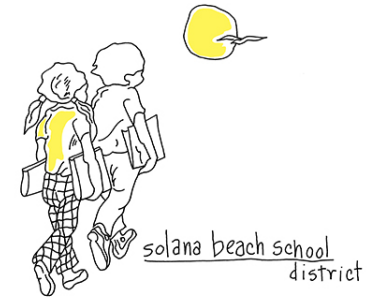


Solana Ranch Community Meeting
November 1, 2018



Long-term Housing Options for Pacific Highlands Ranch Students and Families

INTRODUCTIONS

School Board

- Debra Schade, President
- Vicki King, Member

District Staff

- Jodee Brentlinger, Superintendent
- Lisa Davis, Assistant Superintendent, Business Services
- Sabrina Lee, Assistant Superintendent, Instructional Services
- Caroline Brown, Executive Director, Capital Programs & Technology
- John Leland, Director, Technology
- Jerry Jones, Principal, Solana Ranch School

EXPERTS IN THEIR FIELD

- Financial - Capitol Public Finance Group
- Demographics - Decision Insite
- K-12 Facilities Planning Consultant - Eric Hall and Associates
- General Contractor and Construction Manager - Erickson-Hall Construction

Other Resources

- California Association of School Business Officials (CASBO)
- Coalition for Adequate School Housing (CASH)
- School Services of California (SSC)
- Capitol Advisors Group
- Association of California School Administrators (ACSA)
- Legal Counsel (School Facilities)

PURPOSE AND OUTCOMES

Purpose: As a leader, I believe in open honest and transparent communication. Tonight is about engaging the community about long-term housing options for students in the Pacific Highlands Ranch community.

Outcomes:

- Gather input from parents, residents, and community members;
- Incorporate input, questions, and concerns into November 1 Solana Ranch Community Meeting
 - Provide factual information
 - Consistent communication and sharing of information
- Receive input from staff, parents, residents, and community members to help guide decision making
- Identify Common Interests
- Outline Next Steps

IDENTIFY COMMON INTERESTS

- Maintain the high quality and excellent schools of which families move to Solana Beach School District to attend.
- Provide consistent educational programming at all Solana Beach schools (STREAM, Media, Technology, Music, Art, etc.).
- Evaluate decisions for their long-term impacts.
- Maximize resources in order to maintain and expand educational programming options and the excellence of all schools.

Ultimately, we all want the best decision for all our students.

And for us, it is about ***all*** students across all Solana Beach School District communities.

Here is what we are hearing ...

- Keep school 8 as a viable option
 - A PHR neighborhood school
- Do not expand Solana Ranch
 - Concerned Solana Ranch is overcrowded currently
 - Concerned about the quality of the educational program
- Clarifying the data
- Repeal decision to assign 8A to Solana Ranch
- Traffic and parking is a concern
- Consider providing transportation for students attending schools outside Pacific Highlands Ranch neighborhoods

FRAMING FOR THIS EVENING MEETING

- Part I – Impacts of Residential Development
 - Student Enrollment, Demographic Information
- Part II - Funding School Facilities
 - Financing School Construction
 - Recent Projects and Costs
 - Project Costs and Revenues
- Part III - Current Student Housing Options

Anytime during the presentation, please feel free to submit a color-coded card with a question, comment, concern or suggestion.

Break

- Part IV
 - Responding to questions, comments, suggestions, concerns

IMMEDIATE NEXT STEPS

- November 8 Regularly Scheduled Board Meeting
 - Continue long-term housing options discussion (no decision)
 - Review of community input received to date
 - Discuss 8A Assignment to Solana Ranch
 - Provides an opportunity for the public to give input to the School Board
- Establish a districtwide Superintendent's Facilities Task Force to act as an advisory body regarding short- and long-term facility needs across the District
- Continue to engage Pardee Homes in collaborative resolutions
- Explore transportation options
- Provide a Frequently Asked Questions (FAQ) document to be disseminated to SBSD community the week of November 5, 2018

DEMOGRAPHICS ADVISOR – DECISION INSITE

Bruce Terry

- Senior Director, Decision Insite for 12 years
 - 150+ School District Clients Nationwide
- District Administration Irvine Unified School District – Headmaster of 3 schools for 25 years
- One National Blue Ribbon School & Three California Distinguished Schools
- Irvine Company Principal of Excellent Award Winner
- White House Honoree



The banner features the Decision Insite logo at the top left, with the tagline "Enrollment Impact Specialists" and a "client center" button. A navigation menu includes "About Us", "Our Solutions", "Our Technology", "Clients", "Newsroom", and "Contact / FAQ". The main headline reads "district enrollment...made easy." Below this, a central graphic of a lightbulb with a network of nodes is surrounded by four callout boxes. The top-left box lists: school opening/reopening, special program placement, and new housing development. The top-right box lists: understand school choice impact, adapt to district changes, long-range budget planning, and staff planning. The bottom-left box lists: boundary changes, consolidate schools, declining enrollment, and over-capacity schools. The bottom-right box lists: streamline special needs transit, reduce transportation costs, online field trip requests, avoid driver shortages, and optimize your fleet. The banner also includes images of children, a "Back To School" sign, and a school bus. At the bottom, it says "DECISIONINSITE 10 years" and provides a paragraph of text about the company's services and a concluding sentence.

DECISIONINSITE Enrollment Impact Specialists

client center

About Us Our Solutions Our Technology Clients Newsroom Contact / FAQ

district enrollment...made easy.

- school opening/reopening
- special program placement
- new housing development

- understand school choice impact
- adapt to district changes
- long-range budget planning
- staff planning

- boundary changes
- consolidate schools
- declining enrollment
- over-capacity schools

- streamline special needs transit
- reduce transportation costs
- online field trip requests
- avoid driver shortages
- optimize your fleet

DECISIONINSITE 10 years

A District's enrollment impacts many things, from budgets, to staffing, to facility needs, to student transportation, to special programs and more. DecisionInsite provides the nation's school district leaders with the technology, analytics and expertise they need to understand how enrollment impacts their District – past, present and future.

By bringing the total enrollment picture into focus, School District leaders have the understanding they need to implement informed administrative and student transportation policies.

ERIC HALL & ASSOCIATES (EH&A)

EH&A specializes in school facility services through planning, construction, finance, and communication.

- EH&A has worked with over 80 California K-12 Public School Districts since our founding in 2006.
- Eric Hall, applied more than 32 years of experience at the district administrative level to make EH&A an ally in helping districts discover their best way forward.
- The EH&A team understands the internal operations and challenges facing districts. EH&A provides districts with the tools and strategies to overcome your most pressing challenges so you can focus on leading with strengths.

K-12 FACILITIES PLANNING CONSULTANT

Eric Hall, President

Eric retired from the San Dieguito Union High School District (SDUHSD) in July 2006 to start the consulting firm, EH&A. Eric provides districts with advice and support in school facility and business services areas.

Since retiring from SDUHSD, Eric has served as Interim Chief Business Officer for several districts. Eric has been recognized as an expert in school facility and business services. Eric has extensive success and experiences in prioritizing projects, estimating costs and successfully exploring and obtaining funding and financing for school facility projects.

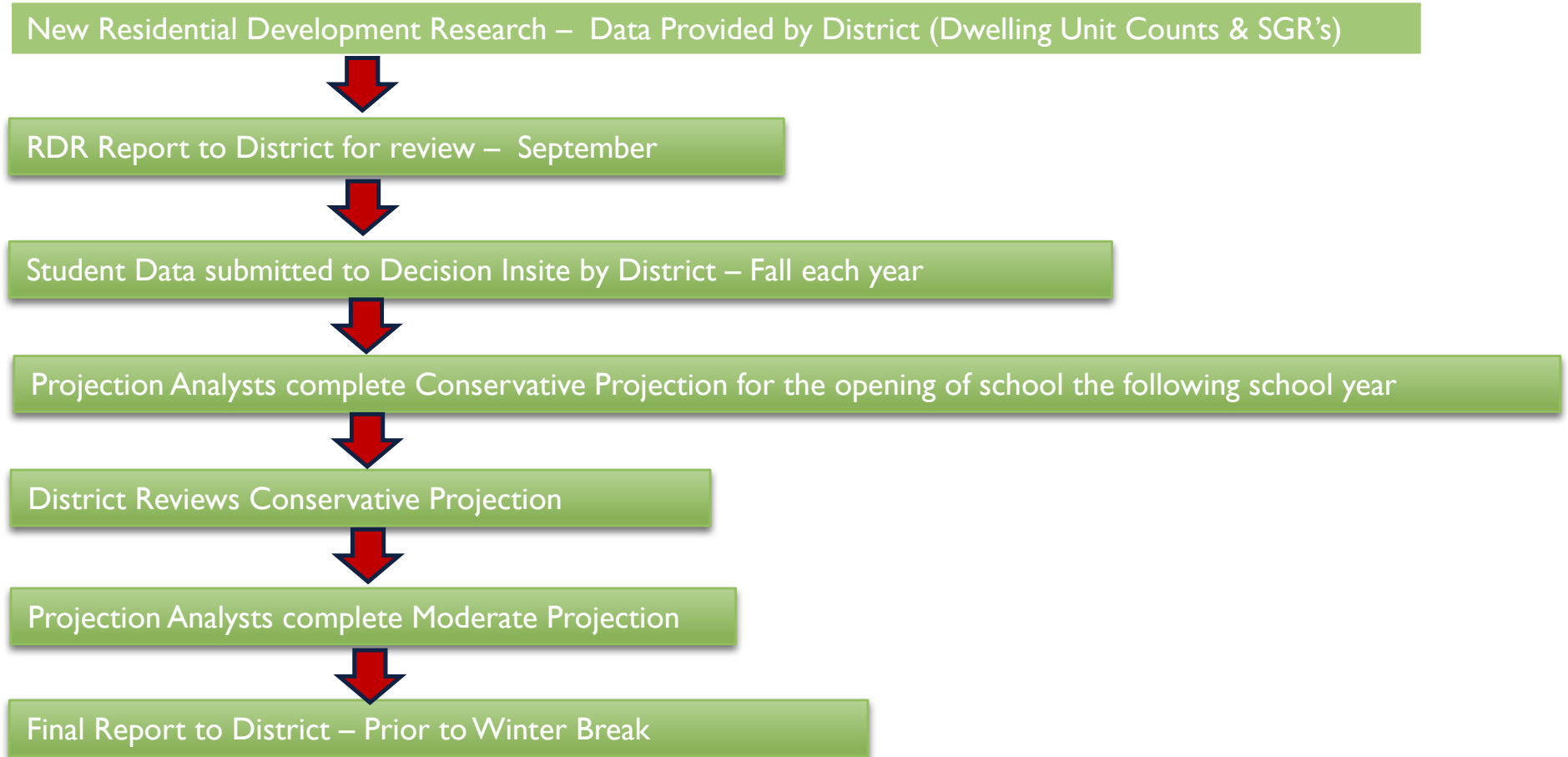
Eric is also effective in understanding the complexity of the regulatory process and is familiar with the funding available to school districts since he served in a state-wide leadership capacity as Chair of California's Coalition for Adequate School Housing (CASH) from 2002 to 2004.

