

RESOLUTION OF THE BOARD OF EDUCATION OF THE SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION IN SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2 (MALIBU SCHOOLS) TO AUTHORIZE THE ISSUANCE OF SCHOOL BONDS, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 5, 2024

WHEREAS, the Santa Monica-Malibu Unified School District (the “District”) of Los Angeles County, State of California, is committed to providing quality education to all of its students; and

WHEREAS, the District has undertaken facilities assessments and planning as part of its long-term facilities planning; and

WHEREAS, the District’s school facilities continue to be in need of repairs, upgrades, modernization, renovation, construction, and health and safety improvements in order to provide the education District students deserve in a safe, healthy and modern environment; and

WHEREAS, funding provided by the State of California is insufficient to provide the funding needed to address the District’s facility needs, and as such a local funding source is needed to enable the District to provide said facilities for its present and future students; and

WHEREAS, following public notice, at a meeting of the Board of Education of the District (the “Board”) on June 14, 2018, the District formed its School Facilities Improvement District No. 2 of the Santa Monica-Malibu Unified School District (Malibu Schools) (“SFID No. 2”) pursuant to California Education Code 15300 and following (the “SFID Law”) for the purpose of forming a sub-territory within the District composed of the property in the District in the portion of the District serving Malibu area students to enable the District to conduct a general obligation bond election or elections within said SFID No. 2 and, if successful, issue general obligation bonds to finance voter-approved projects within SFID 2; and

WHEREAS, under the SFID Law, following formation of a school facilities improvement district, the governing board may provide for and call a bond election within the school facilities improvement district pursuant to Education Code Section 15264 and following for the purpose of seeking bond authorization for facilities improvements which bonds will be secured by property taxes levied exclusively within the boundaries of said school facilities improvement district; and

WHEREAS, by forming two separate and distinct taxing areas, known as SFID No. 1 and SFID No. 2, respectively, which reflect the possible future reorganization of the District into the Santa Monica area and the Malibu area, the Board has taken steps to coordinate the financing of facilities improvements with bonds that are and will be supported by the tax base that directly benefits from those improvements; and

WHEREAS, the Board has determined that it is necessary to address the facilities needs that exist within SFID No. 2 for the purposes, among others, of ensuring that its facilities in SFID No. 2 are upgraded, repaired, improved, constructed and equipped; and

WHEREAS, Article XIII A of the California Constitution (“Article XIII A”) allows for the levy of *ad valorem* property taxes for the payment of bonded indebtedness of a school district, community college district or county office of education approved by at least 55 percent of the voters voting on such proposition; and

WHEREAS, upon the passage of Proposition 39, the Strict Accountability in Local School Construction Bond Act of 2000, being California Education Code Section 15264 and following (the “Act”), became operative; and

WHEREAS, in the judgment of the Board, it is advisable to call an election pursuant to SFID Law and the Strict Accountability in Local School Construction Bond Act of 2000, being California Education Code Section 15264 and following (the “Act”) to submit to the electors of SFID No. 2 the question whether bonds of the District shall be issued and sold with respect to SFID No. 2 pursuant to the authority of Article XVI Section 18 of the California Constitution and Article XIII A (together with SFID Law and the Act, the “Law”) for the purposes authorized by the Law and as described in Appendix A hereto (the “Full Text of Bond Measure”), all of which purposes are deemed to benefit the land within SFID No. 2; and

WHEREAS, said local bond measure will include mandatory taxpayer protections, including an independent citizens’ oversight committee, mandatory annual audits to ensure funds are spent as promised, and require that proceeds only be spent on authorized projects and related costs and not on salaries or employee pensions; and

WHEREAS, under the Act, the election may be ordered at a primary or general election, a regularly scheduled local election at which all of the electors of the District are entitled to vote, or a statewide special election, upon a two-thirds vote of the Board; and

