



# Facilities Study Session OE-12

**June 27, 2023**

Presented by:

Julie Arthur, PSUSD Executive  
Director of Facilities Planning &  
Development



# Presentation Overview

Outcomes - January 24, 2023  
Facilities Study Session &  
Subsequent Approvals

Redevelopment Projects

Measure E & I Bond Projects

Potential New Projects

Community Facilities Update



Increase District-wide Camera Replacement and Front Door Access Control budget in the amount of \$1,610,000 - Redevelopment Funds

High School Field Lighting Design budget of \$2,000,000 – Redevelopment Funds

PSHS Stadium Lighting Replacement \$1,500,000 – Redevelopment Funds

Transitional Kindergarten Classroom Status Update

# January 24, 2023 Outcomes



March 9, 2023

High School Field Lighting – All unlit fields and courts \$20,684,468 – ESSER III Funds

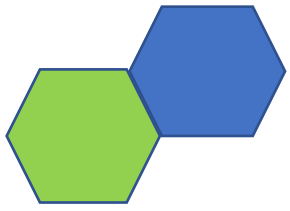
# Subsequent Approvals

May 9, 2023

Cathedral City High School Modernization Budget - \$92,000,000 - Bond Funds, State Funds, ESSER III Funds

May 23, 2023

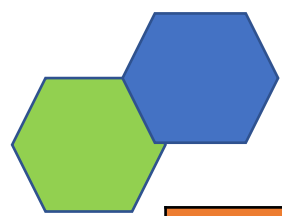
Desert Hot Springs High Auxiliary Gym Floor - \$60,000 – Redevelopment Funds



# Redevelopment Projects

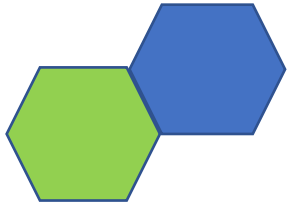
Project Name	Board Approval Date	Status
1. High School Field Lighting Study & Design*	1 /24/2023	In Design
2. Security Cameras & Access Control	1/24/2023	On-going
3. District-wide Furniture Replacement	2/22/2022	On-going
4. Desert Hot Springs High Stadium/parking lot lighting	2/22/2022	Complete
5. Solar Canopies at RVES & MSJ (CEC Zero Interest Loan)	12/11/2019	Complete
6. Desert Hot Springs High Aux. & Gym Floor Replacement	7/23/2019	Complete
7. Solar, battery storage & micro-grid review	12/11/2018	On-going
8. District Administration Center building alteration fund	7/24/2018	On-going

\*High School Field Light Study was approved on 6/28/22 and is now combined with High School Field Lighting Design



# Redevelopment Project Funds

<b>Projects</b>	<b>Expense thru 6/30/2023</b>	<b>FY24 Budget</b>	<b>FY25 Budget</b>	<b>Project Budgets</b>
High School Field Lighting Study & Design	53,475	2,196,525	0	2,250,000
Security Cameras & Access Control	2,210,000	2,200,000	0	4,410,000
District-wide Furniture Replacement Funding – 2 Years	3,900,000	0	0	3,900,000
DHSHS Site Lighting	161,332	288,668	0	450,000
Solar Canopies at RVES and MSJ	725,286	68,714	0	794,000
Desert Hot Springs High Aux. & Gym Floor Replacement	1,360,000	0	0	1,360,000
Solar, battery storage & micro-grids	2,474,239	1,925,761	2,000,000	6,400,000
District Administration Center & Alterations	33,250,000	250,000	0	33,500,000
<b>Estimated Total Project Amounts</b>	<b>\$44,134,332</b>	<b>\$6,929,668</b>	<b>\$2,000,000</b>	<b>\$53,064,000</b>

