

**"Empowering
Students for
Success"**



Update on Rancho Mission Viejo Development and School Facility Funding Agreement

September 25, 2013

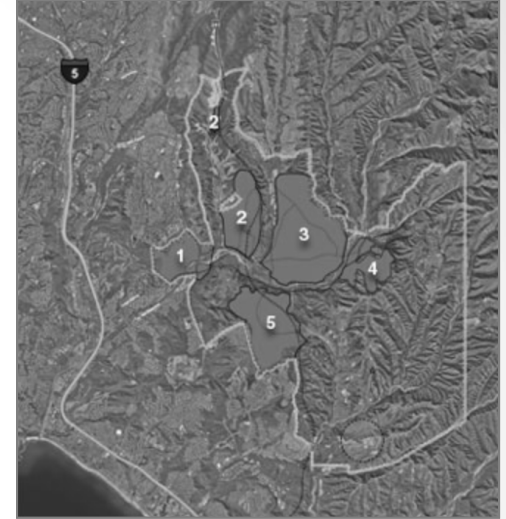
Summary of Prior Update

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Summary of information presented to the Board of Trustees
on January 28, 2013

Prior Update

- Rancho Mission Viejo's "Ranch Plan"
 - 14,000 homes (including 8,000 market rate homes and 6,000 senior citizen homes)
 - 5,000,000 s.f. of commercial development
 - 25 – 30 years until complete build-out
- School Facility Needs
 - Potential for 4,500 new students (+/-) if at same rate as Ladera Ranch Development
 - Planning areas 1 & 2 are projected to produce 1,118 (K-8) and 266 (9-12) students
 - Proposed CUSD/RMV Agreement to build one 1,200 student K-8 school in planning area 2 and defer decision on 9-12 plans
- CUSD School Standards
 - New school sites and facilities to meet CDE standards
 - Include joint use where more efficient and more public benefit
- Funding
 - School fees are inadequate to build schools to CDE standards
 - State funding is inadequate to build schools to CDE standards
 - Joint use can help to make up the gap
 - Supplemental funding is necessary to make up the gap



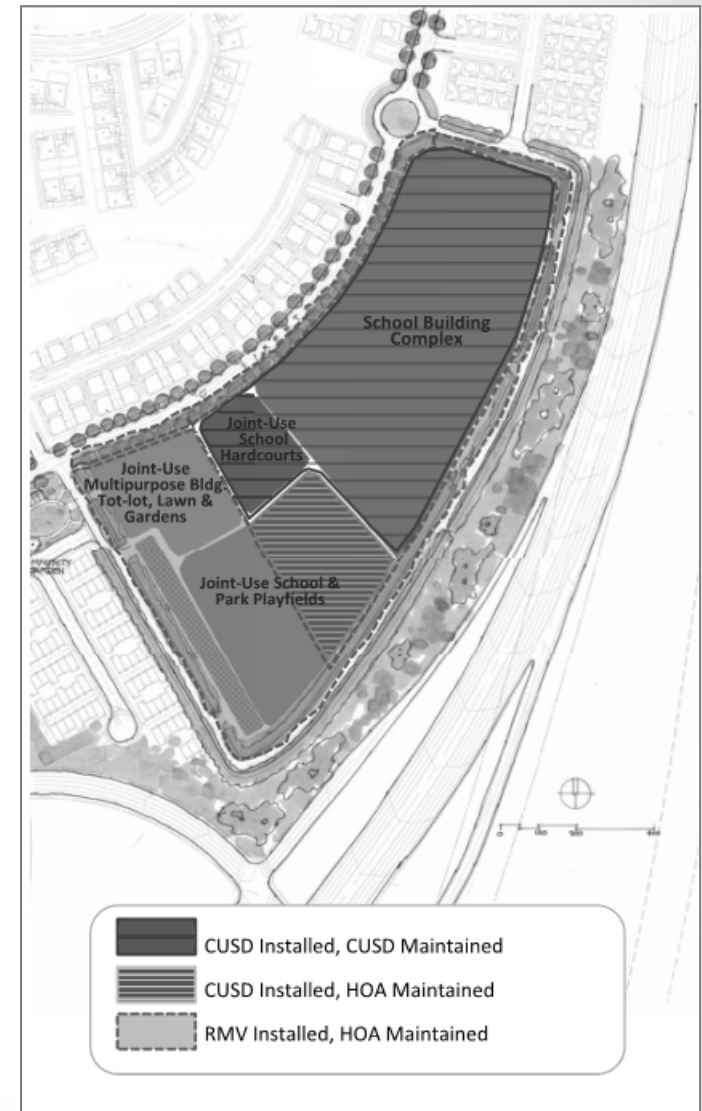
Proposed School Facilities Funding Agreement for PAs 1 & 2

