

October 1, 2003

TO: Members of the Citizens' Bond Oversight Committee

FROM: Thomas J. Donner
Executive Vice-President, Business and Administration

SUBJECT: Purchase of Real Property on Pearl Street
1738 Pearl Street, Santa Monica

The District purchased the first house on Pearl Street in 1976 and since then has acquired each house as it has come up for sale. Owning these houses has enabled the District to expand while creating a buffer for the neighborhood and provides for future opportunities if the City decides to close Pearl Street as a traffic mitigation measure. The District has maintained the residential appearance from the street in using the houses for a variety of non-instructional programs – campus police, international students, distance education, and the Eco House.

This purchase is in accordance with Measure U language to “improve or acquire real property” and is an appropriate use of those funds. The funding for the acquisition results from a reduction in the Bundy Campus (BAE) allocation

Following is information regarding the acquisition of the Pearl Street houses.

1718 Pearl St. (house currently used for College Police)
Date Purchased: 1976, Purchase Price: \$51,000
Square Footage: no paper work but approximately the size of other Pearl St. houses

1714 Pearl St. (house currently used for College Police Annex)
Date Purchased: March 1977, Purchase Price: \$70,000
Square Footage: Lot - 6,500; house - 1,075; garage - 369

1724 Pearl St. (house currently used for Distance Ed office)
Date Purchased: February 1977, Purchase Price: \$70,000
Square Footage: Lot - 6,500; house - 1,102

1734 Pearl St. (house currently used for International Student office)
Date Purchased: April 1977, Purchase Price: \$79,000
Square Footage: Lot - 6,500; house - 1,008; garage - 379

1744 Pearl St. (house currently used for Eco House)
Date Purchased: September 1993, Purchase Price: \$199,000
Square Footage: Lot - 6,500; house - 1,008; garage – 533

1825 Pearl Street (three apartments partially rented /KCRW Foundation)
Dated Purchased: May 18, 1998, Purchase Price: \$395,000
Square Footage: Lot – 6,159; building including garages 2,376

I negotiated a price with the owner based on recent sales and listings in Sunset Park adjusted for the savings of a sale by owner with no brokerage commission. The owner felt the price of \$700,000 was in the appropriate range. The purchase of this property will provide an opportunity for the District to move some of the non-student functions from the Student Services area and move the disabled students services from temporary buildings into in the complex housing Admissions, Financial Aid, EOP&S and Student Services administration.