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CITY OF SACRAMENTO
DEPARTMENT OF PUBLIC WORKS

ENGINEERING DIVISION

THOMAS M. FINLEY
Engineering Division Manager

September 17, 1985

Budget and Finance Committee

Transportation and Community Development Committee
Sacramento, California

Honorable Members In Session:

SUBJECT: Proposed Assessment District - South Pocket Elementary Schools

SUMMARY

The South Pocket Elementary Schools Assessment District is ready to proceed to Council for public hearings on its formation. It has been brought to Committee for review and discussion of the project prior to Council consideration. The petitions to form the assessment district are scheduled to be presented October 1, 1985 directly to the Council for consideration. The petitions meet the requirements for establishing an assessment district. If the district is approved, school construction should start next summer.

BACKGROUND

1. Assessment District Concept

Last fall residents of the Pocket area and Sacramento City Unified School District staff approached City staff with a request to consider funding the construction of elementary schools in the Pocket area using assessment district proceedings. After review, bond counsel determined that it was feasible to use this approach.

Joint meetings with residents, School District staff, and City staff developed a proposal for the construction of three elementary schools. The School District will provide one-third of the total cost from previous Measure G school bond funds, and the residents will provide two-thirds of the total cost through a new assessment district.

After several lengthy public meetings, the Sacramento City Unified School District developed attendance criteria, and determined these schools could be constructed and operated in accordance with its desegregation program. The school attendance Statement of Intent (Exhibit A) falls short of a guarantee that a child may attend his neighborhood school, but it does, in effect, promise the School District will make a good faith effort to assure such attendance consistent with School District policy and operational constraints.

Based upon the above concepts, area residents circulated assessment district petitions within the Pocket. The signature process was an unprecedented success and has demonstrated broad, strong public support.

It is believed the district will cost the average homeowner about \$10/month, with a typical assessment of less than \$1,000/residence. Formal notice of the exact costs will be mailed to each property owner as part of the assessment district proceedings.

The School District will initiate design and construction of two schools with a goal of having them open by Spring, 1987. This goal may be optimistic. The third school will be built when required by new housing construction.

After construction completion, the School District will operate the schools in accordance with its current policy and future policies.

The assessment district boundary and school sites are shown on the attached map (Attachment B). Key facts concerning the district are summarized in Attachment C.

2. City-School District Agreement

Attachment D is the proposed agreement between the City and the Sacramento City Unified School District. It details the responsibilities of the two agencies in the planning, design, and construction of the three schools.

The agreement has been approved in concept by City staff and School District staff, and was approved by the School Board approval on September 16, 1985.

3. Consulting Services Agreements

The School District has requested that the consulting firm of Shilts Engineering, Inc. be appointed as Assessment District Engineer.

The City Attorney recommends the firm of Wilson, Morton, Assaf and McElligott be appointed as Bond Counsel for the assessment district.

FINANCIAL

The School District will furnish the City \$20,000 to pay Shilts Engineering, Inc, the initial funds specified in the consulting services agreement. All other consulting expenses are contingent upon sale of the bonds. Reimbursement of City staff labor will also occur after the bond sale in accordance with the City Council's guidance. The assessment district will provide \$120,000 to fund the City's cost for establishing the district, initiating accounting procedures, and operating the annual collection procedures.

RECOMMENDATION

It is recommended that the Committees:

- a. Forward the assessment district for consideration by the City Council;
- b. Recommend approval of the Agreement between the Sacramento City Unified School District and the City; and
- c. Recommend appointment of Shilts Engineering, Inc. as Assessment District Engineer and Wilson, Morton, Assaf, and McElligott as Bond Counsel.

Respectfully submitted,



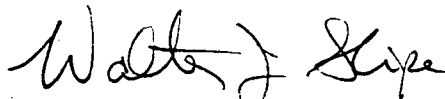
THOMAS M. FINLEY
Engineering Division Manager

Approved:



MELVIN H. JOHNSON
Director of Public Works

Recommendation Approved:



SOLON WISHAN, JR.
Assistant City Manager

FOR

TMF:mo
TF159CD2

Attachments

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

STATEMENT OF INTENT

The Sacramento City Unified School District is attempting to finance the construction of three elementary schools in the Pocket Area of Sacramento. The financing mechanism contemplated is to contract with the City of Sacramento to process an assessment district under the powers granted to them under the California Streets and Highways Code.

The assessment district would raise the funds needed to finance two of the three schools through the sale of bonds. These would be repayable through special assessments placed against the properties to be benefited by construction of the schools. The funds so raised would be given by contract to the school district. The school district, using these funds and funds raised by Measure G, would have the three schools designed, constructed and furnished.
Note: Measure "G" funds are available for cost of one (1) school.