WHEREAS, the Board desires to call an election in SFID No. 2 pursuant to the Law on November 5, 2024, which is the date of the statewide general election, and pursuant to Education Code Section 15121 and Elections Code Section 10400 and following, to request consolidation with any and all other elections held in the District on such date, and to request the Los Angeles County Registrar of Voters (the “County Registrar”) to perform election services for the District, as the territory of SFID No 1 is entirely within Los Angeles County; and

WHEREAS, in connection with the calling of a bond election and in accordance with Education Code Section 15100 subparagraph (c), the Board has obtained reasonable and informed projections of assessed property valuations that take into consideration projections of assessed property valuations made by the County assessor, if any; and

WHEREAS, pursuant to federal tax law, specifically United States Income Tax Regulations Section 1.150-2, the Board desires to declare its official intention at this time that if the measure submitted to voters hereunder is successful and bonds are issued pursuant to such measure, that it intends to reimburse from said bond proceeds

expenditures (if any) made by the District prior to the date of issuance of said bonds for the purposes described in the measure;

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Call for Election. The Board hereby orders an election and submits to the electors within the boundaries of SFID No. 2 the question of whether general obligation bonds of the District shall be issued and sold with respect to SFID No. 2 in the maximum principal amount of \$395,000,000 for the purposes described in the ballot measure approved under Section 4 and attached hereto as Appendix A (Full Text) and Appendix B (Abbreviated Text), and paying all costs incident thereto. This Resolution constitutes the order of the District to call such election and shall constitute the “specifications of the election order” pursuant to Education Code Section 5322.

Section 3. Election Date; Boundary Map. The date of the election shall be November 5, 2024, and such bond election shall be held solely within the boundaries of SFID No. 2. The District Superintendent is authorized to provide the boundary map of SFID No. 2 and any other required documentation or directions to the County Registrar to facilitate the lawful conduct of the election within the boundaries of SFID No. 2.

Section 4. Purpose of Election; Ballot Measure. The purpose of the election shall be for the voters in SFID No. 2 to vote on a bond measure, a full copy of which is attached hereto as Appendix A and marked “Appendix A” (the “Full Text of the Measure”), containing the question of whether the District shall issue general obligation bonds with respect to SFID No. 2 for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Act. The Full Text of the Measure, which commences with the heading “FULL TEXT OF BOND MEASURE” and includes all of the text thereafter as delineated on Appendix A, shall be printed in the voter information pamphlet provided to voters, with such measure letter designation as is assigned to the measure by the County elections official. The measure name shall be the “Malibu Schools Repair/ Improvement Bond Measure”.

As required by Education Code Section 5322 and 15122 and Elections Code Section 13247, and in accordance with Elections Code Section 13119, the abbreviated form of the measure to appear on the ballot is attached hereto as Appendix B and is marked as “Appendix B – Abbreviated Form of Bond Measure.”

The President of the Board and the Superintendent are hereby separately authorized and directed by the Board to make any changes to the text of the measure appearing on Appendix A and Appendix B hereto to conform to any requirements of the Law, applicable provisions of the Elections Code, the County Registrar or upon the advice of the District’s legal counsel, by written direction provided to the County Registrar.

Section 5. Authority for Election; Vote Requirement. The authority for ordering the election is contained in Section 15340 *et seq.* and Section 15300 *et. seq.* of the Education Code, Section 15264 *et. seq.* of the Education Code, Article XVI Section 18(b) of the California Constitution and paragraph (b) subsection (3) of Article XIII A. The

authority for the specification of this election order is contained in Section 5322 of the Education Code. The vote passage requirement for the measure is least 55 percent of the voters voting on the measure.

Section 6. Proceeds for School Facilities Projects. The Board certifies that the proceeds from the sale of the bonds will be used only for the purposes specified in Article XIII A, Section 1(b)(3) as further specified in Appendix A, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. Further, as required by Article XIII A, the Board hereby certifies that it has evaluated safety, class size and information technology needs in developing the list of school facilities projects set forth in Appendix A.