In addition to providing consulting services, Eric continues to serve as a teacher, mentor and coach for other professionals. He is a core faculty member of the CASH leadership academy and provides instruction and mentoring for the CASBO (California Association of School Business Officials) Chief Business Officials training program.

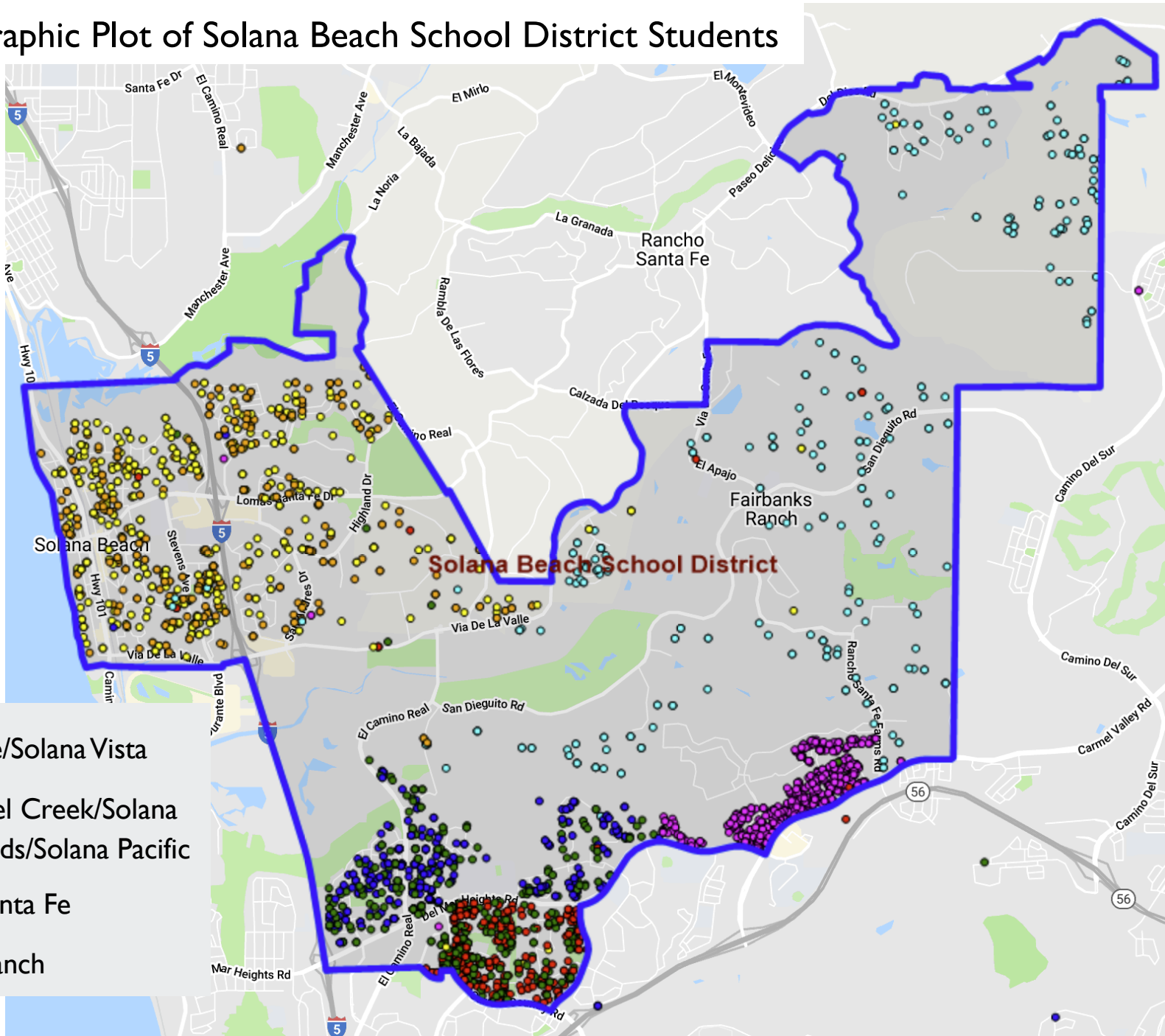
Chris Schmidt, Analyst

Chris is a CASBO Certified CBO, who earned his School Business Management Certificate from USC. Additionally, Chris brings 12 years of private-sector business management experience to the team. His focus has been on managing people, systems and tools that provide effective and efficient business support for internal and external clients. Chris is an expert with in-depth analytics, personalized project management, and the optimization of critical operations, policy and procedure. Chris works in the following areas: Long Range Facility Master Planning; District enrollment projections; Capacity studies; Needs assessments; Managing architect and contractor selection process; Budget development for new school planning; Eligibility studies for School Facility Program grants; Developer negotiations; and OPSC audits.

Enrollment Projection Milestones



Demographic Plot of Solana Beach School District Students



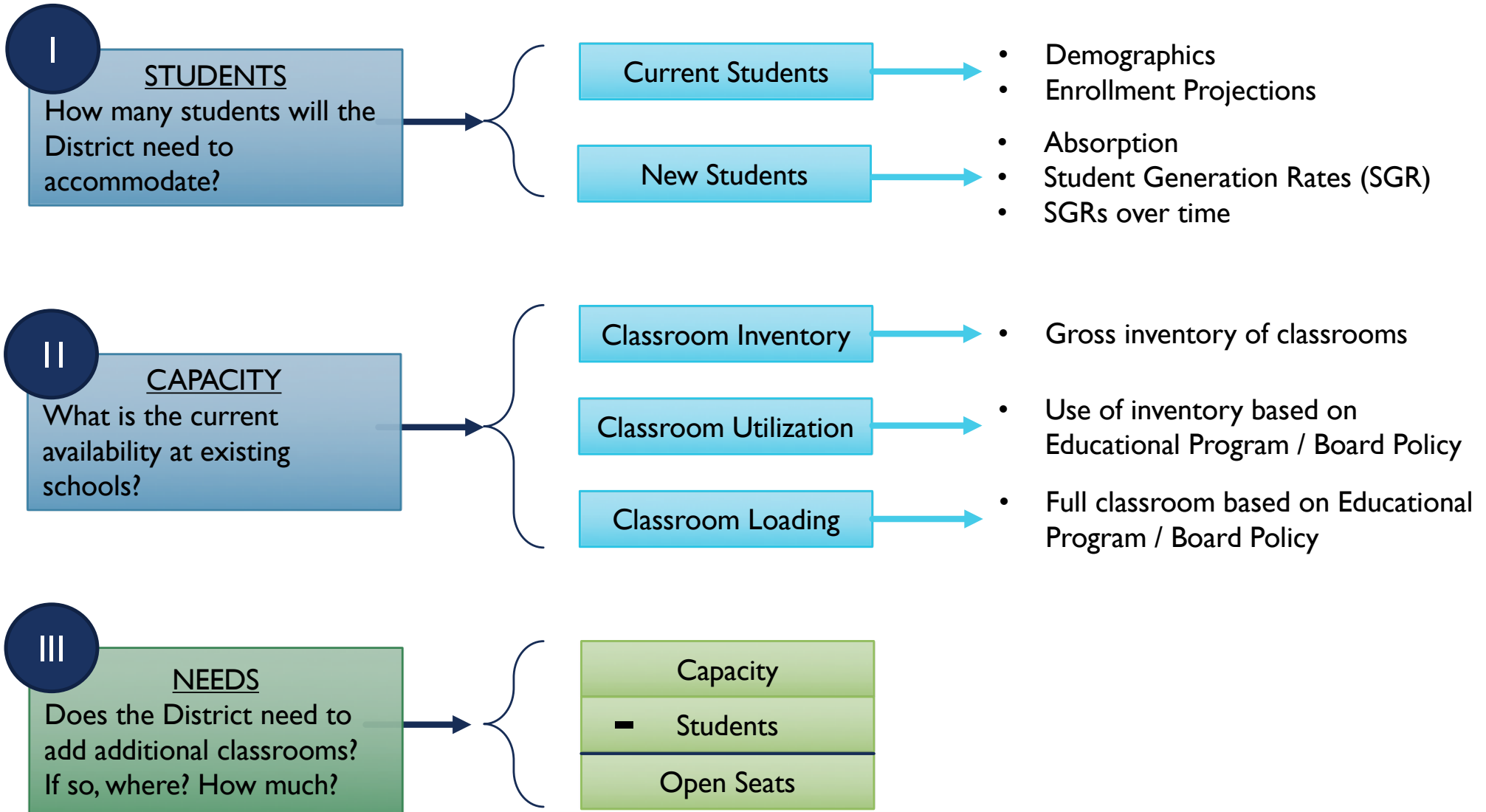
PROJECTION METHODOLOGY

- Study Blocks
- Kindergarten Enrollment
- Live Births
- School Capacities
- Students in the Projections
 - Includes: Students K-6 and Special Day Class
 - Excludes: Students Pre-Kindergarten, Home School, Independent Study
- Attendance Boundaries
- Inter-District and Intra-District Enrollments
- Cohort Change of Students Served by the District
- Residential Impact
 - Proposed Dwelling Units, Student Generation by Unit Type, Grade Level Distribution