The intent of the district is that the attendance area boundaries for the three schools to be built would include those properties assessed for their construction. The district intends to make every reasonable effort to allow students from the properties assessed to attend on a priority basis the schools built with assessment funds, provided, however, it is possible that excess enrollment and/or limited funds needed for additional housing and/or teachers, or legal sanctions and/or a court order requiring pupil dispersement, could modify the district's intention in the future.

ATTACHMENT A

STATEMENT OF INTENT

EXHIBIT A

South Pocket Elementary School
Assessment District

Fact Sheet

1. Total Assessable Acreage: 1407.33 Acres
2. 60% of area: 844.39 Acres
3. Total occupied lots: 1800
4. Homeowners signed: 1201 = 67%
5. Total area signed: 876 Acres = 62%
6. Ethnic breakdown of elementary aged school children within the South Pocket Area.
 - A. White 47%
 - B. Asian 24% Total minority 53%
 - C. Black 14%
 - D. Hispanic 10%
 - E. Other 5%

Statistics from population survey conducted by School District
in January-February, 1985.

ATTACHMENT C.
FACT SHEET

POCKET SCHOOL ASSESSMENT DISTRICT

MEMORANDUM OF AGREEMENT

This Memorandum is between the CITY OF SACRAMENTO ("City") and the SACRAMENTO CITY UNIFIED SCHOOL DISTRICT ("School District") for the purpose of financing and constructing schools.

WHEREAS, the area of Sacramento known as the Pocket Area is growing at a rapid pace, which has created a need for space to house and educate children of elementary school age; and

WHEREAS, School District, based on its projections of population growth, has determined that at least three elementary schools will be needed in the Pocket Area; and

WHEREAS, School District, by the passage of Measure G in 1976, was able to raise sufficient funds to construct one of the three elementary schools needed in the area; and

WHEREAS, School District has adopted a Statement of Intent in the form attached hereto as Exhibit "A", on which City is relying in entering this agreement; and

WHEREAS, City and School District have previously entered into an agreement governing use of school facilities by City, which agreement is attached hereto as Exhibit "B"; and

WHEREAS, City and School District, upon the advice of counsel, believe that City has the power under the California Streets and

ATTACHMENT D

Highway Code to form an assessment district to assess the costs of constructing the remaining two schools required against properties benefited; and

WHEREAS, School District and City desire to cooperate in the construction of said facilities;

NOW, THEREFORE, the parties agree as follows:

1. School District agrees to have plans prepared by design professionals for the construction of the first two schools on two sites currently owned by School District in the southern half of the Pocket Area, which sites are more particularly described in Exhibit "C", attached hereto and incorporated herein by reference, which sites shall be provided by School District at no cost to City or the assessment district. The third school will be designed and constructed under School District's supervision at a later date on a third site, more particularly described in Exhibit "D", to be purchased by School District, which shall be provided at no cost to City. The first two schools are to be constructed as soon as possible; the third school will be constructed when School District determines enrollment from the attendance area shows the facilities are needed, which is currently estimated to occur by approximately 1990.

2. School District agrees to prepare a cost estimate to design, construct and furnish all three schools.

3. School District agrees to provide funds from its Measure G account equal to one-third of the actual cost of designing,

constructing and furnishing the three schools to be constructed. If insufficient assessment district funds remain to construct the third school, School District will provide any additional funds required.

4. School District shall advance to City, upon execution of this document, the sum of Twenty Thousand Dollars (\$20,000.00) to compensate City for the cost of consultants required in forming the assessment district. All reasonable costs advanced consistent with this Memorandum will be reimbursed to School District if, but only if, the sale of bonds for the assessment district is successful.

5. School District shall have final approval of plans, receive competitive bids, award contracts, and supervise the construction and furnishing of the three schools.

6. All proceeds from the bond sale shall be administered and distributed by City. Proceeds of the sale shall be held by City, and disbursements shall be made based upon supported transactions between School District and its contractors or vendors within seven (7) days of submittal.

7. After all three schools have been completed, any excess funds remaining shall be disposed of according to the law and as agreed upon by City and School District. School District agrees that after completion of the bond sale, the Measure G funds and the assessment district funds shall be spent proportionately throughout the term necessary to complete the actual construction of the three schools, with one-third of all expenditures coming from the Measure

G fund and two-thirds of all expenditures coming from the assessment district funds, as such expenditures are made.

8. City agrees to initiate assessment district proceedings in accordance with the California Streets and Highway Code's relevant sections for the purpose of financing the design, construction and furnishing of two schools, and shall be responsible for all public hearings necessary for the creation of the assessment district.