Section 7. Covenants of the Board upon Approval of the Bonds by the Electorate; Accountability Measures. As required by Article XIII A, Section 15278 of the Act, and Government Code Section 53410, in the event 55 percent of the voters voting in the District approve of the Bonds, the Board shall:

- (a) conduct an annual, independent performance audit to ensure that the funds have been expended only on the projects listed in Appendix A;
- (b) conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the school facilities projects listed in Appendix A;
- (c) establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act;
- (d) apply the Bond proceeds only to the specific purposes stated in the ballot proposition;
- (e) cause the creation of accounts into which bond proceeds shall be deposited; and
- (f) cause the preparation of an annual report pursuant to Government Code Sections 53410 and 53411.

Section 8. State Matching Funds. The Board hereby finds that some of the projects identified on the Full Text of Measure may require state matching funds for completion. As such, the statement required by Education Code Section 15122.5 has been included in the Full Text of Measure.

Section 9. Delivery of this Resolution. The Clerk or Secretary of the Board is hereby directed to send a copy of this Resolution to (1) the County Registrar, and (2) the Los Angeles County Clerk of the Board of Supervisors (the "Clerk of the Board") for purposes of consolidation pursuant to Elections Code Section 10403. The Resolution shall be received by the County Registrar and the Clerk of the Board no later than 88 days prior to the election date, unless otherwise permitted by law.

The County Registrar is hereby requested to print the full text of the ballot measure in the ballot materials as it appears on Appendix A hereto and to provide all required notices of the election and other notices related thereto.

Section 10. Consolidation of Election; Request to Provide Services. The County Registrar and the Los Angeles County Board of Supervisors are hereby requested to consolidate the election ordered hereby with any and all other elections to be held on November 5, 2024 within the District.

Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of Los Angeles County is requested to permit the County Registrar to render all services specified by Section 10418 of the Elections Code and any other provisions of law relating to the election, for which services the District agrees to reimburse Los Angeles County in full upon presentation of a bill from the County, such services to include the publication of a formal Notice of School Bond Election and the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code).

Section 11. Approval of Tax Rate Statement. Pursuant to Elections Code Section 9400 and following including as amended by SB 798 (chaptered October 10, 2023 and effective January 1, 2024), a tax rate statement has been prepared in the form attached hereto as Appendix C, which form of Tax Rate Statement is hereby approved for inclusion in the sample ballot. The President of the Board, the Superintendent, or any written designee of the foregoing, are hereby separately authorized and directed to execute the tax rate statement, and to file said Statement with the County Registrar, in accordance with Section 9 hereof.

Section 12. Ballot Arguments. As provided in Elections Code Section 9501, the Board or any member or members of the Board, are hereby authorized to (but not required nor directed to) act as an author and signatory of any ballot argument prepared in connection with the election, including a rebuttal argument, each of which if filed shall be filed within the time frame established by the County Registrar.

Section 13. Maturity Limit of Bonds. The Bonds may be issued in one or more series by the District from time to time, and each series of Bonds shall mature not more than the legal limit at the time of such issuance thereof. The Bonds shall be issued under the Act, under the provisions of Section 53506 *et seq.* of the California Government Code, or under any other provision of law authorizing the issuance of general obligation bonds by school districts.

Section 14. Estimates Included in Ballot Materials. The measure authorized by this Resolution includes information presented to voters with respect to the estimated amount of money required to repay issued bonds, the estimated rate of the approved tax per \$100,000 or per \$100 of assessed valuation (*ad valorem* tax), and the estimated duration through which the proposed tax supporting bond repayment will be levied and collected, among others. Each of the estimates relating to the bonds provided herein and in the appendices hereto have been provided by the District in good faith based upon information currently available to the District, but depend on numerous variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan. Such estimates and approximations are not intended by the Board and shall not be interpreted or construed as additional restrictions on the District's bond

program, bond issuances and related tax rate, and, other than the total principal amount of bonds authorized to be issued by the bond measure, do not represent legal maximums or additional limitations beyond applicable legal requirements.

