

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
  - o Full buildout (Approx. \$9 million)
  - o 3/5 buildout (Approx \$7 million)
  - o 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
  - o 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.
  - o Grants can be used to cover certain aspects of current buildout plan (Kitchen, etc)
  - o The \$40K to \$50K spent in due diligence is justified, well spent, and was included in the budget.
  - o The contract allows us two 30 day extensions for \$15k each.
  - o 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
  - o To maintain current budget and the cost of purchase \ construction, we need approximately 600 students.
  - o Projections are realistic for us to reach 600 students in 5-7 years.
  - o It would be at least one year before construction is complete and we could move in.
  - o Until we reach 600 students, the budget would be tight, but manageable according to DMS.

- AB84
  - o If approved, AB84 would provide additional financial stress on our school, even if we decide not to purchase the new building.
  - o 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**