FEASIBILITY STUDY
FOR A REQUEST TO TRANSFER TERRITORY
FROM
SCOTTS VALLEY UNIFIED SCHOOL DISTRICT
TO
LOMA PRIETA JOINT UNION SCHOOL DISTRICT AND
LOS GATOS-SARATOGA JOINT UNION HIGH SCHOOL DISTRICT

August 2017

Santa Clara County Office of Education

Prepared for the
Santa Clara County Committee on School District Organization

by
The Office of the Superintendent
Santa Clara County Office of Education

Jon R. Gundry, Superintendent
Transfer of Territory from
Scotts Valley Unified School District to
Loma Prieta Joint Union School District and
Los Gatos-Saratoga Joint Union High School District

Santa Clara County Committee on School District Organization
Feasibility Report

EXECUTIVE SUMMARY

Background

A request to transfer territory from Scotts Valley Unified School District (SVUSD) to Loma Prieta Joint Union School District (LPJUSD) and Los Gatos-Saratoga Joint Union High School District (LGSJUHSD) has been presented to the Santa Clara County Committee on School District Organization (County Committee). See Appendix A for a copy of the territory transfer request.

The territory proposed for transfer includes one parcel located on Old Santa Cruz Highway in the Santa Cruz Mountains (23640 Old Santa Cruz Highway, APN: 095-011-21). A map of the territory proposed for transfer can be found in Appendix B.

Representatives for LPJUSD and LGSJUHSD stated that they are opposed to the transfer request. The Superintendent for SVUSD stated that the district was not opposed to the territory transfer because the fiscal impact to the district was small.

Timeline

The request to transfer territory was submitted to the Santa Cruz County Superintendent of Schools on March 30, 2017; the request was validated May 2, 2017. The validated request was subsequently transmitted to the affected districts, the Santa Cruz County Committee, the Santa Clara County Committee and the State Board of Education on May 2, 2017. A copy of the validation letter to the State Board of Education is in Appendix C.

The public hearings, mandated by Education Code section 35705, were held on May 26, 2017 in SVUSD and on June 20, 2017 at the district offices of LGSJUHSD. Appendix D contains a copy of the notice of the public hearings, description of petition, and minutes from both public hearings.
Feasibility Study Process

The purpose of this study is to analyze the feasibility of the proposed territory transfer from SVUSD to LPJUSD/LGSJUHSD under the ten criteria used by the State Board of Education in approving proposed territory transfers and to present the data and information on which the analysis is based. The Feasibility Report expresses no view on whether the petition should be granted. This decision remains within the discretion of the County Committee, as discussed herein.

The ten criteria under which the territory transfer is analyzed are contained in Education Code Section 35753. They include the following:

1. The reorganized districts will be adequate in terms of number of pupils enrolled.
2. The districts are each organized on the basis of a substantial community identity.
3. The proposal will result in an equitable division of property and facilities of the original district or districts.
4. The reorganization of the districts will preserve each affected district’s ability to educate students in an integrated environment and will not promote racial or ethnic discrimination or segregation.
5. Any increase in costs to the state as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.
6. The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the educational programs in the districts affected by the proposed reorganization.
7. Any increase in school facilities costs as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.
8. The proposed reorganization is primarily designed for purposes other than to significantly increase property values.
9. The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed district or any existing district affected by the proposed reorganization.
10. Any other criteria as the board (i.e. State Board or Education) may, by regulation, prescribe.

Petitioners and/or affected school districts may appeal to the State Board of Education the decision of the County Committee (Education Code section 35710.5). Petitioners have five days and school districts have 30 days to notify the County Committee of intent to appeal. Within 15 days of this notification, appellants must file a statement of reasons and factual evidence supporting the appeal. The County Office of Education will transmit the appeal to the State Board of Education along with a complete administrative record of the proceedings.
1.0 CRITERION 1

California Education Code Section 35753 (a) (1) – The reorganized districts will be adequate in terms of number of pupils enrolled.

This topic is governed by Title 5, California Code of Regulations, Section 18753 (a), which states that an elementary school district should have a projected enrollment of 901 students, and a high school district should have a projected enrollment of 301 students on the date the boundary change becomes effective for all purposes. Current student enrollments (taken from the 2015-2016 California Basic Educational Data System (CBEDS) report) for each of the affected school districts are depicted in Table 1.