Finally, the abbreviated and condensed statement of the bond measure set forth in Appendix B, limited by State law to 75 words or less, does not limit the scope and broader and more complete meaning provided in the Full Text of Bond Measure, set forth in Appendix A.

Section 15. Reimbursement. Pursuant to United States Income Tax Regulations Section 1.150-2, the District hereby declares that if the measure called hereby is approved by District voters, it may (i) pay certain costs of the projects listed in Appendix A prior to the date of issuance of bonds and, in such case, (ii) intends to use a portion of the proceeds of bonds for reimbursement of said expenditures for the projects that are paid before the date of issuance of bonds.

Section 16. Official Actions. The President of the Board and the Superintendent are hereby separately authorized and directed to execute and deliver to County officials any directions, requisitions or other writings, and to make any changes to the texts of the measure as described herein and in the tax rate statement, to conform to any legal requirements or the County Registrar, in order to cause the election to be held and conducted in the Improvement District.

Section 17. Appendices a Part of this Resolution. Appendix A, Appendix B and Appendix C hereto are deemed a part of and incorporated in full in the body of this Resolution.

Section 18. Effective Date. This resolution shall take effect on and after its adoption.

* * * * *

The foregoing Resolution was adopted by the Board of Education of the Santa Monica-Malibu Unified School District of Los Angeles County, being the Board authorized by law to make the designations therein contained by the following vote, on July 24, 2024.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

President of the Board of Education
Santa Monica-Malibu Unified School District,
Los Angeles County, California

ATTEST:

Secretary of the Board of Education
Santa Monica-Malibu Unified School District,
Los Angeles County, California

APPENDIX A

FULL TEXT OF MEASURE

THE FULL TEXT OF THE MEASURE TO BE PRINTED IN THE INFORMATION GUIDE BEGINS BELOW THE LINE. THE REGISTRAR IS REQUESTED TO INPUT THE ASSIGNED MEASURE LETTER WHERE APPROPRIATE

**SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2
(Malibu Schools)
GENERAL OBLIGATION BONDS
FULL TEXT OF MEASURE ____**

This measure may be known as the “**Malibu Schools Repair/ Improvement Bond Measure**” or “**Measure _____**”.

BOND AUTHORIZATION

By approval of this measure by at least 55 percent of the registered voters voting on the measure, Santa Monica-Malibu Unified School District (the “District”) will be authorized to issue and sell bonds with respect to its School Facilities Improvement District No. 2 (Malibu Schools) (“SFID No. 2”) in the principal amount of up to \$395 million at interest rates not to exceed legal limits and to provide financing for the specific types of school facilities projects listed in the Bond Project List described below, subject to all the accountability requirements specified below.

ACCOUNTABILITY REQUIREMENTS

The provisions in this section are specifically included in this measure in order that the voters and taxpayers in SFID No. 2 may be assured that their money will be spent wisely. Expenditures to address specific facilities needs of SFID No. 2 will be in compliance with the requirements of Article XIII A, Section 1(b)(3), of the State Constitution and the Strict Accountability in Local School Construction Bonds Act of 2000 (codified at Education Code Sections 15264 and following.)

Evaluation of Needs. The District Board of Education (the “Board”) has identified detailed facilities needs of facilities in SFID No. 2 and the Board has determined which projects to finance from a local bond. The Board hereby certifies that it has evaluated safety, class size reduction, enrollment growth, and information technology needs in developing the Bond Project List shown below.

Independent Citizens’ Oversight Committee. Following approval of this measure, the Board will establish an Independent Citizens’ Oversight Committee, under Education Code Sections 15278 and following, to ensure bond proceeds are expended only on the types of school facilities projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the Board.

Performance Audits. The Board will conduct annual, independent performance audits to ensure that the bond proceeds have been expended only on the school facilities projects listed below.

Financial Audits. The Board will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the types of school facilities projects listed below.

