



Mountain View  
Whisman  
School District

# Funding Future Growth

Nov. 4, 2021

# Strategic Plan 2027

## Goal Area 5

- Equitable distribution of resources that support student success
- Goal 5a: Ensure facilities and resources equitably serve all students



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# Growth

# Population growth - Census 2020

- According to the US Census Mountain View's current population is 82,876
  - Twenty-one percent increase since 1990
  - Most of the growth occurred during the last decade (11.1%)
    - 1990 - 2000 = 5% growth
    - 2000 - 2010 = 4.7 growth

source Mountain View staff report for EPC

# Regional Housing Needs Allocation - RHNA

- RHNA notes that the City of Mountain View must plan for 11,135 units in the next eight years

Income Group	Area Median Income %	Units	% of 2023-31 Total
Very Low	0-50%	2,773	26%
Low	51%-80%	1,597	15%
Moderate	81%-120%	1,885	17%
Above Moderate	120%+	4,880	42%
Total		11,135	100%

# Most employees qualify for affordable housing

Number of Persons in Household		1	2	3	4
Income Category	Area Median Income %				
Very Low	0-50%	\$58,000	\$66,300	\$74,600	\$82,850
Low	51 %-80%	\$82,450	\$94,200	\$106,000	\$117,750
Moderate	81 %-120%	\$105,900	\$121,050	\$136,150	\$151,300
Above Moderate	120%+	\$127,100	\$145,250	\$163,400	\$181,550

# Affordable staff housing

- Affordable staff housing benefits all schools
  - Ensures our high-quality teachers and staff can stay
  - 144 units for below market rate rental by staff members
  - 777 West Middlefield Rd, developed by Fortbay



Mountain View W

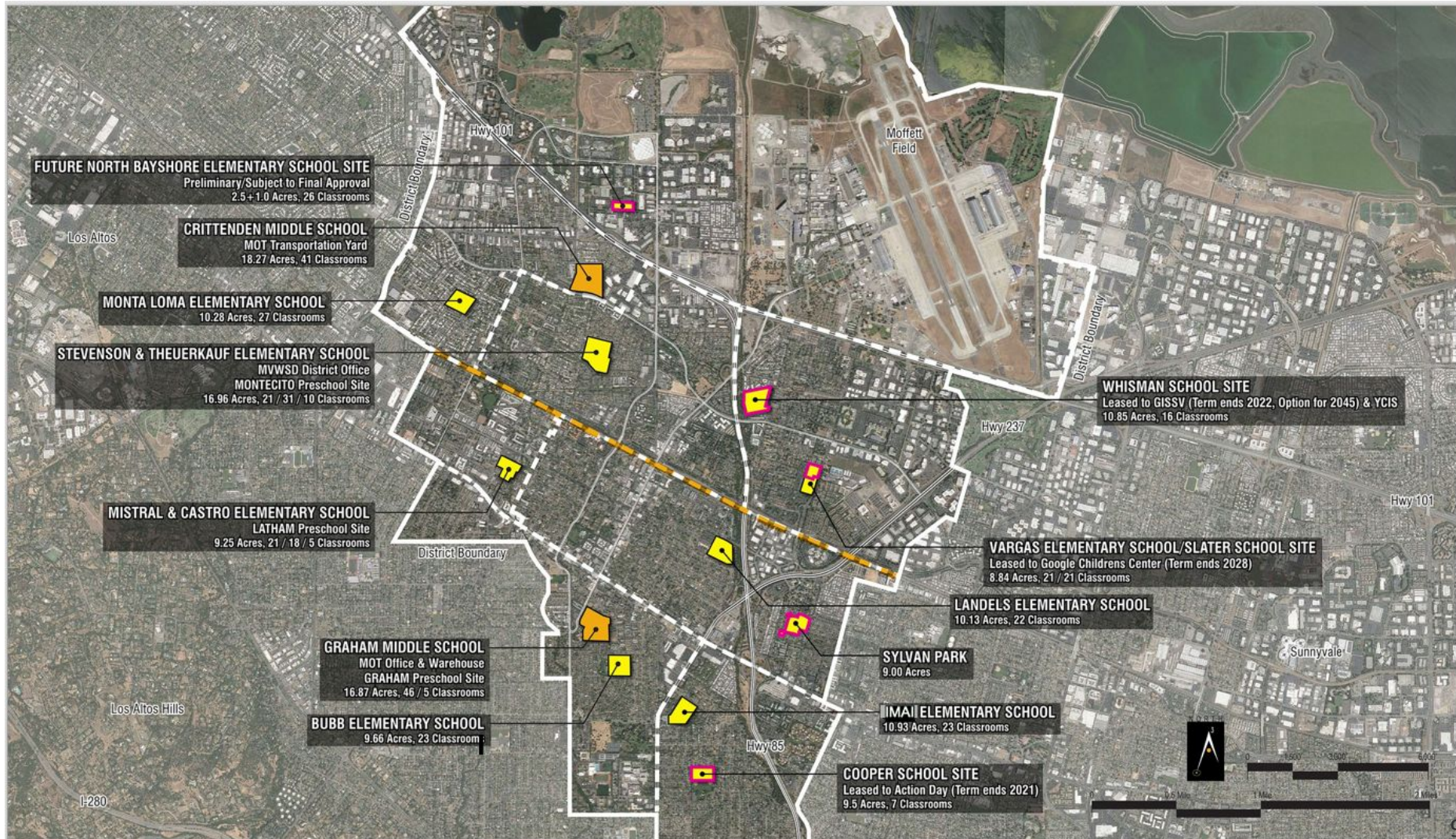


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# Impact of Housing on Schools