Table 1 – 2016-2017 CBEDS Enrollments of Affected School Districts

<table>
<thead>
<tr>
<th>School District</th>
<th>Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>SVUSD</td>
<td>2,505</td>
</tr>
<tr>
<td>LPJUSD</td>
<td>507</td>
</tr>
<tr>
<td>LGSJUHSD</td>
<td>3,368</td>
</tr>
</tbody>
</table>


There are currently no school age students residing in the area proposed for transfer. The transfer of territory, if approved, would not now, or in the future, significantly impact the enrollment of the affected school districts.

The study team recommends that Criterion 1 is met.
2.0 CRITERION 2

California Education Code Section 35753 (a) (2) - The districts are each organized on the basis of a substantial community identity.

The California Code of Regulations (CCR) § 18753 (a) (2) suggests using the following criteria to determine whether a district is organized on the basis of substantial community identity:

(a) Isolation;
(b) Geography;
(c) Distance between social centers;
(d) Distance between school centers;
(e) Topography;
(f) Weather; and
(g) Community, school, and social ties, and other circumstances peculiar to the area.

No single factor is likely to determine that community identity exists. The County Committee probably will need to examine several attributes of the population and the makeup of the territory in question to make a judgment on this condition. Some indicators that the Committee might study include types of housing, parks and recreation facilities and programs, sports activities, transportation patterns, geopolitical factors, and shopping patterns.

a. Similarity of architecture, size, and style of homes can create a sense of community identity. A homogeneous housing development would likely generate a sense of community among the residents.

b. The usage patterns of parks and school facilities for recreation programs and sports activities for youth can indicate a community identity.

c. Traffic patterns and public transportation systems and routes may have an impact on community identity.

d. Geopolitical factors such as topography and city council, county supervisor, and special district electoral districts might also create a sense of community among the citizens of an area. Post office names and zip code areas also could contribute.

e. Neighborhood and regional shopping patterns are often well defined and play a part in the way people see themselves.

f. There is no legal necessity that school district boundaries match city boundaries.

Both SVUSD and LPJUSD serve residents of adjacent mountain communities. In addition, LGSJUHSD serves residents of both mountain communities as well as neighboring suburban areas. As such, the districts are quite similar in terms of isolation, geography, topography, and weather.

The LPJUSD is concerned that the proposed transfer of territory would create a narrow finger of LPJUSD territory protruding into the SVUSD. If transferred, the territory would be isolated from SVUSD, sharing only a relatively small common boundary (see map of territory in Appendix B). A transfer of the one parcel, if approved, could cause confusion regarding the location of the school district boundary line in an area where there is already much confusion regarding school district boundaries. Such confusion could have a negative effect on the community identity of the affected districts. Representatives from both LPJUSD and LGSJUHSD also stated at the public hearing that the transfer of this one parcel, if approved, could lead to piecemeal transfer requests of neighboring properties in SVUSD.

The petitioners state in their request that the distances to schools in SVUSD are much further away than LPJUSD and LGSJUHSD schools and that the commute is safer to LPJUSD and LGSJUHSD. Below is the distance to the affected schools. The route to all schools, with the exception of Loma Prieta, is via Highway 17.

Table 2. Distances to Affected Schools

<table>
<thead>
<tr>
<th>School</th>
<th>Distance (miles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vine Hill Elementary (SVUSD)</td>
<td>6.6</td>
</tr>
<tr>
<td>Loma Prieta Elementary</td>
<td>3.5</td>
</tr>
<tr>
<td>Scotts Valley High School</td>
<td>6.6</td>
</tr>
<tr>
<td>Los Gatos High School</td>
<td>8.4</td>
</tr>
</tbody>
</table>

There is no significant difference in the commute distances between the affected districts, and all schools, with the exception of Loma Prieta, the travel route is Highway 17.

The study team finds that the area proposed for transfer demonstrates no community identity issues that are unique from other Santa Cruz mountain areas within SVUSD. Additionally, there are no demonstrated issues of geographic isolation or unreasonable distances to school centers.

The study team recommends that Criterion 2 is not met.
3.0 CRITERION 3

California Education Code Section 35753 (a) (3) - The proposal will result in an equitable division of property and facilities of the original district or districts.

**Property, Funds, and Obligations**
There is no real property located in the territory proposed for transfer – therefore, no such property will be divided. Additionally the area is uninhabited and there would be no reasonable basis for division of other property funds and obligations of affected districts.