Government Code Accountability Requirements. As required by Section 53410 of the Government Code, (1) the specific purpose of the bonds is set forth in this Full Text of the Measure, (2) the proceeds from the sale of the bonds will be used only for the purposes specified in this measure, and not for any other purpose, (3) the proceeds of the bonds, when and if issued, will be deposited into a building fund to be held by the Los Angeles County Treasurer, as required by the California Education Code, and (4) the Superintendent of the District shall cause an annual report to be filed with the Board of Education of the District not later than January 1 of each year, which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the projects listed in this measure, as required by Sections 53410 and 53411 of the Government Code.

NO TEACHER OR ADMINISTRATOR SALARIES

Proceeds from the sale of bonds authorized by this measure shall be used only for the purposes specified in Article XIII A, Section 1(b)(3), those being for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, and the acquisition or lease of school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

STATE MATCHING FUNDS

The following statement is included in this measure pursuant to Education Code Section 15122.5: Approval of this measure does not guarantee that the proposed project or projects that are the subject of bonds under this measure will be funded beyond the local revenues generated by this measure. The District's proposal for the project or projects described below may assume the receipt of matching state funds, which, if available, could be subject to appropriation by the Legislature or approval of a statewide bond measure.

INFORMATION ABOUT ESTIMATES AND PROJECTIONS INCLUDED IN BALLOT

Voters are informed that any estimates or projections in the bond measure or ballot materials, including relating to estimated rates of *ad valorem* property taxes, the duration of issued bonds and related levies and collections of *ad valorem* property taxes are provided as informational only. Such amounts are estimates and are not maximum amounts or limitations on the terms of the bonds, the rate or the duration of the tax supporting repayment of issued bonds. Such estimates depend on numerous variables which are subject to variation and change over the term of the District's overall facilities and bond financing plan, including but not limited to the amount of bonds issued and outstanding at any one time, the interest rates applicable to issued bonds, market conditions at the time of sale of the bonds, when bonds mature, timing of project needs and changes in assessed valuations in the District. As such, while such estimates and

approximations are provided based on information currently available to the District and its current expectations, such estimates and approximations are not limitations and are not binding upon the District. In addition, the abbreviated and condensed statement of the bond measure presented to voters which is subject to a word count limitation of not to exceed 75 words imposed by State law does not limit the scope and complete meaning of the measure provided in this Full Text of Bond Measure and related ballot materials.

BOND PROJECT LIST

Scope of Projects. Bond proceeds will be expended on the construction, reconstruction, rehabilitation, or replacement of school facilities of the Santa Monica-Malibu Unified School District with respect to SFID No. 2, including furnishing and equipping, and the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries or other school operating expenses, all in compliance with California Constitution Article XIII A, Section 1(b)(3).

This measure authorizes bond projects to be undertaken at all current and future education, support and other ancillary sites and annexes within SFID No. 2, including bond projects at support sites providing services to facilities within SFID No. 2.

School Facility Project List. The items presented on the following list are the types of projects authorized to be financed with voter-approved bond proceeds. Specific examples which follow the broader types of authorized projects are not intended to limit those broader types of projects described and authorized by this measure. The types of projects authorized to be undertaken are:

1. **School Safety and Security Upgrades.** Improvements, upgrades and/or repairs or replacements of District systems and facilities to achieve a safe, secure and accessible learning environment. Authorized projects include:
 - Manage and remove potential physical hazards, including improving access, fire safety, seismic concerns, and other threats to life and safety
 - Remove and abate environmental hazards, including lead, asbestos, PCBs, mold and other toxins
 - Improve indoor air quality to reduce environmental hazards and reduce the potential of the spread of airborne illnesses
 - Practice crime prevention through environmental design making schools safer through natural surveillance, natural access, and territoriality
 - Install Security and access control systems including surveillance systems, fire alarms, sprinkler systems, alarm systems, key/lock systems, communication systems and public address systems
 - Update Security/perimeter fencing and gates, security cameras, signage and site lighting
 - Replace/repair of damaged or non-compliant playground equipment
 - Resurface playgrounds, walkways and parking areas
 - Ensure safe and barrier-free ADA compliant access at all facilities
 - Upgrade pedestrian access, drop off/pick up areas, varied mobility entry, bicycle storage, and reduce vehicle/student incursions