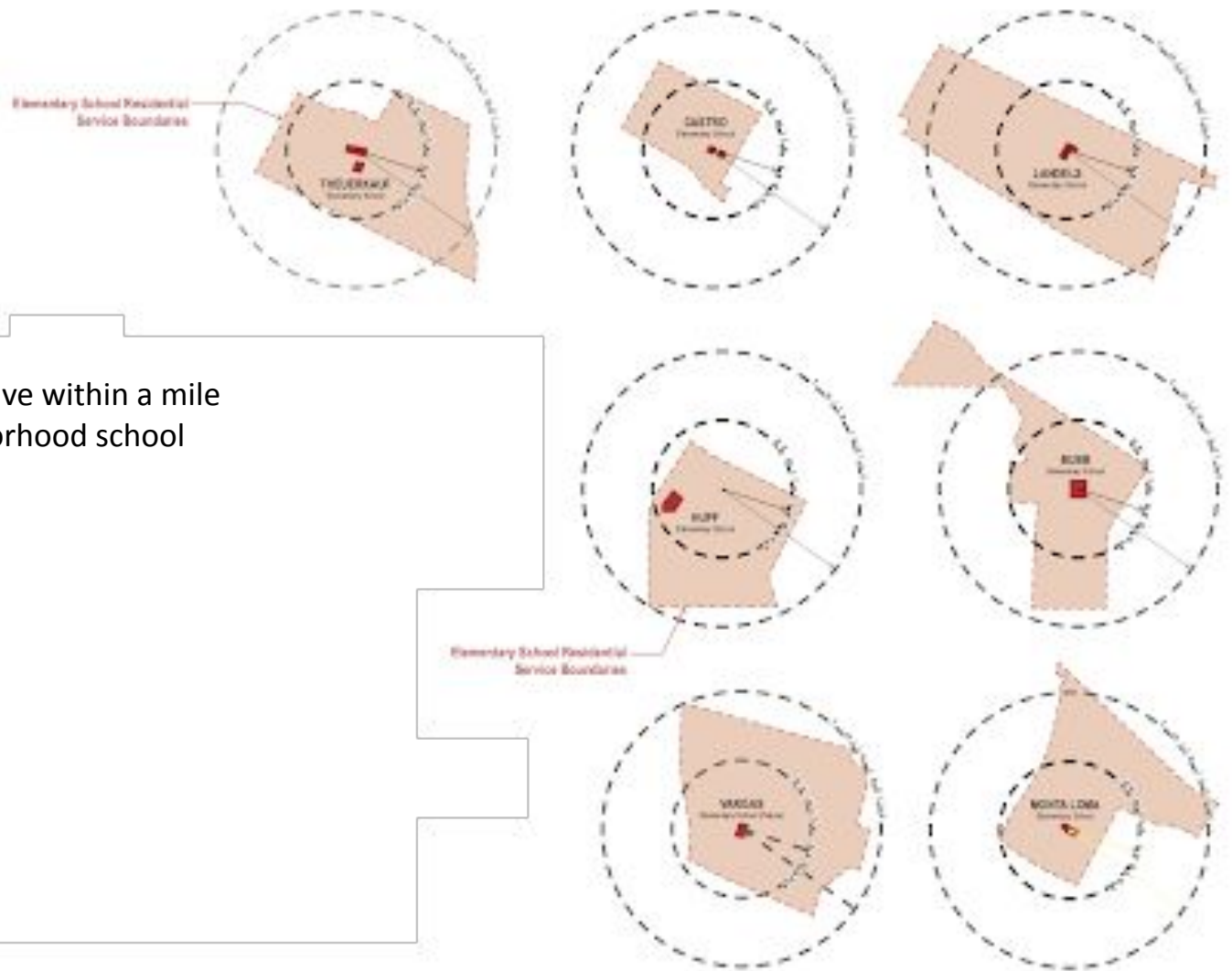


# School sites



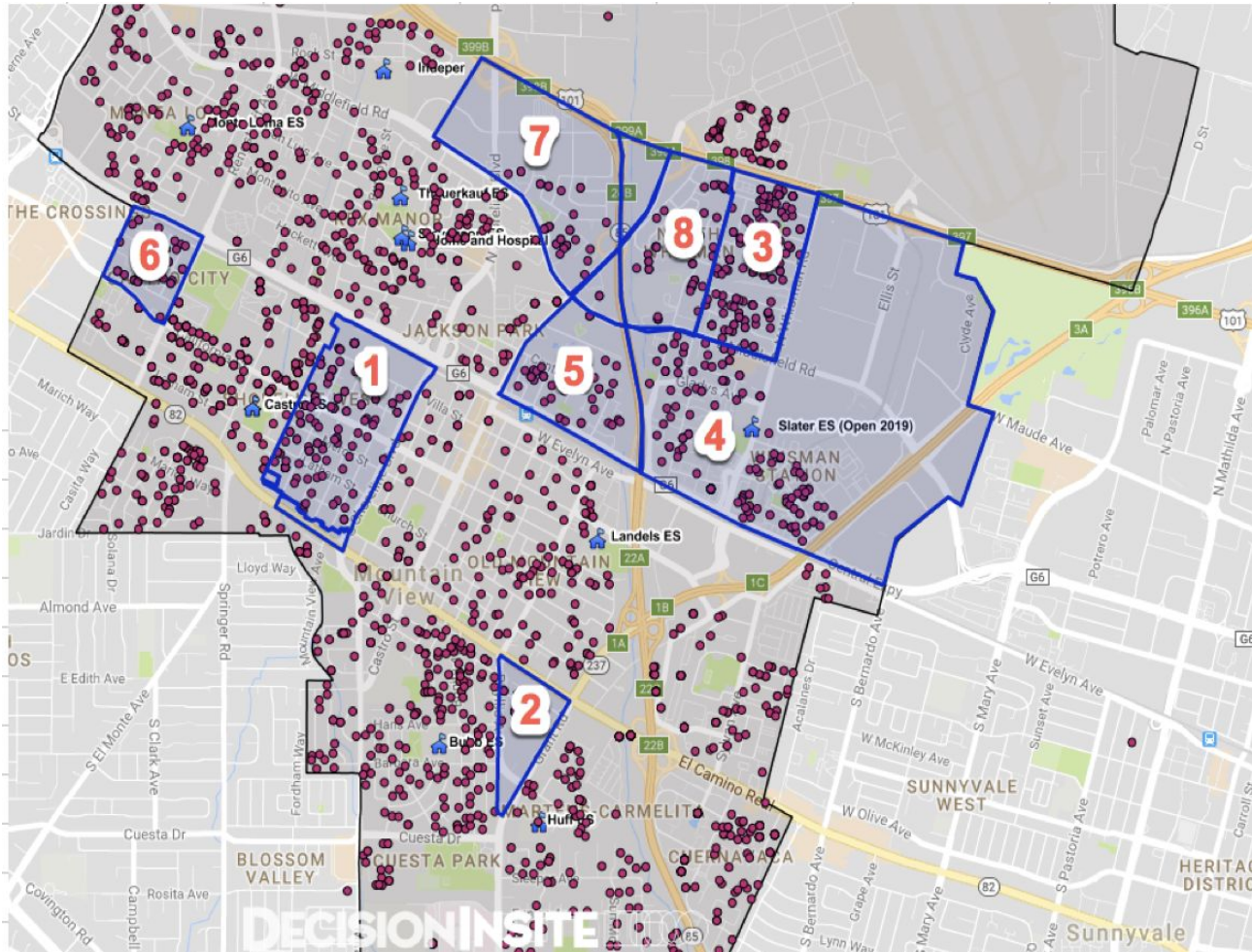


most students live within a mile  
of their neighborhood school



EXISTING MVWSD ELEMENTARY SCHOOLS

# In 2019-20 MVWSD had 8 Transition Zones



# In response to growth in the Whisman area - 637 students were relocated in 2019 to their home schools

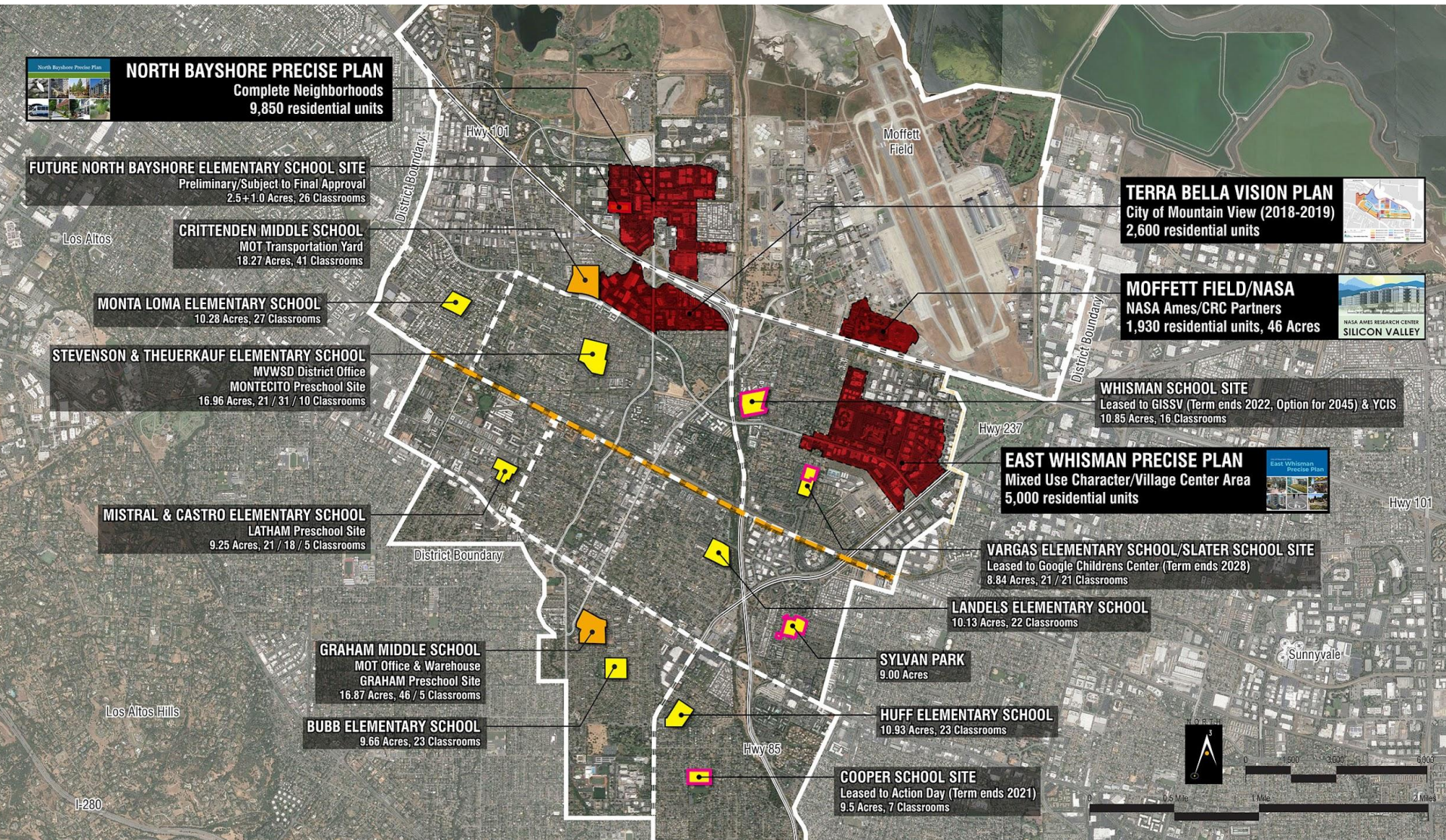
School	# of K-3 Students who reside in this school's 2019 boundary	# K-3 of Students currently attending Bubb	# K-3 of Students currently attending Castro	# K-3 of Students currently attending Huff	# K-3 of Students currently attending Landels	# K-3 of Students currently attending Monta Loma	# K-3 of Students currently attending N. Whisman	# K-3 of Students currently attending Theuerkauf	# of K-3 Students who would need to transition to their new home school in 2019
Bubb	319	266	8	8	2	3	0	7	28
Castro	335	13	132	2	11	38	0	19	83
Huff	348	11	1	305	14	0	0	1	27
Landels	402	82	16	5	180	2	0	6	111
Monta Loma	293	4	2	1	5	189	0	25	37
N. Whisman	339	8	0	90	97	12	0	52	259
Theuerkauf	320	8	5	1	36	42	0	107	92
<b>Totals:</b>	2356	392	164	412	345	286	0	217	637
School	# of Grade 3 Students who reside in this school's 2019 boundary	# of Grade 3 Students currently attending Bubb	# of Grade 3 Students currently attending Castro	# of Grade 3 Students currently attending Huff	# of Grade 3 Students currently attending Landels	# of Grade 3 Students currently attending Monta Loma	# of Grade 3 Students currently attending N. Whisman	# of Grade 3 Students currently attending Theuerkauf	# of Grade 3 Students who could be grandfathered to their current school
Bubb	71	55	4	3	1	2	0	2	12
Castro	83	9	35	1	3	7	0	5	25
Huff	89	7	0	76	3	0	0	0	10
Landels	86	21	2	2	39	0	0	2	27
Monta Loma	72	2	1	1	2	48	0	5	11
N. Whisman	67	0	0	20	16	2	0	10	48
Theuerkauf	69	2	3	0	7	8	0	24	20
<b>Totals:</b>	537	96	45	103	71	67	0	48	153







