

RESOLUTION NO. 1920-03

RESOLUTION OF THE BOARD OF TRUSTEES OF THE CAPISTRANO UNIFIED SCHOOL DISTRICT OF INTENTION TO FORM A SCHOOL FACILITIES IMPROVEMENT DISTRICT (SFID No. 2 – “Southern Region”)

WHEREAS, the Board of Trustees (“Board”) of the Capistrano Unified School District (“District”) is committed to maintaining the District’s high quality of education; and

WHEREAS, nearly 70% of the District’s schools within the Southern Region are over 30 years old, nearly 90% are over 20 years old, and all need repairs and improvements to meet current District and State of California standards; and

WHEREAS, the District must repair, construct, acquire or equip classrooms, sites, and facilities to maintain and improve their safety and security, and help ensure that all students have access to updated 21st century classrooms, labs and school facilities; and

WHEREAS, the District has prepared a Facility Condition Assessment and solicited stakeholder and community input on school facility needs from parents, teachers, staff, and the community; and

WHEREAS, the Board is authorized pursuant to section 18 of Article XVI and section 1 of Article XIII A of the California Constitution (also known as “Proposition 39”) and Education Code section 15100 et seq. to order elections for the purpose of submitting to the electors in the District the question of whether bonds shall be issued and sold for the purpose of raising money for the construction, reconstruction, improvement, rehabilitation, or replacement of school facilities, including the furnishing and equipping of such school facilities, and the acquisition or lease of real property for such school facilities; and

WHEREAS, Education Code Section 15300 et seq. (“SFID Law”) further provides for an additional method of financing facilities that will benefit a specific area within the District, and permits the District to seek authorization to issue Proposition 39 general obligation bonds within an area designated as a “school facilities improvement district” (“SFID”), such bonds to be paid from *ad valorem* property taxes levied upon property within the boundaries of the SFID; and

WHEREAS, pursuant to the requirements of Education Code section 15303, in 1999, the Board of Supervisors of the County of Orange (the “County”) adopted Resolution No. 99-248 to authorize the use of this financing approach by school districts within the County; and

WHEREAS, Education Code section 15301(c) permits the District to form an SFID over only a portion of its territory, so long as a school district’s governing board finds and determines that the overall cost of using this method of financing would be less than using other financing options, including a financing under the Mello-Roos Community Facilities Act of 1982 (“Mello-Roos Act”); and

WHEREAS, the Board deems it necessary and in the best interest of the District and of the residents and taxpayers of the District to form a SFID to include those areas as depicted on the map on file with the Board and available to the public for review, to finance the construction, reconstruction, improvement, rehabilitation, or replacement of school facilities located within the proposed SFID, including the furnishing and equipping of such school facilities, and the acquisition or lease of real property for such school facilities, for the benefit

of the area of land proposed to be included within the SFID ("School Facilities Improvement Projects").

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Capistrano Unified School District as follows:

Section 1. The above recitals are true and correct.

Section 2. The Board determines that it is necessary and in the best interest of the District to form a SFID pursuant to the SFID Law to finance the School Facilities Improvement Projects.

Section 3. The Board proposes to form a school facilities improvement district pursuant to the provisions of the SFID Law. The official name proposed for the SFID is "School Facilities Improvement District No. 2 of the Capistrano Unified School District ("SFID No. 2"). For purposes of discussion, SFID No. 2 has been and may continue to be referred to as the "Southern Region SFID."

Section 4. The Board hereby finds and determines, based on a review by its financial advisor and estimates of financing costs for various financing scenarios prepared by the financial advisor on file with the Board and available to the public for review, that the overall cost of financing the School Facilities Improvement Projects with bonds issued pursuant to the SFID Law would be less than the overall cost of other school facilities financing options available to the District, including, but not limited to, issuing bonds pursuant to the Mello-Roos Act. The Board hereby determines that the conditions of Education Code Section 15301(c) have been satisfied and that the District may proceed under the SFID Law without meeting the requirements of Education Code Section 15301 (a) and (b).

Section 5. The general purpose for which SFID No. 2 is to be formed is the financing of the School Facilities Improvement Projects in SFID No. 2, as the Board shall hereafter further define in a resolution calling a bond election in accordance with the SFID Law.

Section 6. The estimated cost of the School Facilities Improvement Project in SFID No. 2 is approximately \$120,000,000. The maximum principal amount of bonds to be issued within SFID No. 2 will be determined in a resolution calling a bond election in accordance with SFID Law.

Section 7. A map ("Boundary Map") showing the exterior boundaries of the proposed SFID No. 2 is on file with the Board and available for review by the public in the Office of the District Superintendent and in the Facilities Department of the District. SFID No. 2 shall contain all land located within the City of San Clemente plus the land located within that portion of the Palisades Elementary School attendance boundary within the Cities of San Clemente and Dana Point, but shall exclude all land that is located within Community Facilities District No. 90-2 and Improvement Area No. 2002-1 of Community Facilities District No. 90-2, both created by the District under the Mello-Roos Act for the purpose of funding or financing school facilities, and all as depicted on the Boundary Map.

Section 8. The Board hereby calls a public hearing on September 18, 2019, at 7:00 p.m. or as soon thereafter as practicable, at 33122 Valle Road, San Juan Capistrano, California, at which time and place any interested persons, including any persons owning lands within the District, or in the proposed SFID No. 2, may appear and be heard at said hearing.

Section 9. The Clerk of the Board is hereby directed to publish, or cause to be published, a copy of this Resolution in a newspaper of general circulation published in the County, pursuant to Section 6066 of the California Government Code, the first such publication being at least 14 days prior to the time fixed for said hearing.

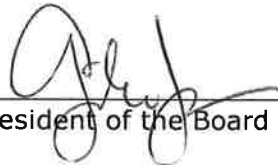
Section 10. The President of the Board, the Superintendent, and the Deputy Superintendent, Business and Support Services or their designees are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution.

Section 11. This Resolution shall take effect immediately upon its adoption.

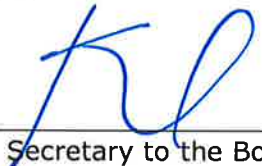
PASSED AND ADOPTED this 17th day of July, 2019, by the following vote of the Board of Trustees of the Capistrano Unified School District:

AYES: 6
NOES: 0
ABSENT: 1
ABSTAIN: 0

CAPISTRANO UNIFIED SCHOOL DISTRICT

By: 
President of the Board of Trustees

ATTEST:

By: 
Secretary to the Board of Trustees