2. **Repairing, upgrading, modernizing and replacing aging school facilities and buildings in the Malibu Area.** Upgrades, repairs, renovations and/or replacements to facilities, buildings and building systems to address deteriorating, aging, failed or failing facilities, buildings, systems and/or equipment, increase energy efficiency and/or air quality, bring all facilities and systems into current code compliance and provide modern school facilities and classrooms. Authorized projects include:

- Structural repairs and upgrades, address leaky/aging roofing, replacement of windows, doors and building finish materials
- Interior finishes: paint, ceiling and wall finishes, window coverings, flooring and casework
- Heating, ventilation and air conditioning (HVAC) systems and other indoor air quality improvements
- Repairing inefficient and potentially faulty electrical systems
- Repairing or replacing infrastructure including water, sewer, gas and related utility systems
- Electrical systems, including lighting, power distribution and control systems and other renewable energy systems such as wind turbines, solar panels and microgrids, including battery storage
- Plumbing including fixtures and repairs to sewer and water distribution systems
- Repair, modernize, replace or add bathrooms, including modernizing/constructing additional bathrooms to be compliant with new accessibility requirements
- Upgrade, modernize, renovate, replace, equip and furnish District classrooms, academies, facilities for fine and performing arts, and other facilities serving students including kitchens, cafeterias, and multi-purpose rooms
- Replacement of temporary and aging portable classrooms with permanent or upgraded facilities
- Renovate and/or construct new educational and/or support facilities to replace and/or expand facilities at existing, adjacent and new sites, as the Board of Education may determine is necessary to improve the delivery of the District's educational programs and/or prevent overcrowding within the School Facilities Improvement District
- Develop and implement plan to address facilities needs at Malibu Middle and High Schools including renovation, rebuilding and reorganization
- Assess elementary school physical and educational needs and develop/implement plan for renovation, rebuilding and reorganization

3. **Technology and Science Modernization Projects.** Acquire, upgrade and install at school sites and District facilities up-to-date technology infrastructure and equipment to facilitate a modern learning environment including upgrading and equipping science, math and other project-based learning labs. Authorized projects include:

- Infrastructure such as wiring, switches, routers and wireless access infrastructure
- Computers, devices and other modern instructional equipment and technology
- Hardware and software and back-up and recovery and security technologies

- Science and laboratory modernization, including science equipment and instructional tools
 - Project-based, innovation labs and maker space facilities, learning materials and equipment, including specialized career technology educational tools and materials
4. **Renovations, upgrades and improvements to school sites/grounds and physical education/athletic facilities.** Repair, upgrade, renovate and improve school grounds, play fields and physical education facilities, including equipment. Authorized projects include:
- Restore and upgrade play fields and playgrounds, including play/fitness equipment and hardtop and asphalt surfaces
 - Repair, upgrade, replace and/or resurface, and equip physical education and athletic facilities, including outdoor tracks, gymnasiums, aquatics, locker rooms, bathrooms and all related facilities
 - Install shade structures, traffic control devices, lighting and/or bleachers and other seating
 - Mobility improvements, including drop off/pick up areas, circulation elements, safety/wayfinding/identity signage and parking facility improvements, including resurfacing, expansion, signage and lighting
 - Install of cost-effective, efficient landscaping and irrigation systems, including drought resistant landscaping
5. **Construct facilities for, and/or reconfigure/rebuild facilities, to support the operation of the central school district administration, including the potential for a Malibu Unified School District.** The exploration, design and modernization/construction of facilities supporting the students, programs and needs of the Malibu area schools and programs. Authorized projects include:
- Temporary and/or permanent Administrative Office
 - Maintenance, Operations and Transportation facilities
 - Workforce Housing

Furnishing and Equipping; Incidental Expenses. Each of the bond projects described in this Bond Project List include the costs of furnishing and equipping facilities throughout SFID No. 2, and all costs which are incidental but directly related to the types of projects described above.