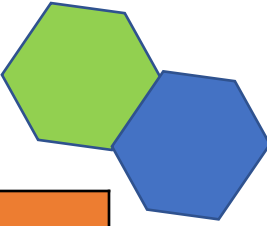


# Redevelopment Project Funds

<b>Annual/On-going Expenses</b>	<b>Expense 6/30/2023</b>	<b>FY24 Budget</b>	<b>FY25 Budget</b>
Student technology devices 06 for Technology*	0	0	0
Restricted Routine Maintenance Account funds (3) RRMA	5,021,877	5,728,065	5,021,877
Communication tower maintenance (Airlinks)	144,000	144,000	144,000
Lease Edom Hill antennas & ETIS POs	39,300	39,300	39,300
1000 Tahquitz lease	175,704	126,177	126,177
Minor Capital Project funds (MCP)	273,561	250,000	250,000
<b>Estimated Total Annual Amounts</b>	<b>\$5,654,442</b>	<b>\$6,287,542</b>	<b>\$5,581,354</b>

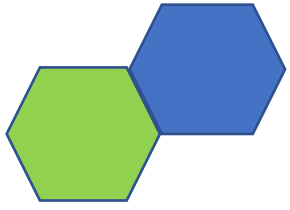
\*Student technology devices currently purchased using ESSER/CARES Funds, projected to return to Redevelopment Funds in 25/26

# Redevelopment Fund Balance



	Est. Expensed as of 6/30/2023	FY24 Budget	FY25 Budget
Estimated Total of Annual/On-going Amounts	5,654,442	6,287,542	7,581,354
Estimated Total of Project Amounts	44,134,332	6,929,668	2,000,000
Total Combined Annual & Project Amounts		13,217,207	9,581,354
Projected Revenues	14,125,000	14,050,000	12,000,000
Net Change		832,793	2,418,646
	FY23	FY24	FY25
Estimated Balance 6/30/23	\$22,713,575		
Balance as of 6/30/24		\$23,546,368	
Balance as of 6/30/25			\$25,965,014

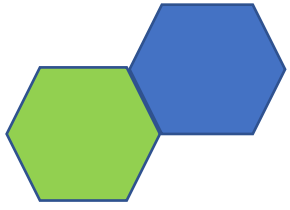




# Measure E Bond Projects

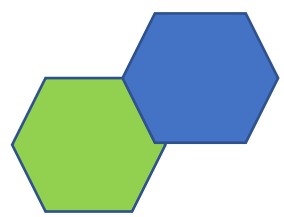
Project Name	Board Approval Date	Status
1. Classroom 900 & 901 Upgrades Palm Springs High	2/22/2022	Complete
2. Nellie Coffman Middle Locker-room upgrades	2/22/2022	Bidding
3. Bubbling Wells Elementary Modernization*	2/11/2020	Concept Phase
4. Della Lindley Elementary Modernization*	2/11/2020	Submitted - DSA
5. Landau Elementary Modernization*	2/11/2020	Design Phase
6. Sunny Sands Elementary Modernization*	2/11/2020	Design Phase
7. James Workman Middle Modernization*	2/11/2020	Submitted - DSA
8. Cathedral City High Modernization*	2/11/2020	Design Phase

\* Design funded with Measure E - Project/construction funded with Measure I



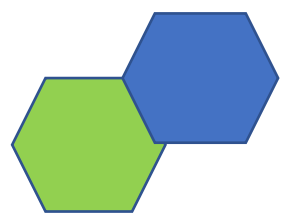
# Measure E Bond Projects

Project Name	Board Approval Date	Status
9. Palm Springs High Seismic Modernization	12/12/2017	Complete
10. Desert Learning Academy (500 Bldg.) design only, split-funded with Developer fees	12/12/2016	Construction
11. Update Facilities Master Plan	12/13/2016	On-going
12. District-wide Prop 39 HVAC/Lighting	5/24/2016	Complete
13. Purchase new elementary site/DHS	5/24/2016	On hold



# Measure E Bond Project Funds

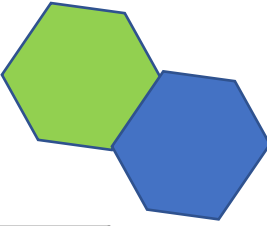
Projects	EST. Expense thru 6/30/2023	FY24 Budget	FY25 Budget	Project Budgets
Classroom 900 & 901 Upgrades Palm Springs High	470,000	0	490,000	960,000
Nellie Coffman Middle Locker-room upgrades	240,000	1,760,000	0	2,000,000
Bubbling Wells E. S. Modernization - design only	86,000	914,000	0	1,000,000
Della S. Lindley E. S. Modernization – design only, incl. fire alarm budget	1,323,563	300,000	0	1,623,563
Landau E. S. Modernization - design only, incl. fire alarm budget	1,554,824	0	0	1,554,824
Sunny Sands E. S. Modernization - design only, incl. fire alarm budget	1,590,139	0	0	1,590,139
James Workman M.S. Modernization – split funded Rec'd OPSC Funds and Dev. Fees Funds	2,410,000	7,000,000	0	9,410,000
Cathedral City High Modernization – design only, incl. fire alarm budget	3,231,103	1,300,000	0	4,531,103



