

## MEASURE H

### COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE H

Upon approval of 55% of the votes cast by voters in an election, California law permits school districts to issue bonds, secured by the levy of ad valorem taxes on property within a district, for the purpose of construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities.

The Board of Education of the Santa Clara Unified School District proposes issuing bonds in the amount of \$81.1 million. As identified in the measure, bond proceeds would be used for upgrading and installing school fire safety and security systems; renovating and reopening closed school sites; improving or installing systems to reduce energy costs; acquiring sites for future schools; and expanding overcrowded schools by renovating and repairing outdated classrooms and adding classrooms as needed.

Proceeds of the bonds could not be used for teacher and administrator salaries or other school operating expenses. The District would conduct performance and financial audits, and appoint an independent citizens' oversight committee to ensure bond proceeds are expended as promised.

The District's best estimate of the tax rate to be levied to fund the proposed bond issue is \$16.40 per \$100,000 during the first fiscal year after the sale of the first series of bonds. The District's best estimate of the tax rate to be levied to fund the proposed bond issue is \$16.40 per \$100,000 during the first fiscal year after the sale of the last series of bonds. The District's best estimate of the highest tax rate that would be required to be levied to fund the bond issue is \$16.40 per \$100,000 per fiscal year of assessed valuation.

A "yes" vote is a vote to authorize the issuance and sale of the bonds in the amount of \$81.1 million to be secured by the levy of ad valorem taxes on property located within the district.

A "no" vote is a vote not to authorize the issuance and sale of the bonds in the amount of \$81.1 million to be secured by the levy of ad valorem taxes on property located within the district.

Miguel Marquez  
County Counsel

By: /s/ Steve Mitra  
Deputy County Counsel

## COMPLETE TEXT OF MEASURE H

### SANTA CLARA UNIFIED SCHOOL DISTRICT BOND PROPOSITION FULL BALLOT TEXT

By approval of this proposition by at least 55% of the registered voters voting thereon, the Santa Clara Unified School District shall be authorized to issue and sell bonds of up to \$81.1 million in aggregate principal amount to provide financing for the specific school facilities projects listed below in the Bond Project List, subject to all of the accountability safeguards specified herein.

The Bond Project List, which is an integral part of this proposition, lists the specific projects the District proposes to finance with proceeds of the bonds. Listed repairs, rehabilitation projects and upgrades will be completed as needed. Each project is assumed to include its share of costs of the election and bond issuance, architectural, engineering, and similar planning costs, construction management, and a customary contingency for unforeseen design and construction costs. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed.

### ACCOUNTABILITY MEASURES

The provisions in this section are included in this proposition in order that the voters and taxpayers of the District may be assured that their money will be spent to address specific facilities needs of the District, all in compliance with the requirements of Article XIII A, section 1(b)(3) of the State Constitution, and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at section 15264 et seq. of the California Education Code).

**Evaluation of Needs.** The Board of Education has updated its Facilities Master Plan in order to evaluate and address all of the facilities needs of the District, and to determine which projects to finance from a local bond at this time. The Board of Education hereby certifies that it has evaluated safety, class size reduction and information technology needs in developing the Bond Project List.

**Independent Citizens' Oversight Committee.** The Board of Education shall establish an independent Citizens' Oversight Committee to ensure bond proceeds are expended only for the school facilities projects listed in the Bond Project List. The committee shall be established within 60 days of the date when the Board of Education enters the results of the election in its minutes.

**Annual Performance Audit.** The Board of Education shall conduct or cause to be conducted an annual, independent performance audit to ensure that the bond proceeds have been expended only on the school facilities projects listed in the Bond Project List.

**Annual Financial Audit.** The Board of Education shall conduct or cause to be conducted an annual, independent financial audit of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed in the Bond Project List.

**Annual Report to Board.** Upon approval of this proposition and the sale of any bonds approved, the Board of Education shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the Superintendent shall cause a report to be filed



COMPLETE TEXT OF MEASURE H - Continued

with the Board of Education no later than January 1 of each year, commencing January 1, 2012, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as the Superintendent shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.