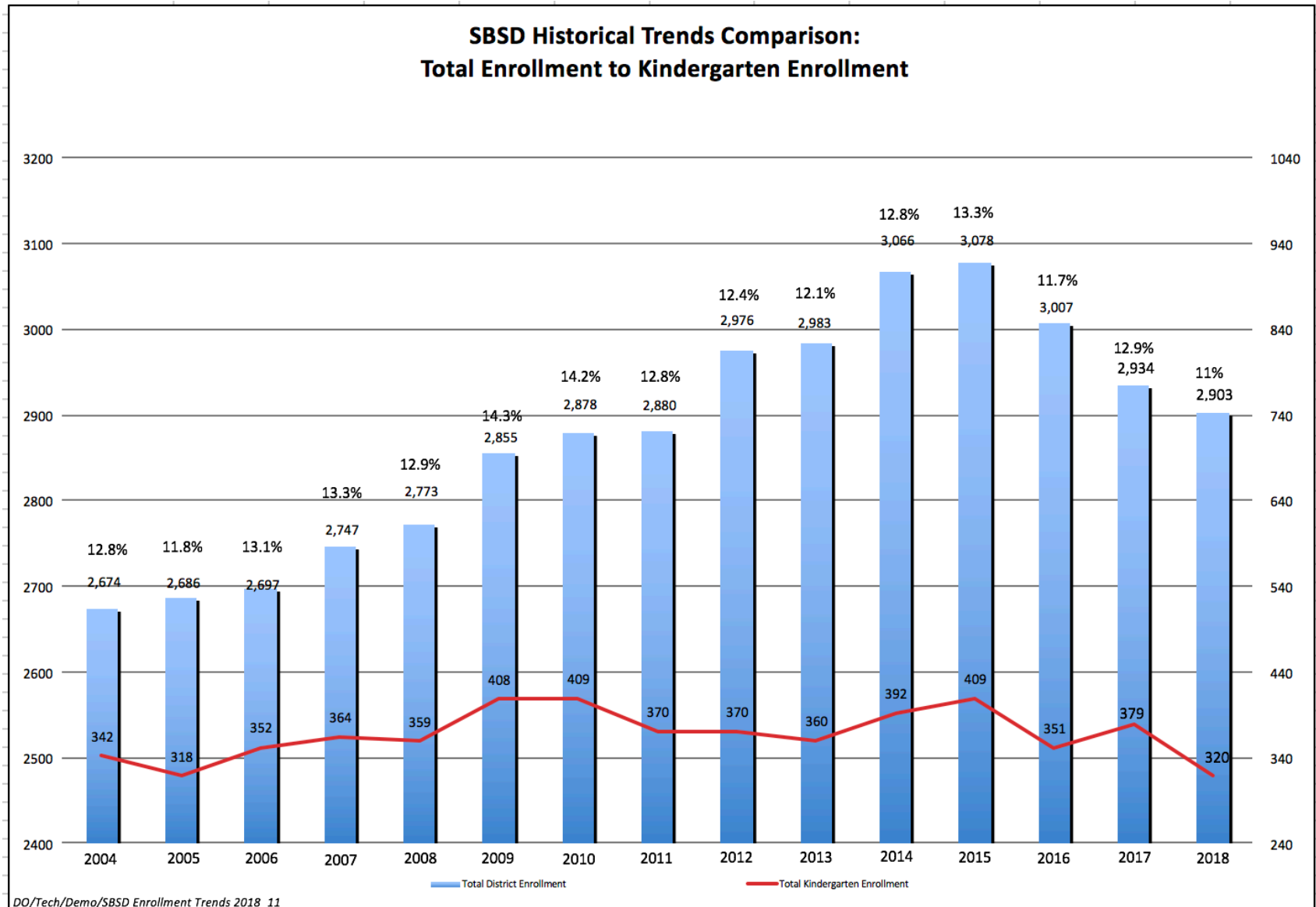
PROJECTIONS - QUICK GUIDE

- Examine recent trends (4-year data analysis) of enrollment patterns by study blocks.
- Factor in any new residential development schedules by type, timeline, and student generation rate.
- Patterns and trend percentages are calculated for all factors.
- Two studies are presented annually
 - Moderate (Facilities)
 - Conservative (Fiscal)
- Goal is to provide Districtwide Projections plus or minus 2%
 - Example: In Jan 2018, we projected 2,893 students. Actual counts in Sept 2018 was 2,894 students

IMPACTS FROM RESIDENTIAL DEVELOPMENT



ENROLLMENT HISTORY



IMPACTS FROM RESIDENTIAL DEVELOPMENT

Absorption

Developer	Unit	Neighborhood	Total		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
			SFH	MFH	Developed Units					
			< 2017-2018							
Pardee	1	Santa Barbara	97							
Pardee	5	Portico	185							
Pardee	6A/B	Manzanita Trail	147							
Pardee	7	Santa Rosa	123							
Pardee	10	Arabella	93							
Pardee	11	The Crossing		108						
Pardee	21A	Hampton Lane	114							
Pardee	21B	Brightwater	75							
Pardee	19	Watermark	160							
< 2017-18 Subtotal			994	108						

≥ 2017-18										
Hallmark	NA	Meadowood	28		28					
Pardee	20	Artesana	56		56					
Pardee	22B	TBD	48				20	28		
Pardee	22C	Casabella	17		17					
Pardee	17A	Almeria	80		35	45				
Pardee	17B	Olvera	84		47	37				
Toll Bros.	18	Palomar	69			18	24	20	7	
Pardee	8A	Sendero	112			8	61	43		
Pardee	8B	Terraza	81			9	61	11		
Pardee	8C	Cresta	105			8	56	41		
Pardee	8D	Vista Del Mar	79				54	25		
Pardee	9A	Vista Sante Fe	44				34	10		
Pardee	9B	TBD	52				7	24	21	
Pardee	9C	TBD	42						15	27
≥ 2017-18 Subtotal			897	0	183	125	297	194	71	27

515 Homes
2019-2023
As of June 2018
Absorption

Total Single Family Home 1,891*

Total Multi Family Home 108

* Increases to 1,919 if #8 is not built.

IMPACTS FROM RESIDENTIAL DEVELOPMENT

Student Generation Rate (SGR)

Student Generation Rates: The number of students per developed units

- Example: The state average in California is .5
 - Which means a half a student per home
 - Said another way, one student for every two homes

Trends in Residential Developments

- Initial wave of students
 - Studied history of Pacific Highlands Ranch and other similar developments
 - Projected 10-year wave and applied to each set of homes absorbed in one fiscal year
- Wave of student enrollment declines as community matures

IMPACTS FROM RESIDENTIAL DEVELOPMENT

Student Generation Rate (SGR)

- Broad Snapshot of SGRs

		State Avg.	Mitigation Agreement	Regional Sample
<i>Student Generation Rate [1]</i>		<i>0.5</i>	<i>0.435</i>	<i>0.38</i>
Total Single Family Home	1,891	946	823	719
Total Multi Family Home [2]	108	15	15	15
<i>Range of Students Generated by PHR</i>		<i>961</i>	<i>838</i>	<i>734</i>

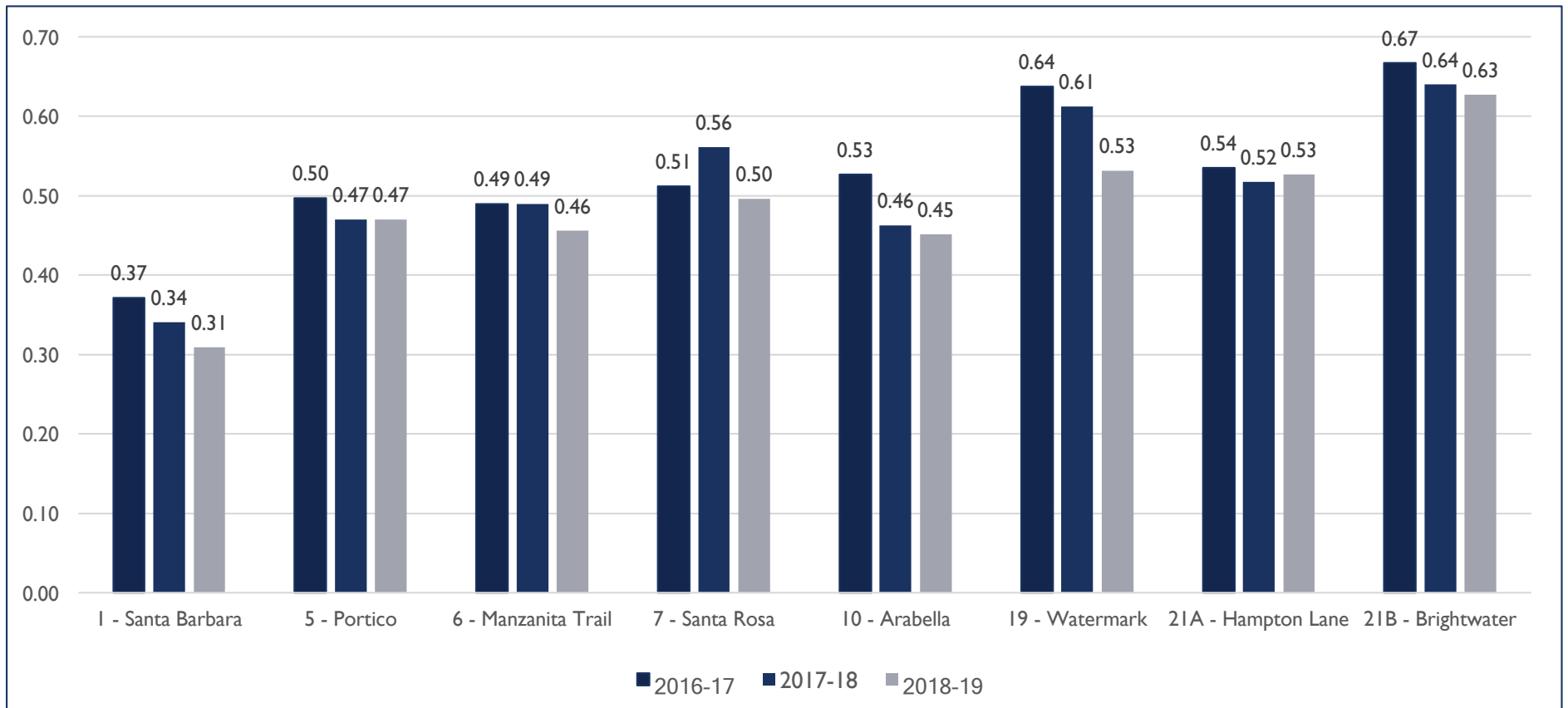
[1] Only applied to Single-Family Homes

[2] The Crossings consistently sends 15 students

IMPACTS FROM RESIDENTIAL DEVELOPMENT

Student Generation Rate (SGR)

- Pacific Highlands Ranch: SGR over three years



Note: SRG Average in PHR for 2018-19 = .48

DEFINING SCHOOL CAPACITY

■ Classrooms

- K-3 loading 20:1
- 4-6 loading 27:1
- K-6 loading 23:1

■ Identified Learning Spaces 8-10

- 8 - SKY, SV, SR, SSF, SH
- 10 - CC, SP
- Special Education
 - Learning Centers
 - Learning Centers - Severe Program (CC, SP)

Specialty:

- STREAM
- Art
- Technology
- Music
- Child Development Center
- Reading/English Learner Development (RDG/ELD)

EXISTING INVENTORY/UTILIZATION OF CLASSROOMS

	SH	SSF	CC	SP	SR
# of Rooms	33	26	34	33	38
# of Special Programs Rooms	8	8	10	10	8
# Rooms less Special Programs	25	18	24	23	30
# Student Capacity	500	414	480	621	690

Special Program Rooms *	SH	SSF	CC	SP	SR
MUSIC	1	1	1	1	1
STREAM	1	1	1	1	1
COMPUTER	1	1	1	1	1
ART	1	1	1	1	1
CDC	1	1	1	2	1
LRC (Severe/Non-Severe)	2	2	5	4	2
RDG/ELD (Space required, not CR)	1	1	1	0	1
Total Special Program Rooms	8	8	10	10	8

