

ORANGE COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION
MINUTES
Special Meetings and Public Hearings
September 6, 2017

1. CALL TO ORDER ORANGE COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION
The Special Meeting and Public Hearings of the Orange County Committee on School District Organization was called to order by Chairperson Sheila Benecke at 6:05 p.m., September 6, 2017 in the Board Room of the Tustin Unified School District, 300 South “C” Street, Tustin, California, 92780.

2. FLAG SALUTE The Pledge of Allegiance was led by Jo-Ann Purcell.

3. ROLL CALL
Present:
Sheila Benecke, Chairperson Francine Scinto
Meg Cutuli Suzie Swartz
Karin Freeman Josephine “Joey” Van Camp
Kathryn Moffat Virginia Wilson
Jo-Ann Purcell

Absent:
Lisa Jordan Robert Singer

4. ADOPTION OF AGENDA Motion by Virginia Wilson, seconded by Meg Cutuli, and carried by a unanimous vote of all members present to adopt the agenda as presented.

5. ACCEPTANCE OF MINUTES Motion by Virginia Wilson, seconded by Meg Cutuli, and carried by a unanimous vote of all members present, to approve the County Committee minutes of the August 16, 2017 meeting.

6. 1ST PUBLIC HEARING ON PETITION FOR PROPOSED TRANSFER OF TERRITORY – PANORAMA HEIGHTS II

Chairperson Sheila Benecke explained the opportunities available for public comment and gave an overview of the transfer of territory and public hearing process. She then asked Mr. Chris Lombardo, Secretary to the County Committee, for a staff report on the transfer of territory petition.

A. Staff Report

Mr. Lombardo explained that on June 14, 2017 OCDE received a petition for the transfer of territory signed by registered voters in the Panorama Heights area within Orange Unified School District. The petition was submitted to the Registrar of Voters office which validated the signatures on the petition. On July 14, 2017 the petition was determined to be sufficient and was forwarded to the County Committee.

Mr. Lombardo explained that the purpose of the meeting was for the County Committee to conduct public hearings in each of the affected school districts

in accordance with Education Code section 35705. County Committee members would hear public comments on whether to transfer territory, referred to as Panorama Heights II, from the Orange Unified School District to the Tustin Unified School District.

Mr. Lombardo explained that in the Panorama Heights II petition, as distinguished from the initial Panorama Heights petition considered by the County Committee on May 17, 2016, the territory proposed to be transferred has been expanded as reflected in the property description and regional map set forth in the petition.

Mr. Lombardo also explained that the County Committee is required to conduct an environmental review in accordance with the California Environmental Quality Act (CEQA) to determine whether the proposed transfer of territory may cause a significant effect on the environment. After that process is completed, the County Committee approves or disapproves the petition.

B. Open Public Hearing – Petition for Proposed Panorama Heights II Transfer of Territory

Chairperson Benecke opened the public hearing at 6:12 p.m. and explained that the purpose of this public hearing is to obtain information from the chief petitioner(s), affected school districts, and the local community to assist the County Committee members in making a determination regarding the possible transfer of territory from Orange Unified School District to Tustin Unified School District. Chairperson Benecke also explained the format of the hearing as set forth in the County Committee Bylaws and as reflected on the agenda.

1. Comments from Chief Petitioner(s)

Ms. Catherine Mayberry introduced herself and the other chief petitioners, Dr. Marlene Graham and Ms. Jennifer Lampman. Ms. Mayberry presented a PowerPoint presentation explaining how she and her neighbors identify with North Tustin and their goal is to unify the North Tustin community. The petitioners also have concerns that interdistrict transfers permits required annually have been denied. Ms. Mayberry explained that since the first petition area was considered an island, the petition area has been expanded and the other criteria that will be focused on is the financial impact. Dr. Graham indicated the primary reason for the petition is because kids come first and the petitioners believe this is the best option for their children. Ms. Lampman discussed the fiscal impact which she stated was one third of one percent of Orange Unified School District’s budget and that the petition is not tied to property values.

