

NEWBURY PARK PROJECT



NEWBURY PARK PROJECT 2019 REPORT

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BRIEF HISTORY



- June 8, 1982 – Executive committee voted to conduct a feasibility study to determine best use of NPAA land resources.
- Nov. 16, 1982 – Voted to provide academy facilities and an attached elementary school for the Adventist youth of Ventura County. Financial assistance coming from the VOP building investment.
- Nov. 1, 1983 – Voted the new school facility be a K-12 school built on “flat pieces of property.”



- Jan. 10, 1984 – “Voted that the NPAA, Linda Vista Jr. Academy, and the Conejo Valley Elementary School be merged into one K-12 school on a site mutually agreed upon by the constituencies.”
- Feb. 25-26, 1984 – 55th Constituency Session voted:
 - 1) Executive committee be authorized to develop and implement plans for the best use of NPAA land.
 - 2) Executive committee be authorized to hire consultants and experts to help develop and sell the NPAA land.
 - 3) 85% of the funds generated from the land to be used for an educational endowment for membership of SCC.



- 55th Constituency delegates also voted – “the Conference committee be authorized to purchase a mutually-agreed-upon site and build a modest, energy-efficient, K-12 facility that will be owned by the SCC and leased to the Ventura Constituency.”
- Aug. 4, 1984 to June 20, 1989 – the Conference bought and sold three different parcels for the new school location. Constituents couldn’t agree on the “Beardsley” site location.



June 20, 1989 – Executive Committee voted:

- Locate the 9-12 NPAA on the back 349 acres of the NP land.
- Conejo Elementary school to also be located on the back 349 acres.
- Matching funds to Linda Vista school – the same amount as to Conejo Elementary.
- Ventura Estates to relocate on the back 349 acres.
- July 2, 1991 – plan presented to include 80 residential units to be added to the development.



- June 2, 1992 – Replacement costs for the schools – \$30M and land sale proceeds – \$40M.
- May 11, 1993 – Executive committee authorized administration to proceed with the development and sale of the NP land.
- Next 4 years spent obtaining entitlements and permits – \$5.5M.



- April 1, 1997 – Executive committee voted to obtain a \$10M loan from the General Conference for development costs.
- May 12, 1998
 - Voted to develop a plan that will insure NPAA up to \$485,000/year as the current school-generated income is lost due to the property divestment.
 - Voted to approve the plan as presented to Executive Committee.
- The NP Project was begun under the Ventura County regulations.



- Later, Newbury Park was annexed into the City of Thousand Oaks and was under the City's regulations which were more restrictive.
- It has been a very difficult process in working with the City of Thousand Oaks due to internal city politics regarding a strong "no growth" attitude among a majority of City Council members.
- July 31, 2002 – Voted to hire Ridgewood Associates as Developer of the NP Project.



2002-2008 – Ridgewood worked with the City of Thousand Oaks to:

- Eliminate 101 freeway improvements (\$15M savings),
- Revise SP 13 roadway improvements (\$4M savings);
- Relocate fire station site (\$2M savings);
- Wendy overpass – expenses to buyers (\$2.3M savings)
- Conejo Adventist Elementary new construction;
- Costco processing and approvals;
- North Campus proposals from Shapell, New Urban West, Generations;



2006-2011 – collapse of the residential and commercial real estate markets. Very few reasonable commercial real estate buyers available.

2009 – Costco withdrew after City approvals due to costs and market factors.

2010-2011 – processed Lowe's application. Lowe's withdrew after City approvals due to internal financial issues relating to market factors.



2012-2013 – commercial real estate market beginning to recover and qualified buyers are interested in the property.

2014 – negotiations ongoing with Lowe's; Sam's Club, Costco and City Ventures.

2015 – Lowe's moving forward; Sam's, Costco and City Ventures have fallen out. Looking at alternative uses for the North Campus.

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EXALTING
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FINANCIAL REPORT



Net Loss

As of December 31, 2014

Income – Net Land Sales		\$42,297,233
Expenses – Development		(\$39,128,876)
Net Gain From Development		\$3,168,357
Interest Expense		(\$16,844,455)
Other Non-Development Expenses		
–Properties Bought & Sold	(\$518,039)	
–NP Academy	(\$8,657,886)	
–Conejo Elementary	(\$1,429,078)	
		(\$10,605,003)
Net Loss		(\$24,281,101)



Projected Net Gain

Net Income – Land Sales	\$37,872,000
Expenses – Development	(\$7,892,335)
Gain on Completion	\$29,979,665
Project Balance December 31, 2014	(\$24,281,101)
Projected Net Gain	\$5,698,564



Cash Flow

Net Income – Land Sales		\$37,872,000
Expenses – Development		(\$7,892,335)
Projected Remaining Cash Flow		\$29,979,665
Conference Debt		
–Union	(\$9,687,261)	
–GC	(\$8,670,000)	
–Conference Advance	(\$12,792,898)	
Total Conference Debt		(\$31,150,159)
Cash Deficit		(\$1,170,494)

BUT LOOK...

Remaining Assets & Benefits	
Conejo Elementary	\$7,175,516
NP Academy	\$6,042,776
Net Gain From Development	\$13,218,272



- Internal advances will not be paid in full.
- No Educational Endowment, but
- All external loans and expenses will be paid.
- As of today:
 - Lowe's has signed an agreement on the VE Site. Escrow is scheduled to close later this year.
 - Looking at several new options for North Campus.
 - Project Report presented at each Executive Committee and each Asset Management Committee.

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CONCLUSION



- We have completed the Ventura Estates site (99%).
- We continue working on the North Campus sale.
- Please pray for God to impress the buyers.
- We will rejoice when this project is completed!
- Questions?