



Potential November 2020 Education Bond Measure

Board of Trustees Meeting
July 21, 2020



OPINION
RESEARCH
& STRATEGY



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Introduction of Subject Matter Experts

- Dr. Richard Bernard, Partner – FM3 Research (Pollster)
- Blake Boehm – Principal/Managing Director
KNN Public Finance (Financial Advisor)
- Lisel Wells, Counsel – Nixon Peabody (Bond Counsel)
- Catherine Lew, Co-Founder – The Lew Edwards Group
(Communications Strategist)



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Presentation/Discussion Outline

- Hear highlights of recent Public Opinion Research
- Review Financial Assumptions/Structure of bond
- Discuss Legal/Technical considerations
- Review Demographics and Next Steps
- Respond to Questions from the Board



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A graphic titled "Highlights of Recent Survey" with a blue mountain range background. It features several small images: a student at a laptop, a campus aerial view, a group of students, a student portrait, a group of students in white shirts, and a graduation ceremony. The Citrus College logo is in the top right, and the FM3 RESEARCH logo is in the bottom left. A small number "4" is in the bottom right corner of the graphic.

Highlights of Recent Survey

FM3
RESEARCH

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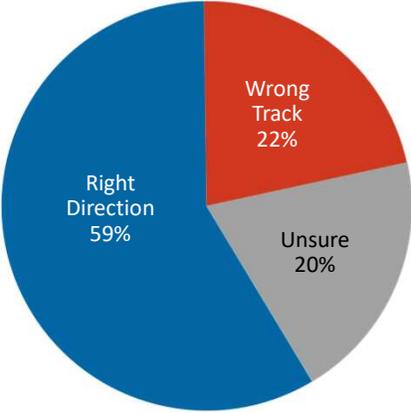
Survey Methodology

- Conducted a dual-mode survey, online, by cell, and landline June 16-25, 2020
- The survey was available in English and Spanish
- Surveys were completed by a random sample of 636 voters registered in the Citrus Community College District who are likely to vote in the November 2020 election, a larger sample size than typically necessary
- Overall margin of error for whole sample: $\pm 4.0\%$; margin of error for half the sample: $\pm 5.7\%$
- Some percentages may not sum to 100% due to rounding



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Over half of voters believe things in their community are headed in the right direction.



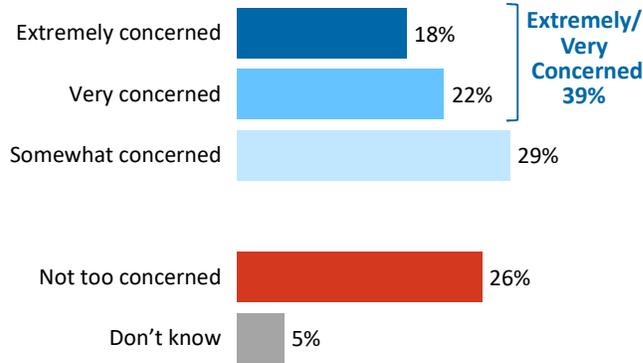
Sentiment	Percentage
Right Direction	59%
Wrong Track	22%
Unsure	20%



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Slightly less than four-in-ten are extremely or very concerned about the pandemic's impact on their personal financial situation.

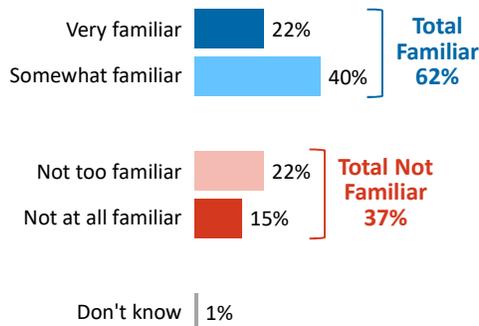
How concerned are you about the impact the coronavirus is having on your personal financial situation? Are you extremely concerned, very concerned, somewhat concerned or not too concerned?



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Over six-in-ten say they are familiar with the District across most cities/unincorporated areas.

How familiar would you say you are with the Citrus Community College District? Would you say very familiar, somewhat familiar, not too familiar, or not at all familiar?



Demographic Group	Total Familiar	Total Not Familiar
City		
Azusa	61%	38%
Claremont	54%	45%
Duarte	52%	48%
Glendora	72%	28%
Monrovia	60%	38%
All Others	64%	36%
Unincorporated	69%	31%



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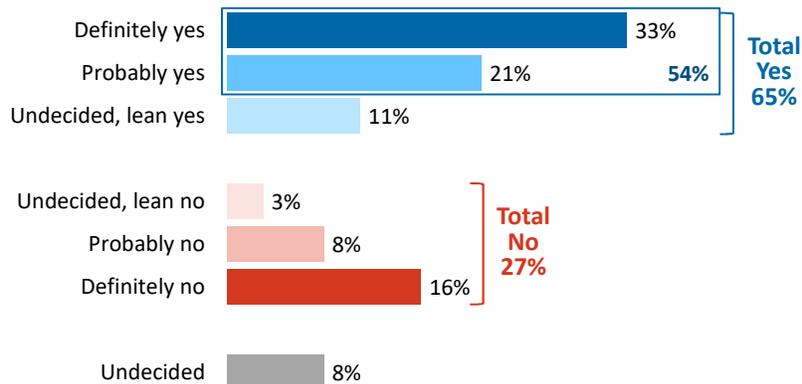