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Addresses school facility needs related to
development in planning areas 1 and 2.

School Facilities Plan

- PA 2 School (K-8)
 - Permanent capacity for 1200 students, additional 400 student capacity in portable classrooms will provide for interim capacity until next new school is built
 - 75,850 SF at \$388/s.f. = \$29,429,800 (*All costs and payments are as of 2012 to be indexed annually*)
 - 14 acres at \$1.5 million/acre = \$21,000,000 (Estimated. Actual cost to be per appraisal)
 - Joint use of HOA owned multipurpose building with assembly capacity for 1,300 = no cost, use for P.E., rainy day lunches, assemblies, performances
 - Joint use of HOA owned 5 acres (incl. MPR and playfields) = no cost, plus, HOA will maintain school fields and perimeter landscape
 - HOA residents non-school-hour joint use of school playfields and hard courts
- H.S. Study (9-12)
 - Before PA 3, CUSD will study H.S. facility needs for entire RMV development
 - RMV committing approx. \$10.5 million for PA 1 & 2 H.S. students
 - CUSD can access the \$10.5 million if desired prior to completion of study



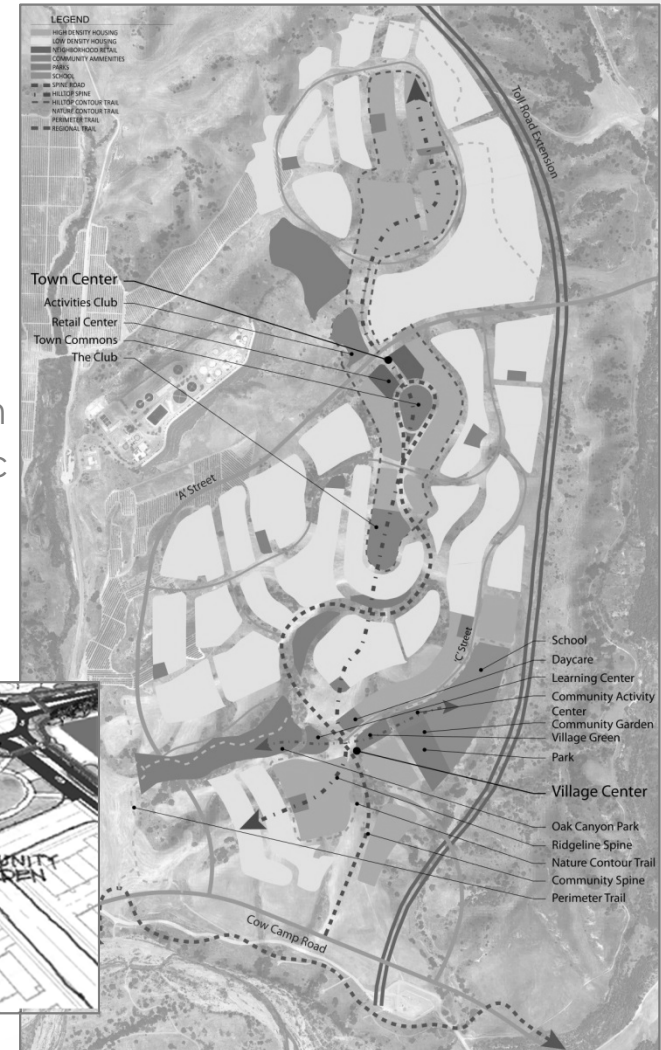
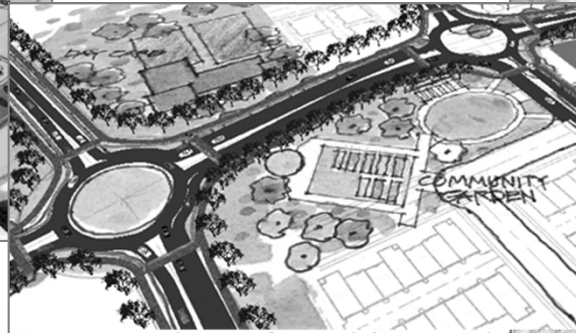
Funding

