



## Board of Trustees Budget Committee

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### Discussion Material – June 21, 2018

#### **IV. A. Authority to Purchase Office Buildings**

1. Introductions
2. Overview of Properties (see map)
3. Goals for Property Acquisition(s)
  - a. District Use
  - b. SBCCD Space Needs & Analysis (see attached)
  - c. Financial Strategies
  - d. Short Term
  - e. Long Term
4. Roles (Broker/Legal Counsel)
  - a. Development of Terms/Offer Letter
  - b. Negotiations
  - c. Preparation of Purchase and Sale Agreement
  - d. Development of Board Resolutions and Agenda
  - e. Review of Due Diligence Materials
  - f. Coordination with Escrow and Review of Escrow Documents
5. Board Policy 6320 Investments and Effect/Interpretation
  - a. BP 6320 is silent on real estate investments. It does not expressly prohibit or allow real estate investments. If intended use of properties includes a District use (whether immediate or in the future), then the benefits from the income produced are arguably incidental. A resolution articulating this can be developed.
  - b. Note: It is not uncommon for districts to acquire income producing property.
6. Next Steps & Feedback from BBC

## Space Needs and Analysis Total Square Footage

Program/Operation	Location	Potential SQ FT*
District Support Services (DSS)	District office	15,000 - 15,500*
Technology & Educational Support Services (TESS)	Redland Annex	5,000 – 5,500*
Print Shop	Redlands Annex	5,000 – 5,500*
Economic Development & Corporate Training (EDCT)	PDC and ATTC	14,000 – 14,500*
EDCT Foundation	San Bernardino Airport	2,600**
Makerspace	TBD	TBD

\* Includes potential growth for staff.

\*\*Actual leasing space at San Bernardino Airport.