

# Jefferson Union High School District

## Measure J

To build affordable rental housing so teachers and school staff can live in the communities where they work, shall Jefferson Union High School District (including Jefferson, Oceana, Terra Nova, Thornton, Westmoor and Adult- Ed High Schools) issue \$33 million of bonds with an average tax levy of 0.7 cents per \$100 of assessed valuation while the bonds are outstanding (\$2.3 million per year), legal rates, annual audits and independent taxpayer oversight?

### Full Text

#### **INTRODUCTION**

“To build affordable rental housing so teachers and school staff can live in the communities where they work, shall Jefferson Union High School District (including Jefferson, Oceana, Terra Nova, Thornton, Westmoor and Adult- Ed High Schools) issue \$33 million of bonds with an average tax levy of 0.7 cents per \$100 of assessed valuation while the bonds are outstanding (\$2.3 million per year), legal rates, annual audits and independent taxpayer oversight?”

#### **BOND AUTHORIZATION**

By approval of Measure J by at least 55 percent of the registered voters voting on the measure, the Jefferson Union High School District will be authorized to issue and sell bonds of up to \$33 million in aggregate principal amount at interest rates not to exceed legal limits, having an estimated final maturity in 2042, and to provide financing for the specific types of school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

#### **ACCOUNTABILITY REQUIREMENTS**

The provisions in this section are specifically included in this measure in order that the voters and taxpayers in the District may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of the District will be 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 Education Code Sections 15264 and following.)

**Evaluation of Needs.** The School Board has identified detailed facilities needs of the District and has determined which projects to finance from a local bond. The School Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

**Independent Citizens' Oversight Committee.** Following approval of this measure, the School Board will establish an Independent Citizens' Oversight Committee, under Education Code Sections 15278 and following, to ensure bond proceeds are expended only on the types of school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the School Board.

**Performance Audits.** The School Board will conduct annual, independent performance audits to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

**Financial Audits.** The School Board will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the school facilities projects listed below.

**Government Code Accountability Requirements.** As required by Section 53410 of the Government Code, (1) the specific purpose of the bonds is set forth in this Full Text of the Measure, (2) the proceeds from the sale of the bonds will be used only for the purposes specified in this measure, and not for any other purpose, (3) the proceeds of the bonds, when and if issued, will be

deposited into a building fund to be held by the San Mateo County Treasurer, as required by the California Education Code, and (4) the Superintendent of the District shall cause an annual report to be filed with the School Board not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by Sections 53410 and 53411 of the Government Code.

#### **NO TEACHER OR ADMINISTRATOR SALARIES**

Proceeds from the sale of bonds authorized by this measure shall be used only for the purposes specified in Article XIII A, Section 1(b)(3), those being for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and the acquisition or lease of school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

#### **ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT.**

This measure authorizes the issuance of general obligation bonds to finance the types of projects set forth on the Bond Project List set forth below. The measure presented to District voters on the Ballot, as set forth above under the heading “INTRODUCTION”, includes information regarding the expected average amount of money raised annually to pay issued bonds, the estimated rate of the approved tax per \$100 of assessed valuation, and the year through which it is approximated the proposed tax will be levied and collected. Each of these estimates and approximations are provided as informational only and in accordance with legal requirements. Such amounts are estimates only, and are not maximum amounts or limitations on the terms of the bonds or the tax rate or duration supporting repayment of bonds. The approximations and estimates provided depend on a number of variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan, including but not limited to the amount of bonds issued and outstanding at any one time, the interest rates applicable to issued bonds, market conditions at the time of sale of the bonds, when bonds mature, timing of project needs and changes in assessed valuations in the District. As such, while such estimates and approximations have been provided based on information currently available to the District and its current expectations, such estimates and approximations are not binding upon the District.

#### **BOND PROJECT LIST**

Projects which are described below include all related and incidental costs, including their share of the costs of the election and bond issuance and costs of design, engineering, architect and other professional services, inspections, site preparation, utilities, and other planning, legal, accounting and similar costs, independent annual financial and performance audits, a customary contingency, and other costs incidental to and necessary for completion of the listed projects.

The District may alter the scope and nature of any of the specific projects that are described below as required by conditions that arise over time.