# Future higher density residential growth areas - 2019



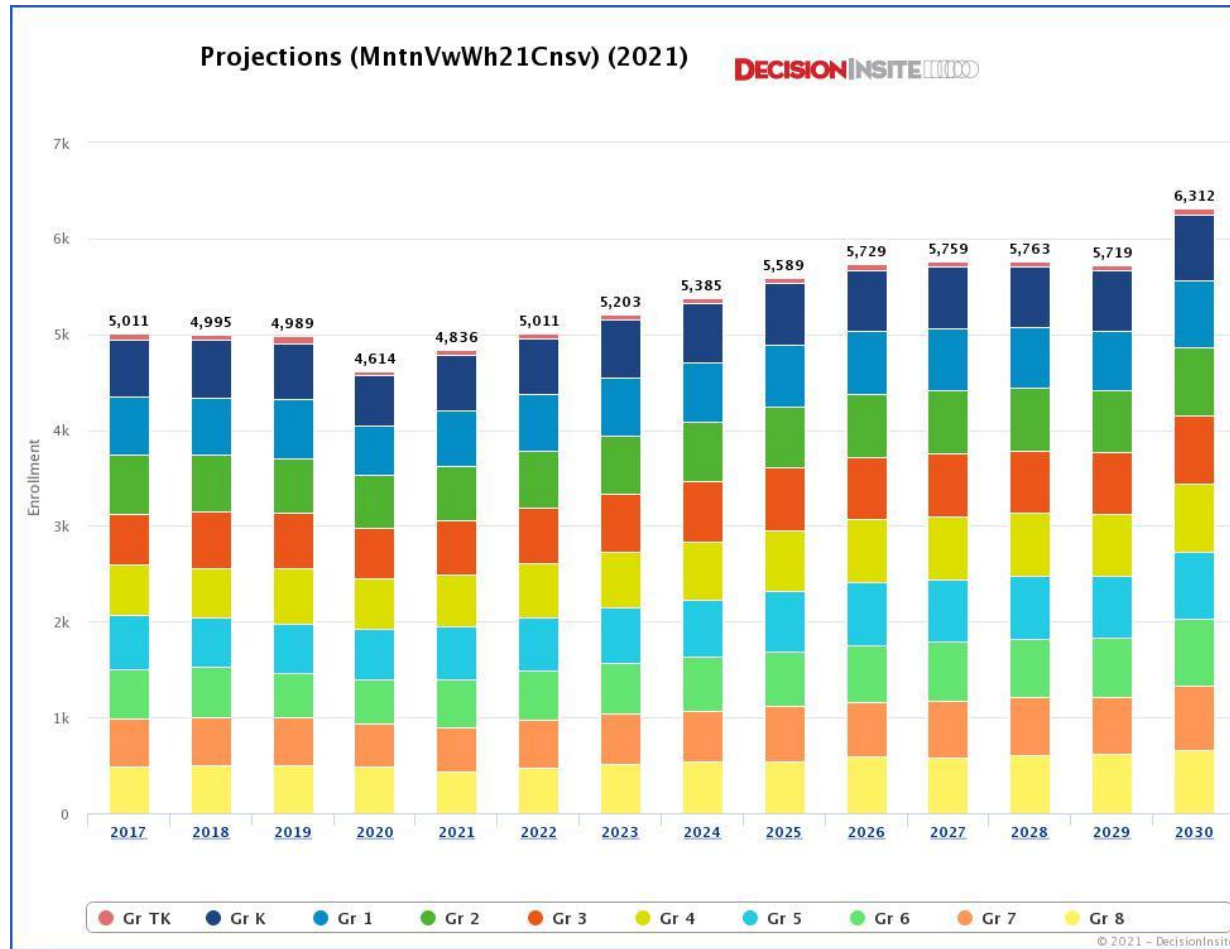


# How a proposed development of 9850 units impacts MVWSD & MVLA

Land Use Analysis			SGR				Projected Students			
Unit Type	Units	% Total Units	K-5 SGR	6-8 SGR	9-12 SGR	K-12 SGR	K-5	6-8	9-12	K-12
MR Micro Apt	2,206	22.4%	0.008	0.005	0.003	0.016	18	11	7	36
MR Micro Condo	946	9.6%	0.008	0.005	0.003	0.016	8	5	3	16
MR 1-3 BR Apt	3,310	33.6%	0.085	0.039	0.047	0.171	281	129	156	566
MR 1-3 BR Condo	1,418	14.4%	0.038	0.011	0.018	0.067	54	16	26	96
BMR Micro Apt	552	5.6%	0.008	0.005	0.003	0.016	4	3	2	9
BMR Micro Condo	236	2.4%	0.008	0.005	0.003	0.016	2	1	1	4
BMR 1-3 BR Apt	827	8.4%	0.308	0.247	0.312	0.867	255	204	258	717
BMR 1-3 BR Condo	355	3.6%	0.308	0.247	0.312	0.867	109	88	111	308
<b>Total</b>	<b>9,850</b>	<b>100.0%</b>					<b>731</b>	<b>457</b>	<b>564</b>	<b>1,752</b>

Sources: City of Mountain View, Google, Jack Schreder & Associates, SCI

# If growth stops today = 1,515 by 2030



If residential growth stops today, there would still be a net increase of 1,515 additional students enrolled in MVWSD schools



# The recent RHNA requirements only reinforced that growth is a reality

- Up to 20,000 total additional residential units
- Incremental build out over 10-15 years
- Concentrated in North/Northeast
  - North Bayshore, East Whisman, Moffett Field, Terra Bella, others
- Additional 3,430 K-8 students
  - 2,118 Elementary, 1,312 Middle school



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# School Capacity

**Short-Term Residential Growth Summary  
City of Mountain View**

2019

PROJECT STATUS	NO. OF PROJECTS	PROPOSED RESIDENTIAL UNITS	OCCUPANCY TIMETABLE
Development Projects Under Review	18	2,301	3 to 5 years
Approved Development Projects (approved 2017-2019)	18	3,070	Within 3 Years
Projects Under Construction (approved 2014-2018)	20	2,332	Within 2 Years
<b>Total-Residential Units</b>	<b>56</b>	<b>7,703</b>	

Source: Development Update-August 2019, Planning Division, Community Development Department, City of Mountain View

**Table 2-2  
Enrollment Impacts from Short-Term Residential Growth  
MVWSD Elementary & Middle Schools**