Examples of incidental costs include, but are not limited to: costs of design, engineering, architect including DSA fees, legal and other professional and consultant services including fees relating to litigation, facilities assessments, inspections, site preparation, utilities, landscaping, construction management by third parties, general contractors and/or District personnel, and other planning and permitting, environmental review, rezoning and municipal license fees if any, legal, accounting and similar costs; independent annual financial and performance audits; a customary construction contingency; demolition and disposal of existing structures; the costs of interim housing and storage during construction including relocation and construction costs incurred relating to interim facilities; rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during

construction; costs of relocating facilities and equipment as needed in connection with the projects; interim classrooms and facilities for students, administrators, and school functions, including modular facilities; all federal, state and locally-mandated safety upgrades; the costs of new or expanded infrastructure; the cost of providing parking and other facilities to accommodate new or expanded facilities; addressing any unforeseen conditions revealed by construction/modernization and other necessary improvements required to comply with existing building codes, including the Field Act; complying with all access requirements of the Americans with Disabilities Act and similar laws and regulations; costs of the election including other costs arising directly from the bond measure; litigation costs; project construction oversight, management and administration during the duration of such projects including by District personnel, and bond issuance costs.

Alternations to Scope and Nature; New Construction. The School Board is hereby authorized to alter the scope and nature of any of the specific projects described above as required or recommended by new conditions, discoveries or any other factors including economic factors and/or factors relating to the most effective delivery of the District's educational programs that may become apparent during the course of facilities planning, design and construction. In the event that the School Board determines that a modernization or renovation project is in the best interests of the District and its students to be undertaken as new construction based on cost or safety considerations, this bond measure authorizes said project to be undertaken in whole or in part as new construction, including land acquisition, relocation and construction at a new or alternative site, and/or demolition and reconstruction and/or repurposing on the original site, including an expanded site, and all costs relating thereto. In addition, to accomplish any of the projects included on the above list, this measure authorizes the acquisition of real property, including necessary rights of ways or other real property interests.

Interim Financing Included; Joint Use Projects Authorized. In addition, authorized projects include reimbursements for paid project costs and paying and/or prepaying interim or previously obtained financing for the projects included on the project list, such as bond anticipation notes or lease financings including certificates of participation relating to facilities projects and/or equipment previously financed. Finally, projects on this list may be undertaken and used as joint use projects with other public agencies.

Unforeseen Circumstances; Limited Funding Sources. Many factors may impact the District's ability to address each of the projects described herein, including but not limited to construction costs, supply chain issues which can cause project delays, labor shortages, unknown environmental factors or site conditions, overall facilities needs and related costs which exceed available bond funding sources, among others. The District is unable to anticipate all circumstances which may prevent some of the projects that have been listed above from being undertaken or completed. Approval of the District's bond measure does not guarantee that all of the identified projects within the Bond Project List will be funded beyond what can be completed with funds generated by this bond measure. The District plans to pursue additional funding such as State matching funds, if available, to address its facilities needs.

Project List Not in Order of Priority; Board Determines Prioritization. The order in which projects are listed in the foregoing Bond Project List does not suggest an order of priority. Project prioritization is vested in and will be determined by the District Board.

Interpretation. The terms of this Bond Measure and the words used in the Bond Project List shall be interpreted broadly to effect the purpose of providing broad and clear authority for the officers and employees of the District to provide for the school facilities projects the District proposes to finance with the proceeds of the sale of bonds authorized by this proposition within the authority provided by law, including Article XIII A, Section 1(b)(3) of the California Constitution, Education Code Section 15000 *et seq.* and the Strict Accountability in Local School Construction Bonds Act of 2000. Words used in the Project List such as repair, improve, upgrade, expand, modernize, renovate, and reconfigure are used to describe school facilities projects in plain English but are not intended to expand the nature of such projects beyond what is authorized by law. The Bond Project List does not authorize, and shall not be interpreted to authorize, the expenditure of proceeds of the sale of bonds authorized by this measure for current maintenance, operation or repairs.