# Measure E Bond Project Funds

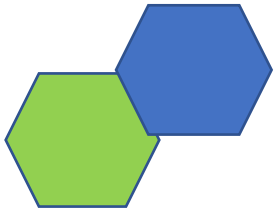
Projects	Expense thru 6/30/2023	FY24 Budget	FY25 Budget	Project Budgets
Palm Springs High Seismic Renovation	34,243,348	300,000	4,086,652	38,630,000
Desert Learning Academy (500 Bldg.) split- funded with Developer fees	1,200,000	0	0	1,200,000
Facilities Master Plan Update	335,520	114,480	0	450,000
Purchase new elementary site/ DHS	0	0	2,000,000	2,000,000
On-going bond costs	338,495	7,500	0	345,995
<b>Estimated Total Project Amounts</b>	<b>\$47,022,992</b>	<b>\$11,695,980</b>	<b>\$6,576,652</b>	<b>\$65,295,624</b>

# Measure E Bond Fund Projection



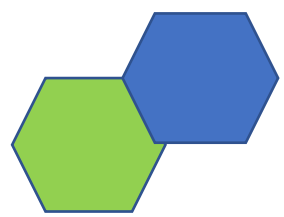
	Est. Expensed as of 6/30/2023	FY24 Budget	FY25 Budget	Total Cost to Bond Measure
Estimated Total Project Amounts	47,022,992	11,695,980	6,576,652	65,295,624
Interest Revenues	350,000	20,000	0	370,000
Other Revenues/Refunds	0	0	0	0
Total Projected Revenues	0	0	0	370,000
<b>Funding Source: Measure E Bond Funds</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25</b>	
EST. Cash Balance 6/30/23	12,829,342			
Estimated Cash Balance 6/30/24		1,153,362		
Estimated Cash Balance 6/30/25*			7,730,014	

\*All remaining Measure E funds will be used on existing projects prior to Measure I funds



# Measure E & I Bond Authorization

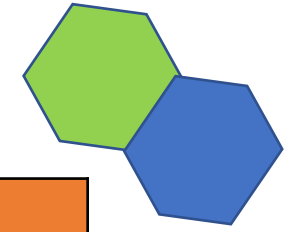
Measure E \$516,000,000 February 2008	Series	Authorized Amount	Total Bond Issued	Remaining Authorization
November 2010	A	19,539,035	19,539,035	
November 2010	B	110,000,000	129,539,035	
November 2013	C	70,000,000	199,539,035	
July 2016	D	100,000,000	299,539,035	216,460,965
Measure I \$216,460,965 November 2016	Series	Authorized Amount	Total Bond Issued	Remaining Authorization
April 14, 2021	A	118,000,000	118,000,000	98,460,965



# Measure I Bond Project Funds

Projects	Expense thru 6/30/2023	FY24 Budget	FY25 Budget	Project Budgets
Della Lindley E. S. Modernization	0	10,000,000	8,250,000	18,250,000
Landau E. S. Modernization	500,000	18,000,000	18,910,000	37,410,000
Sunny Sands E. S. Modernization	500,000	18,000,000	19,715,800	38,215,800
Cathedral City High Modernization	0	25,000,000	46,000,000	71,000,000
MISC. Bond Costs - ongoing	63,105	50,000	50,000	

# Measure I Bond Fund Projection



	Expensed as of 6/30/2023	FY 24 Budget	FY 25 Budget
Estimated Total Project Amounts	1,063,105	71,050,000	92,925,800
Interest Revenues	2,500,000	1,000,000	500,000
Measure I, Series B	0	0	98,460,965
Total Projected Revenues	2,500,000	1,000,000	98,960,965
<b>Funding Source: Measure I Bond Funds</b>	<b>FY23</b>	<b>FY24</b>	<b>FY 25</b>
Estimated Cash Balance 6/30/2023	119,618,942		
Estimated Cash Balance 6/30/2024		49,568,942	
Estimated Cash Balance 6/30/2025			55,604,107