Whenever specific items are included in the following list, they are presented to provide examples and are not intended to limit the generality of the broader description of authorized projects. The order in which particular projects are listed is not intended to indicate priority for funding or completion. The itemization of projects in the list below does not guarantee that all such projects

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will be undertaken. The ability of the District to undertake and complete the listed projects is subject to the adequacy and availability of sufficient funding sources.

### **CONSTRUCTION OF AFFORDABLE RENTAL HOUSING FOR DISTRICT TEACHERS AND STAFF**

Bond proceeds will be expended to design, build and acquire approximately 80 units of low cost, affordable rental housing to be located at the former Serramonte High School site or such other acceptable sites in Daly City, California as may be designated by the District. The provision of such affordable rental housing units is intended to allow Jefferson Union High School District teachers and staff members to live in or near the communities in which they work and to provide the District with the ability to better attract and retain quality staff. Project costs may include but are not limited to:

- Design, construction and acquisition of rental housing units
- Parking lot construction and improvement as needed
- Architect and engineering fees
- General contractor fees
- Labor and material costs
- Sewer capacity improvements
- Environmental review
- Rezoning application fees as required
- Municipal licensing fees as required

Each of the projects described in this Bond Project List include all costs which are incidental but directly related to the types of projects described above. Examples of incidental costs include, but are not limited to: costs of design, engineering, architect and other professional services, facilities assessments, inspections, site preparation, utilities, landscaping, construction management and other planning and permitting, legal, accounting and similar costs; independent annual financial and performance audits; a customary construction contingency; demolition and disposal of existing structures; rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction; costs of relocating facilities and equipment as needed in connection with the projects; federal and state-mandated safety upgrades; addressing unforeseen conditions revealed by construction/modernization and other necessary improvements required to comply with existing building codes, including the Field Act; access requirements of the Americans with Disabilities Act; costs of the election; bond issuance costs; and project administration including by District personnel during the duration of such projects, as permitted by law.

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# Jefferson Union High School District

## Tax Rate Statement

## Impartial Analysis of Measure J

### REGARDING PROPOSED

**\$33,000,000**

### JEFFERSON UNION HIGH SCHOOL DISTRICT GENERAL OBLIGATION BONDS

An election will be held in the Jefferson Union High School District (the "District") on June 5, 2018, to authorize the sale of up to \$33 million in bonds of the District to finance school facilities as described in the measure. If such bonds are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of *ad valorem* tax levies made upon the taxable property in the District. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California. Such 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 District's assessed valuation, the following information is provided:

1. The best estimate of the average annual tax rate which would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.007 per \$100 of assessed valuation (\$7.00 per \$100,000 of assessed value). The final fiscal year in which it is anticipated that the tax will be collected is 2041-2042.
2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is \$0.007 per \$100 of assessed valuation (\$7.00 per \$100,000 of assessed value). It is estimated that such rate would be levied starting in fiscal year 2018-19 and following.
3. The best estimate 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 is approximately \$54,269,153.

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on the County's official tax rolls. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts and are not binding upon the District. The actual debt service, tax rates and the years in which they will apply may vary from those used to provide the estimates set forth above, due to factors such as variations in the timing of bond sales, the par amount of bonds sold and market interest rates available at the time of each sale, actual assessed valuations over the term of the bonds, and other factors. The date and amount of bonds sold at any given time will be determined by the District based on the need for project funds and other considerations. The actual interest rates at which the bonds will be sold will depend on conditions in the bond market at the time of sale. Actual future assessed valuations 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/ By: **Dr. Terry A. Deloria**  
Superintendent  
Jefferson Union High School District

The California Constitution and Education Code authorize a school district to issue bonds for specified purposes if issuance of the bonds is approved at an election by 55% of those voting on it.

The Board of Trustees of the Jefferson Union High School District ("District") proposes this measure, which would authorize the District to issue bonds in a principal amount not to exceed \$33 million. The bonds will have an interest rate not exceeding the legal maximum and will be repaid within the time permitted by law. The Tax Rate Statement printed in this pamphlet contains the District's best estimates of tax rates required to service the bond debt during the life of the bonds. The District's best estimate of the average annual tax rate levy to fund this bond is \$7.00 per \$100,000 of assessed valuation. This means that a property assessed at \$800,000 would likely have an annual tax obligation of \$56 under this measure. The District estimates that the total amount repayable during the life of the bond, including principal and interest, will be approximately \$54,269,153.

