Investing in Our Schools:
History of Measures A & B
& Potential New Bond
Facilities Workshop
Special Board Meeting
July 13, 2010

Cindy Cathey, Superintendent
Song Chin-Bendib, Assistant Superintendent, Business Services
Mike Murphy, Director, Measure B & Bond Projects
Ruth Alahydoian, KNN Public Finance
Potential 2010 Bond

1) Summary of activities leading to a potential bond
   • Facilities Priorities
   • Previous Bond Measures
   • Remaining Unfunded Facilities Needs
   • Community Grassroots Efforts: San Leandro Sports Foundation

2) Site and district needs survey results
   • Results of perceived needs school site survey
   • Playground and playfield matrix

3) Campaign Committee Progress
Potential 2010 Bond

4) Tax rate information and assumptions (KNN Public Finance)

5) Potential site and district project list

6) Draft of bond language
   • Board Resolution
   • 75 Word Question

7) Bond timeline for November Ballot

8) Q&A

9) Board Direction to Staff
Facilities Priorities – Strategic Plan

District Master Plan Overarching Principles

- Priority 1 – Health, Safety, and Legal Issues
  - Non-compliance, seismic safety, etc.
- Priority 2 – Time Constraints
  - Projects which must be completed within a mandated timeline
- Priority 3 – Growth Issues
  - Assuring all students are housed and overcrowding relief
- Priority 4 – Programmatic Issues
  - Projects that accommodate programmatic changes such as Program Improvement Status
- Priority 5 – Cash Flow
  - Projects for which the constraint is available funds
Facilities Priorities – Strategic Plan

District Master Plan Modernization

- **Priority 1 – Health, Safety, and Legal**
  - Measure A – Seismic, ADA, and Fire Life Safety Retrofit

- **Priority 2 – Building Shell Integrity**
  - Measure A – Exterior Painting; Measure B - Reroofing

- **Priority 3 – Infrastructure and Utilities**
  - Measure A – SLHS Digital High; Measure B – Technology Local Area Networks and VOIP

- **Priority 4 – Classroom / Interior Renovations**
  - Measure A - Madison ES Modernization; Measure B – Paint, Lights, Priority Heating

- **Priority 5 – Renovation / New Construction for Educational Programs**
  - Measure A – Bancroft MS Shop Conversions and New Jefferson; Measure B – Fred T. Korematsu Campus & AEC

- **Priority 6 – Support Spaces for Educational Programs**
  - Measure A – Kitchens at Middle and High Schools; Measure B – Restroom Renovations

- **Priority 7 – Outdoor Spaces**
  - Measure A – New Play structures and Playground Renovations; Measure B – SLHS Open Space Project

- **Priority 8 – Athletic Program Support Facilities**
  - Measure A – SLHS Weight Training Portables

- **Priority 9 – Renovation / New Construction for Social Services**
Measure A
1997 Voter Approved $53.8 Million Bond
State matching funds expanded quality, scope, and facility longevity

$53.8 Million Bond
+ $33 Million State Matching Funds
$86.8 Million
Measure A

1997 Voter Approved $53.8 Million Bond plus $33 Million = $86.8 Million

- Initial 12-year schedule accomplished in 7 years
- Leveraged State Grants in excess of $33 million
- Projects completed
  - New San Leandro High School Science and Technology Wing
  - New John Muir Middle School Academic Wing
  - Bancroft Middle School Shop Renovation & Expansion
  - Minor modernization at nine school sites
  - District-Wide Seismic Upgrades

and...
Measure A

1997 Voter Approved $53.8 Million Bond
state matching funds expanded quality, scope, and facility longevity

Measure A

1997 Voter Approved $53.8 Million Bond
state matching funds expanded quality, scope, and facility longevity

Needs Not Included in Measure A

• Overcrowding at San Leandro High School
• Athletic Facilities
• Pacific Athletic Complex & Burrell Field
• Swimming Pool
• Technology
• Classroom Modernization
Measure B
2006 Voter Approved $109 Million Bond
State matching funds expanded quality, scope, and facility longevity