# Measure E and I Bond Fund Summary

Fund Balance	
Estimated Measure I fund balance as of 6/30/25	\$55,604,107

Phase I Projects without a budget:	Est. Budget
Bubbling Wells Elementary Modernization	\$40,000,000
Next Phase of Modernization Projects	Est. Budget
Desert Springs Middle School*	\$60,000,000
Mount San Jacinto High*	\$18,000,000
Vista del Monte Elementary*	\$40,000,000
Cielo Vista Charter*	\$40,000,000

\*Requires new bond approved by voters

# Potential Actions Pending BOE Direction

1. Egress and ingress gate improvements at DHS HS - \$180,000 – Redevelopment funds.
2. Additional fencing, landscape and irrigation of Bubbling Wells Elementary solar field - \$200,000 – Redevelopment funds.
3. PSHS locker room HVAC replacement - \$1,499,000 - Bond funds.

# Redevelopment Fund Potential Options Pending BOE Direction

Project	Amount Requested	Redevelopment Funds Balance June 2024
Estimated Balance as of 6/30/2024		\$23,546,368
Egress and ingress gate improvements at DHS HS	< 125,000>	23,421,368
Additional fencing, landscape and irrigation of Bubbling Wells Elementary solar field	< 200,000 >	23,221,368
<b>Project Budget Request:</b>	<b>\$325,000</b>	<b>\$23,221,368</b>

# Bond Funded Project(s) Potential Options Pending BOE Direction

Project	Amount Requested	Measure E Balance June 2024
Estimated Balance as of 6/30/2024		\$ 7,730,014
PSHS locker room HVAC replacement	< 1,499,000>	6,231,014
<b>Project Budget Request:</b>	<b>\$1,499,000</b>	<b>\$6,231,014</b>



Questions?

# Community Facilities District Update

KOPPEL & GRUBER  
PUBLIC FINANCE

*Community Facilities Districts*

*Lyn Gruber*

*Principal, Koppel & Gruber Public  
Finance*

**Palm Springs  
Unified School  
District**



# OVERVIEW

- History of Community Facilities Districts
- What is a Community Facilities District?
- What can CFDs pay for?
- Why are CFDs used?
- Palm Springs USD CFD No. 1
- CFD Administration process



# HISTORY OF CFDs

Prior to Prop 13 Local Governments could levy what they needed  
Prop 13 froze taxes at 1% of Assessed Value

**Mello-Roos Community Facilities Act of 1982 (“The Act”)**  
was passed to provide an alternative method of financing for  
needed improvements and services.

The Act allows any public agency to form a Community Facilities  
District (“CFD”) to pay for improvements and services.





# WHAT IS A CFD

- A specific geographic area that levies a Special Tax
- Mitigate impact of new development
- Should be self sufficient – Administrative expenses paid by taxpayers, **not general fund**
- May issue debt supported by Special Taxes
- Can generate pay as you go funding
- Adds a layer of complexity to existing finances



# WHAT CAN A CFD PAY FOR?

**Real or Tangible Property with a Useful life of 5 years or longer**

- School Facilities
- School buildings
- Administration buildings
- Furniture and fixtures

**Maintenance of Real or Tangible Property with a Useful life of 5 years or longer**



# WHY ARE CFDs USED?

- Mutual benefit to District and Developer.
  - District receives more funds for facilities.
  - Developer receives lower financing costs.
- Help reduce funding gap between State Facilities Program, Developer Fees and other local sources (GO Bonds).
- Voluntary negotiation.



