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FREQUENTLY ASKED QUESTIONS

Regarding Evergreen College Surplus Land Development

WHAT'S GOING ON?

The San José-Evergreen Community College District (“District”) intends to enter into a long term ground lease with a developer for the approximately 27 acres of land adjacent to Evergreen Valley College (“Surplus Land”). The Surplus Land includes the old District Office site, the existing Police Academy as well as land which is currently not improved. The Surplus Land is adjacent to San Felipe Road and Yerba Buena Road. It is expected that the selected developer will, at its own cost, obtain land use entitlements for the Surplus Land and construct a mixed-use project which will probably include, among other uses, commercial office, retail, and/or multi-family rental housing. The selected developer will pay a substantial amount of rent to the District.

ARE THERE PLANS TO CLOSE EVERGREEN VALLEY COLLEGE?

No. A very unfortunate comment is being shared at community neighborhood association meetings and most recently during a Board of Trustees public comment session in which it was stated that there is a “*rumor that the Board of Trustees is planning to close Evergreen Valley College and build a campus in the city of Milpitas.*” This statement is both **not true and irresponsible** because it creates unwarranted fear in the hearts of current and future students and their families. In fact, the Board of Trustees has allocated nearly **\$211 million** dollars (\$65M Measure G, 2004 and \$146M Measure G, 2010 <http://cboc.sjebond.com>) to continue to expand EVC, modernize current facilities, address seismic concerns and build new “state of the art” facilities that will serve our students well into the 21st Century. We invite the community to come on campus to witness firsthand the level of construction going on. EVC is here to stay and will continue to serve its community.



WHY IS THE DISTRICT ACTING TO IMPLEMENT A SURPLUS LAND DEVELOPMENT PUBLIC/PRIVATE PARTNERSHIP?

“Fiscal Stewardship” is one of the primary responsibilities of Community College District governing boards. This stewardship and accountability function applies to both fiscal and capital resources. Community Colleges and institutions of higher education in general continue to face a decline in state and federal dollars. At no time was this situation more critical than during the most recent economic recession resulting in severe cutbacks to all community colleges in the system. SJECCD was no exception. Trustees engaged in a series of discussions and study sessions that resulted in a clear charge to staff to identify any and all means to decrease costs, maximize resources and to put in place mechanisms that would ensure future stability. One proven option and resource was the future development of surplus land to generate ongoing and sustainable revenues.

HAS A DEVELOPER BEEN SELECTED?

No. The District has passed a Resolution which has been published and posted which requests bids from the development community for the development of the Surplus Land. The sealed bids are to be delivered no later than April 14, 2015. The sealed bids will be opened at the District Board Meeting that evening. The bids received will be considered and accepted or rejected by the District thereafter. The process for requesting and accepting bids is set forth in the California Education Code. Prior to the approval of the Resolution to Request Bids; the District engaged in extensive public outreach and evaluation of the potential for development on the Surplus Land.

WHEN WILL A DEVELOPER BE CHOSEN?

The Board of Trustees of the District will consider bids from developers on April 14, 2015. The Board is not required to accept any bid. If a bid is accepted, the developer who submitted the bid will enter into negotiations with the District for a long term ground lease.

WHAT WILL BE BUILT ON THE SURPLUS LAND?

The exact nature of the project to be built on the Surplus Land is unknown. Each bid will likely contain unique proposals for the development and uses on the Surplus Land. The Resolution sets the minimum terms for each bid which includes the development of commercial office, retail and/or multifamily rental housing.

WHO WILL DECIDE WHAT IS BUILT ON THE SURPLUS LAND?

The City of San Jose (“City”) will review and approve all land use entitlements which are proposed by the selected developer. The District will have the right to approve the intended uses of the Developer but the City of San Jose will make the final decision on all such matters. The City has an extensive process for review and approval of land use entitlements. The City will review all environmental matters including but not limited to traffic and noise. The City will evaluate the proposed use in conjunction with the City’s adopted general plan and zoning for the Surplus Land. The City’s process includes the opportunity for numerous public meetings to discuss the project. The District also intends to have discussion of the proposed project at its open session Board meetings.