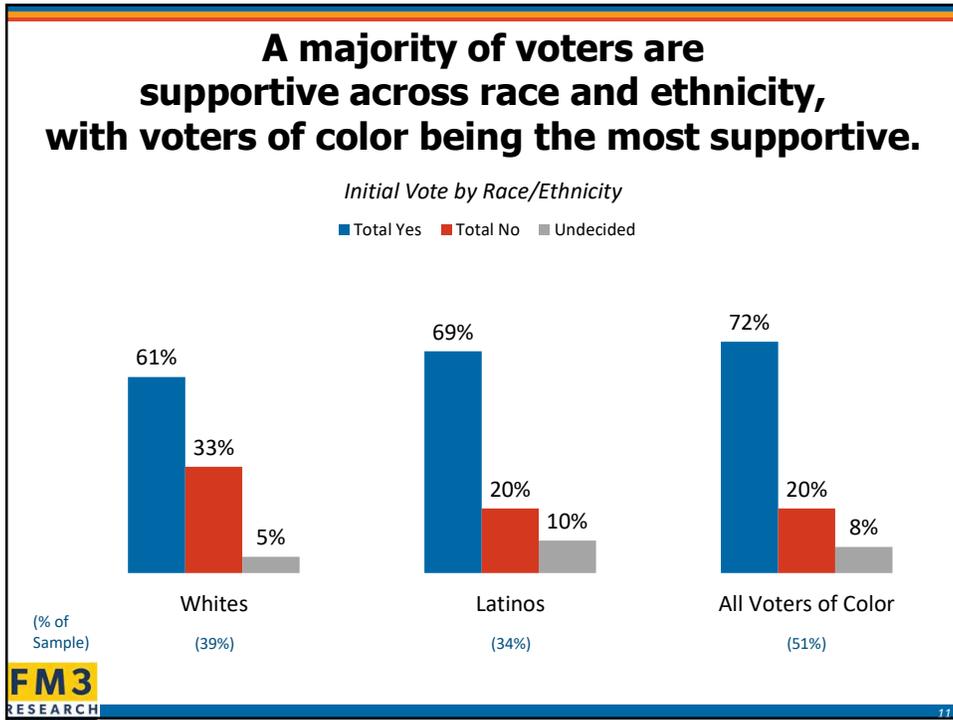
CITRUS COLLEGE CAREER EDUCATION, REPAIR, AFFORDABLE HIGHER EDUCATION MEASURE

To upgrade job training and vocational, science, technology classrooms and labs; improve security and fire safety systems; expand career and educational resources for students and veterans to prepare for university and jobs; repair aging classrooms; remove asbestos, mold, lead paint; shall Citrus Community College District issue \$298 million in bonds at legal rates, levy on average \$25 per \$100,000 of assessed valuation, generating \$16 million annually while bonds are outstanding, requiring audits, citizens’ oversight, all funds staying local?

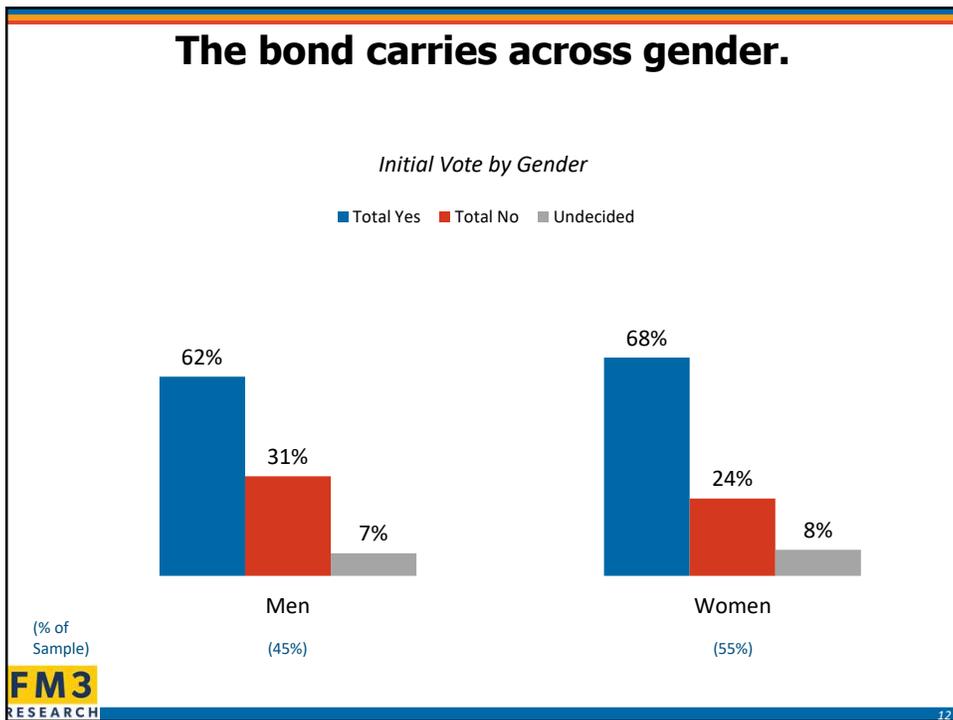


Almost two-thirds initially support the District’s bond measure, with one-third having said they would definitely vote yes.

