FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT MEASURE G

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT AFFORDABLE CAREER, COLLEGE TRANSFER, CLASSROOM REPAIR MEASURE. To upgrade facilities preparing students/veterans for university transfer/careers like healthcare, nursing, technology, engineering/sciences; upgrade/repair aging classrooms, labs for science, technology, engineering/math-related fields of instruction; acquire, construct, repair facilities, equipment/sites; shall Foothill-De Anza Community College District's measure authorizing \$898,000,000 in bonds at legal rates, levying 1.6 cents/\$100 assessed valuation (\$48,000,000 annually) while bonds are outstanding, with audits/no money for administrators' salaries, be adopted?

BONDS—YES BONDS—NO

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE G

California law permits community college districts to issue bonds with the approval of 55 percent of the voters. Such bonds may only be used for 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. These bonds are required to be paid by the levy of *ad valorem* taxes—a tax based on assessed value—of property within a district.

The Board of Trustees (Board) of the Foothill-De Anza Community College District (District) proposes to issue such bonds in the amount of up to \$898,000,000 for the purposes of upgrading facilities preparing students/veterans for university transfer/careers like healthcare, nursing, technology, engineering, and sciences; upgrading and repairing aging classrooms, labs for science, technology, engineering, and math-related fields of instruction; and acquiring, constructing, and repairing facilities, equipment, and sites.

As identified in the Measure, Projects may include but are not limited to:

- Repair or replace aging plumbing systems to prevent flooding and water damage.
- Improve access to college facilities for students with disabilities.
- Improve deteriorating gas, electrical, sewer, and plumbing lines and systems.
- Improve earthquake safety.
- Upgrade classrooms and labs for science, technology, engineering, and math-related fields.
- Improve water conservation and install systems that will help manage future droughts.
- Replace aging internet and electrical wiring.
- Improve and maintain classrooms and labs for career preparation in fields like healthcare and early childhood education.
- Improve vocational classrooms and labs, such as auto repair and technology training programs; construct new permanent buildings.

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE G-Continued

- Upgrade job training and vocational classrooms.
- Repair deteriorating classrooms and facilities.

Projects costs include the costs of furnishing and equipping such facilities, and all costs that are incidental, but directly related, to the types of projects described above.

The Board has certified that it has evaluated safety, class size reduction, and information technology needs in developing its project list.

Under the California Constitution, these bond funds cannot be used for teacher and administrator salaries or other school operating expenses. The District also must conduct independent annual performance and financial audits. State law requires the District to have an independent citizens' oversight committee to help make sure bond funds are spent only for projects included in the Measure.

The District's stated best estimate of the highest tax rate to be levied to repay the proposed bonds is \$16 per \$100,000 of assessed value based on estimated assessed valuations available at the time of the filing of the tax rate statement of the Measure. The District estimates that the total amount repayable during the life of the bond, including principal and interest, will be approximately \$1,565,888,993. Measure G was placed on the ballot by the Board.

A "yes" vote is a vote to authorize the issuance of the bonds in the amount of up to \$898,000,000 to be secured by the levy of *ad valorem* 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: Mary E. Hanna-Weir Deputy County Counsel

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COMPLETE TEXT OF MEASURE G

FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT AFFORDABLE CAREER, COLLEGE TRANSFER, CLASSROOM REPAIR MEASURE

ELECTION MARCH 3, 2020

"FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT AFFORDABLE CAREER, COLLEGE TRANSFER, CLASSROOM REPAIR MEASURE. To upgrade facilities preparing students/veterans for university transfer/careers like healthcare, nursing, technology, engineering/sciences; upgrade/repair aging classrooms, labs for science, technology, engineering/math-related fields of instruction; acquire, construct, repair facilities, equipment/sites; shall Foothill-De Anza Community College District's measure authorizing \$898,000,000 in bonds at legal rates, levying 1.6 cents/\$100 assessed valuation (\$48,000,000 annually) while bonds are outstanding, with audits/no money for administrators' salaries, be adopted?"