**Bonded Indebtedness**
Pursuant to Education Code Section 35575, if the transfer were to be approved, the territory would drop any liability for outstanding bonded indebtedness in SVUSD and would assume its share of liability for outstanding bonded indebtedness in LPJUSD/LGSJUHSD.

**Parcel Tax Revenue**
Both LPJUSD and LGSJUHSD have parcel taxes; LPJUSD has a $164 per parcel tax approved in November 2013 for seven years. LGSJUHSD voters approved a $49 per parcel tax through 2025.

**Property Tax Revenue**
The exchange of property tax revenue as a result of reorganization is determined pursuant to Section 99 of the Revenue and Taxation Code. Subdivision (b) requires the county assessor to notify the county auditor within 30 days of receiving notification of the change of the assessed valuations of the territory to be reorganized. The county auditor then estimates the amount of property tax generated from the territory and notifies the governing boards of the affected school districts. Subdivision (i) of Section 99 of the Revenue and Taxation Code states that the governing boards of the districts must negotiate a property tax exchange within 60 days of receiving notification from the county auditor or the County Board of Education will determine the exchange.

In most cases, all of the tax revenue from the territory being reorganized would be transferred to the district receiving the territory. However, it is clear from Section 99 of the Revenue and Taxation Code that the tax revenues transferred are subject to negotiation.

The study team finds that Criterion 3 is met.
4.0 CRITERION 4

California Education Code Section 35753 (a)(4) – The reorganization of the districts will preserve each affected district’s ability to educate students in an integrated environment and will not promote racial or ethnic discrimination or segregation.

School districts have a constitutional obligation to prevent racial and ethnic segregation and to alleviate the harmful effects of segregation. As such, any school district reorganization should not isolate minority students and deprive all students of an integrated educational experience.

The area proposed for transfer currently has no students. If the transfer of territory is approved the number of students that could potentially live in the area would be small and the impact would not be significant enough to disrupt the racial/ethnic balance of the affected school districts.

The study team recommends that Criterion 4 is met.

5.0 CRITERION 5

California Education Code Section 35753 (a)(5) – Any increase in costs to the state as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.

The State Board of Education has not adopted a regulation to implement this criterion. However, the School District Organization Handbook, 2006 edition, published by the State Department of Education, suggests that the following factors be considered in analyzing whether the proposal will increase state costs:

a. Whether implementation of the proposal would change one or more of the affected districts’ basic aid status.
b. Additional state costs for school facilities.
c. Other state special or categorical aid programs and any increased state costs if students transferring would qualify in the gaining district and not in the losing district.
d. The additional costs to the state if costs per student for special or categorical programs are higher in the gaining district.
e. The effect on the districts’ home-to-school and special education transportation costs and state reimbursements.
f. Increased costs resulting from additional schools becoming eligible for “necessary small school” funding pursuant to Sections 42280 through 42289.”
Currently there are no students in the area proposed for transfer. The potential number of students who could reside within the area proposed for transfer would not increase the number of students to the point where there would be a significant increase in costs to the state.

LPJUSD/LGSJUHSD are basic aid districts therefore the transfer of property into the districts will not have a negative impact.

Factors (a) through (f) have also been considered and due to the property requested for transfer having no current students and the potential number of students being small, the study team finds that there will be no significant impact on the affected districts.

The study team recommends that Criterion 5 is met.

### 6.0 CRITERION 6

*California Education Code Section 35753 (a)(6) - The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the educational programs in the districts affected by the proposed reorganization.*

The potential number of students who could live within the area to be transferred would not significantly impact the educational programs or the ability of the districts to promote sound education performance in the affected schools.

The study team recommends that Criterion 6 is met.

### 7.0 CRITERION 7

*California Education Code Section 35753 (a)(7) – Any increase in school facilities costs as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.*

No regulations have been adopted under this criterion; however, according to the CDE's School District Organization Handbook, the discussion should provide a concise analysis of the availability of school facilities to house the pupils in the portion of the district being reorganized.

The potential number of students who could live within the area to be transferred would not significantly impact the school facilities in the LPJUSD/LGSJUHSD.

The study team recommends that Criterion 7 is met.
8.0 CRITERION 8

California Education Code Section 35753 (a)(8) - The proposed reorganization is primarily designed for purposes other than to significantly increase property values.

The purpose of Criterion 8 is to ascertain whether the primary reason for proposing the transfer of territory is for financial advantage to the owners.