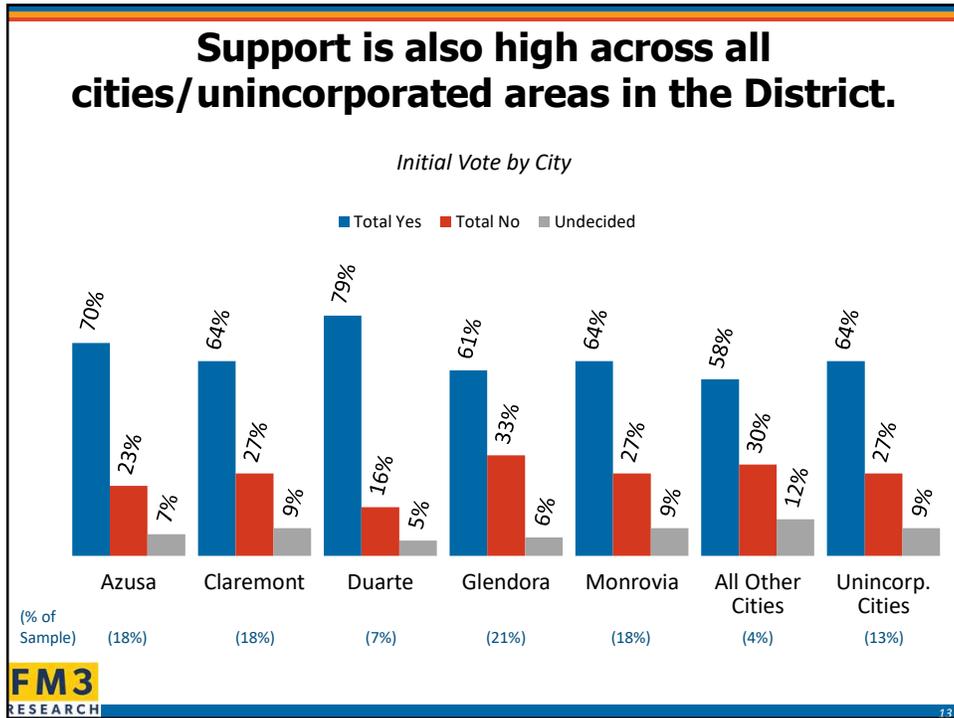




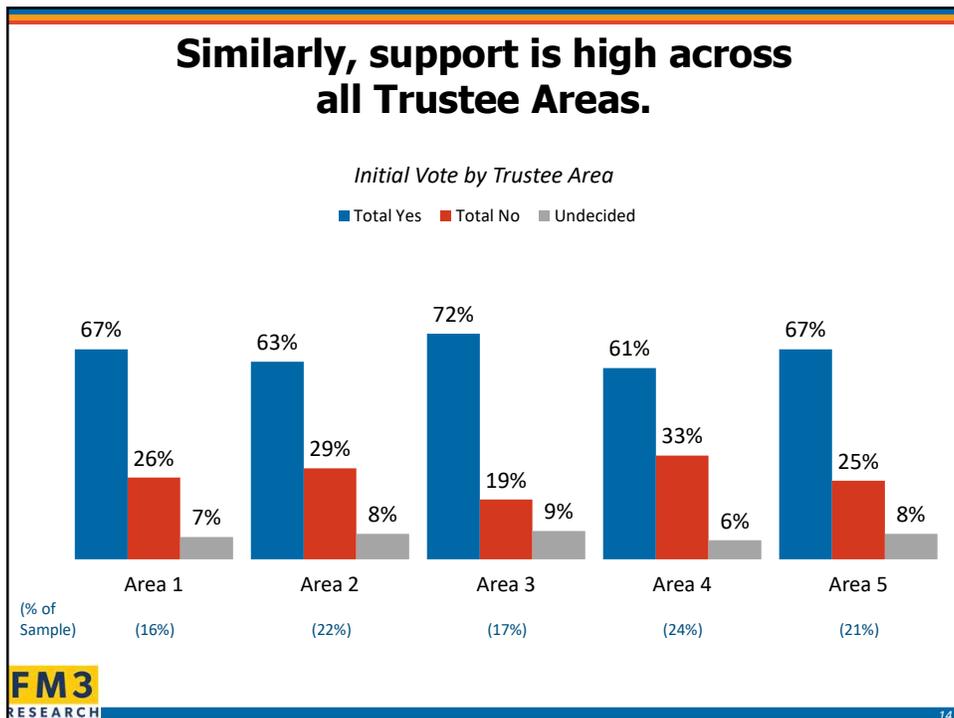
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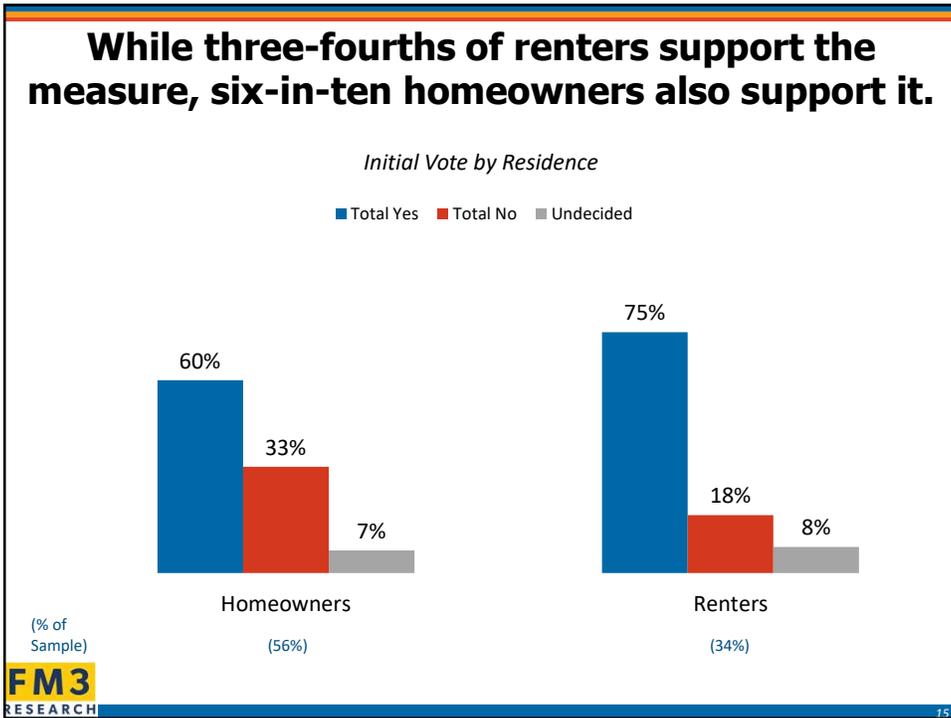
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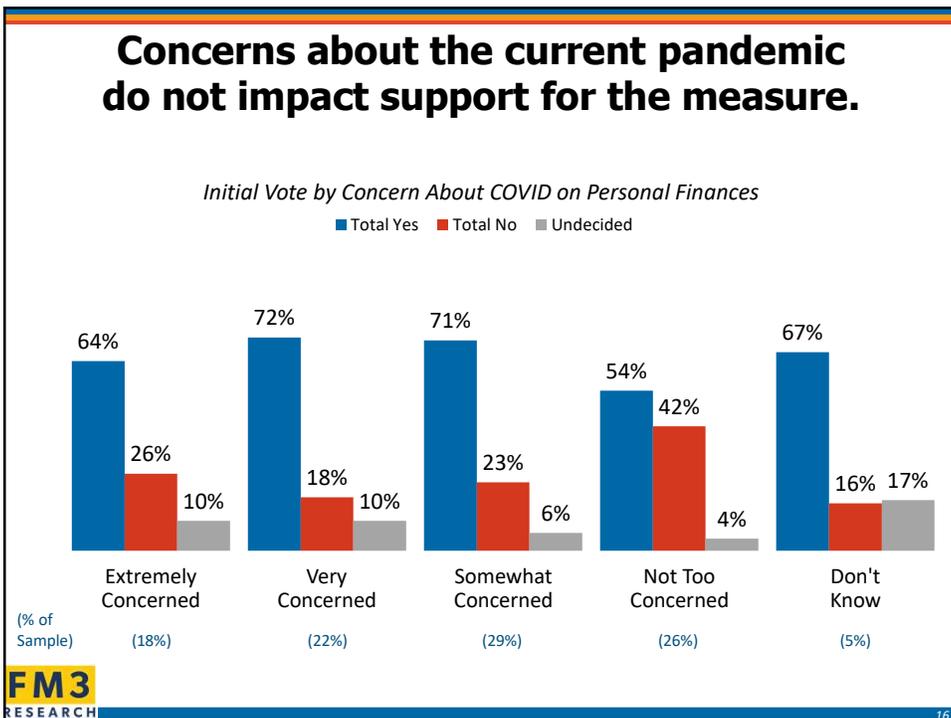
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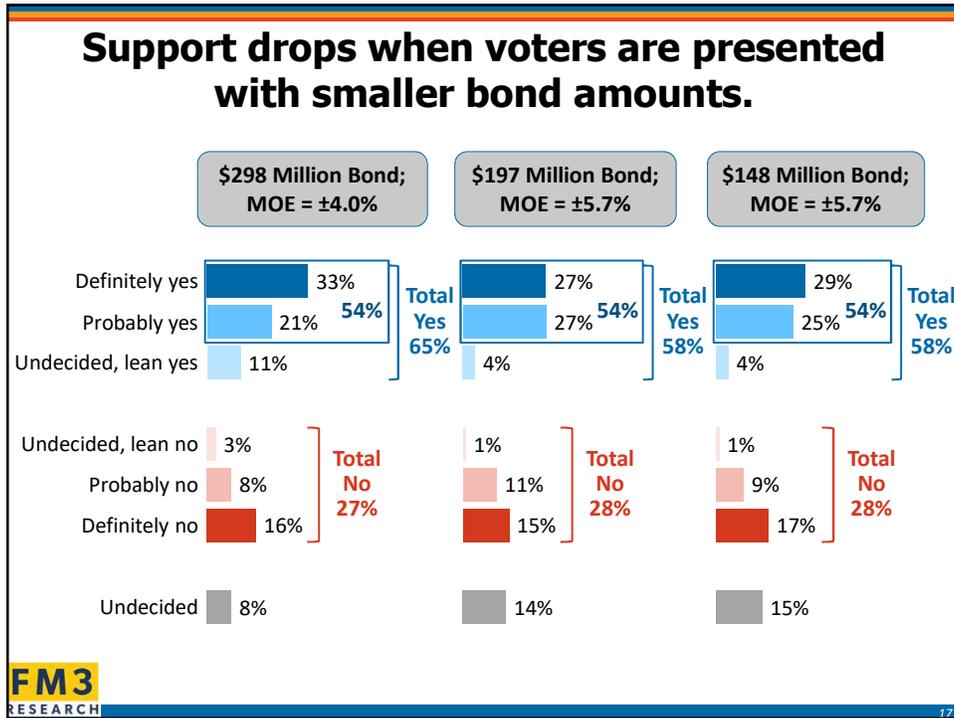