PROJECTS

The Board of Trustees of the Foothill-De Anza Community College District, to be responsive to the needs of its community, evaluated Foothill College's and De Anza College's urgent and critical facility needs, and their capacity to provide students a well-rounded and affordable education and job training facilities, and prepare them for success in local jobs and in transferring to four-year universities. Job training and college transfer facilities, safety issues, class size and offerings, and information and computer technology were each considered in developing the types of projects to be funded by this measure. In developing the types of projects described herein, job training facilities. facilities supporting college transfer and career training classrooms, and the expansion of opportunities for local students to receive an **affordable**, quality education, were prioritized. If these facility needs are not addressed now, both Foothill and De Anza Colleges would be unable to remain competitive in preparing students for jobs in high demand industries and transfer to four-year colleges and universities.

The **Board of Trustees** determines that Foothill-De Anza **MUST**:

- (i) Increase opportunities for local students to earn college credits, certifications, and job skills at a reasonable price and transfer to four-year universities;
- (ii) Obtain additional funding to upgrade classrooms, facilities and technology and expand access to training programs that help students learn new skills and find better paying jobs;
- (iii) Ensure that our colleges offer students broad science, technology, arts and vocational opportunities they need to be prepared for four-year universities and careers;
- (iv) Invest in quality online education to allow working students to access course offerings when they are not available on campus.

The types of projects which are authorized to be undertaken at Foothill College and De Anza College campuses include:

PROVIDE LOCAL STUDENTS AN AFFORDABLE EDUCATION:

COMPLETE TEXT OF MEASURE G-Continued

Improvements Needed to Allow Foothill/De Anza Colleges to Provide Affordable Job Training and Vocational Programs That Are Needed Prepare Students for In-Demand Careers

Goals and Purposes:

The cost to attend California's public universities has risen to at least five times that of attending a community college. As a result, more students and their families rely on their local community college to save tens of thousands of dollars. This measure would allow Foothill College and De Anza College to increase opportunities for local students to earn college credits, certifications, and job skills at a reasonable price and transfer to four-year universities.

One of the qualities that make Foothill College and De Anza College the top performers in California is that their students have access to a well-rounded education. This measure will ensure that Foothill College and De Anza College are each able to continue offering students the broad science, technology, arts and vocational opportunities needed to be prepared for four-year universities and careers.

- Repair or replace aging plumbing systems to prevent flooding and water damage.
- Improve access to college facilities for students with disabilities.
- Improve deteriorating gas, electrical, sewer and plumbing lines and systems.
- Improve earthquake safety.
- Upgrade classrooms and labs for science, technology, engineering, and math-related fields.
- Improve water conservation and install systems that will help manage future droughts.
- Replace aging internet and electrical wiring.

PROVIDE JOB TRAINING AND COLLEGE TRANSFER:

Classroom and Program Improvements to Help Local Students and Veterans Transfer to Four-Year Universities;

Be Trained for Careers in Business, Nursing and Technology

Goals and Purposes: Foothill College and De Anza College each provide essential job training and workforce preparation for students of all ages, veterans and local residents. The measure would upgrade classrooms, facilities and technology and expand access to training programs that help students learn new skills and find better paying jobs in business, technology, nursing, manufacturing, public safety (first responders) and other high-demand careers.

Foothill-De Anza's online education program allows students to continue their studies even when they have hectic work schedules that keep them from coming onto campus. It also lets students have access to course offerings beyond what is available on campus. This measure would make it possible to further invest in high quality online education.

COMPLETE TEXT OF MEASURE G-Continued

- Improve and maintain classrooms and labs for career preparation in fields like healthcare and early childhood education.
- Improve vocational classrooms and labs, such as auto repair and technology training programs; construct new permanent buildings.
- Upgrade job training and vocational classrooms.
- Repair deteriorating classrooms and facilities.