2. Comments from Representative from the Tustin Unified School District

Dr. Gregory Franklin, Superintendent of Tustin Unified School District (TUSD), reported that the Tustin Unified School District has a neutral stance on the

petition. He explained that if the petition was successful the home schools would be Arroyo Elementary School, Hewes Middle School, and Foothill High School. Dr. Franklin indicated that currently TUSD has 29 students from the Panorama Heights area attending TUSD schools on interdistrict transfers - 15 elementary school students, 2 middle school students, and 12 high school students.

3. Comments from Representative from the Orange Unified School District

Dr. Gunn Marie Hansen, Acting Superintendent of Orange Unified School District (OUSD) introduced herself, Spencer Covert, Attorney for OUSD, Colleen Patterson, Business CBO Consultant, and Jenny Delgado, Business Services Administrative Director.

Mr. Spencer Covert, legal counsel, spoke on behalf of OUSD. He provided a PowerPoint presentation indicating that there are 95 students in the petition area attending OUSD schools of which 52 students attend Panorama Elementary School. He explained the location of the schools in Orange USD that serve the petition area and the impact the transfer of territory would have on Panorama Elementary School. OUSD does not believe the petition meets the requirements in Education Code section 35753 for criteria #6 (disrupt educational programs) and criteria #2 (community identify). Mr. Covert reported OUSD records show there are 11 elementary students, 0 intermediate school students, and 8 high school students on interdistrict transfer permits attending TUSD schools primarily for childcare reasons. The majority of the students in the petition area attend OUSD schools. Mr. Covert presented information on the distance of Tustin USD schools to the petition area.

Dr. Gunn Marie Hansen explained the open school enrollment program and award winning educational programs at OUSD as well as the district's efforts to pass Measure S in 2016 after 4 unsuccessful attempts. She stated that Panorama Elementary is a high performing school.

Mr. Covert distributed a letter from Zilver Reality Group indicating that property owners in petition area will receive a significant financial advantage as a result of the transfer and that the petition does not meet criteria #8 as increasing property values is a motivating factor. Mr. Covert also distributed a document with demographic data from the California Department of Education Dataquest website indicating there is a significant racial composition difference between Panorama Elementary in OUSD and Arroyo Elementary in TUSD.

4. Public Comments

There were ten people who signed up and nine made public comments. Each individual was given three minutes to speak. Six people spoke in favor of the

transfer of territory petition of which one person read a letter on behalf of the Foothill Communities Association. Three speakers opposed the petition to transfer the territory to Tustin Unified School District.

5. Rebuttal from Chief Petitioner(s)

Ms. Jennifer Lampman spoke regarding residents going to private schools who were denied interdistrict transfers and that the petition is not for increasing assessed values. She also indicated that the appraisal report provided by OUSD was used to support the bond measure and that although there would be a loss of revenue to OUSD as a result of the transfer there would also be a corresponding savings. Dr. Marlene Graham explained that the interdistrict transfers are not easy to get and the petition was for the children.

6. Rebuttal from Representative from the Tustin Unified School District

None.

7. Rebuttal from Representative from the Orange Unified School District

Mr. Covert explained that the Santiago residential project referred to by the petitioners has been put on hold by the Irvine Company until 2019. Mr. Covert distributed a map of TUSD schools which is also located within different cities, including Irvine and reviewed a handout regarding the demographic data comparing Panorama Elementary and Arroyo Elementary schools.

8. Rebuttals from the Public

Two members of the public spoke in support of the petition.

9. Close the Public Hearing

Chairperson Benecke closed the public hearing at 7:26 p.m.

C. Questions/Discussion from County Committee Members

The County Committee members asked several questions of the chief petitioner(s), OUSD, TUSD, and OCDE Legal Counsel regarding territory outside of the petition area that are unincorporated, number of current interdistrict transfers, why certain streets were not included in the petition area, TUSD transportation services to the petition area, OUSD transportation services to the petition area, and OUSD enrollment. A copy of the Foothill Association letter was also requested.

7. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PUBLIC HEARING: PROPOSED NEGATIVE DECLARATION OF ENVIRONMENTAL IMPACT FOR THE PETITION TO TRANSFER OF TERRITORY FROM THE ORANGE UNIFIED SCHOOL DISTRICT TO THE TUSTIN UNIFIED SCHOOL DISTRICT

A. Open CEQA Public Hearing

Chairperson Benecke opened the public hearing at 7:40 p.m.