The petitioners have requested a boundary change based on commute distance and safety issues and the ability to carpool with other families to the LPJUSD and LGSJUHSD schools. However, there are no students currently living in the area proposed for transfer and, as discussed under Criterion 2, the commute distance between the schools in SVUSD and LPJUSD/LGSJUHSD are not significant. The lack of students in the area proposed for transfer negates any safety issue as well as the commute travel is on Highway 17 for all affected districts with the exception of LPJUSD. Lastly, prior to the public hearings, the petitioners listed their home for sale although, according to public hearing minutes, the petitioners did not state publicly their intent to sell the home. Appendix E contains the advertisement for the home sale.

The study team recommends that Criterion 8 is not met.

9.0 CRITERION 9

California Education Code Section 35753 (a)(9) - The proposed reorganization will continue to promote sound fiscal management and not cause substantial negative effect on the fiscal status of the proposed district or any existing districts affected by the proposed reorganization.

There are no regulations on this subject. The CDE’s School District Organization Handbook provides the following:

The county committee should review and consider any potential revenue gains or losses resulting from community development, agency agreements or other pass-through agreements, loss of incremental taxes, Mello-Roos Community Facility District funds, parcel taxes, certificates of participation, basic aid, tax overrides, mitigation agreements with developers, and any other categorical or specialized funds (e.g. Public Law 874 funds and Timber Reserves).

(CDE’s School District Organization Handbook, 90.)

*Average Daily Attendance*

The area currently has no students and the number of potential students would be small, therefore there would be little or no impact on ADA.
Basic Aid Status
SVUSD is not a basic aid district. LPJUSD/LGSJUHSD are basic aid districts and the additional assessed value of the property to be transferred, if approved, would not cause a negative impact on their basic aid status.

Parcel Tax
Both LPJUSD and LGSJUHSD have parcel taxes; LPJUSD has a $164 per parcel tax approved in November 2013 for seven years. LGSJUHSD voters approved a $49 per parcel tax through 2025. Residents of the area proposed for transfer would assume the parcel taxes if the transfer is approved.

Assessed Valuation
The territory proposed for transfer has a total assessed valuation of $85,402 which, if transferred, would have little to no impact on SVUSD.

The study team recommends that Criterion 9 is met.

10.0 CRITERION 10
Any other criteria as the board (i.e. State Board or Education) may, by regulation, prescribe.

No other criteria were considered.

CONCLUSIONS
The nine criteria discussed in Sections 1.0 through 9.0 represent minimum criteria (Hamilton v. State Board of Education, [1981] 117 Cal.App.3d 132; Cal.Rptr. 748) that the County Committee is required to examine prior to approving/disapproving a request to transfer territory from one school district to another. The study team has analyzed the nine criteria and found that each criterion has been met with the exception of Criterion 2 and Criterion 8. However, if the County Committee determines that all nine conditions are substantially met, it has the discretion, but not the obligation, to approve the proposal. If all nine criteria are found to be met by the County Committee, they may choose to approve the proposed transfer if a compelling reason exists for the transfer or, conversely, may choose not to approve the transfer if a compelling reason exists not to approve it.
Mr. Michael Watkins
Santa Cruz County Superintendent of Schools
Santa Cruz County Office of Education
400 Encinal St.
Santa Cruz, CA 95060

RE: Request to Transfer Property
APN: 095-011-21

Dear Mr. Watkins:

We live at 23640 Old Santa Cruz Hwy., Los Gatos, California, 95033 (APN: 095-011-21). We reside at the northern most boundary of the Santa Cruz County School District. From our home to Vinehill Elementary School it is 9.1 miles but only 3.5 miles to Loma Prieta and C. T. English Middle School. It is also 9.2 miles to Scotts Valley High School and 8 miles to Los Gatos High School. Both Santa Cruz Country schools force us to cross 4 lanes of heavy commute traffic on Hwy 17 to get children to those schools. Los Gatos and Loma Prieta schools commutes are much safer and an easier.

We, Richard and Ann Wells, are the chief petitioners for the purpose of receiving notice of public hearings on the petition.

We are requesting a boundary change as the Loma Prieta and Los Gatos School Districts are closer and much safer to attend. Also, by changing the boundary it will enable us to carpool with other families in the Los Gatos and Loma Prieta school districts.

Thank you for your consideration in this matter.