In addition to the listed types of projects stated above, the types of authorized projects of the measure also include the acquisition of a variety of instructional, maintenance and operational equipment, including interim funding incurred to advance fund projects and the refinancing of outstanding lease obligations, payment of the costs of preparation of all facility planning, fiscal reporting, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, connection fees, permit fees, and temporary housing of dislocated college activities caused by construction projects. In addition to the projects listed above, repair, renovation and construction projects may include, but not be limited to, some or all of the following: renovate student and staff restrooms; replace aging electrical and plumbing systems; repair and replace heating, ventilation and air conditioning systems; install building management systems; acquire vehicles, trucks; upgrade of facilities for energy efficiencies including the installation of solar panels or arrays, electric charging stations, chiller replacements and decarbonization programs; repair and replace worn-out and leaky roofs. windows, walls doors and drinking fountains; replace or remove outdated buildings and classrooms and construct new classrooms and support buildings; plan, construct, acquire or contribute to affordable employee and student housing units; upgrade wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs: upgrade facilities to meet current environmental sustainability. State compliance standards and earthquake safety; repair and replace fire alarms, emergency communications and security systems; upgrade, resurface, replacing or relocate hard courts, fields, turf and irrigation systems; replace turf on athletic fields; upgrade classrooms; build new or renovate existing facilities such as a career and technical education building, one-stop student services building, parking structures; build new or upgrade sports fields, gymnasiums, pools and other athletic facilities; upgrade, resurface and recondition existing parking lots, roads and sidewalks; improve vehicular access and circulation; improve drop-off zones; repair, upgrade and install interior and exterior lighting systems; replace water lines and valves and sewer lines; construct, upgrade, acquire or expand, multi-use classrooms and labs, swing space, student resources center, student library, outdoor classrooms/performance space, fine/theater and visual arts, music and performing arts facilities, conference center space, field lights, bleachers, press box, track replacement, collaborative office suites and administrative offices, purchasing and maintenance facility, and public safety facilities; improve water conservation and energy efficiency; acquire land; replace existing window systems with energy-efficient systems to reduce costs; improve insulation, weatherproofing and roofs to reduce costs; improve access for the disabled; install and repair fire safety equipment, including alarms, smoke detectors, sprinklers, emergency lighting, and fire safety doors:

COMPLETE TEXT OF MEASURE G-Continued

replace broken concrete walks, deteriorated asphalt; replace/upgrade existing signage to reflect better wayfinding, bells and clocks; demolition of unsafe facilities; install or upgrade new security systems, such as security (surveillance) cameras, burglar alarms, handrails, outdoor lighting, fencing, landscaping, gates, gateways and classroom key cards/door locks; replace sewer lines and improve drainage systems to prevent flooding; upgrade roadway and pedestrian paths and pathways and bridges for improved safety and access for emergency vehicles, site parking, utilities and grounds. The upgrading of technology infrastructure includes, but is not limited to, upgrading classroom technology, expanding wireless internet access throughout each college campus. acquire portable interface devices, servers, switches, routers, modules, sound projection systems, information systems, printers, digital white boards, upgrade voice-over-IP, communication systems, audio/visual and telecommunications systems, call manager and network security/firewall, Internet connectivity, wireless systems, technology infrastructure, acquire necessary software and other miscellaneous IT and instructional equipment, DATA storage, fiber/copper infrastructure, phones, identity access cards and the construction and installation of a data center in the cloud for District's enterprise systems, such as resource planning, websites, domain name systems, cloud applications and information security.

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, legal and similar costs, connection fees, permit fees, program and project management, staff training expenses, a customary contingency, and costs associated with the Total Cost of Ownership of facilities and equipment. The allocation of bond proceeds may be affected by the final costs of each project. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project or decisions will be determined as plans and construction documents are finalized, construction bids are received, construction contracts are awarded and projects are completed. Based on the final budgets of projects or on the then current priorities of the District, certain of the projects described above may be delayed or may not be undertaken. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary on-site and off-site improvements, site preparation and restoration, including the acquisition and installation of temporary facilities (swing space) may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing traffic signals, sewer, irrigation, utility lines, trees and landscaping, relocating fire access roads, widening roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the types of projects and purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code Section 53410.