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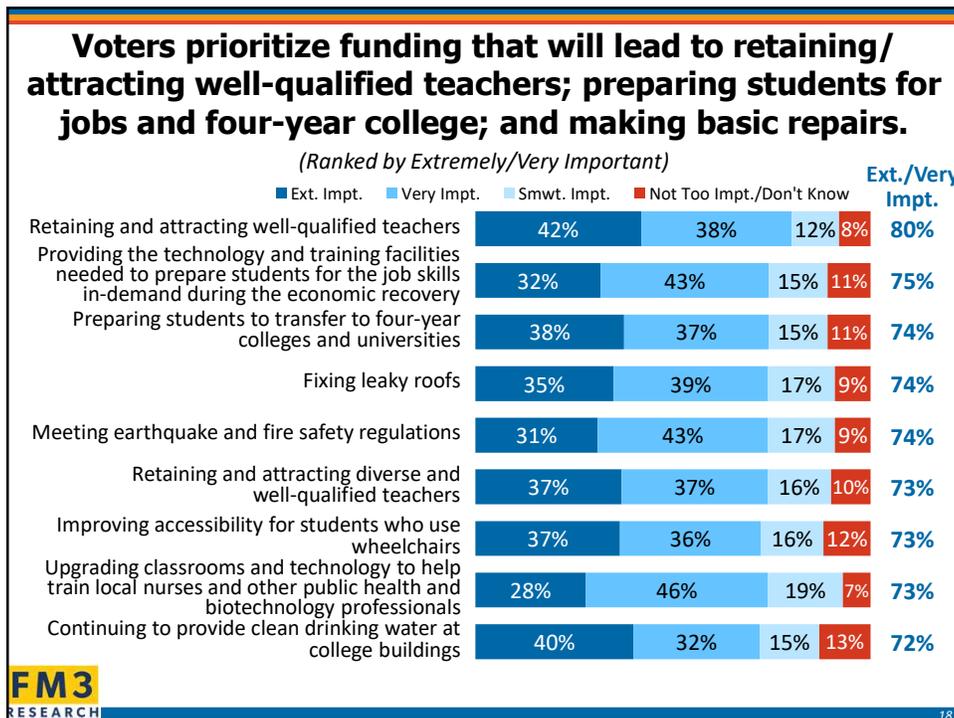
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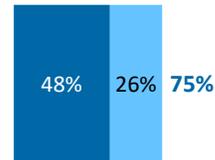
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Information about how Citrus College provides an affordable, high quality education and the need to replace outdated labs are leading reasons to support the measure.

