

SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT

RESOLUTION DECLARING INTENTION TO A FORM SCHOOL FACILITIES IMPROVEMENT DISTRICT WITH RESPECT TO SANTA MONICA SCHOOLS

WHEREAS, the California Education Code commencing at Section 15300 and following (the "SFID Law") provides a method for the formation of school facilities improvement districts consisting of a portion of the territory within a school district, for the conduct of a bond election within said school facilities improvement district, and for the issuance of general obligation bonds by a school district for said school facilities improvement district, the proceeds of which will be applied to address voter-approved facilities projects; and

WHEREAS, the Santa Monica-Malibu Unified School District (the "District") is composed of two distinct geographical areas, one serving Santa Monica schools, and the other serving Santa Monica schools, and both of said areas have important and distinct facilities needs which are specific to schools within said areas that require identification of a local funding source such as voter-approved general obligation bonds; and

WHEREAS, as such, in the judgment of the Board of Education (the "Board") of the District, it is advisable and necessary for the District to commence the process of forming two school facilities improvement districts, one with respect to Santa Monica schools and the other with respect to Santa Monica schools, to assist the District in addressing facilities needs in said areas which are distinct to said areas and will benefit the properties within said areas; and

WHEREAS, pursuant to the SFID Law, the Board of Supervisors of Los Angeles County has by resolution adopted on May 1, 2018 made the SFID Law applicable in Los Angeles County for the purposes of the District's school facilities improvement districts, which is the county in which the proposed school facilities improvement districts are located; and

WHEREAS, as part of the legal process required to form a school facilities improvement district, the SFID Law requires the Board to adopt a resolution declaring certain matters, including (i) its intent to form a school facilities improvement district, (ii) the purpose for which the district is to be formed, (iii) the estimated cost of the project(s) for which the improvement district is being formed and (iv) establishing the time and place for a public hearing by the Board on the formation of the proposed school facilities improvement district;

WHEREAS, on May 3, 2018, this Board adopted Resolution No. 17-38 declaring its intention to form a school facilities improvement district with respect to the area serving Malibu schools; and

WHEREAS, at this time and pursuant to this Resolution of Intention, the Board desires to commence the process of forming a school facilities improvement district with respect to the area serving Santa Monica schools;

NOW, THEREFORE, BE IT RESOLVED as follows:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Intent to Form a School Facilities Improvement District - Santa Monica Schools. The Board hereby declares it is necessary and in the best interests of the District to form a school facilities improvement district in the area serving Santa Monica schools. The Board

hereby declares its intent to form a school facilities improvement district to be identified as “School Facilities Improvement District No. 1 of the Santa Monica-Malibu Unified School District (Santa Monica Schools)” (the “Improvement District”) within the boundaries of the District.

Section 3. Purposes of Formation of the Improvement District. The Board is forming the Improvement District for the purpose of financing school facilities improvement projects within the boundaries of the Improvement District, including the construction, reconstruction, rehabilitation, and replacement of school facilities, the furnishing and equipping of school facilities, and/or the acquisition or lease of real property for school facilities, which are the types of projects that can be presented more particularly to voters in general obligation bond measures presented to voters of the Improvement District in accordance with the provisions of law implemented with Proposition 39, and all of which will benefit the land within the Improvement District (collectively referred to herein as the “Improvement Projects”). The Board may more particularly define the Improvement Projects proposed to be financed with bond proceeds in one or more general obligation bond measures called in accordance with the SFID Law.

Section 4. Estimated Cost of the Improvement Projects. The Board estimates at this time that the Improvement Projects will cost approximately \$650 million, which includes all costs incidental to said Improvement Projects. Notwithstanding the foregoing cost estimate, general obligation bonds, if approved, may only be issued in a principal amount which does not exceed the amount presented to and approved by voters of the Improvement District. The Board may determine to address the costs of the Improvement Projects in bond measures presented to voters of the Improvement District at one or more bond elections.

Section 5. Levy of Taxes Only Within Improvement District. If the issuance of general obligation bonds is approved in accordance with California law by the voters of the Improvement District, all taxes levied for the purpose of paying principal of and interest on any such general obligation bonds shall be levied exclusively upon the lands in the Improvement District, and not on any other land in the District that is not within the boundaries of the Improvement District.

Section 6. Boundary Map. A map showing the exterior boundaries of the proposed Improvement District meeting the requirements of Education Code Section 15301 is on file with the Board and is hereby approved and available for public inspection. The District has not previously created community facilities districts pursuant to Government Code Section 53311 and following which have boundaries that overlap with the proposed Improvement District. As such, Education Code 15301 subsections (a) and (b) do not apply.

Section 7. Public Hearing. The time and place for a public hearing to be held by the Board on the proposed formation of the Improvement District at which any interested persons, including all persons owning land in the District or in the Improvement District, may appear and be heard, is as follows:

Date and Time: Thursday, June 14, 2018
Location: District Administrative Offices
1651 - 16th Street
Santa Monica, CA

Section 8. Notice of Public Hearing: Publication. Pursuant to the Law, the District shall cause this Resolution to be published in a newspaper of general circulation in Los Angeles County in advance of the public hearing. Said publication shall occur once a week for two successive weeks, in accordance with Government Code Section 6066, beginning no later than 14 days prior to the date set for the public hearing.

Section 9. Additional Findings. The Board hereby determines that the formation of the school facilities improvement district is necessary to meet its school facilities financing needs

within the Improvement District. The Board hereby confirms that the boundaries of the proposed Improvement District do not include any portion of the territory of a community facilities district previously formed in the District pursuant to Government Code Section 53311 and following (the "Mello Roos Act") for the construction of school facilities. Further the Board finds that issuing general obligation bonds relating to the Improvement District is the most attainable and beneficial option for obtaining financing for the Improvement Projects, and as such, as required by Education Code section 15301, it finds that the overall cost of issuing general obligation bonds would be less than the overall cost of other school facilities financing options available to the District, if any, including, but not limited to, issuing bonds pursuant to the Mello-Roos Act.

Section 10. Effective Date. This Resolution shall take effect immediately upon adoption hereof.

PASSED AND ADOPTED on May 17, 2018, by the following vote:

AYES:

NOES:

ABSENT:

President of the Board of Education
Santa Monica-Malibu Unified School District,
Los Angeles County, California

ATTEST:

Secretary of the Board of Education
Santa Monica-Malibu Unified School District,
Los Angeles County, California