

AGENDA

AD HOC COMMITTEE ON OFF-CAMPUS FACILITIES

Meeting: 8:30 a.m., Wednesday, November 13, 2002
Glenn S. Dumke Auditorium

Anthony M. Vitti, Chair
William D. Campbell
Debra S. Farar, Chair of the Board, ex-officio
Bill Hauck
Frederick W. Pierce IV
Charles B. Reed, Chancellor, ex-officio
Kyriakos Tsakopoulos

Discussion Items

1. California State University Fullerton El Toro Off-Campus Center, *Information*

AD HOC COMMITTEE ON OFF-CAMPUS FACILITIES

California State University, Fullerton Branch Campus at El Toro: Update on Property and Facilities

Presentation By

Milton A. Gordon
President
CSU Fullerton

Richard P. West
Executive Vice Chancellor and
Chief Financial Officer

Summary

California State University, Fullerton for some years has been examining ways in which access to State University programs can be assured for the expanding population of Orange County. These efforts have concentrated upon opportunities presented at the closed Marine Corps Air Station at El Toro. This initiative has had two dimensions: the relocation of the existing off-campus Center located on the Saddleback Community College campus and exploration of opportunities for the acquisition of a permanent site for a branch campus. A conceptual plan was presented to the Board at its January 23-24, 2001, meeting that outlined plans to meet short-term and long-term needs.

This agenda item reports on progress that has been made since January 2001 in establishing a new off-campus center facility and describes the process through which CSU Fullerton, on behalf of the Trustees, may permanently acquire a portion of the El Toro base.

Leased Facilities at El Toro

CSU Fullerton is well on the way to meeting its short-term objective of providing new, expanded and more centrally located facilities for its off-campus center. The increasing demand for student spaces at CSU Fullerton has been accommodated in great part by El Toro. For example, the campus found it necessary to close freshman enrollment at the home campus on March 1; and transfer enrollment was closed on April 6. Incoming transfer students applying after that date were given the opportunity for admission at the home campus, provided they began their work at El Toro. Enrollment prospects for 2003-04 appear to be repeating those for the current year and

portend a rapidly growing demand for programs at El Toro, assuming sufficient facilities are available.

Effective August 2002, the off-campus center previously located at Saddleback Community College in Mission Viejo was relocated to a leased facility at El Toro. The new branch campus building opened with an enrollment of 2,255 students or 862 full time equivalent (FTES) students. The El Toro facility is a 46,000 sq. ft. building constructed in 1988. It is leased from the Department of the Navy, which is currently managing the uses of the base pending final disposition of the property as described below. This lease is under terms similar to those first negotiated with the County of Orange and approved by the Board of Supervisors, the Local Redevelopment Authority (LRA) for El Toro. This was negotiated prior to the Supervisors' decision to cancel the County's master lease with the Navy as a part of the reassessment following defeat of the proposed airport initiative that the Supervisors had supported as the best use for the closed base.

The expected continued population growth in Orange County, especially its southern portion, the expansion of the Irvine Spectrum business center, the planned build-out of portions of the Irvine Ranch adjacent to El Toro and the limitations of the home campus to accommodate additional enrollments, indicate the potential for the El Toro branch campus to rapidly reach a level of 5,000 FTES, if facilities are available. It should be emphasized that these projections are for transfers, graduate and post-baccalaureate students, not for freshman and sophomore students.

Opportunity to Secure Permanent Site

For several years County officials planned for the location of a major international airport on the closed base. This proposal was the subject of several initiatives and legal actions. On March 5, 2002, Orange County voters approved Measure W by a vote of 58% to 42 %. This measure prohibits the use of the property for a commercial airport and calls for a variety of public uses including education, recreation, research and development, transportation and housing. The passage of this measure is the latest step in a long process that has included three previous measures and a number of court challenges. Immediately following the passage of Measure W, the Navy, as the owner of the property, announced that it would honor the provisions of the initiative, effectively ending consideration of the airport option by the Navy.

Historically, the base closure process has featured the conveyance of surplus property in whole or in part through a process in which public agencies such as universities may be conveyed property at no cost. Accordingly, in order to formally indicate its interest, CSU Fullerton, on March 6, 2002, filed with the U.S. Department of Navy and the U.S. Department of Education a preliminary Application for Conveyance of Surplus Real Property for Educational Purposes for

approximately 400 acres of the base. This request was up-dated in a submission dated June 14, 2002.

The Navy, however, has determined that it would not use a public conveyance process. A July 19, 2002, letter to President Milton Gordon from H.T. Johnson, Assistant Secretary of the Navy (Installations and Environment) states:

While your completed Application for a Transfer of Surplus Federal Property reflects much thought and consideration, we believe entertaining public benefit conveyances at this stage would hinder progress and fragment the property. Instead we plan to dispose of total property through well-established General Services Administration public sale procedures and to defer to the community to guide the redevelopment of the property, including for public purposes, through the entitlement process.

Subsequently, the Navy has proposed dividing the property into four to six parcels that will be put up for sale by the GSA. As a part of the planning process some 275 acres within one of the four to six parcels has been designated for education by the City of Irvine. It is this property that CSU Fullerton has expressed interest in acquiring on behalf of the CSU. It is anticipated that the successful bidder on the overall parcel would seek to deed the education-designated 275 acres to an institution such as the CSU since the land could not be used for other purposes as commercial or residential development. Any direct or in-kind payment will be the subject of discussions with bidder(s) prior to, and after, the bidding process concludes. It should be noted that the building currently under lease for the CSU branch campus is located within the 275 acres set aside for education. The 275 acres is also the location of most of the buildings at El Toro that are adaptable for educational purposes.

At this stage, all parties at the County and City levels have recently expressed support for CSU Fullerton, on behalf of the Trustees, taking the lead to acquire the acreage designated for education. This is a continuation of the expressed intent under the various airport alternatives considered in the EIR/EIS process that some acreage be designated for educational purposes with CSU in mind. Indications are that the Navy is supportive of a plan that would have CSU Fullerton occupy a portion of the base.

Anticipated Timeline

According to available information, it is anticipated that the Navy will hold an open house for prospective developers shortly after January 1, 2003. Actual bidding by developers is anticipated to begin approximately March 1. Decisions on successful bidders by the Navy would occur in the spring with actual transfer of title no earlier than mid-summer 2003, if not later. The sale will not be completed until the City of Irvine successfully annexes the property, most of

Ad Hoc Off Campus Facilities
Agenda Item 1
November 12-13, 2002
Page 4 of 4

which is currently outside the city limits but within its sphere of influence. This annexation will affirm the land use requirements imposed by the city of Irvine. Final annexation decisions will be made following completion of an EIR of the overall property by the city of Irvine and review by the County's Local Agency Formation Commission (LAFCO).

During the coming months, the campus will closely monitor the process and, as appropriate, work with developers to assure that California State University and CSU Fullerton's interests are well understood. We will keep the Board apprised as progress occurs.