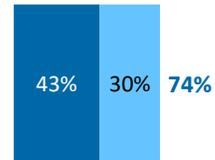
(Ranked by Total More Inclined to Vote Yes)

■ Much More Inclined ■ Somewhat More Inclined

(VALUE) With the cost of attending California public universities more than six times that of community colleges, more and more local students and their families are relying on Citrus College for affordable education. Passing this measure ensures that local students have access to the necessary college credits, certifications, and job skills at a reasonable price.



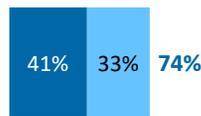
(OUTDATED LABS) Several of the science and engineering labs at Citrus College were built in the 1960s, and lack the infrastructure needed to provide a modern education in science, math, technology, and engineering. This measure will help replace outdated electrical wiring, expand existing labs and update instructional technology to ensure students can prepare competitively for a 21st century career.



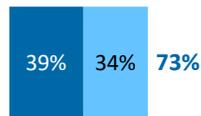
(Ranked by Total More Inclined to Vote Yes)

■ Much More Inclined ■ Somewhat More Inclined

(VOCATIONAL) Citrus College is an essential resource for students seeking a vocational education that provides the job training, technical knowledge, and specialized skills to compete for good-paying, modern careers. This bond measure will allow our local community college to upgrade vocational education programs, such as auto repair, construction, and water technology, so students can train and learn the skills they need to prepare for today's in-demand jobs and meet the needs of the changing job market as our economy begins to recover from the coronavirus pandemic.

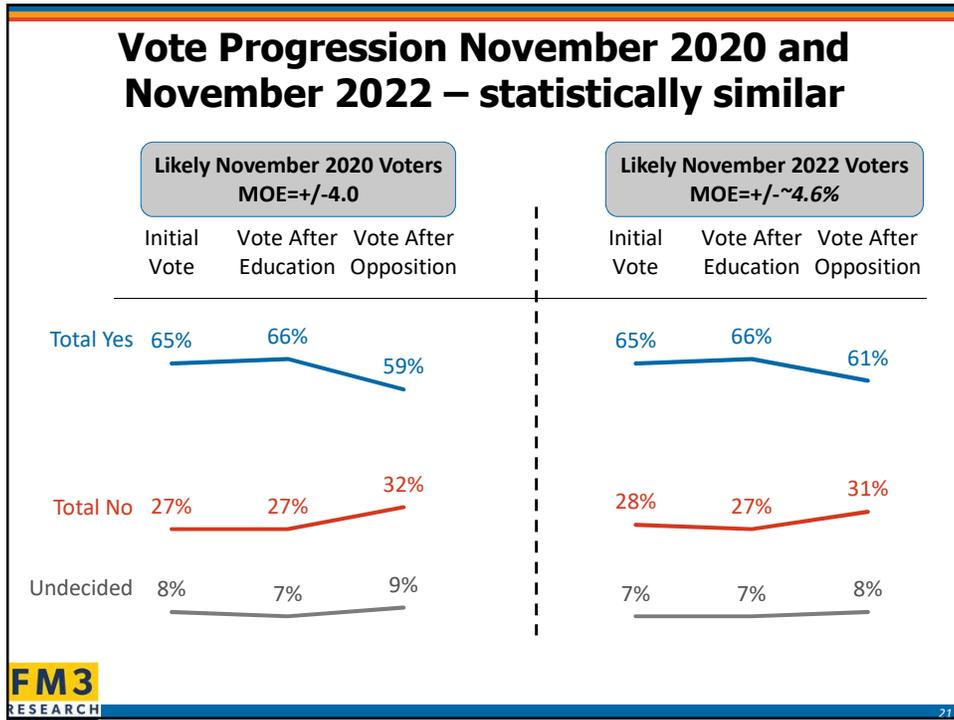


(VETERANS) Citrus College is a military-friendly campus, serving hundreds of military veterans, many of whom have recently returned from war zones and face challenges including permanent disability. However, our current Veterans Center is too small to meet the needs of our veterans, and is not wheelchair accessible. This measure will upgrade and expand facilities for veteran services and job training so returning service members receive the support they need to complete their education and enter the civilian workforce.



