

MEASURE GG

Approval of Measure GG does not guarantee that the proposed project or projects in the Sunnyvale School District that are the subject of bonds under Measure GG will be funded beyond the local revenues generated by Measure GG. The school district's proposal for the project or projects may assume the receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure.

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE GG

Measure GG would authorize issuance of \$100,000,000 in bonds to fund school facilities projects in the Sunnyvale School District (District). Such bonds are financial instruments used by school districts to borrow money that is repaid by a property tax levy. California law allows school districts to propose bond measures to authorize the issuance of bonds. To pass, the Measure must be approved by 55 percent of voters who vote in the election. The Measure was put on the ballot by Board of Trustees (Board) of the District.

Money generated by the bonds can only be used for the purposes that are set out in the full text of the Measure. The Measure states that the money could be used, among other things, to:

- Expand and update existing facilities;
- Construct facilities, including library spaces and classrooms; and
- Install or repair playground equipment and structures.

A complete list of projects and allowed expenditures is included within the full text of the Measure. The Board has declared that it has evaluated safety, class size, and information technology needs in developing its project list.

Under the California Constitution, money generated by school district bond measures cannot be used for teacher and administrator salaries or pensions, or other school operating expenses. The California Constitution requires the District to hire an independent professional to annually examine how the District is spending bond money. State law also requires the District to establish an independent citizens' oversight committee to ensure that money generated by the bonds is used only for the projects included in the Measure.

The bonds will be repaid from taxes collected on property in the District. The amount of the tax paid will depend on the assessed value of the property. The District's best estimate of the highest tax rate to be collected to repay the bonds is \$10.00 per \$100,000 of the assessed value of the property. The District's best estimate of the total amount, including interest, that will be required to repay the bonds is \$192,000,000. The District estimates that the final year that taxes will be collected to repay the bonds is fiscal year 2050-51.

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE GG-Continued

A "yes" vote is a vote to authorize the issuance of the bonds in the amount of \$100,000,000 to be repaid by collection of taxes on property located within the District.

A "no" vote is a vote to not authorize the issuance of the bonds.

James R. Williams

County Counsel

By: /s/ Danielle L. Goldstein

Deputy County Counsel

COMPLETE TEXT OF MEASURE GG

SUNNYVALE SCHOOL DISTRICT BOND MEASURE

By approval of this measure by at least fifty-five percent (55%) of the registered voters voting thereon, the Sunnyvale School District shall be authorized to issue and sell bonds of up to \$100,000,000 in aggregate principal amount to provide financing for the specific elementary and middle school (K-8) school facilities projects listed below in the Bond Project List, subject to all of the accountability safeguards specified herein.

SECTION I: KEY FINDINGS

- Sunnyvale School District has provided quality elementary and middle school (K-8) education to students in the local community over its long history, consistent with its mission to provide every student with a strong foundation of academic, behavioral, and social-emotional skills to prepare them for success in a diverse, challenging, and changing world.
- In the past, local voters have approved school facility bonds to help the District meet critical renovation, modernization and safety needs at the District's schools, and a citizens' oversight committee verified that all funds expended thus far were spent in accordance with voter-approved priorities.
- District voters have previously approved bond authorizations in 1996, 2004 and 2013, and in fiscal year 2017-18, the combined tax rate associated with these three prior authorizations was \$36.80 per \$100,000 of Assessed Value (not market rate).
- Though bond funding has made a significant impact, our local schools still have urgent needs that reach beyond the scope of the District's annual operating budget, such that passing this bond measure provides a guaranteed and necessary source of local funding to maintain and improve the community's local school facilities.
- The District has conducted a facility review to identify the upgrades needed at each school site in order to meet modern safety and security standards, to meet the District's goals for supporting current academic standards, and to address specific priorities at individual school sites.
- Unlike the District's parcel tax funds, which support the District's educational programs and staffing, bond revenue is the primary means by which all local school districts are able to keep its school buildings and classrooms in good repair, safe, designed and equipped to support changing educational standards, methods and approaches.
- The District cannot rely on the State of California to fund school facility improvements and the limited state dollars available for facility upgrades often require local matching funds that could be provided by a local bond measure.
- This bond measure will benefit local Sunnyvale schools only and no funds can be taken away by the State or other school districts, and by law, no money can be used for administrator salaries or pensions.