9. City shall engage the services of an engineer of work for the project and bond counsel to handle all legal proceedings involved. City has agreed to use the services of SHILTS ENGINEERING, INC. as engineer of the work, and the law firm of WILSON, MORTON, ASSAF & McELLIGOTT of San Francisco as bond counsel. In the event the proceedings are successful and the assessments are confirmed, bonds shall be sold to finance the construction of the two schools, using the "Improvement Bond Act of 1915".

10. Upon the successful sale of the bonds, the assessment district shall reimburse School District for funds advanced to prepare the cost estimate contained in Paragraph 2, above, advances to City in Paragraph 4, above, and the portion of design costs in Paragraph 1, above, attributable to two schools. The assessment district shall contribute an amount equal to two-thirds of the actual cost of constructing and furnishing the three schools.

11. The parties to this agreement understand that, to the best of their knowledge, the financing of schools in the manner contem-

plated herein has to date not been accomplished by any governmental entity in the State of California. Though the parties are confident of the legality of their position, both parties recognize it will be necessary to institute validation proceedings in Superior Court and perhaps other legal action to establish the legality of this undertaking. Recognizing this risk, the parties agree that District shall indemnify and hold harmless City for any and all losses, expenditures of funds, claims or costs of any kind resulting from City's role in this Memorandum, forming the assessment district, and marketing the bonds for the schools, including any legal challenges thereto either before or after said sale of bonds. However, in the event the assessment district does not prevail in the validation suit, or said suit is appealed, then School District may withdraw from this Agreement.

12. The City will enter into contracts with bond counsel and engineer of work which makes it clear that neither of these consultants will be entitled to any compensation in excess of that contained in Paragraph 4, above, in the event the project cannot go forward due to an inability to sell the bonds.

13. Consistent with advice of bond counsel as to timing and manner of transfer, ultimate title to the three schools shall be vested in District. In the event any of the three schools should ever become surplus to the needs of District, the following criteria shall govern their disposal:

- (a) City shall have the first right to acquire the school and site for such general public services as com-

munity center, parks, senior center, daycare center, or similar use in any manner permitted by law;

(b) City shall be obligated to pay as an acquisition price for any such school and site one-third of the appraised value of said school and the^{full} appraised value of the site;

(c) If City does not acquire the school site, District may dispose of the school and site in any manner permitted by law.

14. School District agrees that it will use every effort to aid and assist the City in the process of forming the assessment district, including but not limited to assisting in obtaining testimony from individuals from within the assessment district who will support its formation, obtaining testimony of a real estate appraiser for purposes of establishing benefit, and any other activities reasonably requested by City which will assist in the formation of the assessment district.

15. In the event any funds are required to be expended prior to the success of the bond sale, either in accordance with this Memorandum or for purposes not delineated herein, including but not

limited to payment to bond counsel or the engineer of work, then District shall be responsible for advancing those funds, and shall only be entitled to reimbursement in the event the bond sale is successful and such expenditures are reasonable. In the event the bond sale is not successful, District shall not be entitled to reimbursement for any funds so expended.

DATED: _____

DATED: _____

CITY OF SACRAMENTO

SACRAMENTO CITY UNIFIED
SCHOOL DISTRICT

By: _____

By: _____

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

STATEMENT OF INTENT

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81-96

AGREEMENTSACRAMENTO CITY UNIFIED SCHOOL DISTRICT AND CITY OF SACRAMENTO
JOINT USE AND DEVELOPMENT AGREEMENT

THIS AGREEMENT, made and entered into this 23rd day of November, 1981, by and between the CITY OF SACRAMENTO, a municipal corporation, hereinafter called "CITY" and the SACRAMENTO CITY UNIFIED SCHOOL DISTRICT, hereinafter called "DISTRICT".

WITNESSETH

WHEREAS, the CITY, through its Department of Community Services, and the DISTRICT are mutually interested in providing an adequate program of community recreation under the sponsorship of the CITY; and

WHEREAS, Education Code Section 10900 et seq authorizes and empowers cities and public school districts to cooperate with one another for the purpose of authorizing, promoting and conducting programs of community services which will contribute to the attainment of general recreational and educational objectives for children and adults of this State, and to enter into agreements with each other for such purpose; and

WHEREAS, in the interest of providing the best service with the least possible expenditure of public funds full cooperation between CITY and DISTRICT is necessary.

NOW, THEREFORE, in consideration of the promises herein CITY and DISTRICT agree as follows:

1. USE OF SCHOOL DISTRICT FACILITIES. DISTRICT shall make available to CITY for community recreation activities all school

CITY Agreement No. 81035

81035

facilities within the City limits of the City of Sacramento which are suitable for community recreational activities. Such areas shall be selected by the Director of the Department of Community Services of CITY (hereinafter called "Director") or his designated representative, subject to the approval of the Assistant Superintendent Business Services, of the School District (hereinafter called "Assistant Superintendent"). District shall allow CITY to use other selected school building facilities within the CITY limits of the City of Sacramento which are suitable for community recreation subject to the approval of Assistant Superintendent.