(UPGRADES) Several buildings at Citrus College were built over 70 years ago, and need basic health, safety and technology improvements to provide up-to-date education. Funds will be used to improve access to online education, remove asbestos, mold and lead paint, repair leaky roofs and deteriorating restrooms and plumbing, improve handicapped accessibility, ensure water fountains have clean drinking water, replace outdated electrical and air-conditioning systems and upgrade security and fire safety systems so students can learn in safe, healthy classrooms.





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Bond Structure



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Bond Measure Planning & Structuring

- For a new GO bond measure, there are various structural features and underlying assumptions to be considered to calculate the bond measure amount and tax rate:



Tax Rate:
Tax rate targets can be at statutory maximum or lesser amount based on voter sensitivity



No. Issuances:
Number of issuances is determined based on the anticipated cash-flow needs



Bond Term:
Bond repayment term is generally 25 to 30 years



Costs:
Interest costs and repayment ratios impact structure



AV Projections:
Assessed valuation projections influence authorization amount and long term tax rates


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2020 Bond Authorization: \$298M

- Based on a tax rate of \$0.025 per \$100 (\$25 per \$100k) of assessed value, the District can seek bond authorization of up to \$298 million at 4.00% annual AV growth.
- If voters approve this measure, project moneys could be available by early 2021 or later based on the District's planning needs

Assumptions:

- Election date: November 2020
- Current interest bonds only
- Financing terms:
 - Series A: 25 years
 - Series B: 25 years
 - Series C: 25 years
 - Series D: 22 years
- 4.00% annual AV growth rates

Potential Bond Issuance Schedule

Issue	Issue Date	Par Amount	Repayment Ratio
Series A	8/1/2021	\$70,000,000	1.50
Series B	8/1/2024	\$70,000,000	1.64
Series C	8/1/2027	\$70,000,000	1.76
Series D	8/1/2030	\$88,000,000	1.79
Total		\$298,000,000	

Estimated Tax Rates


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Election of 2004, Measure G Overview

- District voters approved Measure G in March 2004 authorizing \$121 million in general obligation bonds.
- Five series of bonds were issued to incrementally access the bond authorization which were spent over 16+ years to fund District projects
- Voter approval rate - approximately 58%

Percentages of Total Measure G Votes Cast

Summary by Total Votes

Response	Count	Percentage
Yes	21,639	58%
No	15,779	42%

Summary by City Jurisdiction

City Jurisdiction	% Yes	% No
City of Azusa	63%	37%
City of Brandebury	43%	57%
City of Claremont	60%	40%
City of Covina	56%	44%
City of Duarte	69%	41%
City of Glendora	53%	47%
City of Monrovia	54%	46%
City of Pomona	59%	41%
City of San Dimas	57%	43%
Unincorporated	69%	41%



Source: County of Los Angeles, Registrar-Recorder/County Clerk.
 *Unincorporated Areas include: Charter Oak, East Arcadia, Foothill, and Royal Oaks.

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Legal Considerations



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District Activities Preliminary to a Bond Election

- ✓ Conduct a survey of likely voters
- ✓ Review survey results
- Consider ballot language and project list
- Consider and approve resolution calling bond election
- Submit order of election to the County



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Constitutional and Legal Requirements

- For Prop. 39 elections, a 55% voter approval level is required
- Strict Accountability – includes Annual Audits and Citizens' Oversight
- Estimated tax rate at or below \$25 per \$100,000 of assessed value
- Debt limit of 1.25% of assessed valuation



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Demographics

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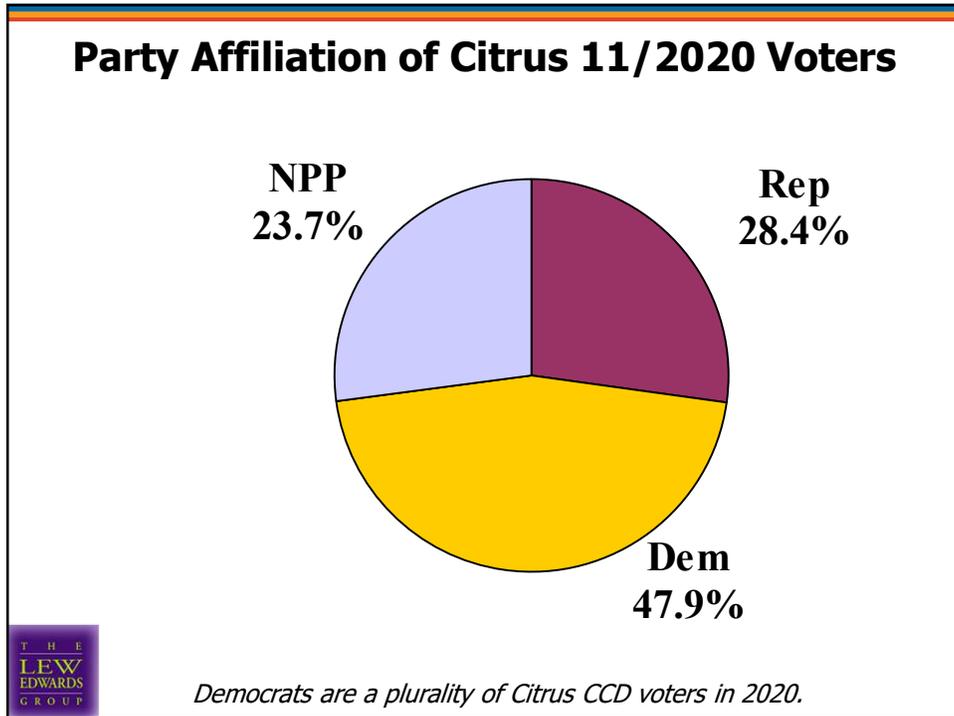
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Voter Snapshot