COMPLETE TEXT OF MEASURE GG-Continued

- This bond measure requires strict fiscal accountability protections including mandatory annual audits and an independent citizens' oversight committee comprised of local residents to ensure funds are managed and spent properly.

SECTION II: 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 evaluated the facilities needs of the District, and has identified projects to finance from a local bond measure 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 in accordance with Education Code sections 15278-15282 and applicable Board policy, to ensure bond proceeds are expended only for the school facilities projects listed in the Bond Project List. The committee shall be so empowered within sixty (60) days of the date when the Board of Education enters the results of the election in its official 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 described 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 described in the Bond Project List.

Annual Report to Board. Upon approval of this measure 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 with the Board of Education no later than January 1 of each year, commencing on the first January 1 after bonds have been issued and proceeds spent, stating (1) the amount of bond proceeds received and expended in the past fiscal year, and (2) the status of any project funded or to be funded from bond proceeds. The report may be incorporated into the annual budget, annual financial report, or other appropriate routine report to the Board.

SECTION III: BOND PROJECT LIST

This Bond Project List, which is an integral part of this proposition, describes the specific projects the District proposes to finance with proceeds of the bonds. All information contained within this "Section III: Bond Project List" comprises the list and description of permissible projects and expenses that may be paid from bond proceeds, and

COMPLETE TEXT OF MEASURE GG-Continued

where such projects may be completed.

Proceeds from the sale of bonds authorized by this measure 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.

In order to meet all identified facility needs, the District may complete projects using a combination of funding sources. These sources may include joint-use funds or contributions, development impact fees, state funds (if available), and other available funds. The District will pursue state matching funds if and when they become available, and if received, they will be used for and mainly applied to projects on the Bond Project List or other high priority capital outlay expenditures as permitted in Education Code section 17070.63(c). However, no project is dependent on the receipt of state funding for completion.

Specific projects to be funded by the bond measure include, without limitation, the following:

- Expand and or update aging classrooms and District facilities, or acquire, furnish, equip and rehabilitate existing facilities, to support high quality instruction in science, technology, mathematics and the arts;
- Acquire real property, construct, renovate and or/equip new classroom spaces and administrative support facilities;
- Remove or replace aging portable buildings and classrooms with new permanent construction;
- Construct and/or develop library spaces;
- Renovate, modernize and or/remodel kitchen, food service, and multipurpose spaces;
- Renovate, modernize, construct and/or equip early learning and kindergarten classroom spaces;
- Install and/or repair playground equipment and play surfaces and structures;
- Construct and/or renovate middle school locker rooms;
- Fix and/or replace leaking or deteriorating roofs;
- Repair and/or install stucco finish to school facilities;
- Replace aging underground infrastructure;
- Replace hardscape and improve and update landscaping;
- Modernize parking lots and pedestrian walkways and access to improve student safety;
- Acquire and/or upgrade fencing to improve school safety;
- Replace aging, outdated and/or deteriorating utility

COMPLETE TEXT OF MEASURE GG-Continued

infrastructure, electrical, lighting, plumbing, heating and ventilation (HVAC) systems;

- Install dual pane windows to reduce noise and reduce heating and ventilation costs;
- Install solar energy systems/equipment and upgrade any existing solar equipment for interconnection;
- Repair, rebuild, equip and furnish school sites in the event of unforeseen issues or emergencies or to house charter schools, if any, in reasonably equivalent facilities in accordance with legal requirements.