The use of selected school facilities shall be in accordance with the regular procedures of DISTRICT in granting permits for use of school facilities as provided for by the laws of the State of California and the rules and regulations of the Governing Board of DISTRICT.

2. USE OF CITY PROPERTY. CITY shall make available to DISTRICT for school events, activities or programs all CITY recreation facilities which are suitable for said events, activities or programs. The facilities shall be selected by the Assistant Superintendent, subject to the approval of the Director.

The use of selected CITY facilities with the exception of enterprise facilities shall be in accordance with the regular procedures of CITY in granting permits for the use of CITY facilities as provided for by ordinances, rules and regulations of the CITY.

3. SCHEDULING, PRIORITY AND FEES. A schedule of dates for

the use of DISTRICT school facilities within the CITY limits, by CITY will be prepared in advance by CITY. A schedule of dates for the use of CITY facilities by DISTRICT will be prepared in advance by DISTRICT. In each case the schedule shall be arranged in order to avoid conflict between recreation and school use.

In scheduling of the use of school facilities, school events and programs shall have first priority, recreation programs established by CITY shall have second priority, and any other events by other clubs or agencies shall have priority thereafter. In scheduling the use of CITY facilities, CITY sponsored activities shall have first priority; school events and programs shall have second priority, and any other events by other clubs and agencies shall have priority thereafter.

Notwithstanding any other provisions of this agreement or applicable DISTRICT and/or CITY procedures, policies, rules or regulations, all usage provided for by this agreement shall be fee-exempt for both parties.

4. SUPERVISION AND SUPPLIES. CITY shall provide adequate personnel to supervise CITY sponsored recreational activities conducted on school facilities. Personnel employed by CITY shall be under the supervision of CITY. The school principal of any particular site being used will be advised in the planning and administration of a recreation program to be conducted by CITY on or in the facilities under the principal's jurisdiction.

DISTRICT shall provide adequate personnel to supervise DISTRICT activities conducted on CITY property. Such DISTRICT personnel shall be under the supervision of DISTRICT.

CITY shall furnish and supply all expendable materials necessary for carrying on community recreational programs for all ages on the facilities under supervision of the CITY.

DISTRICT shall furnish and supply all expendable materials necessary for carrying on community recreation programs for all ages on the facilities under supervision of the DISTRICT.

A separate agreement for cooperative program development and operations shall be agreed to by both parties for special program proposals.

5. IMPROVEMENTS TO DISTRICT PROPERTY. City may install sprinkler systems, turfing, playground equipment, fencing, and additional recreational equipment on DISTRICT facilities provided such installation is not in conflict with school use and subject to approval of the Assistant Superintendent. All such improvements and facilities constructed or placed on DISTRICT property shall be available to DISTRICT to use for school purposes during such time as the property is not being used by CITY. The cost of maintaining any such improved areas shall be apportioned to CITY and DISTRICT as determined by the relative use of said areas. CITY and DISTRICT shall each maintain such areas in good condition during the period of their respective responsibility. Any permanent improvements or equipment installed or erected on DISTRICT premises by CITY shall remain the property of CITY. In the event that the DISTRICT terminates this agreement or disposes of the property and/or requires for its exclusive use the property on which CITY has made improvements, CITY shall have the following options: (a) Remove the improvements, or any portion thereof, and restore the

DISTRICT's property to at least as good a condition as existed prior to the construction or installation of such improvements, normal wear and tear excepted, at CITY's cost and expense; (b) Require the DISTRICT to reimburse the CITY for the actual costs of the improvements as documented by work orders, contracts and/or purchase orders issued by the CITY.

6. INDEMNIFICATION. Each party hereto shall indemnify and hold harmless the other party, its officers, agents or employees, from any and all liability, damage, cost or expense which any indemnified party shall become obligated to pay by reason of injury to property or injury or death to persons received or suffered as a result of the use of property by the indemnitor pursuant to this agreement. Further, each party hereto shall be responsible for any and all damage to the property of the other party resulting from such liable party's use of facilities pursuant to this agreement.