Elementary Schools	Existing Enrollment (School Year 2019-2020)	Projected Enrollment*** with Short-Term Growth	Existing School Enrollment Capacity (Realistic/Maximum**)
Bubb Elementary School	475	503 (+28)	432 / 564
Castro Elementary School	327	357 (+30)	312 / 432
Huff Elementary School	546	546 (+0)	488 / 572
Landels Elementary School	446	566 (+120)	504 / 616
Monta Loma Elementary School	342	406 (+64)	460 / 656
Theuerkauf Elementary School	332	552 (+220)	672 / 744
Vargas Elementary School	293 (K-4)	474 (+181*)	492 / 516
Mistral Elementary School**	379	379 (no change)**	392 / 512
Stevenson Elementary School**	430	430 (no change)**	460 / 516
Totals	3,570	4,150 (+580)	4,212 / 5,128

Middle Schools	Existing Enrollment (School Year 2019-2020)	Projected Enrollment*** with Short-Term Growth	Existing School Enrollment Capacity (Realistic/Maximum****)
Crittenden Middle School	647	848 (+201)	1,008 / 1,148
Graham Middle School	861	969 (+108)	1,176 / 1,288
Totals	1,508	1,817 (+309)	2,184 / 2,436

\* Includes an additional 63 students with the addition of 5th grade plus 118 students from residential growth.

\*\* MVWSD Choice Schools (attendance not based on location within neighborhood boundaries).

\*\*\* Projected enrollment prepared by J. Schreder & Associates on 11/5/19 based on City of Mountain View Development Updates-Aug 2019.

\*\*\*\* Realistic capacity assumes other programs and uses of existing classrooms remain. Maximum capacity assumes all classrooms used exclusively as school classrooms.

# Maximum capacity vs. realistic capacity

Issues with using maximum capacity

Doesn't take into account:

- Most of the growth will be in northern schools; not distributed equally
- Northern schools are already the most dense (classrooms per acre)
- Desire to have neighborhood schools

## Maximum capacity vs. realistic capacity, con't ...

While we have maximum capacity of 2,500 students, this assumes:

- There are no dedicated spaces for specific educational programs, like:
  - Special Education
  - Response to Instruction
- All ancillary programs are removed from schools, like:
  - Beyond the Bell, YMCA, Right at School, The Beat



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# Master Facilities Plan (2019) - Urban School Design