Projects listed may be completed at any and all elementary and middle school sites and facilities where such project is determined by the Board to be necessary or required, including the District office, and projects are authorized to be performed at any and all of the following school sites:

Elementary Schools	Middle Schools
Bishop Elementary School	Columbia Middle School
Cherry Chase Elementary School	Sunnyvale Middle School
Cumberland Elementary School	
Ellis Elementary School	Other Sites
Fairwood Explorer Elementary School	District Administrative Office
Lakewood Elementary School	
San Miguel Elementary School	
Vargas Elementary School	

Listed projects, repairs, improvements, rehabilitation projects and upgrades will be completed only as needed, and the listing of projects does not imply a particular prioritization among such improvements. Projects may be done in phases, based on Board of Education priorities. Listed projects may be completed at any and all District schools, properties, sites and education buildings, including charter schools housed on District campuses, if any, where such project is determined necessary. Decisions regarding the scope, timing, prioritization or other facets of project implementation will be made solely by the Board of Education by subsequent action. Where terms such as "renovate," "upgrade," "repurpose" and "improve" are used in the Bond Project List, the Board of Education has the discretion to determine the best method for accomplishing the project's objective. For any listed project involving renovation or modernization of a building or the major portion of a building, the District may proceed with new replacement construction instead (including any necessary demolition), if the District determines that replacement and new construction is more practical than renovation, considering the building's age, condition, expected remaining life, comparative cost and other relevant factors. In addition, where feasible, projects may be completed in partnership with other agencies on a joint use basis using bond proceeds. Property, buildings and equipment on the bond project list may be acquired through lease, sale, lease-purchase, lease-leaseback or other project delivery or acquisition methods determined appropriate by the Board.

Each project is assumed to include its share of costs of bond issuance, architectural, engineering, legal and planning costs, construction management, bond project staff, employees and

COMPLETE TEXT OF MEASURE GG-Continued

consultants, staff development and training expenses associated with learning construction techniques and approaches, new bond-funded equipment and systems and a customary contingency for unforeseen design and construction costs. In addition to the projects listed above, the Bond Project List also includes payment of the costs of preparation of all facilities planning and project implementation studies, feasibility and assessment reviews, master planning, environmental studies, permit and inspection fees and temporary housing and relocation costs for dislocated programs or activities caused or necessitated by construction projects on the Bond Project List.

The final cost of each project will be determined as plans are finalized and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Necessary site preparation, grading or restoration may occur in connection with acquisition of property, new construction, modernization, renovation or remodeling, or installation or removal of modular classrooms, including ingress and egress, removing, replacing or installing irrigation, utility lines, trees and landscaping, relocating fire access roads and acquiring any necessary easements, leases, licenses or rights of way to the property.

SECTION IV: 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. The bonds may be issued and sold in several series, and in accordance with a financing plan determined by the Board of Education pursuant to requirements of law. When sold, the bonds shall bear interest at an annual rate not exceeding the statutory maximum and with a maximum term not exceeding the statutory maximum, provided that the average useful life of bonds sold will not exceed one hundred twenty percent (120%) of the average life of the projects being financed or as otherwise provided by federal tax law. Bond funds may be used to reimburse the District for Bond Project list expenditures incurred prior to the election and bond issuance, in accordance with federal tax law.

Attention of all voters is directed to the fact that the financial information contained in this measure is based upon the District's projections and estimates only, which are not binding upon the District, nor are the summary estimates, if any, provided in the Ballot Label. The actual tax rates, debt service and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the

COMPLETE TEXT OF MEASURE GG-Continued

District based on need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

In preparing this information, the District obtained reasonable and informed projections of assessed property valuations that took into consideration projections of assessed property valuations made by the County Assessor, if any, in accordance with Education Code Section 15100(c).

TAX RATE STATEMENT

An election will be held within the boundaries of Sunnyvale School District ("District") on November 6, 2018 to authorize the sale of up to \$100,000,000 in bonds to finance facilities as described in the proposition. If the bonds are approved, the District expects to sell the bonds in multiple series. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property located within the District. The following information is provided in compliance with Sections 9400 to 9404, inclusive, of the California Elections Code.