Note: Room Counts as of 2018-19

* Consider consolidation of Specialty Rooms if and when necessary

IMPACTS FROM RESIDENTIAL DEVELOPMENT

Evaluating Open Seats

- Open seats among the closest existing school sites in the Pacific Highlands Ranch region:

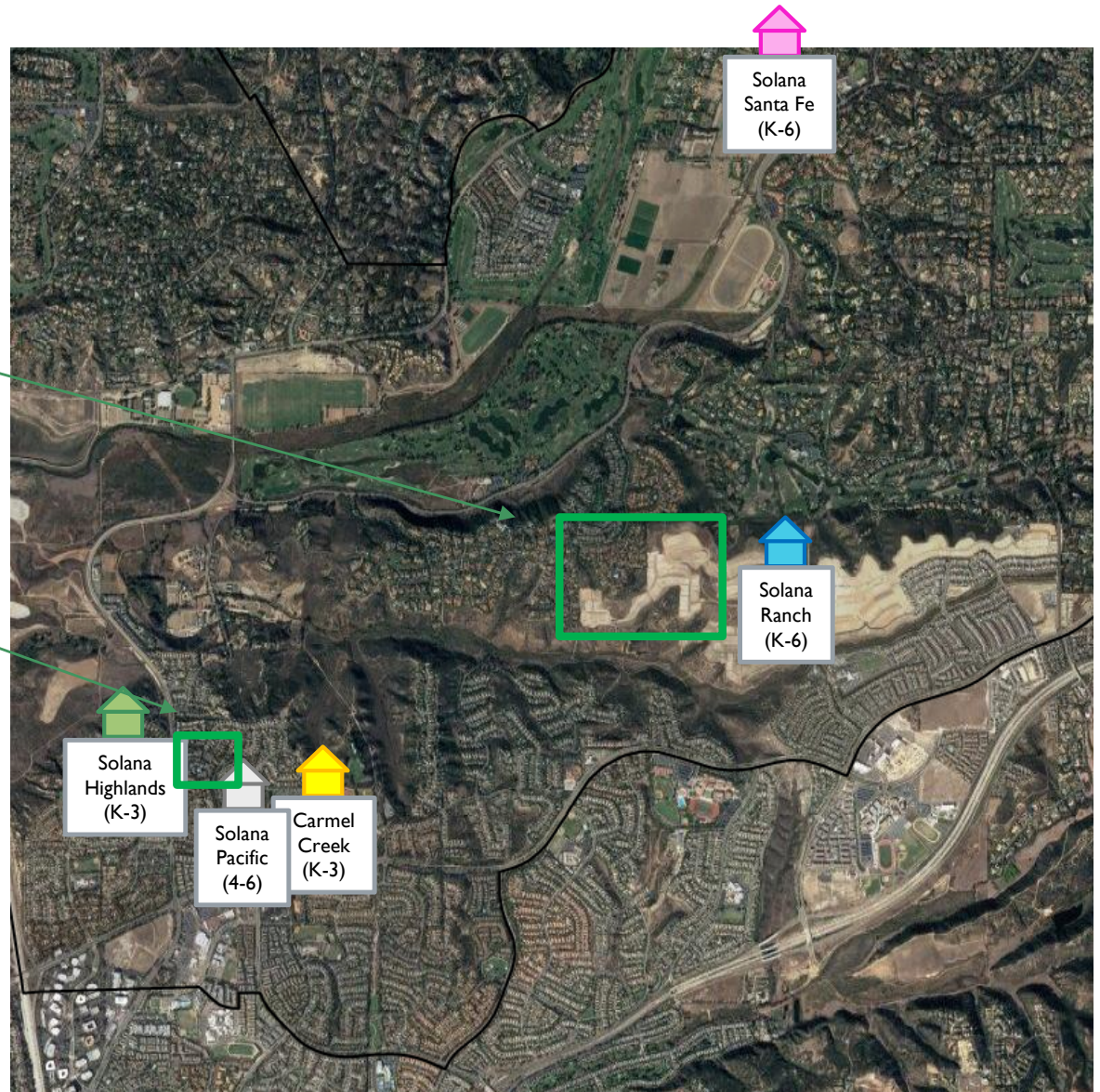
School		Current			Possible Expansion		Maximum	
		Enrollment 2017-18	Capacity	Open Seats	*Additional Classrooms	Additional Capacity	New Capacity	New Open Seats
Solana Santa Fe	K-6	332	414	82	2	46	460	128
Solana Ranch	K-6	557	690	133	0	0	690	133
Carmel Creek	K-3	333	480	147	0	0	480	147
Solana Pacific	4-6	513	621	108	2	54	675	162
Solana Highlands	K-3	311	500	189	0	0	500	189
Total		2046	2705	659	4	100	2805	759

* Proposed Additional Portable Classrooms

NEW DEVELOPMENTS

Underway:

- **Pacific Highlands Ranch**
 - 515 Single-Family Units
 - 2019 – 2023
 - Approx. 190-260 Students
- **One Paseo**
 - 608 Multi Family Units
 - 2019-2022
 - Approx. 40-120 Students



FINANCIAL ADVISOR

- Capitol Public Finance Group (Capitol PFG) is a full service, independent financial advisory firm based in the Sacramento area, providing consulting services exclusively to public agencies in California, predominately school districts. Capitol PFG has designed and marketed approximately \$4 billion of public financings in California since 2005. Capitol PFG has represented over 75 school districts, in both rural and urban areas, as well as districts located in coastal and inland communities. The firm has worked closely with Solana Beach School District since 2011.

FINANCIAL

Cathy Dominico

Managing Partner, Strategic Consulting

- Directs strategic consulting services to Capitol PFG clients, including bond and facility planning, comprehensive analytic reports, and communication strategies
- Has directly provided financial analysis and planning services to over 100 public agency clients and structured financings of approximately \$4 billion
- 19 years in public finance and 14 years at Capitol PFG
- Is a Municipal Advisor Representative holding a Series 50 license

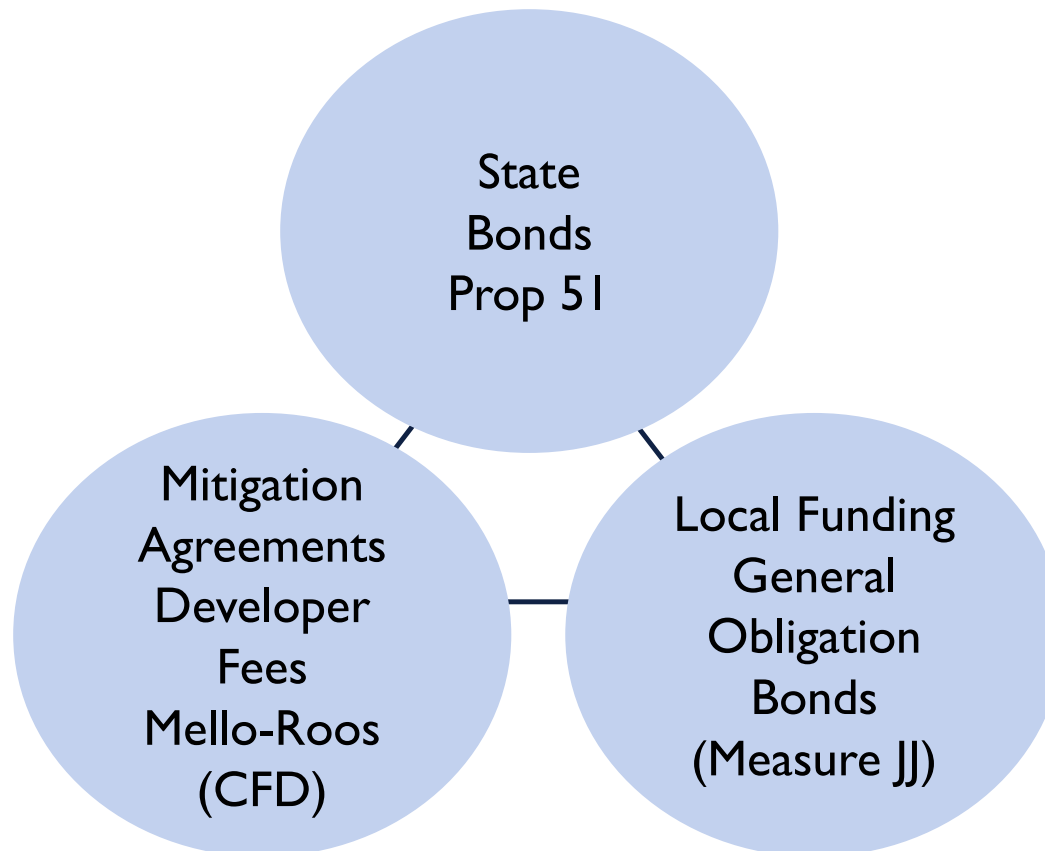
Jeff Small, Esq.

Managing Partner, Financial Transactions

- Directs debt issuance services for Capitol PFG clients, including the issuance of general obligation bonds, special tax bonds, lease revenue bonds and other financing mechanisms
- Has directly led the pricing, credit analysis, marketing and sale of over 650 debt issuances totaling over \$6.5 billion
- 28 years in public finance and 14 years at Capitol PFG
- Is a Municipal Advisor Representative holding a Series 50 license

CALIFORNIA FUNDING FOR SCHOOL FACILITIES

- California State Budget Funds School Operations – Personnel, Instructional Program, Materials, Equipment
- California State Budget Funds Do Not Fund School Construction
- School Facilities are funded from the following three sources:



SCHOOL CONSTRUCTION FUNDING

State Funding

- Solana Ranch Reimbursement of Approx. \$11.5 million
 - **May** be used to fund the Pro Forma Site Acquisition cost for School #8 OR to repay Pardee Homes for the amount still owed for land acquisition for Solana Ranch
- **No** State funding eligibility for School #8

Developer Funding

- Developer Fees
 - Fees collected for new construction outside of the Pacific Highlands Ranch area
 - Amount set by the State
- Mello-Roos Community Facilities District (CFD)
 - Special tax paid by property owners on annual tax bills
 - Two CFDs in Pacific Highlands Ranch development area
 - Funds can be used for capital improvements **benefitting** the CFD

Local Funding

- General Obligation Bonds
 - Authorized in 2016 for capital improvements to schools throughout the District
 - Excludes the Pacific Highlands Ranch area

PHR MITIGATION AGREEMENTS

- Generally, a negotiated mitigation agreement includes:
 - In lieu of paying developer fees, agreed to form a CFD as a mitigation measure to provide funding at a higher level than statutorily required
 - Includes other parameters regarding the acquisition of land and bond issuances
- In 1998, the District originally entered into an agreement with Pardee Homes to establish a tax system (CFD) to partially support the building of school facilities needed to serve students from the Pacific Highlands Ranch development
 - Amendment to the original agreement occurred in 2004 to provide additional special tax revenue to support the funding of school facilities.
 - The district does not currently own the land for School #8.
 - The developer was required to set aside the land for the school district to exercise the option to purchase the land at the highest and best use value.
 - The agreement acknowledged funding was not sufficient to purchase/build School #8 without contributions from other funding sources (Mello-Roos/CFD funds account for approximately .37 of School #8).
 - Should the district decide to purchase the land, the decision to purchase the lands needs to be made by the time the 1600th dwelling unit is built, projected to be the 4th quarter of 2019 or the 1st quarter of 2020.

