

Meridian CUSD 'The Land' Fact Sheet

History: A parcel of land (138+ acres) adjacent to the property of the school was purchased by the Board of Education in 2008. The intent was to eventually use this parcel of land to build a progressive high school and vocational center to best support the needs of our students and community. This purchase was prompted as a result a quickly rising enrollment that was projected to continue. As a frame of reference, Stillman Valley High School currently serves approximately 580 students and is very near capacity. Some projections at the time had SVHS's enrollment increasing up-to and past 800 students, making the need for a new building even more imminent.

What is it: 138+ acres adjacent to SVHS.

Where is it: The property is adjacent to the high school and East of its current property boundaries. The majority of the land is tillable, but not entirely so.

How did the District acquire the land: The District bought the land through the sale of Working Cash Bonds. The Bonds were issued October 27, 2008 and were retired this fiscal year.

How much money did it cost: The purchase price of the land was \$2,150,000. In addition to the purchase, some land was gifted to the District by the Smeja Foundation.

What does it cost us currently: The land is currently bought and paid for – the District is expending no money on the land in the sense of a 'mortgage.' Additionally, taxpayers will not be spending any money to pay off the debt accumulated by the sale of Working Cash bonds. The final payment was this year in the amount of \$438,493.

What else should I know: The land is leased through an auction process to the highest bidder for use of the acreage. In the past, the District has gained minimally \$35,000 of revenue per year as a result of leasing this property.

Since the District is broke, why don't we sell the land: The answer is we are exploring any and all possibilities to increase our revenue stream, inclusive of evaluating whether or not to sell the land. However, two things are certain: a one-time influx of money will not solve the District's financial issues and selling now would certainly not show a return-on-investment. Additionally, as it stands the land serves as (a) revenue generator for the District and an asset in the case that there is ever a need for a new building as a result of enrollment increases or buildings falling beyond repair.

What steps are necessary to sell the land: First, a determination would need to be made as to how many acres would need to be protected from sale in the case a new building is ever needed. Next, an intense analysis of the land would need to take place to determine which subsection of land best meets the requirements necessary to build upon and how that impacts the remaining acreage. This process is led by an architect and would be a 'cost' to the District. After that process the findings would be reported to the Board of Education. By School Code, the Board should only act on selling the land if there is deemed no use for the property. The Board would need to approve the sale with a 2/3 majority vote which would be 5 of 7 Board members voting Yes. From that vote, the District would have 60 days to accept sealed bids on the property. The Board of Education would set a minimum price on the land and if it was not met a secondary process would commence. That process is more traditional in nature, where a broker (real estate agent) can attempt to furnish a deal. The Board, however, could not accept a price below the original minimum price set without additional actions taking place.