Severability. The District Board hereby declares, and the voters by approving this Bond Measure concur, that every section and part of this bond proposition has independent value, and the District Board and the voters would have adopted each provision hereof regardless of every other provision hereof. Upon approval of this measure by the voters, should any part be found by a court of competent jurisdiction to be invalid for any reason, all remaining parts hereof shall remain in full force and effect to the fullest extent allowed by law, and to this end the provisions of this bond measure are severable.

The Full Text of Measure ends above the line.

APPENDIX B

**ABBREVIATED FORM OF BOND MEASURE
(Ballot Label)**

MALIBU SCHOOLS REPAIR/IMPROVEMENT BOND MEASURE. To remove asbestos/lead/hazardous materials where needed; fix leaky roofs, plumbing, inadequate wiring, safety/security systems; upgrade classrooms, labs, libraries, instructional technology for competitive college and careers; shall School Facilities Improvement District No. 2 (Malibu Schools) of Santa Monica-Malibu Unified School District's measure be adopted authorizing \$395,000,000 of bonds at legal interest rates, levying 4¢ per \$100 assessed value (raising \$22 million annually) while bonds are outstanding, with citizens' oversight, annual audits, and all funds for Malibu public schools only?

Bonds—Yes

Bonds—No

APPENDIX C

The text of the Tax Rate Statement to be printed in the election material begins below the following line.

**TAX RATE STATEMENT
REGARDING PROPOSED
\$395 MILLION
SANTA MONICA-MALIBU UNIFIED SCHOOL DISTRICT
SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 2 (MALIBU SCHOOLS)
GENERAL OBLIGATION BONDS**

An election will be held in School Facilities Improvement District No. 2 (Malibu Schools) (the "Improvement District") of Santa Monica-Malibu Unified School District (the "District") on November 5, 2024, to authorize the sale of up to \$395 million in bonds to finance school facilities improvements in the Improvement District as described in the measure. If such bonds are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of *ad valorem* tax levies made upon the taxable property in the Improvement District. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the Improvement District, and other demonstrable factors.

Based upon the foregoing and projections of the Improvement District's assessed valuation, the following information is provided:

1. The best estimate of the average annual tax rate which would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on a projection of assessed valuations available at the time of filing of this statement, is \$39.59 per \$100,000 of assessed value (3.959¢ per \$100 of assessed value). The final fiscal year in which the tax is anticipated to be collected is 2060-61.
2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is \$39.95 per \$100,000 of assessed value (3.995¢ per \$100 of assessed value). It is estimated that such rate would be levied starting in fiscal years 2025-26 through 2056-57.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is approximately \$790,920,958.

Voters should note the estimated tax rate is based on the assessed value (not market value) of taxable property on Los Angeles County's official tax rolls. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts and are not binding upon the District with respect to bonds of the Improvement District. The actual debt service, tax rates and the years in which they will apply may vary from those used to provide the estimates set forth above, due to factors such as variations in the timing of bond sales, the par amount of bonds sold and market interest rates available at the time of each sale, actual assessed valuations over the term of the bonds, and other factors. The date and amount of bonds sold at any given time will be determined by the District based on the need for project funds and other considerations. The actual interest rates at which the bonds will be sold will depend on conditions in the bond market at the time of sale. Actual future assessed valuations will depend upon the amount and value of taxable property within the Improvement District as determined by the Los Angeles County Assessor in the annual assessment and the equalization process.

Dr. Antonio Shelton
Superintendent
Santa Monica-Malibu Unified School District

Text of Tax Rate Statement ends above the line.