DEFINITION OF TERMS

- Mello-Roos/Community Facilities District (CFD)
 - A CFD is a taxing district formed whereby property owners from within the district pay special taxes to fund public improvements. The special taxes are paid in annual property tax bills.
 - The Mello-Roos/CFDs were formed for the specific purpose of funding school facilities to serve the student population expected as a result of the Pacific Highlands Ranch development.
- Purchase Price for Land Acquisition
 - School sites are acquired from the developer based on fair market value determined by an appraiser.
 - *Pro-Forma Purchase Price* is established in the mitigation agreement and is the minimum payment made by the district to take possession of the property
 - *Contingent Purchase Price* is the difference between the Pro-forma Purchase Price and the fair market value determined by a mutually agreed to appraiser and is paid by the district contingent on the receipt of state reimbursement or excess special tax collections

ESTIMATED SUMMARY OF MELLO-ROOS/CFD REVENUE

Solana Beach School District

Summary of Funding Available for School #8 or Expansion of Other Facilities

Funding Sources Available for Expansion of Solana Ranch or School #8

CFD 99-1 Fund Balance	\$1,440,000
CFD 2004-1 Fund Balance	\$8,370,000
CFD 99-1 and 2004-1 Estimated Bond Proceeds	\$30,000,000
Future CFD 99-1 & 04-1 Tax Collections Not Used for Debt Service (Through 2020-21)	\$350,000
Total (This is the <i>TOTAL</i> amount estimated to be available)	\$40,160,000

Funding Sources Available for Expansion of Solana Santa Fe

CFD 2000-1 Fund Balance	\$2,500,000
CFD 2000-1 Estimated Revenue Bond Proceeds	\$2,000,000
Total (This is the <i>TOTAL</i> amount estimated to be available)	\$4,500,000

CFD's are available to fund:

- Classrooms
- On-site office space
- Central support and administrative facilities
- Interim housing
- Transportation facilities
- Furniture
- Equipment
- Technology
- Busses

PFG 8/27/2018

ESTIMATED PROJECT COSTS – SMALL SCHOOL #8

Solana Beach School District	
Small School #8 Funding Model (7.7 Acre Site Option) - September 24, 2018	
Project Costs	
Base School Construction in 2018 Dollars	25,500,000
Inflated Base School Construction (Hard Costs)*	37,310,000
Soft Costs	11,193,000
Other Misc. Costs	-
Total Project Construction Costs	48,503,000
Initial Site Acquisition	
Pro Forma Site Acquisition Cost**	6,822,635
Total Initial Site Acquisition Costs	6,822,635
Total Initial Project Costs	55,325,635
Future Site Acquisition	
Contingent Site Acquisition Cost	6,677,365
Total Future Site Acquisition Costs	6,677,365
Total Future Site Project Costs	6,677,365
Revenue Sources - School #8 Funds	
CFD 99-1 Fund Balance as of 1/1/18	1,440,000
CFD 04-1 Fund Balance as of 1/1/18	8,370,000
CFD 99-1 & 04-1 Estimated Bond Proceeds	30,000,000
Future CFD 99-1 & 04-1 Tax Collections Not Used for Debt Service (Through 2020-21)	350,000
State Funding	-
Other Local Revenue Sources	-
Total Revenue Sources - School #8 Funds	40,160,000
Initial Excess/(Shortfall)	(15,165,635)
NOTES:	
*Assumes inflation to the mid-point of construction (2022-23) with 12% inflation for 2019-20 and 2020-21 and 8% inflation for 2021-22 and 2022-23.	
**Assumes a smaller school site of 7.7 acres instead of 11 acres, and a proportional reduction in the Pro Forma Site Acquisition Cost (70% of the Value in the MOU).	

Future Site Acquisition not included in the Initial Excess/(Shortfall)

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Base School Plus Escalation: 12%, 12%, 8% and 8% over 4 years. Square Feet based on exterior circulation

Amount not included in the Initial Excess/(Shortfall)

ESTIMATED PROJECT COSTS – SMALL SCHOOL #8

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Base School Plus Escalation:
12%, 12%, 8% and 8% over 4 years.

Square Feet based on exterior circulation

Future Site Acquisition not included in the Initial Excess/(Shortfall)

District is not Eligible for State Funding
PHR not Included in District GO Bond (Measure J)

GENERAL CONTRACTOR AND CONSTRUCTION MANAGER

Dave Erickson, Chief Executive Officer

- Local San Diego County Public Works-K12 School Builder
- With over \$1 billion in successful construction projects, Erickson-Hall Construction Company is a recognized leader with a reputation for delivering on task, on time, and on budget. Erickson-Hall Construction Co. has been servicing Southern California (San Diego, Imperial, Orange and Riverside counties) since 1998.
- Providing a wide range of construction and construction-related services for projects of varying scope, budget, schedule and complexity. Erickson-Hall Construction has an award-winning portfolio of completed projects and have received numerous awards for safety.

CONSTRUCTION COSTS - NOW

■ Escalation

- From 1980 thru 2009 – construction costs increased an average of 3.1% annually. Since 2011 thru mid-2016 cost increased an average of 4%. With 2016 reaching 8% in the year alone.
- Erickson-Hall has seen rapid expansion of costs attributed to materials, regulations and capacity. We have been experiencing a 1% escalation factor per month.
- Building prices (hard costs) for new construction have risen from \$285 per sf. in 2011 to \$403 per sf. for standard classroom buildings. In early 2017:
 - Current pricing of new construction \$475 - \$520 per sf.
 - Modernization \$240 - \$280 per sf.

CONSTRUCTION COSTS - ESCALATION

- Escalation – To increase or be increased in extent, intensity, or magnitude
- Construction cost escalation rates are often very different from Inflation rates
 - Construction costs are impacted or influenced by material markets, credit rates, capacities, and labor availability
- Materials Pricing Escalation
 - Material markets, credit ratings, political stability all influence material prices
 - Regulatory requirements can impact material availability and pricing

6/17 – 6/18

- 20% Aluminum
- 12% Steel
- 18.3% Lumber/Plywood
- 52% Fuel
- 7.5% Concrete

***Construction Cost Data 7/1/18*

CONSTRUCTION COSTS – ESCALATION CONT.

- Regulations –
 - Labor availability continues to be a limiting factor: beyond the 3.4% unemployment rate
 - Skilled and Trained workforce
 - Apprenticeships cannot keep pace with percentage requirements
 - Journeymen availability impacts smaller projects
 - Wages are increasing to maintain and/or increase management and trade staffing
 - Non-traditional workers being assigned certified payroll requirements
 - Project Labor Agreements
- San Diego County- Current school bond funding \$1.2 Billion
If bonds on the ballot are passed add another \$4.8 Billion

SUMMARY

- Escalation is an ongoing analysis
 - Maintain a budget for these cost increases (1% per month)
 - Evaluate bids and compare to similar projects
 - Update master plans / project budget and continuously correct for market conditions
 - Plan / design for phases or alternate additions to adjust for start date market conditions

- Mitigate the impacts of escalation
 - Timing of bids allow greater outreach and participation
 - Monitor construction dollars entering your market
 - Monitor regulations and possible impacts to labor, wages, materials

SCHOOL CONSTRUCTION

Cost to build Solana Ranch in 2012 dollars

** Land Acquisition:
Proforma Paid \$8,258,048
Contingent Purchase Balance Due \$10,341,579**

Solana Ranch	
Land Acquisition	\$19,886,000*
Hard Cost	\$29,431,581
Soft Cost	\$4,382,840
Total	\$53,700,421.00

Hard Costs	Soft Costs
Construction	Planning (Environmental, State Compliance)
Labor – Prevailing Wage	Architect and Design Services
Materials – Steel, Lumber, Equipment	Division of State Architect Inspection Services and Plan Review
	Special Inspections and Materials Testing

CURRENT OPTIONS UNDER CONSIDERATION FOR PACIFIC HIGHLANDS RANCH

All options are being considered, researched and discussed:

- Build Small School #8
- Expand Solana Ranch
- Utilize Existing Facilities

New Options Under Exploration:

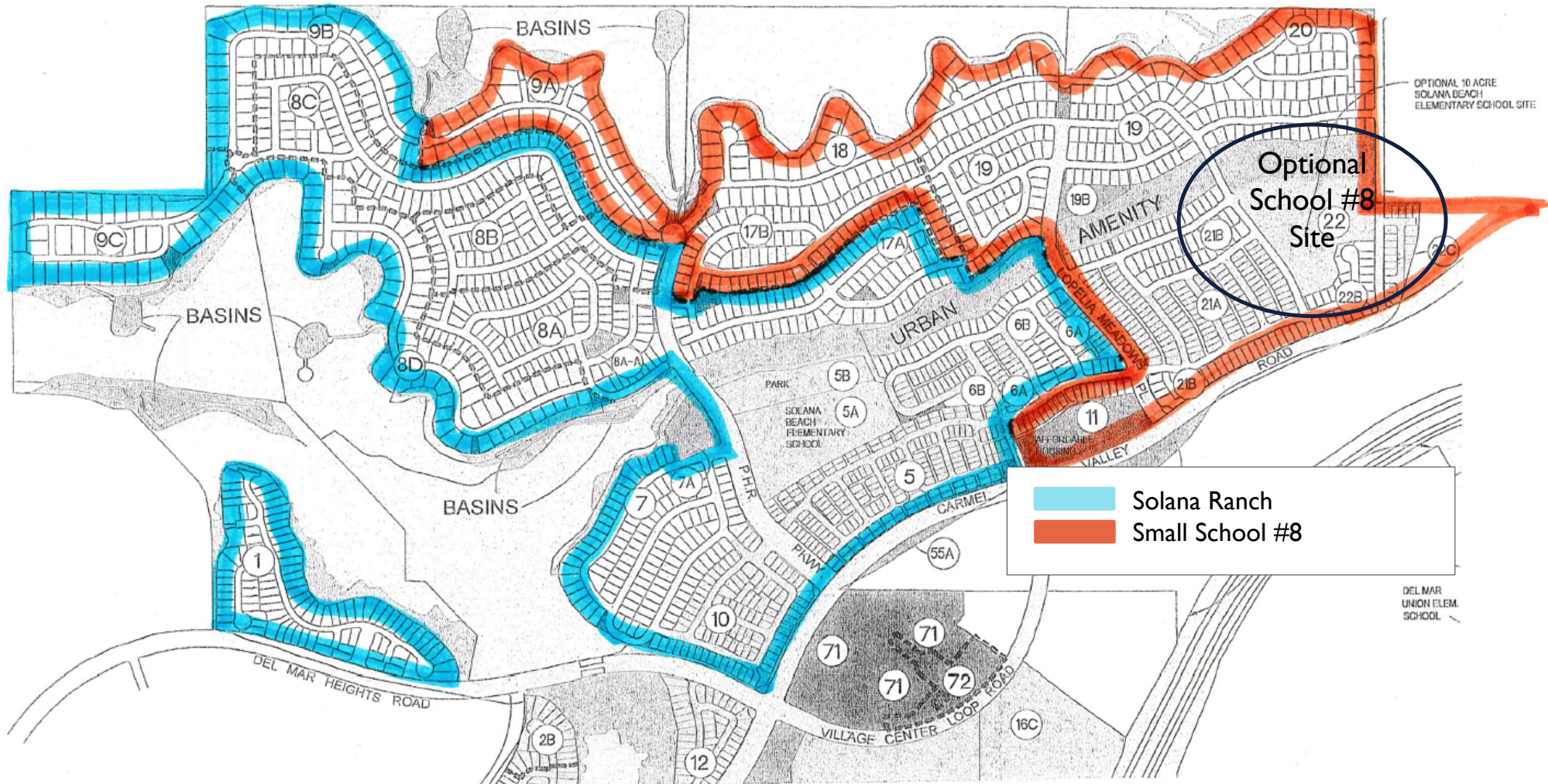
- Converting Solana Highlands and Carmel Creek to K-4 and Solana Pacific 5-6
- Converting Solana Highlands to a K-6
- Determine the attendance area for One Paseo