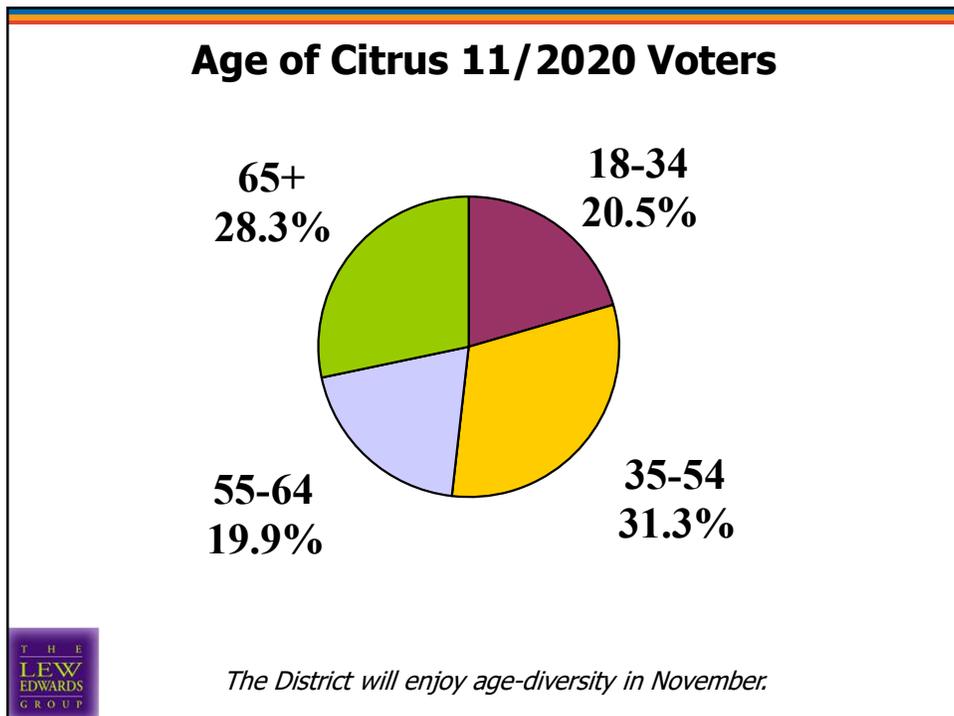
- Current Citrus CCD Voter Registration: 127,166
 - The universe planned for will be approximately 80,000 voters
 - 37,418 cast ballots for Measure G
 - Latino voters are 35% of total registration and will constitute about one third of your November vote
 - The District has a gender gap of 10 points favoring women in November
- Only “active voters” will actually be receiving a mail ballot
 - An “active voter” is someone who is registered and has voted at least once in the last four years

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11/2020 Vote Share by Community

- City of Arcadia/East Arcadia 5%
- City of Azusa 16.3%
- Charter Oak 6.2%
- City of Claremont 18.5%
- City of Duarte 10.2%
- City of Glendora 21.5%
- City of Monrovia 17.6%
- Other communities/Uninc. 4.7%

(Bradbury, Covina, Irwindale, La Verne, San Dimas, Citrus, Foothill, Royal Oaks)



A highly localized strategy will be planned moving forward with these vote shares in mind.

**Recommendations
and Next Steps**

Law Edwards Group Recommendation and Next Steps

- LEG recommends the Board consider placing your measure on the November 2020 ballot.
- Of course, while there is no perfect time to proceed, your voters clearly see the value of your programs and support the College's vision.
- Next Steps include:
 - Continuing the College's legally permissible communications through Election Day
 - Community formation of an independent Advocacy Committee (outside of the District)



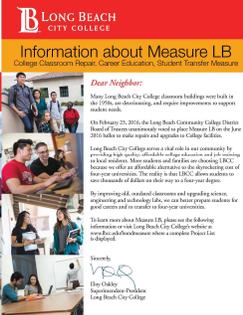
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Sample CCD Communications Products



Priorities Addressed by Measure LB

- Improving educational resources for veterans and better preparing them for good-paying jobs.
- Repairing, deteriorating gas, electrical and sewer lines and leaky roofs.
- Expanding partnerships with area employers to fill local job training/placement needs.
- Meeting earthquake safety standards.
- Upgrading science, engineering and technology classrooms and labs.



Dear Neighbor:
More Long Beach City College classroom buildings were built in the 1970s, are deteriorating, and require improvements to support student needs.

On February 23, 2019, the Long Beach Community College District Board of Trustees unanimously voted to pass Measure LB for the 2020 ballot to make repairs and upgrades to College facilities.