Chairperson Benecke explained the public hearing process and that the purpose of the hearing was to receive testimony whether the proposed transfer of territory will cause a significant effect on the environment pursuant to the provisions of the California Environmental Quality Act (CEQA).

1. Staff Report on Environmental Review

Chairperson Benecke asked Mr. Lombardo to give a brief staff report.

Mr. Lombardo explained that a group of citizens residing in the unincorporated territory of Orange County located in the North Tustin area and referred to as the Panorama Heights community, petitioned the County Committee to approve a transfer of inhabited territory from OUSD to TUSD. The Panorama Heights II proposed transfer of territory would shift the school district boundary line so that the community would lie within TUSD's jurisdiction.

Mr. Lombardo explained that the County Committee has the primary approval authority over the proposed petition and as such, is considered the "Lead Agency" under CEQA. The County Committee must determine the impact that the proposed territory transfer may have on the environment. Staff used the CEQA Environmental Checklist to analyze the proposed transfer's potential environmental effects. The Environmental Review and the Notice of Intent to Prepare a Negative Declaration were publically posted and available for public review at the Orange USD, the Tustin USD, the County Clerk-Recorder's Office, on the County Committee's website, and at the Orange County Department of Education. Notice was also published in the Orange County Register. Each County Committee member, district superintendent, and the chief petitioner(s) also received a copy of the environmental review documents.

Mr. Lombardo explained that Education Code Section 35753(a) establishes the criteria to be used by the County Committee in making its' decision on the petition. However, these criteria are outside the purview of CEQA and are not addressed in the Environmental Review. Mr. Lombardo reported that during the Public Comment Period he received a letter from the Native American Heritage Commission with information regarding Assembly Bill 52 and tribal cultural resources. No other comments on the Environmental Review for the Panorama Heights II Transfer of Territory were received. Based on the CEQA Environmental Checklist and Environmental Review, staff determined that the

proposed project would not have a significant effect on the environment and therefore a Negative Declaration is appropriate.

2. Comments from the Chief Petitioner(s)

No comments from the Chief Petitioner(s).

3. Comments from the Representative from Tustin USD

No comments from TUSD.

4. Comments from the Representative from Orange USD

No comments from OUSD.

5. Comments from the Public

No comments from the Public.

6. Rebuttals

No rebuttals.

7. Questions from the County Committee members

Kathryn Moffat had a comment about possible traffic impacts caused by additional students attending Arroyo Elementary School in TUSD given there is only one way in and out of the parking lot.

8. Continue the CEQA Hearing at Orange USD

Chairperson Benecke continued the CEQA Public Hearing to resume at the Orange Unified School District.

8. PRESENTATIONS FROM THE PUBLIC None

9. RECESS MEETING TO 8:00 P.M. FOR TRAVEL TO 2ND PUBLIC HEARING AT THE ORANGE UNIFIED SCHOOL DISTRICT

Chairperson Benecke recessed the meeting at 7:48 p.m. in order for County Committee members and staff to travel to the 2nd Public Hearing in the Board Room at the Orange Unified School District located at 1401 N. Handy Street, Orange, CA 92867.

10. 2ND PUBLIC HEARING ON PETITION FOR PROPOSED PANORAMA HEIGHTS II TRANSFER OF TERRITORY

Chairperson Sheila Benecke called the meeting to order at 8:20 p.m. in the Board Room at Orange Unified School District and explained the purpose of tonight's public hearings. Mr. Chris Lombardo was requested to give a staff report.

A. Staff Report

Mr. Chris Lombardo repeated the staff report from the 1st public hearing and summarized the events leading up to tonight's public hearings.

B. Open Public Hearing – Petition for Proposed Panorama Heights II Transfer of Territory

Chairperson Benecke opened the public hearing at 8:22 p.m. and again explained that the purpose of the public hearing is to obtain information from the chief petitioner(s), affected school districts, and the local community to assist the County Committee members in making a determination regarding the possible transfer of territory from Orange Unified School District to Tustin Unified School District. Chairperson Benecke also explained the format of the hearing as set forth in the County Committee Bylaws and as reflected on the agenda.