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COMPLETE TEXT OF MEASURE G-Continued

FISCAL ACCOUNTABILITY

This bond measure has strict accountability requirements including:

- 1. All money will benefit Foothill College and De Anza College and CANNOT BE TAKEN BY THE STATE.
- NO MONEY can be used for ADMINISTRATOR SALARIES or pensions.
- Require TAXPAYER OVERSIGHT and yearly audits to ensure all funds are used locally, effectively and as promised.
- 4. <u>NO ADMINISTRATOR SALARIES</u>. Proceeds from the sale of the bonds authorized by this proposition shall be used only for the acquisition, construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and not for any other purpose, including teacher, faculty and college administrator salaries, pensions and other operating expenses.
- 5. FISCAL ACCOUNTABILITY. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

TAX RATE STATEMENT

An election will be held in the Foothill-De Anza Community College District (the "District") on March 3, 2020, to authorize the sale of up to \$898,000,000 in bonds of the District to finance school 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 process of tax levies made upon the taxable property in the District. The information regarding tax rates is provided to comply with Section 9401 of the Election Code of the State of California. This information is based upon the best estimates and projections presently available from official sources, upon experience within the District and other demonstrable factors.

Based upon the foregoing and projections of the assessed valuations of taxable property in the District, and assuming the entire debt service, including principal and interest on the bonds, will be paid through property taxation:

- 1. The best estimate from official sources of the average annual tax rate that would be required to be levied to fund the 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 1.6 cents/\$100 of assessed valuation (\$16.00/\$100,000) of all property to be taxed. The best estimate of the final fiscal year in which the tax is anticipated to be collected is 2053-2054.
- 2. The best estimate from official sources of the highest tax rate that would be required to be levied to fund the bond issue, and an estimate of the year in which that rate will apply, 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 1.6 cents/\$100 of assessed valuation (\$16.00/\$100,000) of all property to be taxed.
- 3. The best estimate from official sources of the total net debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$1,565,888,993.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only. The actual tax rates 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 the market interest rates at the time of the sales, and the actual assessed valuations over the term of repayment of the bonds. The date of sale and the amount of bonds sold any given time will be determined by the District based on its need for construction funding as well as other factors. The actual interest rates at which the bonds will be sold will depend on bond market conditions at the time of sale. Actual assessed valuations at future dates will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the County of Santa Clara in the annual assessment and the equalization process. Accordingly, the actual tax rate and the years in which such rates are applicable may vary from those presently estimated above.

Dated: November 25, 2019

Judy C. Miner

Ed.D., Chancellor, Foothill-De Anza Community College District

ARGUMENT IN FAVOR OF MEASURE G

If you don't want the next generation of young people to be left behind in this competitive, global economy, vote YES on G—Great Teachers & Education for the next Generation!

Foothill and De Anza colleges serve over 60,000 local students and veterans annually and local students and their families just can't afford the cost of college anymore!

Our colleges provide job training/workforce preparation for the next generation of students of all ages, veterans and local residents.

YES on G upgrades classrooms, facilities and technology and expands access to training programs that help students learn new skills and find better paying jobs in business, technology, nursing, manufacturing, first responders and other high-demand careers.

Foothill and De Anza colleges are top California performers because we provide local students access to a well-rounded education and quality teaching environments for great teachers.

YES on G ensures our local colleges continue offering students the science, technology, arts and vocational opportunities they need for four-year universities and careers.

YES on G invests in high quality online education. Foothill-De Anza's online education program allows students to continue their studies even when they have hectic work schedules that keep them from coming to campus. It also lets students have access to course offerings beyond what is available on campus.

Measure G is fiscally accountable—by law, Measure G requires published independent financial audits and oversight by an Independent Citizen's Oversight Committee to ensure all funds are spent as promised.

- NO money can be spent on administrators' salaries or pensions.
- NO money can be taken by the State.
- ALL funds must be spent to upgrade Foothill and De Anza colleges.

Join the Foothill-De Anza College District Board of Trustees, local employers, community leaders, and residents in each of the nine communities we serve—vote **YES on G**!

Dudley G. Andersen

Former Chair, Measure C Citizens' Bond Oversight Committee

Pearl Cheng

President, Foothill-De Anza Community College District Board of Trustees

Bill Wilson

Math Instructor, De Anza College

Genevieve Kolar

Student Trustee De Anza College

George K. Tyson

35+ year Homeowner & Taxpayer

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE G

While investing in local community colleges can enhance property values, handing over hundreds of millions of dollars to be misused or squandered is not smart.

What can you expect for another \$898 million from this college district which just spend \$490.8 million?