The California Constitution requires the listing of specific projects to be funded from the bond revenue and certification that the Board of Trustees has evaluated safety, class size reduction, and information technology needs in the development of that list. The Bond Project List is included in the full text of the measure, and includes the design, construction, and acquisition of approximately 80 low cost, affordable rental housing units to be located at former Serramonte High School, or other acceptable sites in Daly City, California as may be designated by the District, for District teachers and staff members.

The measure also authorizes equipment acquisition, upgrades, repairs, services, construction, and other items related to the listed projects.

No proceeds from the bonds shall be used for teacher or administrator salaries or operating expenses.

State law requires that the District take certain steps to account for the proceeds from the bonds. Accordingly, the District will direct the funds to be deposited into a special account, appoint an independent citizens' oversight committee, conduct annual independent performance and financial audits to ensure that funds are spent only for the purposes listed in the Bond Project List and for no other purposes, and prepare annual reports listing the amount of funds collected and expended and the status of any funded project.

A "yes" vote on this measure would authorize the District to issue bonds in a principal amount not to exceed \$33 million for the purposes listed in the Bond Project List.

A "no" vote would prevent the District from issuing the bonds.

This measure passes if 55% of those voting on the measure vote "yes."

# Jefferson Union High School District

Arguments in support of or in opposition to the proposed laws are the opinions of the authors.

Argument in Favor of Measure J	Rebuttal to Argument in Favor of Measure J
<p>Our communities' public high schools – Jefferson, Oceana, Terra Nova, Thornton and Westmoor – are facing a crisis that is undermining the quality of education we provide our children. Your YES vote on Measure J this June will address this crisis.</p> <p>The <b>critical shortage of locally available, affordable rental housing</b> keeps our high schools from being able to attract, hire and retain exceptional educators – putting our school district at a <b>competitive disadvantage</b>. Many teachers and staff members can no longer afford to live here, and many – including top-ranked educators – are being drawn to positions outside the Bay Area that do not force them to choose between a grinding daily commute and crippling housing costs.</p> <p>Your vote will decide whether we can maintain the quality of our high schools or risk a deteriorating quality of education for our children.</p> <p>Vote YES on Measure J to provide our school district with the ability to build <b>local, affordable rental housing</b> for teachers and staff members, allowing them to <b>live in the communities where they work</b>.</p> <p>At the same time, your YES vote on Measure J will impose ironclad taxpayer protections, including:</p> <ul style="list-style-type: none"> <li>• Requiring independent financial audits and taxpayer oversight</li> <li>• Prohibiting funds from going to administrator salaries, pensions or benefits</li> <li>• Providing legal safeguards so there is no financial risk to the District's budget</li> <li>• Prohibiting the State from taking these local funds and spending them in other districts</li> </ul> <p>Please join parents, grandparents, families, neighbors, teachers and local community and business leaders by voting YES on Measure J.</p>	<p>We value education, but these tax overrides add up!</p> <p><b><u>This school distinct didn't even bother applying for any of the \$9 billion school facilities bond money California voters approved in 2016.</u></b></p> <p>Measure J benefits a few favored school employees (<b>including administrators</b>), but this latest <b>\$54 million tax increase</b>, including interest, makes living here more expensive for everyone else, both homeowners and renters.</p> <p>School employees receive competitive compensation with benefits, including lifelong pensions and medical, for working short school years. <b>They should pay for housing from wages as we do.</b></p> <p><u>Taxpayers already generously fund the Jefferson United High School District:</u></p> <ol style="list-style-type: none"> <li>1) state apportionments (<b>up 66% since 2012</b>);</li> <li>2) ever-increasing local property taxes (schools get almost half);</li> <li>3) multiple local bonds and taxes OK'd in 2006, 2012 and 2014, about \$600 million total cost; and</li> <li>4) a parcel tax. <u>See your tax bill.</u></li> </ol> <p>Never satisfied, now <u>they want us to pay for staff rent, too!</u> Measure J is a slippery slope to taxpayer - paid rents for all. What's next, staff cars?</p> <p><b>Measure J has no senior/low income exemption.</b></p> <p><b>\$21+ million of the bond goes to banks for interest - not to education.</b></p> <p>Schools' expertise isn't apartment management. <i>Who wants new administrators hired as landlords?</i></p> <p>Why are taxpayers' wallets the low hanging fruit to pick? Voting "no" doesn't mean we don't value schools, but the rest of us face costly housing, too.</p> <p style="text-align: center;">Please vote <b><u>NO on Measure J</u></b></p>
<p>/s/ <b>Andrew Lie</b> March 6, 2018 President, Board of Trustees, JUHSD</p> <p>/s/ <b>Sergio Robledo-Maderazo</b> March 6, 2018 President, AFT Local 1481</p> <p>/s/ <b>Thomas Nuris</b> March 8, 2018 Attorney</p> <p>/s/ <b>Allan Hale</b> March 12, 2018 Veteran</p> <p>/s/ <b>Ginny Silva Jaquith</b> March 14, 2018 Pacifica Community Member</p>	<p>/s/ <b>Mark W.A. Hinkle</b> March 26, 2018 President Silicon Valley Taxpayers Assn.</p> <p>/s/ <b>William Collins</b> March 26, 2018</p>

