are substantially non-conforming and typically require substantial remodeling in order to come up to minimum present day standards. These are important issues if the City holds onto the 8 acres as a community center site. It is also important should the school district seek to acquire it at some point in the future.

## **4. The City's 8 Acres:**

It is unclear as to the District's need for the entire 35 acre site for school expansion. This should

be one of the first foundational issues for the staff team to clarify. If the City decides to retain its ownership of the 8 acres, and keep it in community use, the City will want to know how many of the displaced tenants can be accommodated. Are two story buildings needed? How can such costs be funded? This is true even for the growing maintenance costs of the existing facilities. The City will also want to know how two story buildings will be configured to maintain compatibility with the adjacent neighborhood.

## **5. Playing Fields:**

Over the term of the Cubberley lease, the City has enjoyed exclusive use of the extensive playing fields and other sports facilities on the site. Neighbors have grown accustomed to the access to these valuable resources. Sports and programmed recreation space is always a premium in Palo Alto. Therefore as significant questions must be addressed regarding the potential joint use of the playing fields should the District re-open schools. As the Council is aware, the City and the District jointly use Middle School fields but the same arrangement does not exist for High Schools.

The Naylor Act protects playing fields and open spaces provided by School Districts when a school site is closed and offered for alternate uses or private development. The Cubberley site will not be subject to the Naylor Act if PAUSD takes back the site for school purposes and will only apply if the property is sold to a third party.

## **6. Lease Options (2013)**

The staff report suggests a two-stage process, with Cubberley Scenario Master Planning occurring through 2012 and a second stage on Lease Options beginning in 2013 (AFTER) the groundwork has been laid through actual scenario plans for the use of Cubberley. It seems that discussion of the lease renewal question will be best informed by completing scenario planning for Cubberley—to take discussions out of the realm of vague or theoretical, to more realistic and specific. At this point in time, staff recommends that Council defer decisions on the specific process and review structure until 2013.

Extension of the Cubberley Lease and Covenant beyond 2014 requires the mutual consent of the City and School District (practically) before the end of 2013. If the lease and covenant are terminated, the City would no longer be obligated to make its roughly (the lease payments are regularly adjusted for inflation) \$7.06M (Fiscal Year 12) annual payments to the District. The Council July motion indicated that lease money should be earmarked to support community and recreational services. Moreover, loss of lease payments represents a sizable budget reduction to PAUSD.

Questions the City may have concerning the continuation of the lease will include what alternate uses could the \$7.06M annual lease payments support in addition to community services. The Council may be aware that the Infrastructure Blue Ribbon Commission has

discussed the potential of directing the Cubberley money to support the City's infrastructure needs. The City may also question the need to continue to pay the District to not develop its current school sites, with the need for sites and future planning a key District concern today. Conditions have changed dramatically since the late 1980's when school population was in decline. Lastly, the City and the District will need to resolve the management of Cubberley on a temporary basis should the lease revert back to the District in 2014 before the District is not fully ready to rebuild the school facilities it may need in the future.

### **Resource Impact**

Staff impacts can be addressed at current staffing levels. However, an outside expert will need to be engaged at a cost of up to \$150,000.

Prepared By: Steve Emslie, Deputy City Manager

Department Head: James Keene, City Manager

City Manager Approval: James Keene, City Manager

# Updated January – March 2012 Timeline

## January

1/19/12: Staff meeting discussed:

- City-wide growth projections: City Planning Department will provide 2020 numbers to PAUSD
- PAUSD will update enrollment projections based on the City-wide numbers
- City and District agreed to have our site planning consultants collaborate on a joint proposal

1/27/12: Joint site planning consulting contract with Group 4 and Gelfand approved

## February

Early February: --Planning delivers 2020 growth projections to PAUSD  
--Scheduled Staff team meeting

Mid February: Scheduled Staff team meeting suggested agenda: Review conceptual site plans

Late February: Scheduled Staff team meeting suggested agenda: Review of Draft Guiding Principles

## March

Early March: Scheduled Staff team meeting suggested agenda: Finalize conceptual site plans and alternatives

Mid March: Scheduled Staff team meeting suggested agenda: Finalize recommended Citizens' Advisory Council

## Week of

3/26/12: Council/PAUSD:

- Update on staff team meetings
- Receives site planning alternatives
- Confirms Citizens' Advisory Council membership
- Approves Guiding Principles

## Preliminary thoughts on some members of the Citizens' Advisory Council on Cubberley

1. Greenmeadow HOA
2. Charleston Gardens HOA
3. South Palo Alto Neighborhoods
4. Charleston Plaza business owners
5. PTA's (High School, Middle and Elementary)
6. Cubberley Tenants
7. Recreation users
8. Sports leagues
9. Park and Rec Commission Liaison
10. Planning and Transportation Liaison
11. Bicycle Advisory Committee Liaison
12. Acterra (Environmental non-profit)
13. Sustainable Schools Committee
14. Palo Alto Partners in Education
15. Local senior citizen community
16. City School Traffic Safety Committee