1. Comments from Chief Petitioner(s)

Ms. Jennifer Lampman explained that the petition is about our kids and our village of North Tustin and that less than one third of one percent of OUSD's revenue would be affected. She indicated that there has not been any opposition to the petition in the Panorama Heights Community other than by OUSD. Ms. Catherine Mayberry explained how their community and children identify with North Tustin. Dr. Marlene Graham explained how the interdistrict transfer process has affected her children.

2. Comments from Representative from the Orange Unified School District

Mr. Spencer Covert, legal counsel, explained that OUSD has open and robust board meetings and people are always welcome at OUSD. He explained handouts showing how the graduates of OUSD have received scholarships, attended various universities, and graduation rates. Mr. Covert stated that OUSD provides busing and TUSD does not. Mr. Covert introduced Mr. John Besta, Santiago Charter Middle School, Charter Board Member, Community Representative/Chairperson. Mr. Besta, a resident of North Tustin, explained how he connects with both the Tustin and Orange communities, and how the silent majority, the people who are happy with OUSD, do not always appear at meetings. Mr. Besta spoke about the excellent programs that engage kids,

academics, and sports offered at Santiago Charter Middle School. Mr. Covert introduced Dr. Gunn Marie Hansen. Dr. Hansen explained how school has just started and the students attending Panorama Elementary, Santiago Middle School, and El Modena High are happy with their schools and how the impact of withdrawing students would impact OUSD and further diminish resources to students. Mr. Covert reiterated how that the loss of students would impact OUSD. Ms. Colleen Patterson spoke regarding funding and the OUSD budget particularly declining enrollment, the reduction in school bonding capacity if the territory is annexed and limited developer fees. Ms. Patterson also mentioned errors in the petition regarding school enrollment, and that Tustin USD has passed three bonds and the OUSD bonds have not been levied.

3. Comments from Representatives from the Tustin Unified School District

Dr. Gregory Franklin, Superintendent of Tustin Unified School District, stated that the district has taken a neutral position and if the petitioners are successful their schools would be Arroyo Elementary School, Hewes Middle School, and Foothill High School.

4. Public Comments

There were eight people signed up and seven people made public comments. Each individual was given three minutes and forty five seconds to speak. All spoke in favor of the transfer.

5. Rebuttal from Chief Petitioner(s)

Ms. Jennifer Lampman reiterated the community identity with TUSD. Dr. Marlene Graham indicated that the current petition address the concerns previously raised by the County Committee by expanding the territory to avoid creating an island and addressing financial concerns. Ms. Catherine Mayberry stated her children are close enough that they can walk to schools so it would be no environmental impact. Additionally, Ms. Mayberry said in terms of diversity that they are an inclusive community.

6. Rebuttal from Representative from the Orange Unified School District

Mr. Covert spoke in rebuttal explaining that the vast majority of students in the Panorama Heights area attend OUSD schools and less than 20% are on transfers. Mr. Covert distributed OUSD's interdistrict transfer form and explained the transfer process.

7. Rebuttal from Representative from the Tustin Unified School District

No rebuttal.

8. Rebuttals from the Public

Two rebuttals from the public for two and a half minutes each in favor of the petition.

9. Close the Public Hearing

Chairperson Benecke closed the public hearing at 9:25 p.m.

C. Questions/Discussion from County Committee Members

The County Committee members asked several questions from the chief petitioner(s), OUSD, TUSD, OCDE Legal Counsel, and members of the public including questions about interdistrict transfers, the transfer of territory process, the election process and election area determination, the location of the petition area, bonding capacity, property values, class size, demographics, and the impact on OUSD's budget.

11. CONTINUE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PUBLIC HEARING: PROPOSED NEGATIVE DECLARATION FOR THE PROPOSED PANORAMA HEIGHTS II TRANSFER OF TERRITORY FROM THE ORANGE UNIFIED SCHOOL DISTRICT TO THE TUSTIN UNIFIED SCHOOL DISTRICT

A. Continue CEQA Public Hearing

Chairperson Benecke re-convened the public hearing at 10:05 p.m.

Chairperson Benecke explained that the public hearing was being re-convened from the initial hearing in TUSD to continue with public comments on the CEQA Environmental Review and proposed Negative Declaration. Chairperson Benecke explained the availability of comment cards for anyone wishing to address the County Committee regarding the proposed petition's effect on the environment as well as the procedures for the hearing.