$109 Million Bond
+ $ 25+ Million State Matching Funds
$134+ Million
Measure B

2006 Voter Approved $109 Million Bond
state matching funds expanded quality, scope, and facility longevity

SLHS Fred T. Korematsu Campus to open August 25, 2010 – stay tuned for dedication ceremony in September, date to be announced.
Measure B

2006 Voter Approved $109 Million Bond
state matching funds expanded quality, scope, and facility longevity

Needs Not Included in Measure B

• Modernization
  • Classroom ceilings
  • Flooring
• Athletic Facilities
• Pacific Sports Complex & Burrell Field
• Swimming Pool
Facilities needs accomplished through Bonds A and B and remaining needs

<table>
<thead>
<tr>
<th>Bond</th>
<th>Needs Addressed</th>
<th>Needs Not Included</th>
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<tbody>
<tr>
<td>Measure A</td>
<td>• Health and Safety Retrofit</td>
<td>• Overcrowding at SLHS</td>
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<tr>
<td></td>
<td>• Re-open Madison Elementary School</td>
<td>• Athletic Facilities</td>
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<td></td>
<td>• Re-construct Thomas Jefferson Elementary School</td>
<td>• Burrell</td>
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<tr>
<td>Measure B</td>
<td>• Overcrowding at SLHS - 9th Grade Campus</td>
<td>• Swimming Pool</td>
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<td>• Technology</td>
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<td>• Classroom Modernization</td>
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<td>• Burrell</td>
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<td>• Swimming Pool</td>
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<td>• Modernization</td>
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<td></td>
<td>- Classroom ceilings</td>
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<td>- Flooring</td>
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</table>
Site & District Needs Survey Results

Ad Hoc Committee
Facilities & Technology Committee
City of San Leandro
Open House Survey (Community & Parents)
Principals
Roosevelt Dads Club
San Leandro Chamber of Commerce
2010 Bond Campaign Committee
Unfunded remaining Modernization Needs
# Informal Site Field Assessment

<table>
<thead>
<tr>
<th>#</th>
<th>Site</th>
<th>Marquee</th>
<th>Turf Condition</th>
<th>New Irrigation Needed</th>
<th>Notes</th>
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<td></td>
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<td>Electronic</td>
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<td></td>
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<td>Shade Structure</td>
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<td>Adjacent Park</td>
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<td>Play Field</td>
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<td>Sports Field</td>
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<td></td>
<td></td>
<td>Track</td>
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<td>2</td>
<td>Jefferson</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>BB courts, marquee on Lark</td>
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<td>3</td>
<td>James Madison</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>BB courts &amp; BB diamond</td>
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<tr>
<td>4</td>
<td>McKinley</td>
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<td>James Monroe</td>
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<td>BB courts &amp; BB diamond</td>
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<tr>
<td>6</td>
<td>Roosevelt</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>BB courts, project fit course</td>
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<td>7</td>
<td>Washington</td>
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<td></td>
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<td>Woodrow Wilson</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>BB courts</td>
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<td>9</td>
<td>Bancroft</td>
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<td>X</td>
<td>X</td>
<td>BB courts</td>
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<td>10</td>
<td>John Muir</td>
<td>X</td>
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<td>BB courts, standards need replacement</td>
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<td>Lincoln High and</td>
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<td>12</td>
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<td>13</td>
<td>San Leandro Adult School</td>
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</table>
Pacific Athletics Complex/ Burrell Sports Field
Existing Challenges

- Aging and Deteriorated – built in 1958
- Seasonal Use Due to Natural Turf
- Non-Compliance Safety Issues
  - Field turf conditions are not good
  - Handicap accessible does not meet current standards
  - Bleachers are unsafe
- New Sports Complex $16 million
San Leandro High School Pool
Existing Challenges

- Pending County Health Dept closure 2012
- Noncompliance & Safety Issues
  - Uneven & Deteriorated Pool Deck
  - Suspect underground piping condition
  - Handicap accessible does not meet current standards
  - Cold Water Showers
  - Outdated/inefficient Filtration & Chlorination systems

- New Swim Center $6.0 million
San Leandro Unified School District
November 2010 Bond Election

July 13, 2010
Authorization Amount

- The Board will ask voters to approve a maximum authorization amount.
- Tax rate associated with that authorization amount is only an estimate based on assumptions.
- The Board must determine the appropriate assumptions to use to determine an authorization amount.
- Regardless of whether assumptions are accurate or not, the authorization amount will not changed, once approved by voters.

