SUNNYVALE SCHOOL DISTRICT MEASURE C

To continue critical renovation and modernization of local elementary and middle schools, upgrade school safety/security, improve access to technology, and ensure accessibility for students with disabilities, shall Sunnyvale School District's measure be adopted authorizing \$214 million in bonds at legal interest rates, raising an average of \$13.2 million annually for approximately 34 years, at a projected rate of \$15 per \$100,000 assessed value, with oversight, accountability, all funds benefitting schools, and no funds for administrator salaries?

Supporters: Sunnyvale Education Association.

Opponents: None Submitted.

Bonds—Yes Bonds—No

Approval of Measure C does not guarantee that the proposed project or projects in the Sunnyvale School District that are the subject of bonds under Measure C will be funded beyond the local revenues generated by Measure C. 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 C

California law permits school 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—not teacher and administrator salaries or other operating expenses. These bonds are required to be paid by the levy of *ad valorem* taxes—a tax on the assessed value of real property within a district.

The Board of Trustees (Board) of the Sunnyvale School District (District) proposes to issue such bonds in the amount of up to \$214 million for the purposes of renovation and modernization of local elementary and middle schools, upgrading school safety and security, improving access to technology, and ensuring accessibility for students with disabilities at all District schools, the District Administrative Office, and the Maintenance, Operations, and Facilities Yard.

As identified in the measure, projects to be funded by these bonds may include but are not limited to:

- Fix or replace leaking or deteriorating roofs and windows;
- Upgrade schools, buildings, parking lots, drop-off areas, and pedestrian walkways and access to improve safety and accessibility including for Americans with Disabilities Act compliance;
- Expand counseling facilities to support student mental health;
- Construct or update library spaces, classrooms, labs, and District facilities to support instruction in science, technology, mathematics, music, and the arts;
- Renovate restrooms, kitchen, food service, and multipurpose spaces;
- Renovate or construct early learning classroom spaces;
- Install or repair playground equipment, surfaces, and structures;
- Construct or renovate middle school locker rooms;
- Replace hardscape and improve landscaping;

COUNTY COUNSEL'S IMPARTIAL ANALYSIS OF MEASURE C-Continued

- Replace and upgrade windows, utility lines, and electrical, lighting, plumbing, heating, ventilation, and air-conditioning systems to reduce costs and improve energy efficiency; and
- Acquire, upgrade, and repair technology and communication infrastructure and other classroom instructional equipment.

The Board has certified that it evaluated safety, class size reduction, and information technology needs in developing its project list. These bond funds will cover project costs including furnishing and equipping facilities, and other costs directly related to the types of projects described in the measure including, but not limited to, architectural, engineering, and construction management costs.

The Board will arrange for independent annual performance and financial audits, an annual report, and an independent citizens' oversight committee to ensure 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 \$15 per \$100,000 of assessed value. The District estimates that the total debt service during the life of the bond, including principal and interest, will be approximately \$446.5 million.

Measure C 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 \$214 million 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.

Tony LoPresti County Counsel

By: Mary E. Hanna-Weir Deputy County Counsel

COMPLETE TEXT OF MEASURE C

SUNNYVALE SCHOOL DISTRICT SCHOOL IMPROVEMENT BOND OF 2024

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 \$214,000,000 in aggregate principal amount to provide financing for the specific PK-8 elementary and middle 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 preschool through eighth grade (PK-8) elementary and middle school 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 socialemotional 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, 2013 and 2018, and in fiscal year 2023-24, the combined tax rate associated with these four prior authorizations was \$29.20 per \$100,000 of assessed value (not market value) of taxable property. The bonds associated with the 1996 authorization have been completely repaid.
- 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 comprehensive Facilities Master Plan 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

COMPLETE TEXT OF MEASURE C-Continued

districts, and by law, no money can be used for administrator salaries or pensions.

 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 has certified 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 appoint a new or empower an existing 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 established 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.

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 measure, describes the specific projects the District proposes to finance with proceeds of the bonds. All information contained within this "Section III:

COMPLETE TEXT OF MEASURE C-Continued

Bond Project List" comprises the list and description of permissible projects and expenses that may be paid from bond proceeds.

In order to meet all identified facility needs, the District intends to complete projects using a combination of funding sources, including joint use funds or contributions, development impact fees, and state funding (if available). The District will pursue state matching funds if and when they become available, and if received, they will be used for projects on the Bond Project List or other high priority capital outlay expenditures as permitted by law. Approval of this measure does not guarantee that all projects on this Bond Project List at all listed sites will be funded beyond the local revenues generated by this measure. The District's proposal for the projects assumes the receipt of some state matching funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. Bond funds may be used to meet any matching share contribution requirements.