All options include:

- current class sizes
- specialty programs across all schools (STREAM, Media, Technology, Music, Art, etc.)

OPTION I: BUILD SMALL SCHOOL #8

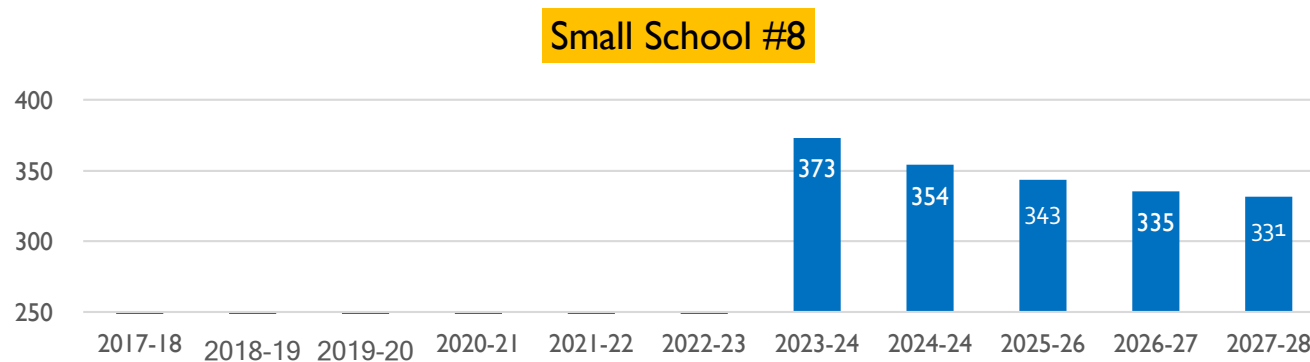
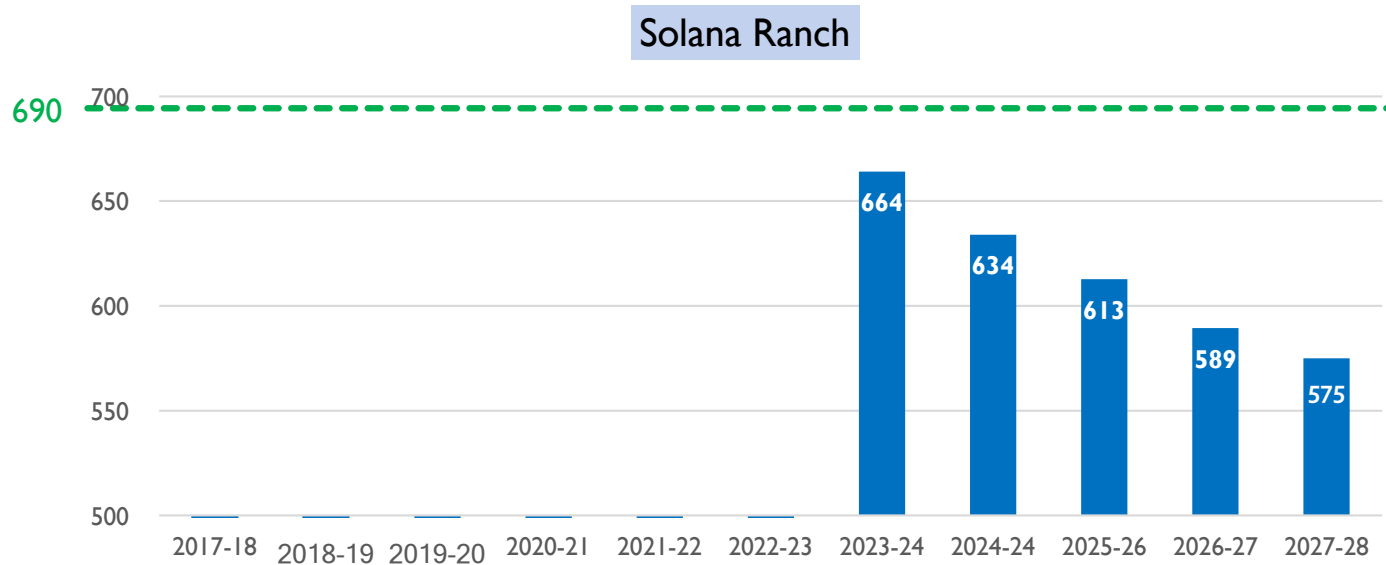
Picture depicts an **example** of what boundaries could be assigned to Solana Ranch and School 8



IMPACTS FROM RESIDENTIAL DEVELOPMENT

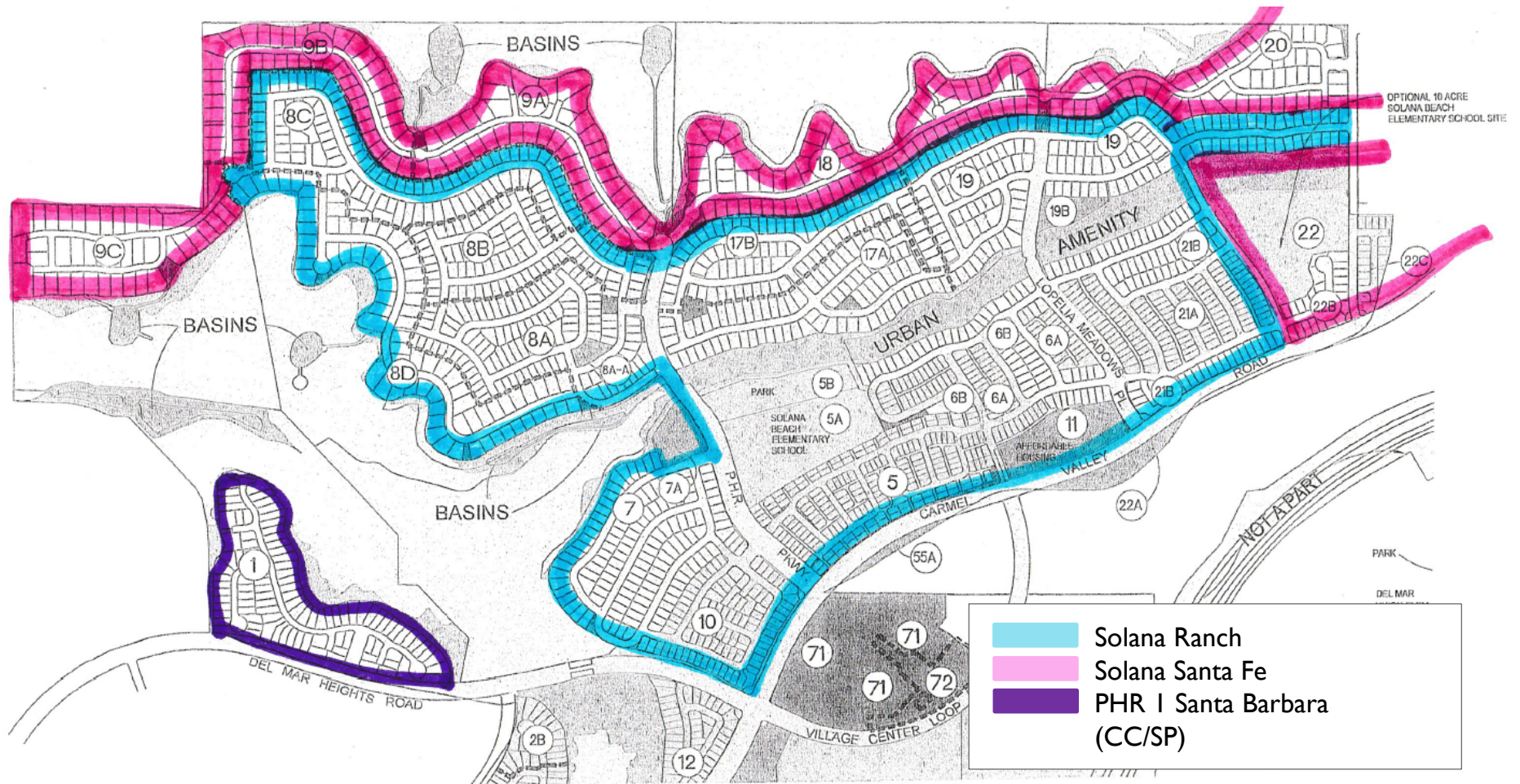
Student Generation Rate (SGR)

