

San Marino Area News & Information

School District Pondering Sale of Stoneman

Might Have Offer From A Buddhist School; City Wants to Make A Bid.

SAN MARINO NEWS

[By Mitch Lehman](#)

The San Marino Unified School District is exploring the option of putting Stoneman School up for sale, a revelation that attracted a standing-room-only audience at Tuesday night's twice-monthly board meeting.

According to multiple sources, the district has received an offer for Stoneman from a Buddhist school that would pay the SMUSD \$8 million for the three-acre parcel, but Superintendent Gary Woods yesterday told The Tribune there has been no formal discussion.

The school board addressed the matter at Tuesday's meeting, beginning with a review of recommendations from a Stoneman Task Force that was created by the board in September, 2008 to research options for the building that has not been used as a fully occupied elementary school site for more than twenty years.

Kevin McDonnell, who chaired the committee, reiterated the group's findings first reported on December 9, 2008 that the district should keep the property but increase lease revenue to at least \$500,000; sell the property to the City of San Marino or exchange with the city for another parcel; or sell Stoneman to a developer. McDonnell addressed state law, which limits how the district can use monies collected from a sale of land to capital expenditures or deferred maintenance. The district is facing a \$5 million deficit for the 2010 – 11 school year and forecasts a shortfall of at least that amount for the two years following.

Sitting in the back of the room was San Marino Mayor Dennis Kneier, who said yesterday the city has made overtures to the district for the purchase of Stoneman, but the two groups have yet to come to agreement on a price.

"The city's position is we would welcome the opportunity to acquire Stoneman School," Kneier said. "We have currently engaged an independent appraiser to value the property. We have asked him to get his report to us as quickly as possible and we expect to have it within the next three weeks."

Kneier further said the city has met with School Board President Dr. Jeng Yen and Board Member Chris Norgaard and the city expressed interest in buying Stoneman "if the schools feel they need to dispose of it."

"We have made informal offers at or close to the school district's own appraisal price of the property," said Kneier.

Kneier told The Tribune the city is in possession of an appraisal that came from the school district and values the property at \$5.9 million. Kneier said the district told him "they feel their own appraisal is undervalued." Kneier also said the district told him they would entertain other offers or get a new appraisal.

"By the time this is done, there will be multiple appraisals on Stoneman," Woods said yesterday when asked about the \$5.9 million figure. "We think the \$5.9 million appraisal is outdated and not reflective of the current financial situation."

Kneier said that the city has sent a letter telling the district the city will get its own appraisal. He also reported that the city council has met in closed session “a half dozen times to discuss the feasibility and the steps necessary to acquire Stoneman.”

“The meetings will continue and we will continue to have dialogue with members of the school board.”

Kneier confirmed that the city has discussed an offer “at or around the \$5.9 million appraisal value” with the school district, but there has been no formal offer.

“We will wait to see the results of our appraisal,” Kneier continued.

At the board meeting, ten citizens pulled cards and most encouraged the district to sell Stoneman to the city, if it is sold at all.

“Keep it in the city,” said Robert Almanza of Granada Road. “The city will respect our standards.”

John Ryan said “Stoneman School is a district asset, also a community asset. Selling it to anyone other than the city is not acceptable.”

Fred Sohl said Stoneman “is a community legacy asset. If the district can’t afford the heirloom, find someone in the family who can,” referencing the city.

Caroline Holmstrom defended a mural that was painted on a kindergarten classroom wall decades ago by famed artist Lucille Lloyd.

“It’s a real treasure,” Holmstrom said. “Sell it to the city.”

The board then voted unanimously to retain a real estate consultant “in connection with ongoing implementation of task force recommendations, including future negotiations.”

“Do we want to sell Stoneman? No. Do we have a choice? Maybe not,” Board Member Nam Jack said during a comment section. “But we are \$5 million in the hole. We have 3,200 clients who need to be fully educated and a fiduciary duty to do our best in negotiation.”

“Our intention is to give the city every opportunity in this matter,” Woods said

Wednesday. “We’re going to make the decision that benefits our kids, and we hope the city is a part of it. We will let the selected consultant lead us down the path.”

McDonnell said at the meeting the board should dig in their heels and hold out for \$7 – 8 million.

Kneier said the city is “not going to pay \$400,000 – 500,000 per year to lease that property. That would price us out of the market for the kinds of recreation programs we are offering the community.”

Kneier also said the city had an agreement to increase the lease fee to \$178,000 (from \$172,000) but the district pulled the offer from the table.

“We want to pay a fair price, but let’s keep in mind that by the district’s own study, the facility needs about \$7 million in refurbishment and upgrades,” Kneier said. “Once we get our appraisal, we will decide what we can do financially. But I will be clear on this point: We have a responsibility to the citizens of San Marino to be prudent in any money that we spend and it would be irresponsible to overpay for anything, including Stoneman.”

Stoneman has been considered as a possible site for a community recreation center, plans for which have included at one time or another a swimming pool, gymnasium and meeting rooms.

The San Marino Recreation Department currently occupies approximately 13,500 sq. ft. of the 19,000 sq. ft. Stoneman campus, not including portable classroom that the city acquired from the district about three years ago. The majority of the classroom space is occupied by

a pre-school program and preschool related classes.

Two other classrooms are utilized for day care and KinderCare. One auditorium and other classrooms are also used regularly. The remaining space is used for administrative staff.

The exterior grounds serve as outdoor space for children's programming and classes.

The city has installed shade structures, a turf area for children's play, and benches throughout the campus. Under the existing arrangement, the city pays for its janitorial needs and the district pays for utilities and grounds maintenance.

"For seven years, Stoneman has been the safe haven for the Recreation Department," San Marino City Manager Matt Ballantyne said. "The partnership we have long enjoyed with the school district has made this all possible. Unfortunately, external factors such as the economy, the state's inability to exercise fiscal restraint, and the state's restrictions on school finances have caused both entities to evaluate the future ownership of this property, recreational programming as a whole, and most importantly, the future of our schools. The city is committed to retaining this community asset and has a vision for its future use. I am optimistic that both entities will develop an outcome that will be beneficial to all concerned."