- School Payments
 - CUSD will receive PA 2 School Payments equal to \$13,280 per SFD DU, \$9,900 per HD-SFD DU, \$7,660 per SFA DU and \$3,910 per MF DU plus Senior, Commercial and Industrial at \$0.51/s.f. (estimated at \$29 million, subject to “true-up”)
 - May be funded either by RMV or a CFD
 - CUSD will receive High School Payments equal to \$5,069 per SFD DU, \$3,779 per HD-SFD DU, \$2,924 per SFA DU and \$1,492 per MF DU (estimated at \$10.5 million)
 - RMV may defer payments with a guarantee of payment
- State Funding Projection (*based on current program*)
 - Site acquisition – 50% (estimated at \$10.5 million)
 - RMV at risk if state funding is reduced
 - Per pupil grants – approx. 40% (estimated at \$11.5 million)
 - CUSD and RMV share in risk
 - CUSD reduction in school cost = RMV increase in contribution
- RMV Advances of Funds
 - RMV obligated to advance funds when needed
 - CUSD gives RMV a Special Obligation Note that is only repaid/refunded from project funds – no general fund exposure
- Federal and Local Funding (or additional state funding)
 - CUSD can use first \$500,000 to improve PA 2 School

PA 2 School Site Selection

- Location

- Must be in bottom third of PA 2 due to timing of need for school plus availability of utilities
- RMV was required to provide a study to show that the site will be acceptable to both CUSD and CDE
- Planned topography with adjacent uses simulated in bird's eye view video simulation
- Traffic simulation resulted in additional traffic improvements on surrounding roadways



Site Video Simulation



Traffic Simulations

- Traffic was simulated at morning drop off and afternoon pick up
- The simulation showed some congestion at various times and locations
- Additional turning lanes and another traffic circle were added to ease the congestion



Joint Use

- Existing Joint Use Agreements
 - CUSD has entered into other joint use agreements in connection with Rancho Mission Viejo projects – (LARMAC, SAMLARC)
- PA 2 School Joint Use Agreement
 - Sports fields
 - RMV fields – CUSD exclusive use during school hours
 - CUSD fields – RMV non-exclusive casual use during non-school hours
 - Parking lots
 - RMV lot(s) – CUSD drop off ok, non-exclusive parking for evening events
 - CUSD lot(s) – RMV non-exclusive parking for RMV evening events
 - RMV Multipurpose building
 - CUSD 50% use during school, six exclusive use days, twelve exclusive evenings, rainy day lunch use, other use as granted by RMV
 - CUSD hard courts – RMV non-exclusive casual use during non-school hours
 - RMV community garden – CUSD non-exclusive use as granted by RMV
 - Secured school property – No joint use
 - RMV maintains, at no cost to district, the multipurpose building, all sports fields and all perimeter landscaping

Schedule

- PA 1 Occupancies Begun, Build-out in 2015
 - 332 projected K-8 students, 77 projected 9-12 students
- PA 2 Grading Begun, Build-out in 2019
 - 786 projected K-8 students, 189 projected 9-12 students
- Interim Housing of Students
 - CUSD can temporarily house new students at existing schools
 - Students will attend closest available school that can house them
 - RMV will pay for transportation if needed or installation of portables at existing sites
- Trigger for Site Purchase, Construction and Opening of PA 2 School
 - 300 actual K-5 students more than available permanent capacity at Ambuehl (currently 66 available permanent seats), or,
 - 1,150th dwelling unit trigger for site acquisition, 2 months to close escrow, 20 months to complete construction and open the school