1. Comments from the Public

No comments from the Public.

2. Rebuttals

No rebuttals.

3. Questions from the County Committee members

Questions were discussed by the County Committee members regarding transportation impacts as no busing is provided by Tustin USD.

B. Close the CEQA Public Hearing

Chairperson Benecke closed the public hearing at 10:10 p.m.

C. Vote on adoption of proposed Negative Declaration

Karin Freeman read a motion to approve the Negative Declaration. The motion was seconded by Suzie Swartz, and carried by a 8 to 1 vote of all members present, that in accordance with the California Environmental Quality Act, the County Committee finds there is no substantial evidence that the proposed transfer of territory, referred to as Panorama Heights II, will have a significant effect on the environment, and adopts the proposed Negative Declaration on the proposed transfer of territory from the Orange USD to the Tustin USD.

12. DISCUSSION/ACTION ON PETITION FOR TRANSFER OF TERRITORY – Panorama Heights II:

A. Vote on whether each of the criteria specified in Education Code Section 35753 is substantially met (Each criteria must be voted on individually)

Chairperson Benecke asked Mr. Lombardo to review the voting process.

Mr. Lombardo explained that the transfer of territory approval process is a two-step process. First, the County Committee determines if each of the nine statutory criteria are substantially met, and if yes, then the County Committee can either approve or disapprove the petition. Each of the nine criteria must be approved by a majority of the County Committee in order for the petition to be eligible for approval.

Mr. Lombardo explained that even if the County Committee votes “No” on one of the criteria the County Committee still needs to continue the voting process on each of the remaining nine statutory criteria. Mr. Lombardo also explained that if a majority of the County Committee votes no on any of the criteria, then the petition would not be eligible for approval. A chart was provided to each County Committee member outlining each of the nine criteria along with the school district responses.

County Committee members asked questions on the voting process which were answered by Chairperson Benecke and Lysa Saltzman, Legal Counsel.

Criteria #1: It was moved by Virginia Wilson, seconded by Suzie Swartz, and adopted by a unanimous 9-0 vote that Criterion #1 (the reorganized districts will be adequate in terms of number of pupils enrolled) is substantially met.

County Committee members discussed the schools within Orange USD, the community identity, and boundaries regarding the unincorporated area.

Criteria #2: It was moved by Suzie Swartz, seconded by Virginia Wilson, and adopted by an 8-1 vote that Criterion #2 (the school districts are each organized on the basis of a substantial community identity) is substantially met.

County Committee members discussed formation of school district boundaries and that they are not always congruent with city boundaries and establishing community identity.

In Favor

Sheila Benecke
Meg Cutuli
Karin Freeman
Jo-Ann Purcell
Francine Scinto
Suzie Swartz
Joey Van Camp
Virginia Wilson

Opposed

Kathryn Moffat

Absent

Lisa Jordan
Robert Singer

Criteria #3: It was moved by Virginia Wilson, seconded by Meg Cutuli, and adopted by a unanimous 9-0 vote that Criterion #3 (the proposal will result in an equitable division of property and facilities of the original district or districts) is substantially met.

County Committee members addressed their concerns regarding demographics.

Criteria #4: It was moved by Virginia Wilson, seconded by Suzie Swartz, and adopted by an 8-1 vote that Criterion #4 (the reorganization will preserve each affected district's ability to educate pupils in an integrated environment and will not promote racial or ethnic discrimination or segregation) is substantially met.

County Committee members discussed demographic information.

In Favor

Sheila Benecke
Meg Cutuli
Karin Freeman
Jo-Ann Purcell
Francine Scinto
Suzie Swartz
Joey Van Camp
Virginia Wilson

Opposed

Kathryn Moffat

Absent

Lisa Jordan
Robert Singer

Criteria #5: It was moved by Virginia Wilson, seconded by Meg Cutuli, and adopted by a unanimous 9-0 vote that Criterion #5 (any increase in costs to the state will be insignificant and otherwise incidental to the reorganization) is substantially met.