Proceeds from the sale of bonds authorized by this measure shall be used only for the construction, reconstruction, rehabilitation, replacement, furnishing and equipping of school facilities, and the acquisition or lease of real property for school facilities, all as listed on the Bond Project List. All projects to be financed with bonds authorized by this measure listed on the Bond Project List have been determined by the District to be "school facilities" as that term is used in the California Constitution. "School facilities" include projects at school sites as well as administrative and teacher/staff support facilities which are necessary for, and related to, the delivery of high-quality education services. Projects listed below may be completed at any and all properties, school sites and facilities where such project is determined necessary, and projects are authorized to be performed at each and all of the District's schools, sites and facilities, including administrative and ancillary support facilities, whether owned, leased or yet to be acquired, including, without limitation, the following:

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	Maintenance, Operations & Facilities Yard
San Miguel Elementary School	
Vargas Elementary School	

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

- Fix and/or replace leaking or deteriorating roofs and windows;
- Upgrade schools and buildings to improve safety, accessibility and paths of travel for Americans with Disability Act compliance and disabled student access;
- Expand counseling facilities to support the mental health of students;

COMPLETE TEXT OF MEASURE C-Continued

- Improve security at schools by providing wayfinding, signage, fire and classroom intrusion alarms, public address and emergency communication systems, video surveillance cameras and other security systems, safety locks on classroom doors, fencing and exterior lighting for student safety;
- Expand and or update aging classrooms, labs and District facilities to meet current instructional standards; acquire, furnish, equip and rehabilitate existing facilities to support high quality instruction in science, technology, mathematics, music and the arts;
- Remove or replace aging portable buildings and classrooms with new permanent construction;
- Construct and/or develop library spaces;
- Renovate, modernize and or/remodel restrooms, kitchen, food service, and multipurpose spaces;
- Renovate, modernize, construct and/or equip early learning, preschool, transitional kindergarten, and kindergarten classroom spaces;
- Install and/or repair playground equipment and play surfaces and structures;
- Construct and/or renovate middle school locker rooms;
- Repair and/or install exterior finishes on school facilities;
- Replace hardscape and improve and update landscaping;
- Modernize parking lots, drop-off areas, and pedestrian walkways and access to improve student safety;
- Replace and upgrade outdated and deteriorating utility lines for gas, sewer and water service, electrical mains and distribution and other energy efficient systems, controls and infrastructure; Replace and upgrade electrical, lighting, plumbing, heating and ventilation systems; and replace and upgrade air conditioning or other classroom cooling systems;
- Install dual pane windows to reduce noise and reduce heating and ventilation costs;
- Upgrade/improve energy efficiency and install or replace energy conservation or generation systems (lighting, electrical, solar, geothermal) to reduce utility costs and accommodate District's increased usage of and demand for 21st century technology;
- Acquire, upgrade and repair technology and communication infrastructure, including, without limitation, cabling and wireless infrastructure, network hardware and software, servers, and other shared access equipment such as digital whiteboards, document cameras, projectors, and printers; Acquire and upgrade software, computers, and other classroom instructional equipment;

COMPLETE TEXT OF MEASURE C-Continued

- Acquire real property and construct, renovate and or/equip new schools, classroom spaces and administrative and teacher support facilities as needed;
- Repair, rebuild, equip and furnish school sites in the event of unforeseen issues or emergencies.

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 available funding. Listed projects may be completed at any and all District schools, sites, properties (owned, leased or yet to be acquired) and education buildings where such project is determined necessary.

Decisions regarding the scope, function, timing, location, prioritization or other facets of project implementation for school facility projects listed on the Bond Project List will be made solely by the Board of Education by subsequent action, including the interpretation, meaning and intent of each listed project. Where terms such as "renovate," "upgrade," "replace," "improve" and "repair" 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, including the use of new construction. 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 public or private agencies on a joint use basis using bond proceeds, subject to federal tax rules and regulations.

Each project is assumed to include its share of costs of bond issuance, architectural, engineering, legal and similar planning costs; litigation costs; construction management; bond project consultants; staff development and training expenses associated with learning construction techniques and approaches and new bond-funded equipment and systems; the furnishing and equipping of all projects, including equipment to maintain facilities in a safe and clean condition; and a customary contingency for unforeseen design and construction costs. Payment of the costs of preparation of facilities planning and project implementation studies, feasibility and assessment reviews, master planning, environmental studies, permit and inspection fees, Division of State Architect (DSA)—related requirements, studies and assessments, including ADA and seismic, and temporary housing and relocation costs for dislocated programs or activities caused or necessitated by projects on the Bond Project List are permissible bond expenditures.

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.

COMPLETE TEXT OF MEASURE C-Continued

No Operating Expenses. 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 or administrator salaries and other school operating expenses in accordance with applicable law.

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 or average payment 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 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).