1. The best estimate from official sources of the average annual tax rate that would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors, is estimated to be \$.01 per \$100 (\$10 per \$100,000). The final fiscal year in which the tax is anticipated to be collected is 2050-51.
2. The best estimate from official sources of the highest tax rate that would be required to be levied to fund this bond issue, and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of filing this statement or a projection based on experience within the same jurisdiction or other demonstrable factors, is estimated to be \$.01 per \$100 (\$10 per \$100,000) of assessed valuation in fiscal year 2022-23.
3. The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold will be approximately \$192,000,000, considering the assumptions set forth in paragraphs (1) and (2) above.

Voters should note that the estimated tax rate is based on the ASSESSED VALUE of taxable property on the Santa Clara County official tax rolls, not on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District's projections and estimates only, which are not binding upon the District. The actual tax rates, debt service and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the District based on need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process.

/s/ Benjamin Picard
Dr., Superintendent
Dated: June 21, 2018

ARGUMENT IN FAVOR OF MEASURE GG

A Yes vote on Measure GG will raise funds to address specific needs at all of the schools in the Sunnyvale School District. By continuing to invest in the renovation and expansion of our local schools, we are able to provide our students with a safe, modern educational environment that supports their growth and achievement.

Sunnyvale voters have approved bonds that have allowed the District to add new classrooms to accommodate increasing enrollment, install new fire alarm systems, replace leaking and deteriorating roofs, upgrade electrical and plumbing systems, renovate student restrooms, complete safety and seismic upgrades, and increase student and teacher access to classroom computers and technology. But there is much more to do.

There are still many classrooms that need to be renovated and updated. Greater energy efficiency can be achieved by replacing old windows, light fixtures and outdated heating, cooling and electrical systems. In some schools, floors and failing air conditioning systems need to be replaced.

Passage of Measure GG will allow the District to:

- Build new classrooms to replace aging and deteriorating portable classrooms.
- Increase campus safety and security.
- Replace old heating, plumbing and air conditioning with energy efficient systems.
- Upgrade computers and network infrastructure to provide students with better access to classroom technology.

Measure GG provides for strict accountability. The School Board adopted a specific project list when calling the election. In addition, an Independent Citizens Oversight Committee will monitor all bond expenditures. This committee of local residents will make sure that all bond funds are spent as planned for the benefit of local students.

Quality educational facilities protect and enhance our property values and support our students. Great schools make great communities. Please join us and vote Yes on Measure GG.

/s/ Nancy Tivol
Former Exec. Director, Sunnyvale Community Services

/s/ Richard M. Smith
Former Owner, Wyant and Smith Funeral Home

/s/ Dean Chu
Former Mayor, City of Sunnyvale

/s/ Tara Martin-Milius
Executive Director, Leadership Sunnyvale

/s/ Manuel Macias
Real Estate Broker, Retired Pharmacist

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE GG

In 2013, voters passed a \$96,000,000 bond measure to do the following:

"Continue critical renovations" "safety needs" and "upgrades to science and computer labs".

Now they want to "continue critical renovations" just 5 years later???

That's some kind of record for "critical renovations" deterioration!!!

You get the feeling they just "cut and pasted" the wording from 2013 arguments?

Everyone knows that today's technology will be obsolete in 5-6 years.

So, who in their right mind would buy technology, via a bond, and pay for it for 25-30 years? No one, right?

Answer: except you, if you vote for Measure GG.

The 2013 technology that the district with that bond money is undoubtedly already been recycled, but the payments, that you're still paying for, will continue on for decades.

Vote NO on Measure GG to stop this fiscal insanity.

And the student enrollment is dropping, so why the need for more classrooms?

From 2012-13 school year enrollment was 6,751 and now it's down to 6,536.