BOND PROJECT LIST

The District intends to complete the following projects at District schools and facilities using a combination of funding sources. It is anticipated that bond proceeds will contribute \$81.1 million to said total cost. Other anticipated sources include joint-use funds, development impact fees, and other available funds. Unless otherwise noted, the following projects are authorized to be completed at each or any of the District's school sites.

The specific projects to be funded by the bond include the following:

- 1. Upgrade and install school fire safety and security systems;
- 2. Renovate and reopen closed school sites;
- 3. Improve or install systems to reduce energy costs;
- 4. Acquire sites for future schools;
- 5. Expand overcrowded schools by renovating and repairing outdated classrooms and adding classrooms as needed.

ADDITIONAL SPECIFICATIONS

**No Administrator Salaries.** Proceeds from the sale of Bonds authorized by this proposition shall be used only for the construction, reconstruction, rehabilitation, or replacement of school facilities on the Bond Project List, including the furnishing and equipping of said school facilities, or the acquisition or lease of real property for said school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

**Single Purpose.** All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, pursuant to section 15100 of the California Education Code, and all the enumerated purposes shall constitute the specific single purpose of the bonds and proceeds of the bonds shall be spent only for such purpose.

**Other Terms of the Bonds.** When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum, and that interest will be made payable at the time or times permitted by law. The bonds may be issued and sold in several series, and no bond shall be made to mature more than 25 years (if issued pursuant to the provisions of the California Education Code) or 40 years (if issued pursuant to the provisions of the California Government Code) from the date borne by that bond.

TAX RATE STATEMENT

An election will be held in Santa Clara Unified School District (the "District") on November 2, 2010, to authorize the sale of \$81.1 million in general obligation bonds. The following information is submitted in compliance with Sections 9400-9404 of the California Elections Code.

- 1. The best estimate of the tax rate that would be required to fund this bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$0.016 per \$100 (\$16.40 per \$100,000) of assessed valuation in fiscal year 2011-12.
- 2. The best estimate of the tax rate that would be required to fund this bond issue during the first fiscal year after the sale of the last series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is \$0.016 per \$100 (\$16.40 per \$100,000) of assessed valuation in fiscal year 2011-12.
- 3. The best estimate of the highest tax rate that would be required to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is \$0.016 per \$100 (\$16.40 per \$100,000) of assessed valuation.

These estimates are based on projections derived from information obtained from official sources. The actual tax rates and the years in which they will apply may vary depending on the timing of bond sales, the amount of bonds sold at each sale and actual increases in assessed valuations. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the needs of the District. Actual assessed valuations will depend upon the amount and value of taxable property within the District as determined in the assessment and the equalization process.

Dated: August 3, 2010

/s/ Steve Stavis  
Superintendent  
Santa Clara Unified School District

ARGUMENT IN FAVOR OF MEASURE H

YES on Measure H.

Parents, teachers, board members and staff have worked hard to improve the quality of every school in our community.

Against the backdrop of the national and State economic crisis, however, passage of Measure H is critical to protect and enhance the competitiveness and quality of Santa Clara schools. The Measure:

- Secures money to reopen closed school sites and add classrooms to existing schools to accommodate current and future student enrollment growth and relieve projected overcrowding.
- Provides funds to make needed improvements to fire, safety and security systems in every school in the district.
- Provides funds to install solar panels at school sites across the district. Solar energy will allow the district to dramatically decrease energy costs, save millions for classroom spending and improve our environment and air quality.
- Provides funds to secure currently available land to build future schools to meet increasing demand.

Measure H is prudent, fiscally responsible and just plain smart. By law, it requires audits of expenditures through an independent citizens oversight commission. Not a penny of this money will taken by Sacramento or spent on administrator salaries.

Join us in voting YES on H. Good public schools have long been a cornerstone of our community - they protect and enhance our property values. By investing in our local schools we ensure they are turning out excellent graduates who are prepared for the jobs of the future.

YES on Measure H.

/s/ Andrew Ratermann  
President, SCUUSD Board of Trustees

/s/ Patricia Quintero  
CSEA Chapter 350 Vice President

/s/ Kathleen Watanabe  
Community Leader

/s/ Joe Komder  
Retired School Principal & Deputy Superintendent

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE H

The \$81.1 million the school district wants to borrow must be paid back with interest. The money to pay off this debt comes from future school budgets and ultimately from you, the taxpayer. Like a home mortgage, the real cost of this bond measure, once interest and principal are paid off, could be \$160 million or more. Let's get our priorities straight: help the economy recover by reducing taxes, not by adding more debt.