Sincerely,

Richard Wells

Ann Wells

23640 Old Santa Cruz Hwy.

Los Gatos, CA 95033

APN: 095-011-21
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Clara

On 03/30/17 before me, Heidy Nava, Notary Public, personally appeared Richard Wells and Ann Wells.

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
Title or Type of Document: Request to Transfer Property
Document Date: 03/30/17
Number of Pages: 1
Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)
Signer's Name: Richard Wells
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☒ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other:
Signer Is Representing:

Signer's Name: Ann Wells
☐ Corporate Officer — Title(s):
☐ Partner — ☐ Limited ☐ General
☒ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other:
Signer Is Representing:
May 2, 2017

Karen Stapf Walters
Executive Director
California State Board of Education
1430 N Street, Suite #5111
Sacramento, CA 95814

Re: Territory Transfer Request

Dear Ms. Walters:

Our office represents the Santa Cruz County Office of Education in the above-referenced matter. Pursuant to Education Code section 35704, we are providing the State Board of Education with notice that the Santa Cruz County Office of Education has validated a request for transfer of territory located at 23640 Old Santa Cruz Highway Los Gatos, California 95033 (APN No. 095-011-21), from Scotts Valley Unified School District to Loma Prieta Joint Union School District and Los Gatos-Saratoga Joint Union High School District. A copy of the request, verification of signatures, and a map of the property proposed for transfer are enclosed.

Please contact me with any further inquiries regarding this request.

Sincerely,

LOZANO SMITH

Devon B. Lincoln
DBL/cls

Enclosures

cc: Michael Watkins, Superintendent, Santa Cruz County Office of Education
    Jim Guss, Executive Assistant to the Superintendent of Schools, Santa Cruz County Office of Education
    Members of the Santa Cruz County Board of Education
    Tanya Krause, Superintendent, Scotts Valley Unified School District
Corey Kidwell, Superintendent, Loma Prieta Joint Union High School District
Bob Mistele, Superintendent Los Gatos – Saratoga Union High School District
Richard and Ann Wells
Suzanne Carrig, Director of Policy Development & Administrative Programs,
Superintendent’s Office, Santa Clara County Office of Education
Mr. Michael Watkins  
Santa Cruz County Superintendent of Schools  
Santa Cruz County Office of Education  
400 Encinal St.  
Santa Cruz, CA  95060

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Thank you for your consideration in this matter.

Sincerely,

Richard Wells  
Ann Wells

23640 Old Santa Cruz Hwy.  
Los Gatos, CA  95033  
APN: 095-011-21
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Clara

On 03/30/17 before me, Heidy Nava, Notary Public,

Date

personally appeared Richard Wells and Ann Wells

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
Title or Type of Document: Request for Property
Document Date: 03/30/17
Number of Pages: 1
Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)
Signer's Name: Richard Wells
□ Corporate Officer — Title(s): 
□ Partner — □ Limited □ General
□ Individual □ Attorney in Fact
□ Trustee □ Guardian or Conservator
□ Other:
Signer Is Representing: 

Signer's Name: Ann Wells
□ Corporate Officer — Title(s): 
□ Partner — □ Limited □ General
□ Individual □ Attorney in Fact
□ Trustee □ Guardian or Conservator
□ Other:
Signer Is Representing: 

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NOTICE OF PUBLIC HEARING

ON:

A PROPOSED TRANSFER OF TERRITORY
FROM
SCOTTS VALLEY UNIFIED SCHOOL DISTRICT
TO
LOMA PRIETA JOINT UNION SCHOOL DISTRICT AND
LOS GATOS-SARATOGA JOINT UNION HIGH SCHOOL DISTRICT

The Santa Clara County Committee on School District Organization will conduct a public hearing to obtain public response to a request to transfer 1 parcel from Scotts Valley Unified School District to Loma Prieta Joint Union School District and Los Gatos-Saratoga Joint Union High School District. The parcel is located on Old Santa Cruz Highway in Los Gatos.