# Master Facilities Plan

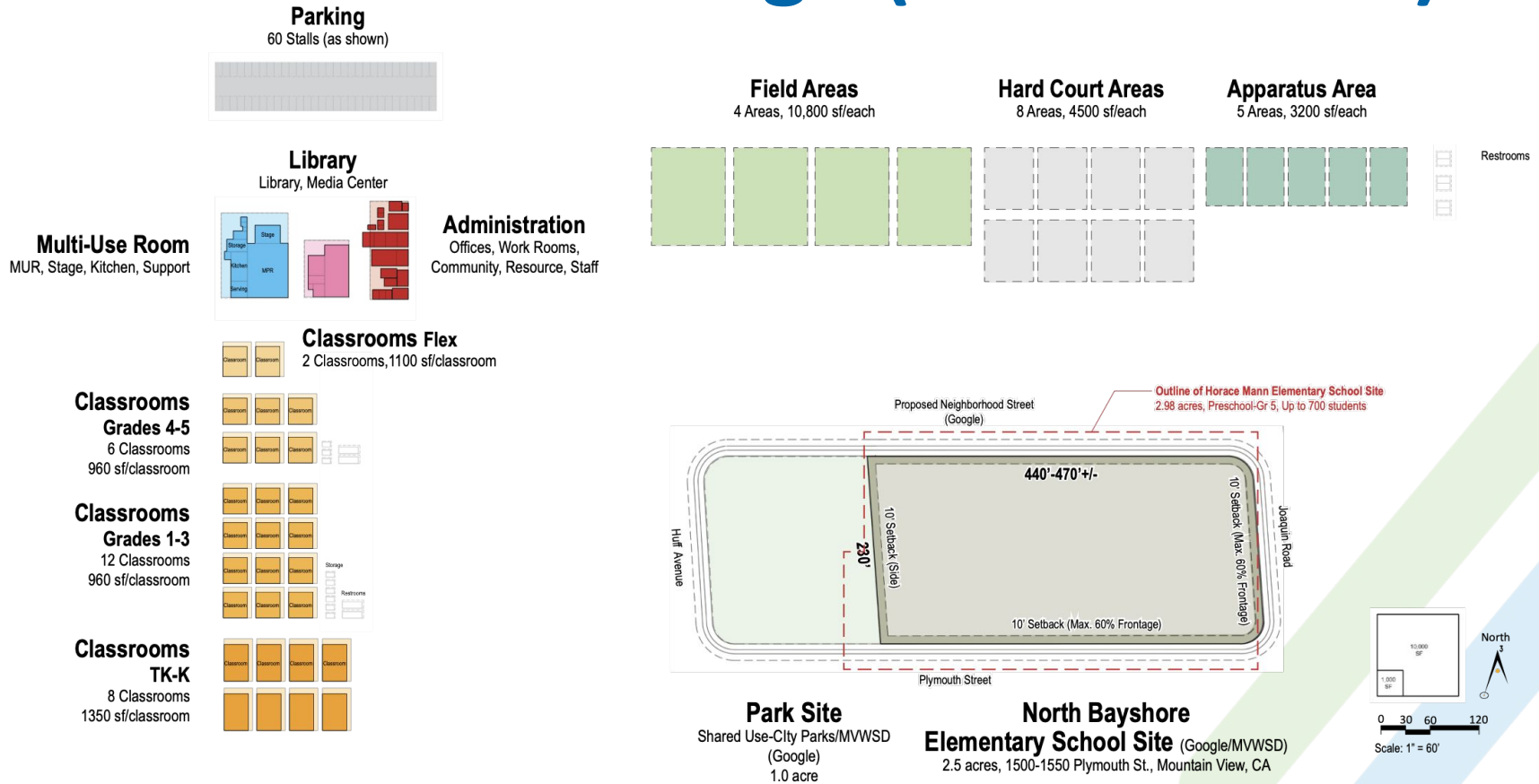
- Board approved a 10-year master facilities plan that accommodates growth while prioritizing the work ahead based on needs and input
- MFP continues the planning efforts of the former 2010 plan
- Informs Bond Measure T

# Master Facilities Plan

- \$259 million Bond Measure T (March 3, 2020) could be spent on:
  - Growth, Safety, Operational Efficiency
  - Short-term growth solutions
  - Staff housing
  - Repayment of Vargas Elementary construction
- ***Measure T does not include long-term growth solutions***



# Urban school design (2.5-3.5 acres)



**NORTH BAYSHORE MASTER PLAN** MOUNTAIN VIEW, CA  
MOUNTAIN VIEW WHISMAN SCHOOL DISTRICT

**COMPARATIVE SCALE DIAGRAM**  
Elementary School Facilities Program for 685 Students (TK-5)

May 15, 2019





**CONCEPT A**  
**North Bayshore Elementary School**  
 2.5-3.5 acres, 1500-1550 Plymouth St., Mountain View, CA



**CONCEPT B**  
**North Bayshore Elementary School**  
 2.5-3.5 acres, 1500-1550 Plymouth St., Mountain View, CA

**NORTH BAYSHORE MASTER PLAN** MOUNTAIN VIEW, CA  
MOUNTAIN VIEW WHISMAN SCHOOL DISTRICT

## PRELIMINARY SITE PLAN CONCEPTS

Elementary School Facilities Program for 685 Students (TK-5)

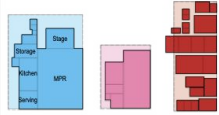
May 15, 2019



**FACILITIES PROGRAM** Recommended  
California Dept. of Education  
Up to 700 Students (TK-5th Grade)

**Administration**  
Offices, Work Rooms,  
Community, Resource, Staff

**Multi-Use Room**  
MUR, Stage, Kitchen, Support



**Library**  
Library, Media Center

**Classrooms Flex**  
2 Classrooms  
1100 sf/classroom



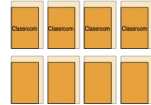
**Classrooms Grades 4-5**  
6 Classrooms  
960 sf/classroom



**Classrooms Grades 1-3**  
12 Classrooms  
960 sf/classroom



**Classrooms TK-K**  
8 Classrooms  
1350 sf/classroom



**Playcourt Areas**  
8 Areas, 4500 sf/each



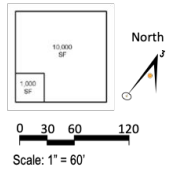
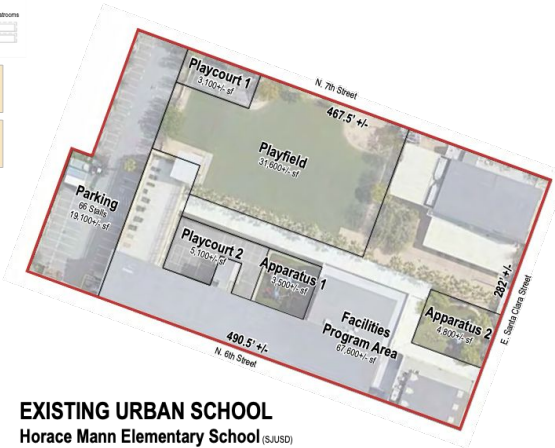
**Parking**  
63 Stalls