7. TERM. This agreement shall be effective upon signature by both parties and shall be automatically renewed each year unless either party terminates this agreement by giving ninety (90) days prior written notice thereof to the other party.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

CITY OF SACRAMENTO, a municipal corporation

By Walter D. Slife
CITY MANAGER

ATTEST:

Serrano Rogers
CITY CLERK

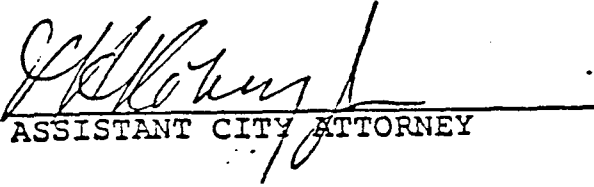
SACRAMENTO CITY UNIFIED
SCHOOL DISTRICT

By



ASSISTANT SUPERINTENDENT
Its BUSINESS SERVICES

APPROVED AS TO FORM:


ASSISTANT CITY ATTORNEY

RESOLUTION NO. 81-780

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

OCT 27 1981

RESOLUTION APPROVING AGREEMENT BETWEEN THE CITY OF SACRAMENTO
AND SACRAMENTO CITY UNIFIED SCHOOL DISTRICT FOR
JOINT USE AND DEVELOPMENT OF RECREATIONAL FACILITIES

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the City Manager is hereby authorized and directed to
execute an Agreement between the CITY OF SACRAMENTO and the SACRAMENTO
CITY UNIFIED SCHOOL DISTRICT providing for the joint use and develop-
ment of recreational facilities.

PHILLIP L ISENBERG

MAYOR

ATTEST:

LORRAINE MAGANA

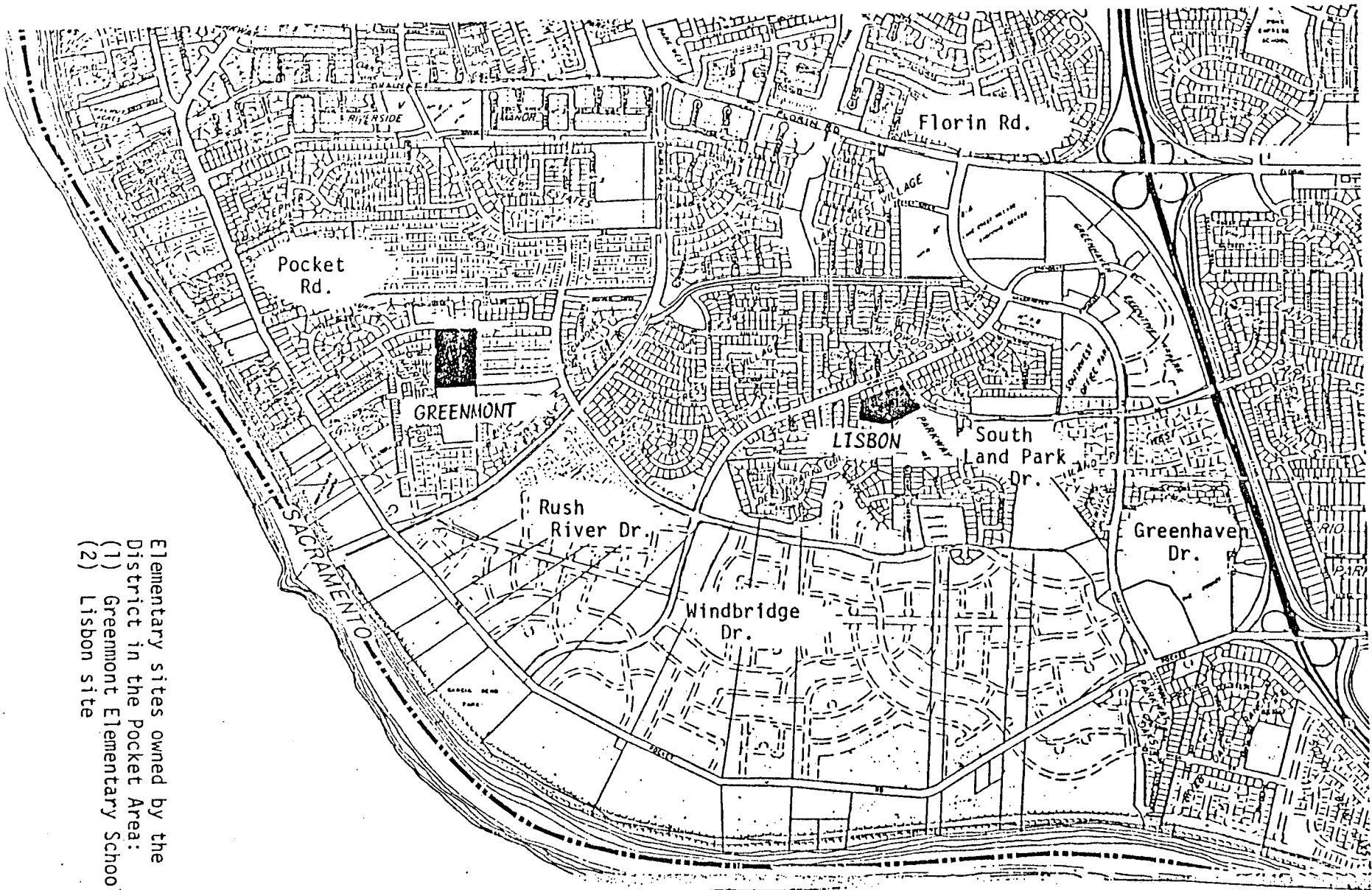
CITY CLERK

CERTIFIED AS TRUE COPY
of Resolution No. 81-780

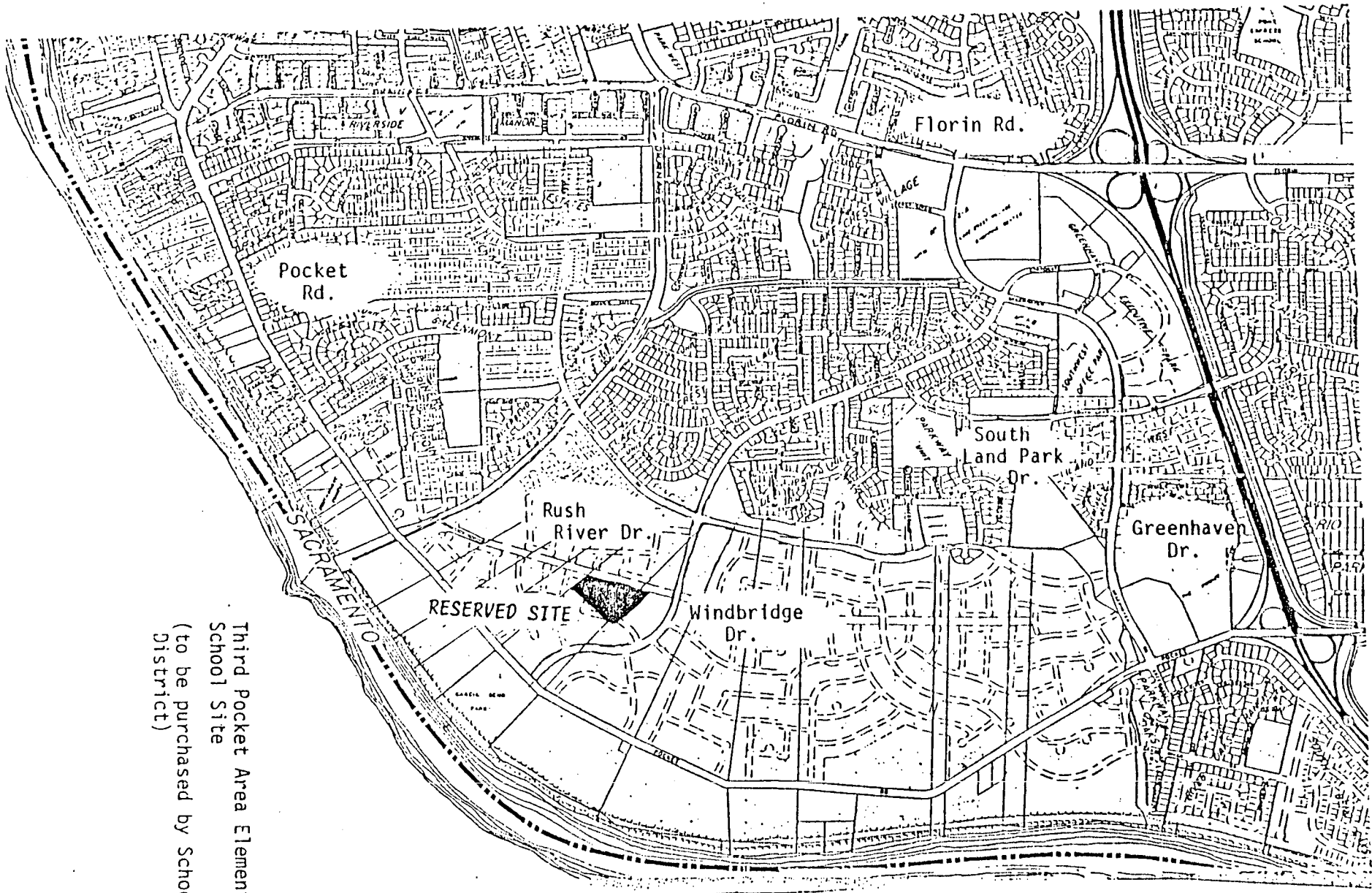
OCT 29 1981

City Agreement No. 81069

DATE CERTIFIED
Lorraine Magana
ASSISTANT CITY CLERK, CITY OF SACRAMENTO



Elementary sites owned by the
District in the Pocket Area:
(1) Greenmont Elementary School site
(2) Lisbon site

