

AGCS Special Governance Council Meeting
Monday, June 30, 2025

Members: Matt, David, Kate, Sara (Geri absent)

Staff: Tim, Stephanie, Kathy Yager

Guests: Real Estate Broker (Scott Pesch) & intern (Jerry)

Call to Order: 10:45 am

Review Agenda

Public Comment / Correspondence / Communication

Discussion / Information / Action

Information and discussion regarding the potential facility purchase of 4325 Broadway, Eureka, CA

- Buildout plans
 - Full buildout (Approx. \$9 million)
 - 3/5 buildout (Approx \$7 million)
 - Current buildout plan
 - Currently \$4.7 million (\$250 square foot)
 - Would almost double square footage
 - Would almost double classroom and office spaces
 - Discussion about restrooms, group work areas, meeting rooms, tech office, kitchen, etc.
 - Large empty space could be temporarily rented out or left unfinished for future buildout in phases
 - Scott emphasized the need to “control what we build to make sure we can afford it.”
 - Architects \ builders are reworking plans to see if they can bring the cost of construction down to approximately \$3 million. We should receive new estimate in about 1-2 weeks.
- Finances
 - Loan
 - Option 1: One loan to cover everything
 - Option 2: One loan purchase the building, another loan to cover construction. The construction loan would be interest only until we left current building.
 - Grants can be used to cover certain aspects of current buildout plan (Kitchen, etc)
 - The \$40K to \$50K spent in due diligence is justified, well spent, and was included in the budget.
 - The contract allows us two 30 day extensions for \$15k each.
 - Choice
 - If we chose to backout, we receive back the \$60k deposit. We would not receive back the money spent in due diligence.
 - If we chose to extend for 30 days, it would cost \$15k. If, during 30 days, we chose not to go forward, we would receive back the \$60k deposit, but not the extension fee of \$15k or money spent in due diligence. If we chose to go forward, the extension fee of \$15k would be applied towards purchase price.
- Student Enrollment
 - To maintain current budget and the cost of purchase \ construction, we need approximately 600 students.
 - Projections are realistic for us to reach 600 students in 5-7 years.
 - It would be at least one year before construction is complete and we could move in.
 - Until we reach 600 students, the budget would be tight, but manageable according to DMS.

- AB84

- If approved, AB84 would provide additional financial stress on our school, even if we decide not to purchase the new building.
- We should know if AB84 will become law within 2-3 weeks.

Adjourn to Closed Session- 12:15 pm

Discussion about real estate purchase

Return To Open Session – 1:15

Results Of Closed Session

Resolution to approve 30 day extension for \$15,000.

Adjourn 1:20

Approved: 9/9/25