SECTION IV: ADDITIONAL SPECIFICATIONS

REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE C	REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE C-Continued
Sunnyvale School District \$214M Bond Tax: Rebuttal Argument-Measure C	For more information: SVTaxpayers.org
From 2004 to 2018, voters in <u>Sunnyvale School District</u> approved \$316 million in bond debt for:	Mark W. A. Hinkle President, Silicon Valley Taxpayers Association
"upgrading science and computers labs, providing computers, replace leaking roofs"	Joe Dehn Chair, Libertarian Party of Santa Clara County
All that "technology" is now obsolete and those 6-year-old roofs need replacing. But <u>should it be financed as part of a \$214 million loan, plus 34+ years of payments?</u>	Kennita L. Watson
The cost would more than double—to \$428 million.	
Bonds like mortgages, <u>must be paid off.</u>	
As a technology consumer, <u>have you ever paid for a personal computer</u> with a 34-year loan?	
No? But that's what Sunnyvale School District proposes. <u>The technology</u> will be obsolete in 4-6 years, but you and your neighbors will pay for it for decades.	
Tell Sunnyvale School District that recurring computer expenses belongs in their <u>annual budget</u> , using ongoing revenue—not gargantuan, <u>interminable debt burdens on your children and</u> <u>grandchildren.</u>	
Has Sunnyvale School District <i>earned</i> this additional tax collection?	
Here are the test scores for English learners seeking proficiency:	
• 2018-19: 43.99% of children failed to meet state standards.	
• 2021-22: 51.34% failed to meet state standards.	
Source: Education Data Partnership (Ed-Data.org)	
Test scores DECLINED!	
Sunnyvale School District failed both its students and taxpayers.	
No wonder <u>enrollment declined by nearly 1,200 students since 2018-</u> <u>19</u> . (Another reason Sunnyvale School District shouldn't request more money!)	
Should you reward those producing 44-51% failure rates with more of your hard-earned money?	
If NO, <u>vote NO on C</u> .	
Parents know: reward failure, and you get more failure!	
NO on Measure C.	

ARGUMENT AGAINST MEASURE C	ARGUMENT AGAINST MEASURE C-Continued
From 2004 to 2018, voters in <u>Sunnyvale School District</u> approved \$316 million in bond debt for:	
"upgrading science and computers labs, providing computers, repair[ing] school facilities and technology"	Mark W.A. Hinkle President, Silicon Valley Taxpayers Association
All that "technology" is now obsolete and needs replacing. But should it be financed as part of a \$214 million loan, plus 34+ years of payments?	Kennita L. Watson
The cost would more than double—to \$428 million or more—because bond interest rates can reach 12%.	
Yep: bonds are like mortgages: <u>debt that must be paid off</u> —not merely principal but interest.	
As a technology consumer, <u>have you ever paid for a personal computer</u> with a 34-year loan?	
No? But that's what Sunnyvale School District proposes. <u>The technology</u> will be obsolete in 4-6 years, but you and your neighbors will pay for <u>it for decades</u> . Perhaps your grandchildren will, too, if they inherit your home.	
Tell Sunnyvale School District that the right place for known, recurring computer expenses is their <u>annual budget</u> , using ongoing revenue— not gargantuan, <u>interminable debt burdens on your children and</u> <u>grandchildren</u> .	
Has Sunnyvale School District <i>earned</i> the right to this additional tax collection (on top of the <i>many</i> taxes you already shell out)?	
Let's examine the latest available school years' test scores for English learners seeking proficiency:	
• 2018-19: 43.99% of children failed to meet state standards.	
• 2021-22: 51.34% failed to meet standards.	
Source: Education Data Partnership (Ed-Data.org)	
Test scores DECLINED!	
Sunnyvale School District failed both its students and taxpayers.	
No wonder <u>enrollment declined by nearly 1,200 students since 2018-19</u> . (Another reason Sunnyvale School District shouldn't request more money!)	
Should you, the voter, reward those producing 44-51% failure rates with more of your and your neighbors' hard-earned money?	
If you say NO, we encourage you to vote NO on Measure C.	
Parents know: reward failure, and you get more failure!	
NO on Measure C.	

REBUTTAL TO ARGUMENT AGAINST MEASURE C

We take great pride in the improvements and upgrades made to our schools over the past 20 years. Our schools were aging with many of the buildings and classrooms having served the community for more than 60 years.

Thanks to the voters in our community, the Sunnyvale School District has been able to renovate and modernize many classrooms and facilities at every school. Our students are proud of their classrooms and excited to learn and grow every day. However, with eight elementary and two middle schools, there is always more to do.

Measure C aligns with the Facilities Master Plan, a comprehensive facilities analysis conducted in 2021 with considerable community input. The Facilities Master Plan focuses on coordinating the district's educational goals with the proposed facility improvements.

Sunnyvale School District does not use bonds funds to buy technology or provide computers. Bonds funds are used to improve infrastructure to make classroom technology available to our students. Schools built in the 1950s and 60s were not equipped to handle 21st Century technology.

The District has been financially prudent, has taken advantage of historically low interest rates, and maintains the highest AAA rating for school bonds to minimize the cost to taxpayers.

Our students deserve the opportunity to learn where they are safe, secure and can utilize the technology they need to be successful in the future.

Please vote Yes on Measure C.

Linda Sell Sunnyvale City Council

Michael Klein Small Business Owner

Larry Klein Mayor, City of Sunnyvale

Kristel Wickham District Parent

Allison Joe District Parent