The district wants to spend \$100M to help 6,536 students at a cost of \$15,299 per student plus the ADA funds of \$13,129 per student that they get every year.

The district is already getting 112% of the average California ADA.

Seriously, that's a lot of money. But, that \$100,000,000 has to be paid back with interest. That will likely double the cost to you.

Just say NO to fiscal insanity, vote NO on Measure GG

For more information: www.SVTaxpayers.org/2018-measure-gg

/s/ Mark W.A. Hinkle

President: Silicon Valley Taxpayers Association

/s/ Jennifer Imhoff

Chair: Libertarian Party of Santa Clara County

ARGUMENT AGAINST MEASURE GG

In 2013, just 5 years ago, voters in the district passed a \$96M bond measure to do the following:

To make "Continue critical renovations" "safety needs" and "upgrades to science and computer labs".

Now they want to "continue critical renovations" just 5 years after they last made them?

That's got to be some kind of record for "critical renovations" deterioration!!!

You get the feeling that the district just "cut and pasted" the wording from the 2013 ballot arguments?

And now they, once again, need to deal with "safety needs". Again, just 5 years later?

Everyone knows, especially in Silicon Valley, that technology today will be obsolete in 5-6 years, or sooner.

So, who in their right mind would buy technology, on credit, i.e. via a bond, and pay it off over 25-30 years? No one, right?

Answer: except you, if you vote for Measure GG.

The 2013 technology that the district bought in 2013 with that bond money is undoubtedly already been recycled, but the payments, that you're still paying for, will continue on for decades.

Vote NO on Measure GG to stop this fiscal insanity.

And the student enrollment is dropping, so why the need for more money?

From 2012-13 school year enrollment was 6,751 and now it's down to 6,536.

The district wants to spend \$100M to help 6,536 students at a cost of \$15,299 per student plus the ADA funds of \$13,129 per student that they get every year.

The district is already getting 112% of the average California ADA.

Seriously, that's a lot of money. But, that \$100,000,000 has to be paid back with interest, and that will likely double the cost to you.

Just say NO to fiscal insanity, vote NO on Measure GG

For more information, please visit our website at www.SVTaxpayers.org/2018-measure-gg

/s/ Mark W.A. Hinkle

President: Silicon Valley Taxpayers Association

/s/ Jennifer Imhoff

Chair, Libertarian Party of Santa Clara County

REBUTTAL TO ARGUMENT AGAINST MEASURE GG

Many of the buildings and classrooms of our aging schools served the community for 60-70 years. We are proud of improvements made to our schools over the past 20 years, and we need to complete the master plan.

Thanks to the voters in our community, the District has been able to renovate and modernize many, but not all, classrooms and facilities in the District despite rising construction costs. Students in upgraded facilities are proud of their classrooms and excited to learn. We want all students to have the same opportunity.

With ten schools, there is always more to do. We need to continue to replace old portable classrooms, upgrade roofs and heating, air conditioning, plumbing and electrical systems, and make seismic and security improvements at all campuses to keep our students, teachers, and staff safe.

The District does not use bond funds to buy short term technology. Bond funds are used to improve infrastructure to make classroom technology available to our students. Schools built in the 1950s were not equipped to handle 21st Century technology.

Sunnyvale recognizes the importance of education. Although California funding per student ranks near the bottom nationally, the District manages money well. The District has taken advantage of historically low interest rates and has among the highest ratings for school bonds to minimize the cost to taxpayers.

Our students deserve the opportunity to learn where they are safe, comfortable, and can utilize technology they need for their future.

Please vote Yes on Measure GG.

/s/ Charles Shoemaker
Bond Oversight Committee Member

/s/ Patricia Sargent
Bond Oversight Committee Member

/s/ Patricia E. Castillo
Former Mayor of the City of Sunnyvale

/s/ Michael Klein
Small Business Owner

/s/ Melinda Hamilton
President, Sunnyvale Education Foundation; SSD Parent