

Glendale Unified /La Canada Unified Potential Territory Transfer

**Board of Education Meeting – May 6, 2014
Discussion Report No. 1**

Eva Rae Lueck, Chief Business & Financial Officer



Glendale Unified /La Canada Unified Potential Territory Transfer

Summary Review

- June 3, 2013, La Canada City Council adopted a resolution in support of a transfer of territory to the La Canada Unified School District boundaries
- January 7, 2014, Re-adoption of Revised Resolution due to new board members
- Schools affected by the proposed transfer area:
 - Mountain Avenue Elementary School (current enrollment 552)
 - Rosemont Middle School (current enrollment 1,213)
 - Crescenta Valley High School (current enrollment 2,775)

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Review: Impacts and Interests

- If a potential Territory transfer is to move forward, the following impacts and interests need to be reconciled:
 - Student Phase-In Over Six Years (July 1, 2015)
 - School Facilities – Capacity and Enrollment Issues
 - GUSD General Obligation Bonds – Mitigate Impacts
 - Revenue and Expenditure Effects

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Review: Student Phase-In Over Six Years (July 1, 2015)

- Student phase-in plan includes:
 - Incoming TK (Transitional Kindergarten students) and students entering kindergarten (20 to 25 students)
 - Students entering 7th grade (16 students)
 - Students entering 9th grade (35 students)
 - All siblings of eligible students who choose to attend LCUSD schools
 - Parent choice for grades K-12

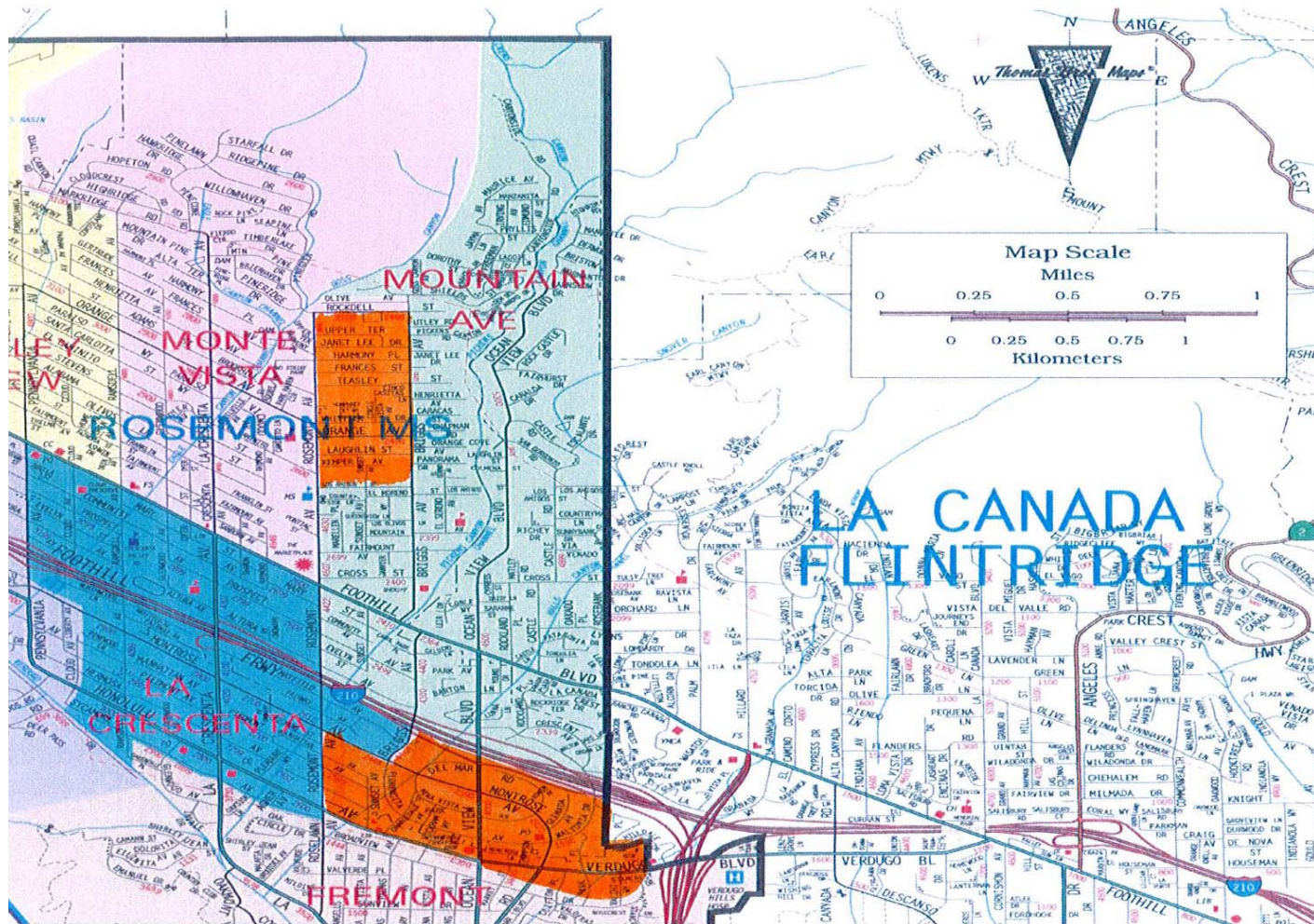
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Review: School Facilities – Capacity and Enrollment Issues

- Minimize dramatic shifts in enrollment at Palm Crest and Mountain Avenue elementary schools:
 - Six year student phase-in
 - Option for TK/Kindergarten (20-25 students) to attend LCUSD schools in the first year of the phase-in
 - Special programs/permissive boundaries with Monte Vista Elementary School/[Fremont Elementary School](#)

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Review: School Facilities – Capacity and Enrollment Issues – Cont.



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Review: GUSD General Obligation Bonds – Mitigate Impacts

- Territory transfer area assessed valuation is approximately 1.85% (\$505 million) of GUSD's total tax base.
- Residents of territory transfer area:
 - Relief of all current and future property tax obligations to GUSD (April 2015)*
 - GUSD 13/14 tax rate is \$39 per \$100,000 AV.
 - GUSD is in the process of shifting to \$60 per \$100,000 AV
 - Assume property and parcel taxes to LCUSD in 2015/16 (December 2015)*
 - LCUSD 13/14 tax rate is \$67 per \$100,000 AV
 - LCUSD parcel tax is \$450

*Assuming July 1, 2015 formalization of the territory transfer

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Review: GUSD General Obligation Bonds – Mitigate Impacts – Cont.

- Loss of property taxes to GUSD in the territory transfer area:
 - LCUSD to pay GUSD approximately \$4.45 million over 13 years*
 - Annual payments to commence in 2015/16 at approximately \$255,000
(4.75% annual growth assumption)*
 - Annual payments would go towards Measure S projects

*Assuming July 1, 2015 formalization of the territory transfer

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Review: Other Revenue and Expenditure Effects

- GUSD-owned lot used for drop-off/pick-up:
 - Conveyance of lot to City of La Canada Flintridge
 - Remuneration of \$1.4 million to GUSD on the effective date of the territory transfer*
 - Additional \$100,000 annually for six years*
 - Indefinite access to pedestrian bridge

*Utilization of funds would be directed by the Board of Education

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Next

- GUSD Survey of the territory transfer area
 - Invite Residents to share opinions
 - Assess Residents' response to survey

- Determination to support the territory transfer will take place at the May 20, 2014 Board meeting

REVISED MAY 5, 2014