Long Beach City College serves a vital role in our community by providing education, training and workforce development. Long Beach City College is a vital part of our community because we offer an affordable alternative to the skyrocketing cost of four-year universities. The only way to fix LBCC's aging infrastructure is to raise money to do so in this way to a four-year degree.

We respectfully ask qualified donors to support science, engineering and technology labs, as well as other projects to make our great campus and its facilities a better one for everyone.

To learn more about Measure LB, please see the following information on the Long Beach City College website: www.lbcc.edu/measurelb

Thank you,
Dan Okubo
Superintendent/President
Long Beach City College



INFORMATION ABOUT MEASURE L

Measure L is a local, \$275 Million education bond sponsored by Cuesta College. If enacted, it costs local property owners approximately \$19.45/year per \$100,000 of assessed – not market – property value.

Measure L Goals:

- Ensure students, active military, and veterans are prepared for transfer to UC or State systems or trained for good-paying jobs.
- Upgrade outdated science, math, and computer labs and expand College facilities providing instruction in Science, Technology, Engineering, and Math (STEM).
- Install 21st Century computer technology and Internet access.
- Replace outdated, deteriorating porables with up-to-date permanent classrooms.
- Make various repairs and upgrades such as replacing old floors, walkways, plumbing, lighting and electrical systems, and aging bathrooms.
- Upgrade outdated job-training classrooms, labs, and equipment to provide all students with opportunities to learn job skills, including nursing and paramedic education programs – establish a Job & Career Training Facility at north county campus.
- Retire/refinance debt for previous capital construction projects.
- Upgrade support facilities for currently active military personnel.

Questions & Answers About Measure LB

What is Measure LB?
Measure LB, our Long Beach City College Classroom Repair, Career Education, and Student Transfer Measure, is a \$275 million education bond for the year 2020. It will be used to repair, deteriorating gas, electrical and sewer lines and leaky roofs in order to improve our classrooms.

Why was Measure LB placed on the ballot?
Long Beach City College offers affordable education to the community, serving the needs of our students. Unfortunately, many of the College's classrooms and labs are outdated and require repair and upgrades. Measure LB would support LBCC facilities to meet requirements for local students to attend college, address needs, and offer a reasonable price and fair results in Long Beach State or another four-year university.

Would Measure LB expand access to college for high school students?
Yes, Long Beach City College currently provides a pathway to higher education for local high school students. Measure LB would allow our high school students to attend college, address needs, and offer a reasonable price and fair results in Long Beach State, even if that college did not have the resources to do so.

How would Measure LB address the needs of Military Veterans?
The new Long Beach City College will serve about 400 veterans and their family members. 100% of our new lab space, new dorms and permanent disability support services will be provided to our military students. Measure LB would support facilities for counseling, training, career education programs and other services for veterans to help them complete their education and enter the civilian workforce.

What types of repairs would Measure LB make?
Measure LB would support all needed classroom and science, engineering and technology labs to better prepare students for college careers and career training. Critical repairs include updating wiring and electrical systems, meeting/seismic accessibility and earthquake safety requirements, upgrading gas and sewer lines, and long-planning and leaky roofs.

What does Measure LB cost and what is the accountability?
Measure LB is a \$275 million education bond that would cost approximately \$2,000 per \$100,000 of assessed – not market – property value. Measure LB is subject to an accountability requirements including Citizens' Oversight Committee and independent annual financial and performance audits. Measure LB will only be used for authorized purposes. No funds can be used for administrative or unrelated student and general operations.

FISCAL ACCOUNTABILITY
The expenditure of bond money on these projects is subject to stringent financial accountability requirements. By law, performance and financial audits will be performed annually, and all bond expenditures will be monitored by an independent Citizens' Oversight Committee to ensure that funds are spent as promised and specified. The Citizens' Oversight Committee must include, among others, representation of a bond-owning taxpayers association, a business organization and a senior citizens organization. No District employees or vendors are allowed to serve on the Citizens' Oversight Committee.

OFFICIAL BALLOT QUESTION

Cuesta College Affordable Education, Job Training/Campus Repair Measure to repair, construct/acquire facilities, sites/equipment, prepare students/returning veterans for universities/good-paying jobs, address severe budget cuts by updating aging classrooms, improving/maintaining nursing, paramedic, 911 medical training, welding, engineering, automotive, early childhood education/other career education programs, repairing deteriorating gas electrical lines, upgrading technology, shall San Luis Obispo County Community College District issue \$275,000,000 in bonds of legal rate, requiring citizens' oversight independent audits, all funds used locally?

YES

NO

Visit www.cuesta.edu for information about or applications for Citizens' Oversight Committee. Information provided courtesy of the Cuesta College Foundation.

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Sample CCD Communications Products



LONG BEACH CITY COLLEGE
Measure LB
Voting Information

Measure LB, the Long Beach City College Classroom Repair, Career Education, and Student Transfer Measure, is on your local June 7 ballot.

- Permanent Absentee Voters should have received their ballots the week of May 9th. If you have not received yours, please call (800) 815-2666.
- Poll Voting will occur on Tuesday, June 7. Polling places are open from 7 AM to 8 PM.
- Vote-By-Mail Ballots can be dropped off at any Polling Place in Los Angeles County on Election Day.
- If you have questions about voting, please call the Registrar of Voters at (800) 815-2666 or visit www.lavote.net.

YOUR COMMUNITY COLLEGE



AFFORDABLE COLLEGE EDUCATION



FOOTHILL-DE ANZA
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Citrus College

Questions & Discussion

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