The public hearing will be held at the following location and time:

Tuesday, June 20, 2017      5:30 p.m.
Los Gatos-Saratoga Joint Union High School District
17421 Farley Road West
Los Gatos 95030

For more information regarding the process and public hearings, contact Suzanne Carrig at (408) 453-6869.
DESCRIPTION OF PETITION
TO TRANSFER TERRITORY FROM
SCOTTS VALLEY UNIFIED SCHOOL DISTRICT
TO
LOMA PRIETA JOINT UNION SCHOOL DISTRICT AND
LOS GATOS-SARATOGA JOINT UNION HIGH SCHOOL DISTRICT

Education Code Section 35705.5 requires that the County Committee on School District Organization make available to the public and to the governing boards affected by the petition a description of the petition, including:

1. The rights of the employees in the affected districts to continued employment.
2. The local control funding formula allocation pursuant to Section 42238.02, as implemented by Section 42238.03, per pupil, for each affected district and the effect of the petition, if approved, on that allocation.
3. Whether the school districts involved will be governed, in part, by provisions of a city charter and, if so, in what way.
4. Whether the governing boards of any proposed new district will have five or seven members.
5. A description of the territory or districts in which the election, if any, will be held.
6. Where the proposal is to create two or more districts, whether the proposal will be voted on as a single proposition.
7. Whether the governing board of any new district will have trustee areas and, if so, whether the trustees will be elected by only the voters of that trustee area or by voters of the entire district.
8. A description of how the property, obligations, and bonded indebtedness of existing districts will be divided.
9. A description of when the first governing board of any new district will be elected and how terms of office for each new trustee will be determined.

Description of Petition

The proposal requests a transfer of one parcel from the Scotts Valley Unified School District to the Loma Prieta Joint Union School District and the Los Gatos-Saratoga Joint Union High School District. A map of the territory proposed for transfer is attached.

The chief petitioners are:
Richard and Ann Wells
23640 Old Santa Cruz Hwy
Los Gatos, CA 95033
1. **The rights of the employees in the affected districts to continued employment:**

Not applicable to the current proposal. The rights of the employees to continued employment will not be affected by the proposed territory transfer.

2. **The local control funding formula allocation pursuant to Section 42238.02, as implemented by Section 42238.03, per pupil, for each affected district and the effect of the petition, if approved, on that allocation.**

The territory proposed for transfer consists of 1 parcel and there are no public school students in the area according to the latest information received by the Santa Clara County Office of Education. There will be no effect on LCFF allocation as a result of this request.

3. **Whether the districts involved will be governed, in part, by provisions of a city charter and, if so, in what way.**

Not applicable to the current petition.

4. **Whether the governing boards of any proposed new district will have five or seven members.**

Not applicable to the current petition.

5. **A description of the territory or districts in which the election, if any, will be held.**

The area proposed for transfer is uninhabited. Pursuant to the provisions of California Education Code section 35710.1, notwithstanding any other provision of law, an election may not be called to vote on a petition to transfer territory if the election area for that petition, as determined pursuant to Section 35732, is uninhabited territory as described in Section 35517.

6. **Where the proposal is to create two or more districts, whether the proposal will be voted on as a single proposition.**

Not applicable to the current petition; the petition does not propose the creation of any new district(s).

7. **Whether the governing board of any new district will have trustee areas and, if so, whether the trustees will be elected by only the voters of that trustee area or by voters of the entire district.**

Not applicable to the current petition.

8. **A description of how the property, obligations, and bonded indebtedness of existing districts will be divided.**
The area proposed for transfer contains no public school property or buildings. The plans and recommendations of the County Committee on School District Organization would stipulate the division of any other property, funds or obligations (except bonded indebtedness) affected by the proposed transfer. The County Committee may use any equitable means to divide the property, funds and obligations, including assessed valuation, average daily attendance (ADA), or value and location of property. [EdC §§ 35560, 35736]

If the territory is transferred, it will drop any liability for outstanding bonded indebtedness of the district of which it was formerly a part and assume its proportionate share of the outstanding bonded indebtedness of the district of which it becomes a part. [EdC § 35575]

Provisions for the exchange of property tax revenue are set forth in Revenue and Taxation Code Section 99 (i).

9. A description of when the first governing board of any new district will be elected and how terms of office for each new trustee will be determined.

Not applicable to the current petition; this petition does not propose the creation of any new district(s).
1.0 CALL TO ORDER, ROLL CALL AND ESTABLISHMENT OF QUORUM

Board Present

Abel Sanchez (President)
Bruce Van Allen (Vice-President)
Sandra Nichols
Sue Roth
Michael Watkins (Secretary)

Others Present

Richard Wells
Ann Wells
Tonya Krause
Corey Kidwell
Deana Arnold
Devon Lincoln
Jim Guss

2.0 PLEDGE OF ALLEGIANCE

Abel Sanchez (President) led the Pledge of Allegiance.