**Assumptions Must Be Made Regarding:**

<table>
<thead>
<tr>
<th>1. Tax Rate Target per $100,000 AV</th>
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<tbody>
<tr>
<td>2. Interest Rate Paid on Bonds</td>
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<tr>
<td>3. Assessed Value Growth Year to Year:</td>
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<tr>
<td>2010-11</td>
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<td>2011-12</td>
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<td>2012-13</td>
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<td>2013-14</td>
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<td>2014-15 and thereafter</td>
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</table>
Assumption 1: Tax Rate

- Based on community input, the following tax rate assumptions are presented:
  - Assume a tax rate of $20 per $100,000 of assessed value
  - Assume a tax rate of $25 per $100,000 of assessed value

- Tax rates associated with prior bonds:
  - Measure A:
    - Original estimates: $37 per $100,000
    - Current estimates: $37
  - Measure B
    - Legal limit: $60 per $100,000
    - Current estimate: $50
Assumption 2: Interest Rate on Bonds

- Assume an interest rate of 5.50%
- Measure B assumptions: 5.25% - 6.00%
- District’s bond rates track the index “Bond Buyer 20” (BB20).
  - Current rate is 4.40%
  - 15 year average is 4.88%
  - 30 year average is 6.11%
Assumption 3: A.V. Growth

- Assume growth of 0% initially (2011-12), then 1%, 2%, and 3% starting in 2014-15 and thereafter.
- Measure B Assumptions: 5% for 2007-2020; 4% thereafter
- Up until last year, annual growth was positive:
  - 10 year average = 3.94%
  - 15 year average = 4.19%
Assumption 3: A.V. Growth (continued)

- Single family homes are 48% of the tax base. As homes are sold, assessed values are reassessed at the new sale price.
  - Current home sale prices are around 2001 levels.
  - Current total AV is at the 2006-07 levels.

Authorization Amount Based on Assumptions

- A tax rate of $20 per $100,000, depending on the interest rate assumption used, can support an authorization amount of $40,300,000.

- A tax rate of $25 per $100,000, depending on the interest rate assumption used, can support an authorization amount of $50,100,000.

<table>
<thead>
<tr>
<th>Tax Rate Assumptions</th>
<th>$20</th>
<th>$25</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>$40.3 Million</td>
<td>$50.1 Million</td>
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</tbody>
</table>
What Happens if Assumptions are Not Accurate?

- What happens if assumptions are too aggressive?
  - Tax rate must go higher than estimated and/or
  - Bond issuance is delayed.

- What happens if assumptions are too conservative?
  - Tax rate may be less than estimated and/or
  - Bond issuance is accelerated, and/or
  - Bonds are repaid sooner.
Draft Ballot Measure
75 Word Question

“To continue to improve and modernize its schools, renovate athletic facilities including Pacific Sports Complex / Burrell Field, replace the pool at San Leandro High School, enhance energy efficiency and promote safe, healthy schools for all students, shall the San Leandro Unified School District be authorized to replace, renovate, acquire and construct school facilities, and issue XXXX in bonds at legal interest rates with no funds for administrator salaries, conduct annual independent audits, and appoint an Independent Oversight Committee to monitor bond expenditures?”
San Leandro Unified School District
Bond Project List

The District will use bond funds for the following school facility projects:

District-wide modernization, safety and energy efficiency improvements.
Renovate and modernize Burrell Field.
Replace pool at San Leandro High School to conform to current safety requirements.
Provide solar or other renewable energy systems to conserve or lower the cost of energy.
Repair and improve athletic fields and related facilities.
Provide safe playground and outdoor structures.
Replace field irrigation and drainage systems.
Replace leaking and deteriorating roofs, windows and skylights.
Remove hazardous materials where necessary.
Provide other improvements to comply with access requirements of the Americans with Disabilities Act.
Furnish and equip newly constructed and renovated fields and facilities.
Perform site work as necessary in connection with new construction or renovation.
Upgrade and improve school safety and security.
Questions & Discussion...

...and Board Direction to Staff