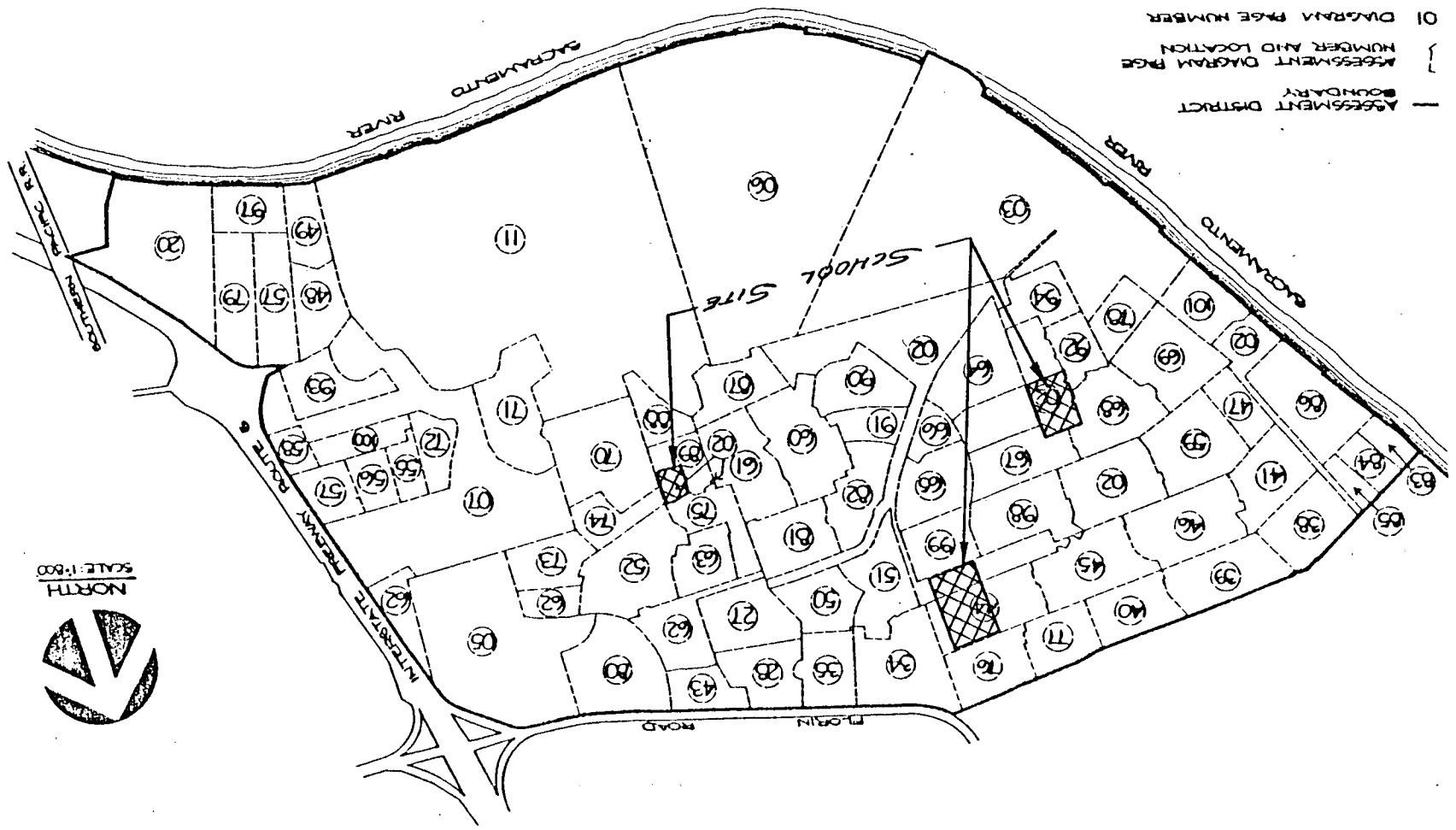


Third Pocket Area Elementary
School Site
(to be purchased by School
District)