3.0 APPROVAL OF AGENDA

It was M.S.C. (Nichols/Van Allen) to approve the agenda.

Ayes: Nichols, Roth, Van Allen, Sanchez
Nays: None
Abstain: None
Absent: None

4.0 PUBLIC COMMENT

None.
5.0 PUBLIC HEARING

5.1 Introduction

Abel Sanchez (President) started the hearing by introducing himself and stating the facts and procedure for conducting the hearing. Each individual present than introduced themselves.

5.2 Presentation by Petitioners

Mr. and Mrs. Wells (Petitioners) stated the reasons for their request to have their property transferred from Scotts Valley Unified School District to Loma Prieta Joint Union Elementary School District and Los Gatos-Saratoga Union High School District.

5.3 Comment by Affected School Districts

Tanya Krause, Superintendent, Scotts Valley Unified School District and Corey Kidwell, Superintendent/Principal, Loma Prieta Joint Union School District commented on how the transfer would affect each of their districts.

5.4 Public Comment on Proposed Property Transfer

There was no public comment.

5.5 Board Discussion of Proposed Property Transfer

The Board discussed the items discussed by the petitioners and the affected school districts concerning the proposed property transfer.

No action taken.

6.0 ADJOURNMENT OF MEETING

Abel Sanchez (President) adjourned the hearing at 12:09 p.m.
Santa Clara County
Committee on School District Organization
Public Hearing
June 20, 2017
5:30 p.m.
Proposed Transfer of Territory from
Scotts Valley Unified School District
to
Loma Prieta Joint Union School District and Los Gatos-Saratoga Union High School District

Location: Los Gatos-Saratoga Joint Union High School District – Board Room
17421 Farley Road West, Los Gatos

Committee Members Present:
Bob Benevento
Mandy Lowell
Josephine Lucey
Barry Schimmel
Kathleen Sullivan
Jim Van Pernis

County Office Staff Present:
Suzanne Carrig

Committee Chair Jo Lucey opened the public hearing at 5:30 and introduced the members in attendance. Suzanne Carrig, staff to the Committee, briefly reviewed the reorganization request.

Corey Kidwell, Superintendent/Principal, Loma Prieta Joint Union School District:
Ms. Kidwell made the following comments:
• Santa Cruz COE has failed to provide adequate stewardship for the 37 parcels that have been transferred into Loma Prieta from Santa Cruz County since 2013.
• We are educating the students from those parcels but the district is not receiving the tax dollars from the assessed valuation of those parcels.
• We are a basic aid school district.
• District protests any additional parcels being transferred into the district.
• The tax rate area of this parcel would create a peninsula of the district if approved; would potentially create a precedent for future transfers.
• Question regarding safe transport – Highway 17 is a reality for all families living in the Santa Cruz Mountains.
• Loma Prieta does not have any capacity to serve additional students.
• At the Scotts Valley public hearing Mr. and Mrs. Wells that this transfer was in the interest of their grandkids. Their kids had attend LP on an interdistrict transfer.

• This appears to be an issue of property values. There was an ad for the sale of the Wells Family home (see attached ad).

• At the May 18th hearing the family stated that they were not selling their home but the Mtn. Network News has the home sale ad in the paper and the deadline for that ad was May 10th.

• Appears to be a property value issue.

Jim Guss, Santa Cruz County Office of Education

• Stated that the Santa Cruz County Committee held their public hearing but a date for action on the request has not been determined.

• Regarding the 37 parcels, the County Office is working with an attorney from Lozano Smith. Attorney is preparing the documents for the Board of Equalization

Greg Medici, Assistant Superintendent/CBO, Los Gatos-Saratoga Joint Union High School District

• Agree with comments made by Corey Kidwell.

• Our district has a strong preference for maintaining existing district boundaries.

Registered Speakers
No Registered Speakers

Questions:
Member Mandy Lowell asked for clarification on the Santa Cruz parcel map and the zoning classification of the property in question and surrounding it.

Corey Kidwell reviewed and clarified the location of the parcel in relation to the boundary line.

Member Lowell asked if there were homes on the neighboring parcels. Corey Kidwell stated that there were homes on the neighboring parcels. All currently in the Scotts Valley Unified School District.

Member Lowell asked if there was a road from the parcel in question directly to Loma Prieta. Corey Kidwell answered that there is not direct road from the parcel to Loma Prieta.

The public hearing ended at 5:44 p.m.