**Field Areas**  
4 Areas, 10,800 sf/each



**Apparatus Area**  
5 Areas, 3200 sf/each



**NORTH BAYSHORE MASTER PLAN** MOUNTAIN VIEW, CA  
MOUNTAIN VIEW WHISMAN SCHOOL DISTRICT

**PRELIMINARY SITE PLAN CONCEPTS**  
Elementary School Facilities Program for 685 Students (TK-5)

May 15, 2019





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# Funding Options

# Potential Funding Sources

- School Facilities Improvement District Bonds
  - Taxes only a portion of community. Not available until 2022 or beyond, depending on when voters would be willing to support another bond measure.
- Mello-Roos Bonds
  - District sponsors the creation of a Community Facilities District (“CFD”) to leverage the value of land in a portion of the school district. Could possibly discourage developer growth, as it typically depresses real-estate values.

# Potential Funding Sources

- Certificates of Participation
  - Loans to be used for capital projects of the District. The amount available is dependant on how much the District can afford to repay from its operating budget.
- General Obligation Bonds



# General Obligation Bonds Overview

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A general obligation bond is a common method of debt financing used by California school districts to generate capital project funds

- ◆ Lowest borrowing cost of any debt financing technique available to school districts
- ◆ Repayment (principal and interest) is made from taxes levied on assessed value of properties within school district boundaries
- ◆ Repayment of bonds does not encroach on district general fund
- ◆ Requires approval of district's registered voters
  - Bond authorization amount
  - Project list
  - Estimated tax rate



# General Obligation Bonds

- \$168 million currently

## Estimated Current Bonding Capacity <sup>(1)</sup>

2021-22 Total AV	\$ 34,872,139,823
Statutory Debt Limit Factor	x 1.25%
Bonding Capacity	<hr/> 435,901,748
Outstanding General Obligation Bonds	(267,655,258)
Available Bonding Capacity	\$ 168,246,490



# School Facilities Improvement District Bonds Overview

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Bonds for School Facilities Improvement Districts (“SFIDs”) are general obligation bonds for only a portion of a school district’s boundaries

- ◆ The size of the bond would depend upon the AV of the SFID compared to the AV of the district as a whole
  - For example, if a school district’s AV supported a \$100 million bond, an SFID that represented 50% of the territory of the school district would therefore support a ~\$50 million bond
- ◆ The County Board of Supervisors and Board of Trustees must approve resolutions to form the SFID(s)

SFIDs are a good option for districts that wish to only tax a portion of the district

- ◆ For example, if a district needed to renovate schools that only benefited one portion of the district, an SFID might be considered
- ◆ The following districts have put bond measures on the ballot for SFIDs since 2014:
  - Santa Monica-Malibu USD
  - Upper Lake USD
  - Centinela Valley UHSD
  - Santa Barbara USD
  - Hughson USD
  - Western Placer USD
  - Mountain View SD
  - Mojave USD
  - Tracy USD

After the formation of the SFID, the general timeline for voter approval and issuance of SFID bonds is the same as the timeline for general obligation bonds



# SFID

- Depends where lines are drawn
- 50% of max bonding capacity
  - If we designate  $\frac{1}{2}$  of the District area = \$84,123,245

# Mello-Roos Bonds Overview

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Mello-Roos bonds are a type of land secured financing that leverages the value of land in a portion of the school district

- ◆ Most commonly-used method of financing infrastructure for new development on the local government level in California
- ◆ Special taxes are collected using a special tax formula
  - Bonds may or may not be issued against the special tax revenue stream
    - If Bonds are issued, special tax revenues will be used to pay debt service on bonds annually
    - Bonds are generally issued on a tax-exempt basis
- ◆ To form, the school district sponsors the creation of a Community Facilities District (“CFD”)
  - CFD legal authority is the Mello-Roos Community Facilities Act of 1982 (hence “Mello-Roos” bonds)
  - Requires approval of 2/3rds of CFD’s registered voters
    - Property owners agree/vote to put lien on property
    - If less than 12 registered voters in CFD, vote is by landowner, weighted by acreage, otherwise vote is by registered voters in CFD
  - The timeline from start to finish for bond issuance is dependent on the developer and development status
- ◆ Repayment of bonds does not impact public agency general fund



# Mello Roos (CFD)

- Designated area of District
- More flexibility on taxpayers and rates
- \$442,898,000 (gross bond) for East Whisman/North Bayshore
  - Amount can flex based on student generation rate

# Certificates of Participation Overview

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Certificates of participation (“COPs”) are a common method of financing used by California school districts to construct/acquire real or personal property

- ♦ Repaid from any legally available source of funds (typically General Fund for most districts)
- ♦ Funds can be used for capital projects of the District; cannot be used for operations
- ♦ Borrowing costs are tax-exempt (assuming qualified tax-exempt use of proceeds)
- ♦ Can be structured with early prepayment options (any legally available source of funds)
- ♦ Financing term must be commensurate with the useful life of the project

No voter approval required

- ♦ District must provide written notification of financing to the County Office of Education and Auditor-Controller’s Office
  - Estimated financing repayment schedule
  - Projected sources of funds for COP repayment
- ♦ The timeline for issuance is 3-4 months from start to finish