# Jefferson Union High School District

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## Argument Against Measure J

The chutzpah award goes to the Jefferson Union High School District for asking taxpayers to pay \$66 million (plus interest) for employee (not necessarily teachers) housing.

Sometimes, we just have to say “no” to nice ideas we cannot afford.

Most of us pay housing expenses from our salaries, but the Jefferson Union High School District thinks its employees are above that. It’s never satisfied that we already pay ever-increasing taxes to schools.

The District has so much money it compensates over 110 employees \$100,000+ annually (for short school years). They’re better compensated than many taxpayers who would have to foot the bill. We pay a “bond project manager” \$160,000 (source: transparentCalifornia.com).

It pays thousands in education funds to regularly spray Roundup, a possible carcinogen, on each campus.

Property taxes increase 2% compounded, annually. Schools get almost half of that. We’re already paying for a school bond for facilities. And a parcel tax. Also, **State school funding is up 66% since 2012.**

Higher property taxes make living here so expensive that many regular people (who don’t work for the school district) cannot afford to live here.

Measure J means free housing for selected employees but less affordable housing for the rest of us.

There’s **no senior/low income exemptions.**

Half of what we’d pay doesn’t even benefit schools - it goes to lenders in interest payments.

A portion of property taxes won’t be as deductible under the new federal law.

If Measure J passes, they’ll be back with more borrowing for the rest of the staff.

**Please vote NO on Measure J so living here doesn’t increase even more on working families.**

**For more information:  
www.svtaxpayers.org/2018-jefferson-high-bond**

/s/ **Mark W.A. Hinkle** March 16, 2018  
President: Silicon Valley Taxpayers Association

/s/ **William Collins** March 13, 2018

/s/ **Baudelia B. Larez** March 13, 2018

## Rebuttal to Argument Against Measure J

Measure J will provide our teachers and staff with **affordable - not free** - rental housing so they can live in the community where they work. Let’s review the facts.

Teachers and staff at Jefferson, Oceana, Terra Nova, Thornton and Westmoor high schools are among the best in the state. But many can no longer afford to live in our community.

It is critical that we continue to be able to attract, hire and retain top-ranked educators to maintain the high-quality education our children deserve.

With the explosive increase in housing costs, we are **losing our ability to compete** for top-tier teaching talent to less costly communities outside the Bay Area.

Measure J protects our high schools’ educational excellence by implementing a **fiscally prudent plan** to build affordable rental housing for our teachers and staff. Here’s how:

- Measure J will build approximately 80 units of affordable rental housing for less than 1 cent per \$100 of assessed valuation
- Educators and staff will pay affordable rents to live in the communities where they work
- Building these units **will not** take funds away from the classroom or put the District’s financial security at risk
- Finally, the rental housing will be self-supporting and **will not** require any taxpayer or District expenditures to maintain or operate

Affordable housing is a deepening crisis in California, especially in the Bay Area. Measure J will create **affordable rental housing** so our children’s educators can live in our community.

The solution is clear. **Vote YES on Measure J!**

/s/ **Ginny Silva Jaquith** March 22, 2018  
Former Mayor of Pacifica

/s/ **Kalimah Salahuddin** March 20, 2018  
Vice President JUHSD Board

/s/ **Alyssa Jenkins** March 20, 2018  
Pacifica Resident

/s/ **Clayton Koo** March 22, 2018  
Terra Nova High School Alumni

/s/ **Warren Shelby** March 23, 2018  
Jefferson High PTO Pres.