- Projected Wave with Small School #8



OPTION 2: EXPLORE EXPANDING SOLANA RANCH

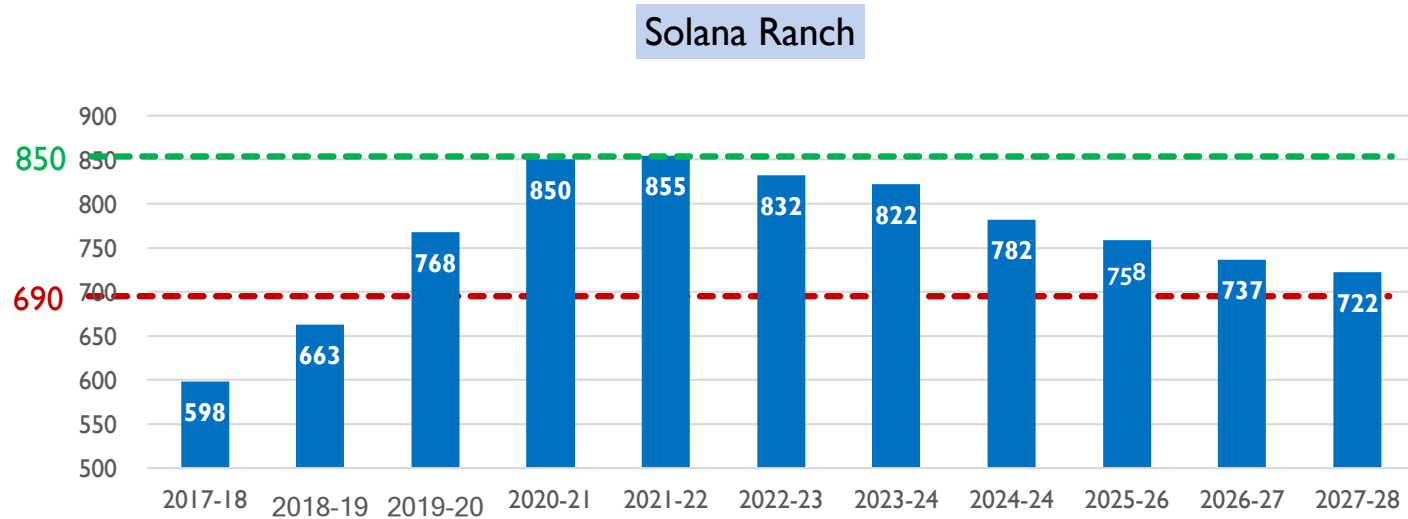
Picture depicts an **example** of what boundaries could be assigned to an expanded Solana Ranch using permanent construction



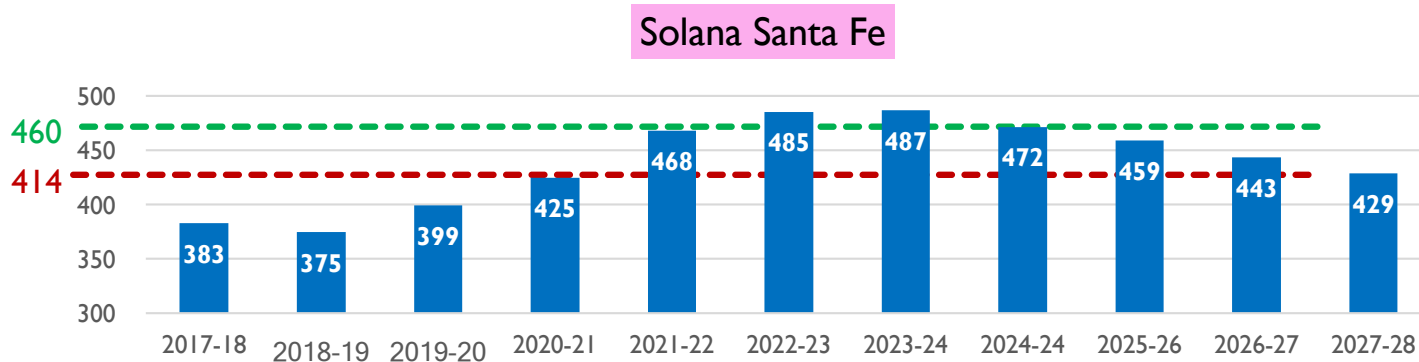
IMPACTS FROM RESIDENTIAL DEVELOPMENT

Student Generation Rate (SGR)

- Projected Wave with Expanded Solana Ranch



- Enrollment projected to continue declining as community matures.
- 4 portables could be removed as needed based on actual enrollment decline.



ESTIMATED PROJECT COSTS – EXPAND SOLANA RANCH

- Description – Additional two-story classroom building containing eight classrooms

Expand Solana Ranch	
Hard Cost	\$6,000,000
Soft Cost	\$1,800,000
Estimated Escalation*	\$2,767,066
Total	\$10,567,066

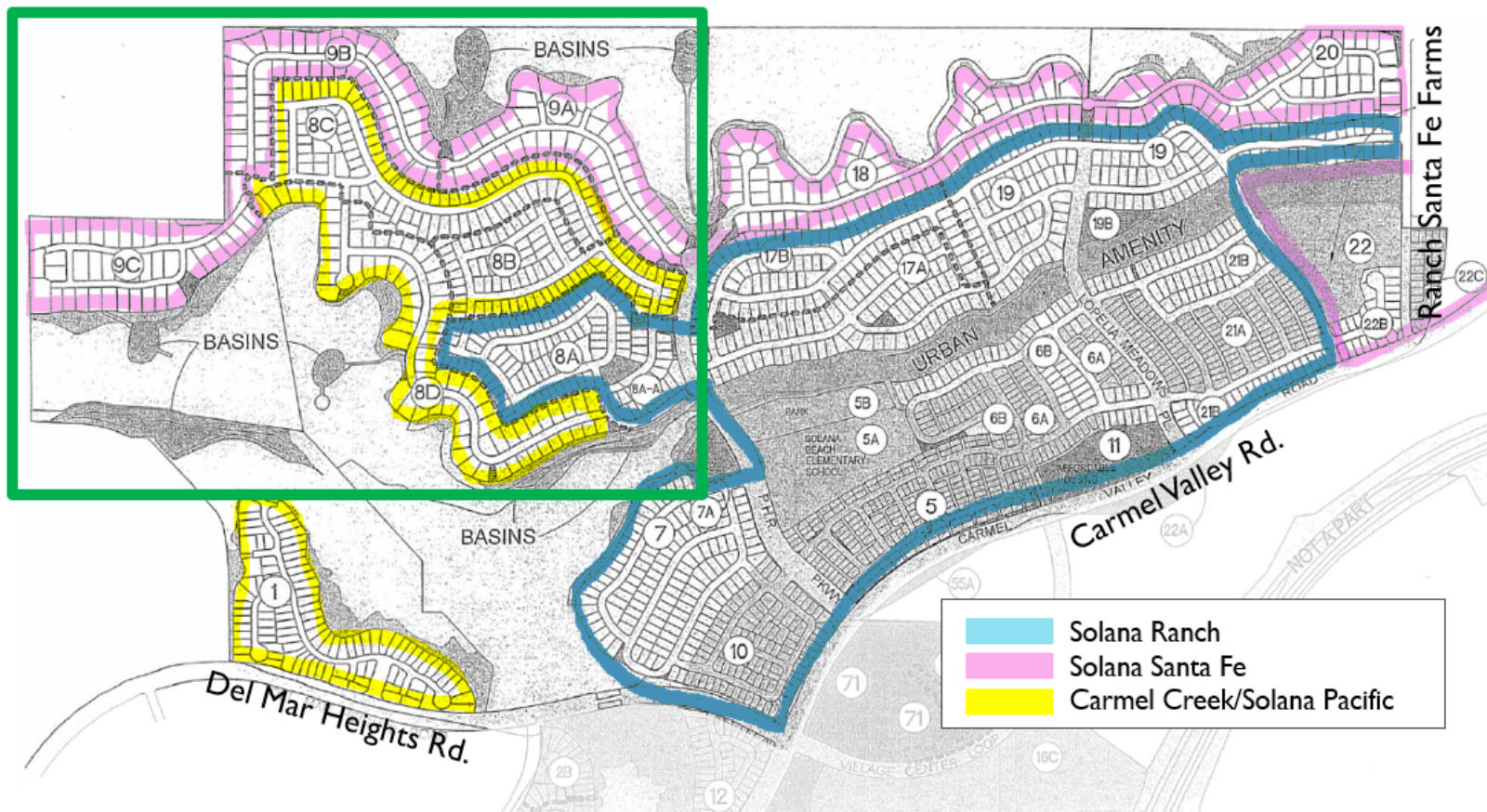
- Escalation calculated through 2021-22

Utilize Existing School Facilities Using Boundaries Assigned

**Solana Santa Fe:
9A, 9B, 9C**

**Solana Ranch:
8A**

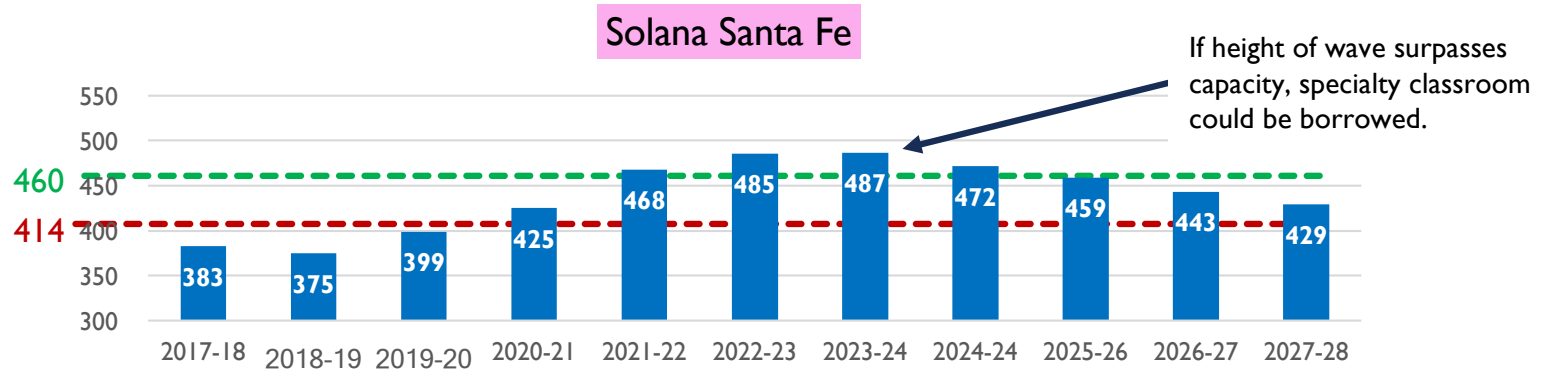
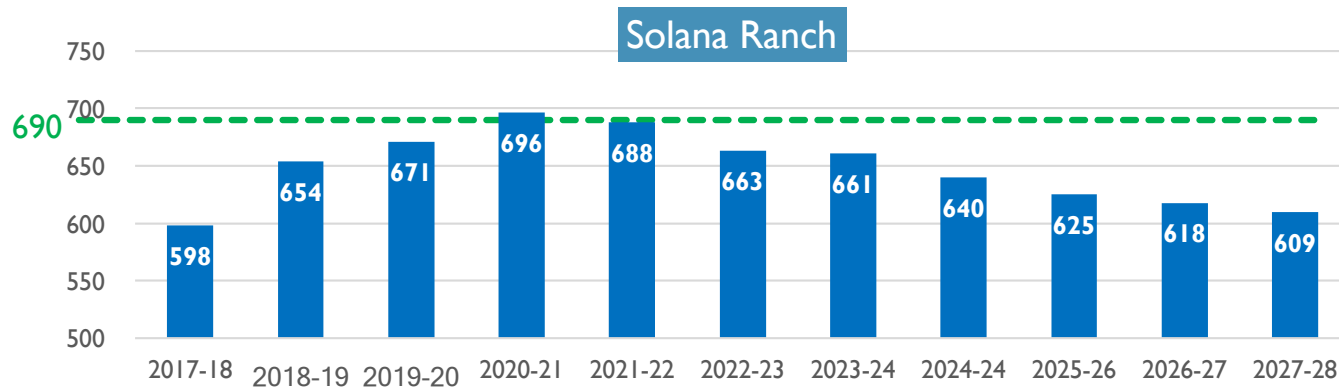
**Carmel Creek/Solana Pacific:
1, 8B, 8C, 8D**