Criteria #6: It was moved by Suzie Swartz, seconded by Virginia Wilson, and adopted by a 6-3 vote that Criterion #6 (the proposed reorganization will continue to promote sound educational performance and will not significantly disrupt the educational programs in the affected districts) is substantially met.

County Committee members discussed the impact on educational programs, potential school closure, election requirements, and interdistrict transfers. County Committee members had several questions regarding the election process and requirements that were addressed by legal counsel.

In Favor

Sheila Benecke
Meg Cutuli
Jo-Ann Purcell
Francine Scinto
Suzie Swartz
Joey Van Camp

Opposed

Karin Freeman
Kathryn Moffat
Virginia Wilson

Absent

Lisa Jordan
Robert Singer

Criteria #7: It was moved by Virginia Wilson, seconded by Meg Cutuli, and adopted by an 8-1 vote that Criterion #7 (any increase in school facilities costs will be insignificant and otherwise incidental to the reorganization) is substantially met.

In Favor

Sheila Benecke
Meg Cutuli
Karin Freeman
Jo-Ann Purcell
Francine Scinto
Suzie Swartz
Joey Van Camp
Virginia Wilson

Opposed

Kathryn Moffat

Absent

Lisa Jordan
Robert Singer

Criteria #8: It was moved by Suzie Swartz, seconded by Virginia Wilson, and adopted by an 8-1 vote that Criterion #8 (the proposed reorganization is primarily designed for purposes other than to significantly increase in property values) is substantially met.

In Favor

Sheila Benecke
Meg Cutuli
Karin Freeman

Opposed

Kathryn Moffat

Absent

Lisa Jordan
Robert Singer

Jo-Ann Purcell
Francine Scinto
Suzie Swartz
Joey Van Camp
Virginia Wilson

Criteria #9: It was moved by Virginia Wilson, seconded by Joey Van Camp, and adopted by a 6-3 vote that Criterion #9 (the proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the affected district) is substantially met.

County Committee members discussed the financial impact of the proposed transfer of territory.

In Favor

Sheila Benecke
Meg Cutuli
Jo-Ann Purcell
Francine Scinto
Suzie Swartz
Joey Van Camp

Opposed

Karin Freeman
Kathryn Moffat
Virginia Wilson

Absent

Lisa Jordan
Robert Singer

B. Discussion on Petition for Proposed Panorama Heights Transfer of Territory

There was no further discussion by the County Committee members.

C. Vote on motion to approve or disapprove petition

Mr. Lombardo reported that all of the nine criteria were determined to be substantially met, and that the County Committee could now either approve or disapprove the petition.

It was moved by Karin Freeman, seconded by Suzie Swartz, and adopted by a 8-1 vote that the petition to transfer territory from the Orange Unified School District to the Tustin Unified School District, referred to as Panorama Heights II, substantially meets all of the conditions enumerated in Education Code Section 35753 and in accordance with Education Code Sections 35706 and 35710, the County Committee hereby approves the petition, and given that the affected districts did not consent to the transfer of territory, the County Committee shall notify the County Superintendent of Schools who shall call an election in the territory of the affected districts, as determined by the County Committee.

In Favor

Sheila Benecke
Meg Cutuli

Opposed

Kathryn Moffat

Absent

Lisa Jordan
Robert Singer

Karin Freeman
Jo-Ann Purcell
Francine Scinto
Suzie Swartz
Joey Van Camp
Virginia Wilson

The County Committee agreed to meet at a subsequent meeting to determine the area of election and finalize action after a brief discussion with Lysa Saltzman, Legal Counsel.

13. PRESENTATIONS FROM THE PUBLIC None

14. NEXT MEETING:

The next meeting of the County Committee is Wednesday, October 25, 2017 at the Cypress School District, 9470 Moody Street, Cypress, CA 90630, at 6:00 p.m.

15. ADJOURNMENT:

There being no further business, Chairperson Benecke requested to adjourn the meeting. The motion was moved by Virginia Wilson, seconded by Karin Freeman, and unanimously approved. The meeting was adjourned at 11:05 p.m.

All documents submitted to the County Committee prior to, during and subsequent to this public hearing have been posted on the County Committee's website at <http://www.ocde.us/CCSDO/Pages/Meeting-Agendas.aspx> and are available for viewing and/or downloading. An audio recording of this meeting is also available upon request.