***District must carefully assess their ability to repay COPs to avoid overburdening the sources of funding***





# Certificates of Participation

- Typically repaid through general fund
- Raised \$40 million in 2016-17 for Vargas, DO
  - \$2.6 million paid each year (principal and interest)

# Land

- Land is approximately \$15 million per acre
- 12 acres of land is considered standard by the California Department of Education for elementary schools of our size
- 20 acres is recommended for a middle school campus of our size by the California Department of Education.
  - Currently Crittenden has 18.27 acres and Graham has 16.87 acres

# The Need: Buildout per City zoning

**Projected Districtwide Development (20,000 units at buildout per City zoning)**

**Construction Cost (land not included)**

Grade	Projected Students	2021 Cost Per Student*	2021 Construction Cost
K-5	2,118	\$115,180	\$243,951,240
6-8	<u>1,312</u>	\$151,785	<u>\$199,141,920</u>
<b>Total</b>	<b>3,430</b>		<b>\$443,093,160</b>

\* Greystone West

Cost is without land



## Funding Sources

- Developer Fees

Construction Type	Square Footage	Cost Per SF	DF Revenue
Residential	21,835,600	\$2.72	\$59,392,832
Commercial/Industrial	<u>3,000,000</u>	\$0.44	<u>\$1,320,000</u>
<b>Total</b>	<b>24,835,600</b>		<b>\$60,712,832</b>

- State School Facility Program (SFP) Building Program. Upon eligibility in the SFP, the District may be eligible for State Funding.

Grade	Projected Students	State Grant Amount	2021 Construction Cost
K-5	2,118	\$12,628	\$26,746,104
6-8	<u>1,312</u>	\$13,356	<u>\$17,523,072</u>
<b>Total</b>	<b>3,430</b>		<b>\$44,269,176</b>

## Land

- Per SFP Regulations, the District may be eligible for 50% of the purchase price or appraised value, the lesser of the two, for land.

Cost is without land

# Construction Cost Shortfall

## Shortfall

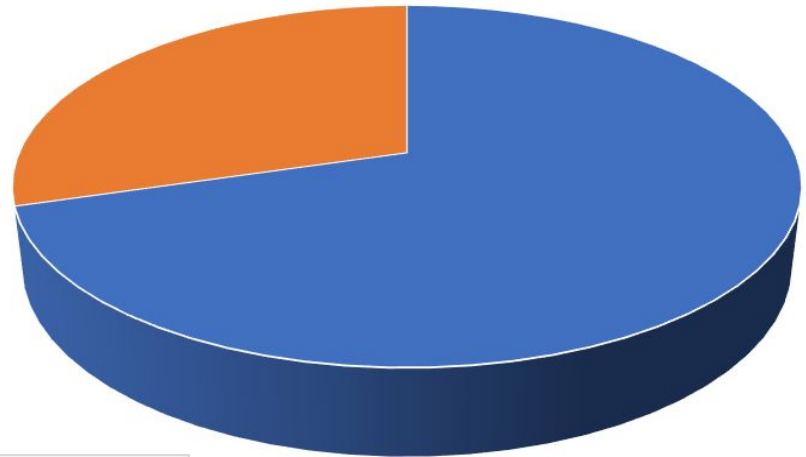
	Construction
Cost	\$443,093,160
Revenue	<u>\$104,982,008</u>
Shortfall	\$338,111,152

< State funds and developers' fees

Cost is without land

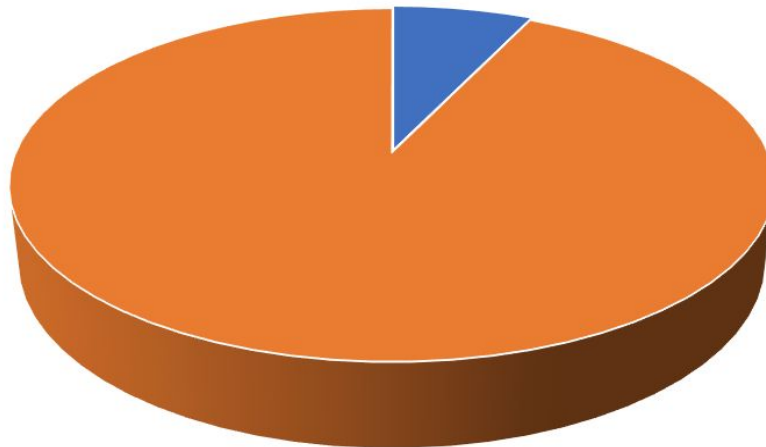
# Addressing long-term enrollment growth

Total New Schools Cost (Including Land) - \$1.49 Billion



■ land cost ■ Construction cost

Construction Cost vs Total Guaranteed Revenue



■ Total guaranteed revenue ■ Total Shortfall

# Operation Costs of Running Additional Schools

- Four elementary schools= \$21,189,302.80
- One middle school= \$9,213,682.53
- Total = \$30,402,985.33 operating cost (annually) for the new schools
  - Costs include 129 teachers, school psychologists, instructional assistants, SPED teachers, child nutrition staff, school office staff, and support staff.



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# Considerations

# Considerations

- Considering the amount of land that is needed to for a new school site, and the limited land available, what ideas do Trustees have in terms of a land strategy program?
- School boundaries will likely have to be changed in order to distribute future enrollment. This could possibly avoid a new middle school with boundary and/or grade level span changes
  - What is our comfort level for school size?
  - Are there efficiencies to be realized in our current facilities usage?

# Considerations

- The second hurdle is funding. MVWSD is limited in its ability to raise capital and the costs (land and building) continue to increase
  - What considerations should staff have when trying to secure funding for our future \$1.5 billion issue?
- Our schools, and the green spaces that are attached to them, truly are focal points of the community. In fact the quality of schools have a profound impact on property values and development.
  - What role do you see the community, businesses, developers and the city playing to address the need for additional schools?