Why hasn't the Santa Clara Unified School District made these important repairs (upgrade to fire, safety and security systems) from their ongoing budgets just like you do for your home or business? If these proposed improvements and repairs are so important, why were they ignored in their annual budgets?

Clearly, everything in their current budget is more important than the projects they are proposing through this bond measure. Budgets are a matter of priorities. The board has set its priorities already and they clearly are not including upgrades to fire, safety, solar, etc. Otherwise, those needs would be in their current budget.

Make your vote count. Remember, we don't have the normal safeguard of requiring a two-thirds' vote to pass bond measure. We must have 45% to keep the Santa Clara Unified School District accountable. And don't be fooled by the phony "independent citizens' oversight" the School Board gets to hand-pick.

You can be FOR schools, FOR students, and AGAINST Measure H.

VOTE NO ON MEASURE H!

Please visit <http://www.SVTaxpayers.org>.

/s/ Douglas A. McNea  
President, Silicon Valley Taxpayers' Association

/s/ Brian S. Darby  
Chair, Libertarian Party of Santa Clara County



## ARGUMENT AGAINST MEASURE H

The \$81.1 million the school district wants to borrow must be paid back with interest. The money to pay off this debt comes from future school budgets and ultimately from you, the taxpayer. Like a home mortgage, the real cost of this bond measure, once interest and principal are paid off, could be \$160 million or more. Let's get our priorities straight: help the economy recover by reducing taxes, not by adding more debt. This will serve our children better in the long run.

Why hasn't the Santa Clara Unified School District made these important repairs (upgrade to fire, safety and security systems) from their ongoing budgets just like you do for your home or business? If these proposed improvements and repairs are so important, why were they ignored in their annual budgets?

Clearly, everything in their current budget is more important than the projects they are proposing be paid for by this bond issue. Budgets are a matter of setting priorities. The board has set its priorities already and they clearly aren't including upgrades to fire, safety and security systems, solar, etc. Otherwise, those needs would be in their current budget.

We should use the current budgets to pay for teachers and make important repairs or improvements as needed. Vote NO and tell the School Board that school safety is more important than a bloated administration/bureaucracy.

Make your vote count. Remember, we don't have the normal safeguard of requiring a two-thirds' vote to pass bond measure. We must have 45% to keep the Santa Clara Unified School District accountable. And don't be fooled by the phony "independent citizens' oversight" the School Board gets to hand-pick.

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For more information visit <http://www.SVTaxpayers.org>.

/s/ Douglas A. McNea  
President, Silicon Valley Taxpayers' Association

/s/ Brian S. Darby  
Chair, Libertarian Party of Santa Clara County

## REBUTTAL TO ARGUMENT AGAINST MEASURE H

The opponents of Measure H would have you believe that modest changes to the School District budget would solve all problems. Bond measures are reserved for extraordinary items that cannot be paid for out of the General Fund.

Most of the costs of Measure H will be paid for by businesses not homeowners. Funds will be used to re-open and renovate old schools to relieve overcrowding and to acquire sites for future facilities.

In addition, Measure H will allow our schools to transition to solar energy to save millions of dollars a year in operating costs and protect our environment.

The Santa Clara Unified School District faces severe overcrowding in its schools, all of which need fire, safety and security system updates. Measure H seeks to address these shortcomings.

Public schools in our community have long prospered because parents, teachers, staff, board members and citizens have worked to aggressively improve our facilities and quality of education.

Measure H is a smart modest proposal to fix three specific problems: overcrowding, skyrocketing energy costs and fire and security issues.

Measure H ensures we protect an important community asset - Santa Clara Unified public schools - for years to come.

The choice is clear: YES on H.

/s/ Andrew Ratermann  
President, Board of Trustees Santa Clara Unified

/s/ Michael M. Honda  
U.S. Congressman

/s/ Paul Fong  
State Assembly Member

/s/ Patricia Quintero  
CSEA Chapter 350 Vice President