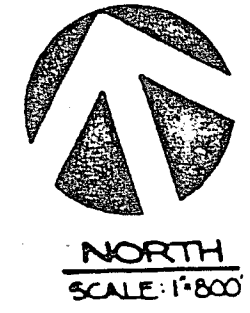
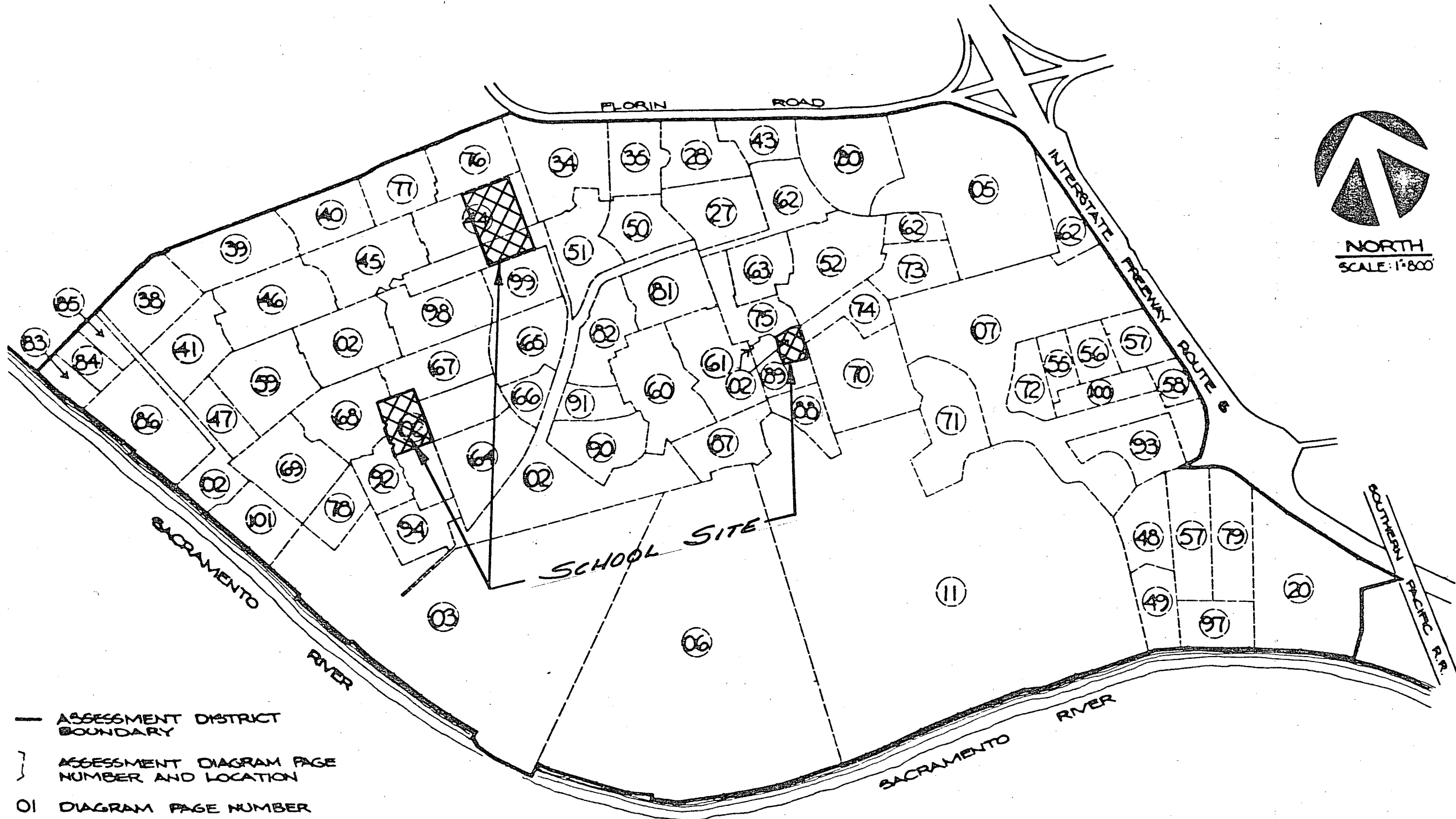
ASSESSMENT DIAGRAM
 SOUTH POCKET ELEMENTARY
 SCHOOL ASSESSMENT DISTRICT
 CITY OF SACRAMENTO, COUNTY OF SACRAMENTO
 STATE OF CALIFORNIA

ATTACHMENT B
 DISTRICT BOUNDARY AND
 SCHOOL SITES

- ASSESSMENT DISTRICT BOUNDARY
- } ASSESSMENT DIAGRAM PAGE NUMBER AND LOCATION
- DIAGRAM PAGE NUMBER
- ASSESSMENT DISTRICT PARCEL NUMBER



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- ASSESSMENT DISTRICT BOUNDARY
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ATTACHMENT B
DISTRICT BOUNDARY AND SCHOOL SITES

ASSESSMENT DIAGRAM
SOUTH POCKET ELEMENTARY
SCHOOL ASSESSMENT DISTRICT
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO
STATE OF CALIFORNIA