This district (elected board) could have promised voters how the money to be borrowed would be spent—but declined to provide anything except long list from which the district would choose later.

Measure G is a virtually **BLANK CHECK** with regard to the projects on which the money will be spent.

This district could also have asked for the authority to only sell bonds it can truly afford under state limits. Instead, Measure G would permit the district to sell up to \$48 million in bonds each year—which would mean that \$898 million in bonds could be sold over some 18 years at much higher interest rates—doubling or tripling the **TOTAL REPAYMENT** required.

Voters might find it odd that the amount of every bond measure proposed by the district has ended with the number "8." Here is the trick: The number "8" is considered lucky by some voters. **CUTE TRICK**.

Perhaps voters should re-examine who serves on this community college board and insist that the district come back with a responsible plan for voter consideration.

For more information, visit: svtaxpayers.org

Mark W.A. Hinkle

President: Silicon Valley Taxpayers Association

Gary Wesley Attorney, Mountain View

ARGUMENT AGAINST MEASURE G

The Board of the Foothill-De Anza Community College District on November 25, 2019 voted to place this whopping **\$898 million bond** *measure* on the March 3 ballot.

A bond measure seeks the permission of voters to borrow money by selling bonds (debt) that must be repaid, with interest (up to 12%), over decades from higher property taxes. At current (low) interest, the total repayment amount would be about double the \$898 million.

The total repayment depends upon the interest rate at the time bonds are sold. In this instance, the measure contemplates the sale of about \$50 million in bonds each year. That means bonds would be sold for nearly 20 years. Interest rates may increase greatly.

This is the third bond measure from this district. The first was \$248 million in 1999. The second was \$490.8 million in 2012.

The burden is properly upon proponents of the proposed borrowing to explain why so much is needed. See if proponents satisfactorily explain why another \$898 million is needed in their ballot arguments (opening or rebuttal).

Instead of identifying just what projects would be funded, this bond measure only pledges to use the money raised for any of a broad range of purposes—guaranteeing virtually nothing. It would give the college district administrators and their board members **vast discretion** in spending or squandering the money.

If this passes, your grandchildren will still be paying for the debt incurred today. Our children are already burdened with too much debt, lets not add to it or to our grandchildren as yet unborn!

Tell the District to be fiscally responsible by voting NO on Measure G.

For more information, visit: svtaxpayers.org

Mark W.A. Hinkle

President: Silicon Valley Taxpayers Association

REBUTTAL TO ARGUMENT AGAINST MEASURE G

Don't be fooled by an OUTSIDE SPECIAL INTEREST group! Vote **YES** on **G** for Great Education and Great Faculty for the next Generation of students.

"The Foothill-De Anza Community College District has been and remains an excellent fiscal steward of bond funding. Thank you for voting **YES on G** to support Great Teachers and Education for the next Generation!"--Dudley Anderson, Former Measure C Independent Citizens' Bond Oversight Committee Chair

HERE ARE THE FACTS this opponent doesn't want you to know:

FACT: Our local colleges are excellent stewards of your taxpayer dollar. According to Morgan Stanley, since 2000, the District completed five bond refinances saving taxpayers over \$65,800,000 in savings.

FACT: The cost to attend California public universities is FIVE TIMES that of Foothill or De Anza colleges. **YES on G** keeps college affordable, saving local families tens of thousands of dollars.

FACT: YES on G includes TOUGH ACCOUNTABILITY, including independent financial audits and Independent Citizen's Oversight Committee oversight.

FACT: Quality education and retaining great faculty requires quality teaching/learning environments. **YES on G** upgrades classrooms and technology--expanding access to job training programs, so students can find better paying jobs and work locally.

FACT: NO Measure G money can be spent on administrators' salaries/pensions.

YES on G continues providing local students access to a well-rounded education.

Don't be misled by outside special interests--join employers, community leaders, residents, students and the Foothill-De Anza Community College District Board--vote **YES on G**!

Don't leave the next generation behind!

Dudley Andersen

Former Chair, Measure C Citizens' Bond Oversight Committee

Pearl Cheng

Member, Foothill-De Anza Board of Trustees President

Bill Wilson

Math Instructor, De Anza College

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