WILL ANY PUBLIC MONEY BE USED TO BUILD THE PROJECT?

No. Once the ground lease is signed, the selected developer will be responsible for all costs to obtain entitlements, to finance and construct development improvements, and thereafter operate the completed development.

WHAT ABOUT TRAFFIC AND NOISE?

Any potential impact of a proposed project on traffic and upon the adjacent neighborhoods will be studied carefully by the City in the context of the environmental review prepared on the proposed project in accordance with the California Environmental Quality Act (“CEQA”) as part of the land use entitlement process. That process will include ample opportunities for the public to provide input.

WHAT WILL THE DISTRICT DO WITH THE RENT IT RECEIVES?

The District anticipates that it will receive millions of dollars in rent pursuant to the ground lease. The exact use of the rent to be received by the District pursuant to the ground lease will be determined by the Board Trustees of the District in the future. The rent will be used to support the educational mission of the District and specific student success outcomes established by the State of California and the SJECCD Board of Trustees.

DOESN'T THE DISTRICT NEED THE SURPLUS LAND FOR MORE CLASSROOMS?

No. The District has carefully evaluated needs for classroom facilities in the near term as well as for the long term. There is plenty of space for the construction of new classrooms within the existing footprint of Evergreen Valley College which is approximately 130 acres. There currently exists excess classroom capacity on campus. Classroom buildings which are planned to be removed will be replaced within the existing footprint of Evergreen Valley College. The District administration is confident that the needs of Evergreen Valley College, now and in the future, will be easily met without the use of the Surplus Land.

WHAT WILL HAPPEN TO THE EXISTING POLICE ACADEMY?

The Police Academy intends to relocate to a new facility in the near future.

WHAT WILL HAPPEN TO THE OLD DISTRICT OFFICES?

The old District offices are mostly vacant at this time. The old District offices needed substantial repair and renovation the cost of which was going to be very high. The District evaluated several options with regard to the location of its District offices and in 2014 acquired a building in downtown San Jose at a cost substantially below the cost to renovate and repair the old District offices. The old District office buildings will be demolished as part of the new proposed project.



WHAT WILL HAPPEN TO THE EXISTING SHOPPING CENTER AT THE CORNER OF YERBA BUENA ROAD AND SAN FELIPE ROAD?

The existing shopping center is located on land owned by the District. The District leased the land to a developer pursuant to a process identical to the process being used today for the Surplus Land. The existing shopping center will continue to operate. The shopping center has been well received by the community, has been a good neighbor and it is the hope of the District that it will continue to operate successfully.

DOES THE EXISTING SHOPPING CENTER PAY PROPERTY TAXES?

Yes it does. The owner of the shopping center pays a possessory interest tax every year which is assessed and valued by the County Assessor in the same way as a property tax. The revenues from the possessory interest tax are received by the County and treated in the same way as a typical property tax.

WHEN WAS THE LAND FOR EVERGREEN VALLEY COLLEGE ACQUIRED AND WHERE DID THE MONEY COME FROM TO ACQUIRE THE LAND?

The land was acquired by the District pursuant to a resolution by the Board of Trustees which was approved in 1967. Approximately 155 acres of land were acquired pursuant to this resolution and the land was acquired in increments between 1968 and 1972. The land was purchased using a variety of sources of funds including District reserves, community use revenue and state matching funds. There is no evidence to suggest that any bond money was ever used to acquire the land. A few acres of land were acquired by the District a number of years later.

CAN THE DISTRICT USE ITS LAND FOR COMMERCIAL PURPOSES?

Pursuant to Education Code Section 81360, the District may sell land or enter into a long term ground lease for land which is not or will not be needed by the District for school classroom buildings. The District has made the determination that the Surplus Land is not needed for school classroom buildings and is considering



entering into a long term ground lease for the Surplus Land with a developer which will generate substantial revenue for the District over a long period of time.

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