IMPACTS FROM RESIDENTIAL DEVELOPMENT

Student Generation Rate (SGR)

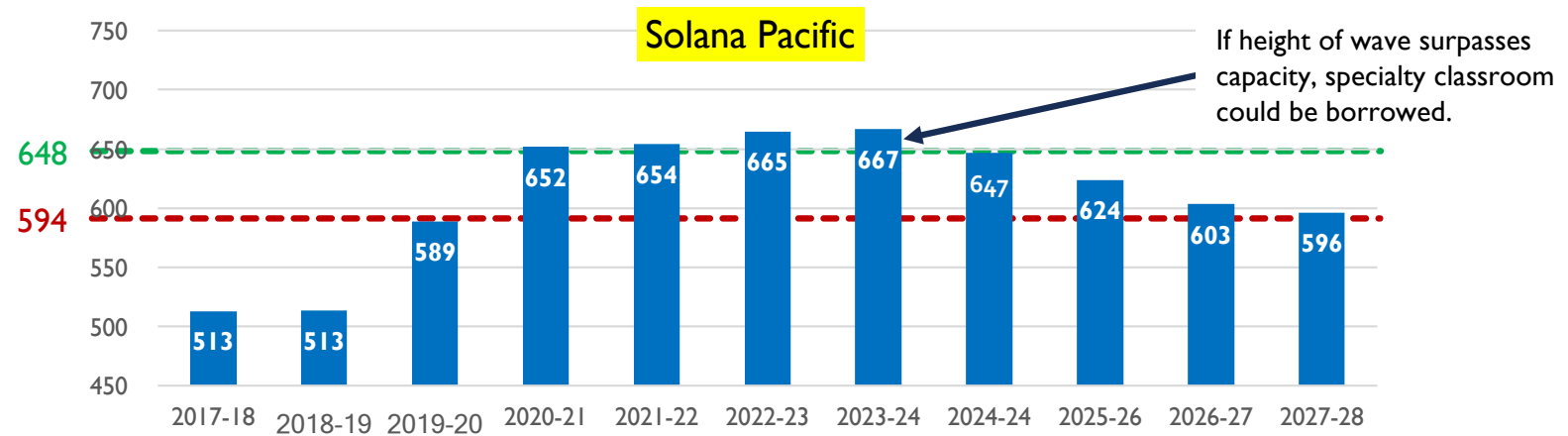
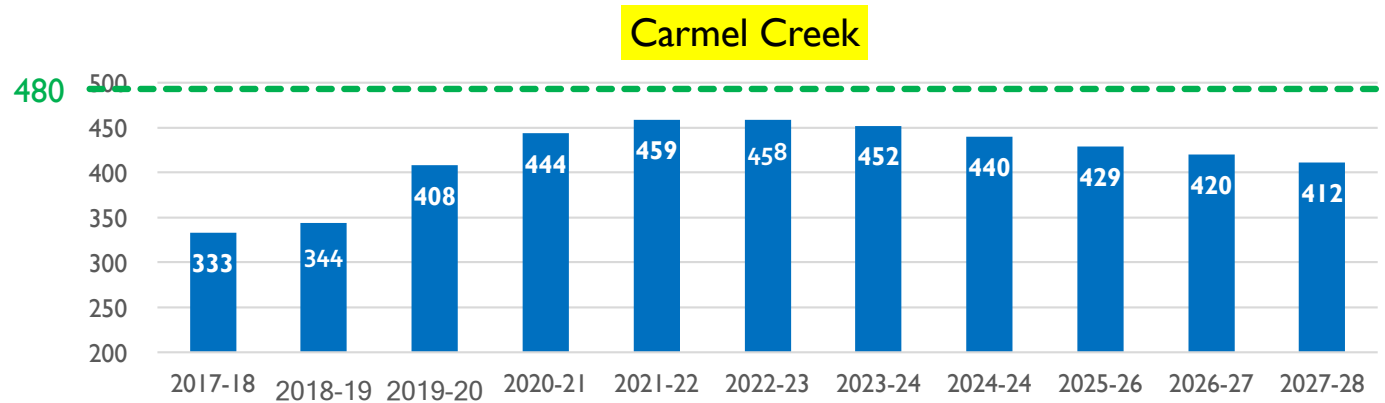
- Projected Wave for Assigned Attendance Areas



IMPACTS FROM RESIDENTIAL DEVELOPMENT

Student Generation Rate (SGR)

- Projected Wave for Assigned Attendance Areas



ESTIMATED PROJECT COSTS – USE EXISTING SCHOOLS

- Description – Additional classroom buildings at Solana Santa Fe and Solana Pacific
 - Solana Santa Fe – Remove 8 relocatable classrooms and replace with 10 new classrooms **

Solana Santa Fe	
Hard Cost	\$2,500,000
Soft Cost	\$750,000
Estimated Escalation*	\$1,152,944
Total	\$4,402,944

- Solana Pacific – Additional 2 new classrooms **

Solana Pacific	
Hard Cost	\$500,000
Soft Cost	\$150,000
Estimated Escalation*	\$230,589
Total	\$880,589

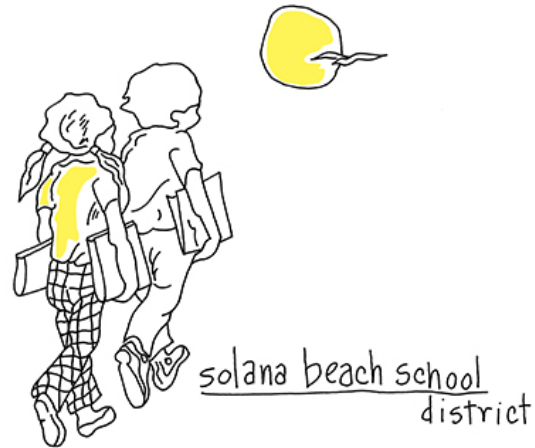
- * Escalation calculated through 2021-22
- ** Lease Payments of estimated \$10,630 per classroom, per year – no escalation included

HOUSING OPTIONS SIDE-BY-SIDE

Long-Term Housing Options Side-by-Side

Common Interests:		
<ol style="list-style-type: none"> 1. Maintain the high quality and excellent schools of which families move to Solana Beach School District to attend. 2. Provide consistent educational programming at all Solana Beach schools (STREAM, Media, Technology, Music, Art, etc.). 3. Evaluate decisions for their long-term impacts. 4. Maximize resources in order to maintain and expand educational programming options and the excellence of all schools. 		
A - Build Small School 8	B - Expand Solana Ranch	C - Utilize Existing Facilities
<p>Cost associated with building small school 8 (7.7 acres) is approximately \$55 million (portable to modular building type).</p> <p>Approximately \$40 million to provide short-and long-term housing options.</p> <p>Utilizing all \$40 million (Mello-Roos/CFD) exhausts all funds that would be available for enhancements/expansion of Solana Ranch or School 8.</p>	<p>Cost of expanding Solana Ranch with permanent classrooms will be approximately \$11.4 million. The use of CDF funds remaining will be applied and the money will follow PHR students attending other schools (Solana Santa Fe, Carmel Creek and Solana Pacific).</p> <p>Remaining Mello-Roos/CFD funds are available for enhancements/expansion needs of Solana Ranch and Solana Santa Fe.</p>	<p>PHR students attending other Solana Beach schools would have their facility needs supported through Mello-Roos/CFD resources (Carmel Creek, Solana Pacific and Solana Santa Fe). Budget to be determined once scope is refined.</p> <p>Remaining Mello-Roos/CFD funds are available for sites accommodating PHR students.</p>
Cost to open and operate a new school requires an additional \$1.3 million annually.	Cost to operate an expanded school is less than \$1.3 million annually (additional staff for specialty programs, supervision, support services, play areas, and wear and tear).	Additional operating costs incurred if any additional specialty program staff is needed.
School could take approximately five years to complete for occupancy.	Expansion could take approximately five years to complete for occupancy.	Facility needs based on student populations and resources would determine scope and timelines.
Attendance boundaries for some existing neighborhoods attending Solana Ranch would be changed to attend School 8.	Attendance boundaries for existing residents attending Solana Ranch would not be changed.	Attendance boundaries for assigned developments are not projected to change in the near future. Attendance boundary considerations could occur at such a time when Solana Ranch has capacity to accommodate additional PHR neighborhoods.
Location of proposed new school is on the furthest eastern edge of the development area. This would require residents to travel east through the community each morning, and then backtrack on Carmel Valley Road to access SR – 56 or I-5.	Solana Ranch is located in the middle of the development area resulting in a greater opportunity to walk and offers a more centralized drop-off.	Approximate distance of existing schools outside the development area: Solana Santa Fe – 4 miles Carmel Creek – 3.1 miles Solana Pacific – 3.2 miles
Class sizes will remain consistent with other Solana Beach schools.	Class sizes will remain consistent with other Solana Beach schools.	Class sizes will remain consistent with other Solana Beach schools.
<p><i>For options A, B, and C, the District intends to maintain parity, educational quality, manage taxpayer resources, and invest in a long-term sustainable infrastructure that will be used and maintained over the next 30 to 40 years.</i></p>		

BREAK



Respond to Questions Submitted Following the Break

STREAM FESTIVAL

Saturday, November 3, 2018
10:00 am – 2:00 pm

2018 SOLANA BEACH SCHOOL DISTRICT Credit: NASA/KSC

STREAM
SCIENCE • TECHNOLOGY • RESEARCH • ENGINEERING • ARTS • MATH

FESTIVAL

When:
Sat. Nov. 3rd.
10:00am-2:00pm

Where:
Solana Pacific Field
3901 Townsgate
Drive.
San Diego, CA 92130

For questions Contact
Stephanie Anastasopoulos
Sanastasopoulos@sbsd.net

This event is brought to you by the Solana Beach School District and Solana Beach Schools Foundation, working together to promote and achieve **STREAM for ALL.**

#SBSDSTREAM

MARS EXPLORERS WANTED