# SCHOOL DISTRICT BENEFITS AND CHALLENGES

Benefits	Challenges
<p>Generally, receive a premium - minimum of 25% above the District's school fees.</p> <p>Receive the residual special taxes for the life of the CFD which increases the premium paid on School Fees</p> <p>Control - over the level of special tax, timing of bonds, levy of special tax</p> <p>More flexibility in spending over developer fees</p> <p>May reduce future GO Bonds</p>	<p>Fees are generated over a longer period of time and not paid at permit</p> <p>District's name is on the tax bill</p> <p>More accounting on the District's books</p>

# WHY ARE CFDS USED?

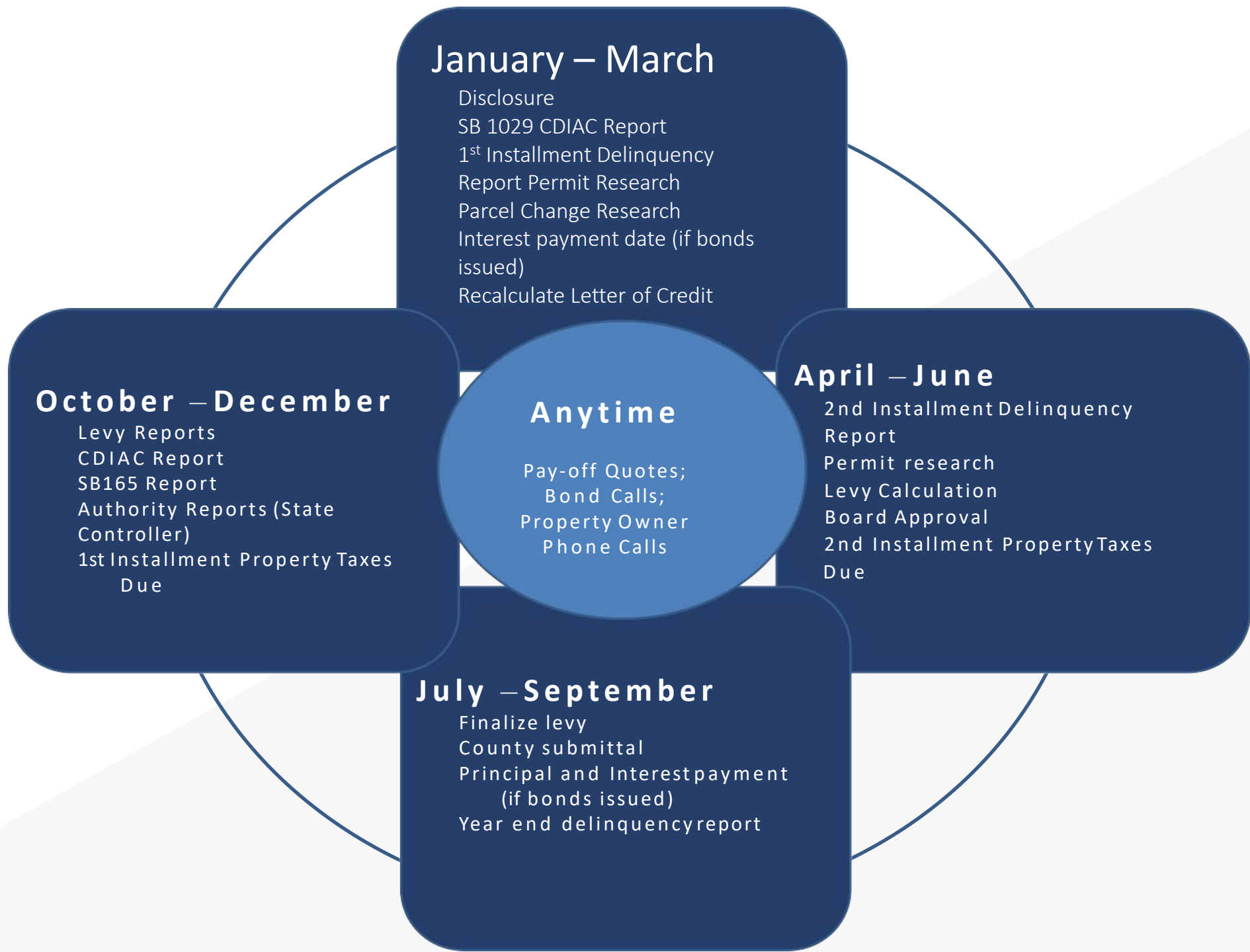
Developer Borrows Money  
to pay for infrastructure  
and fees

Bank

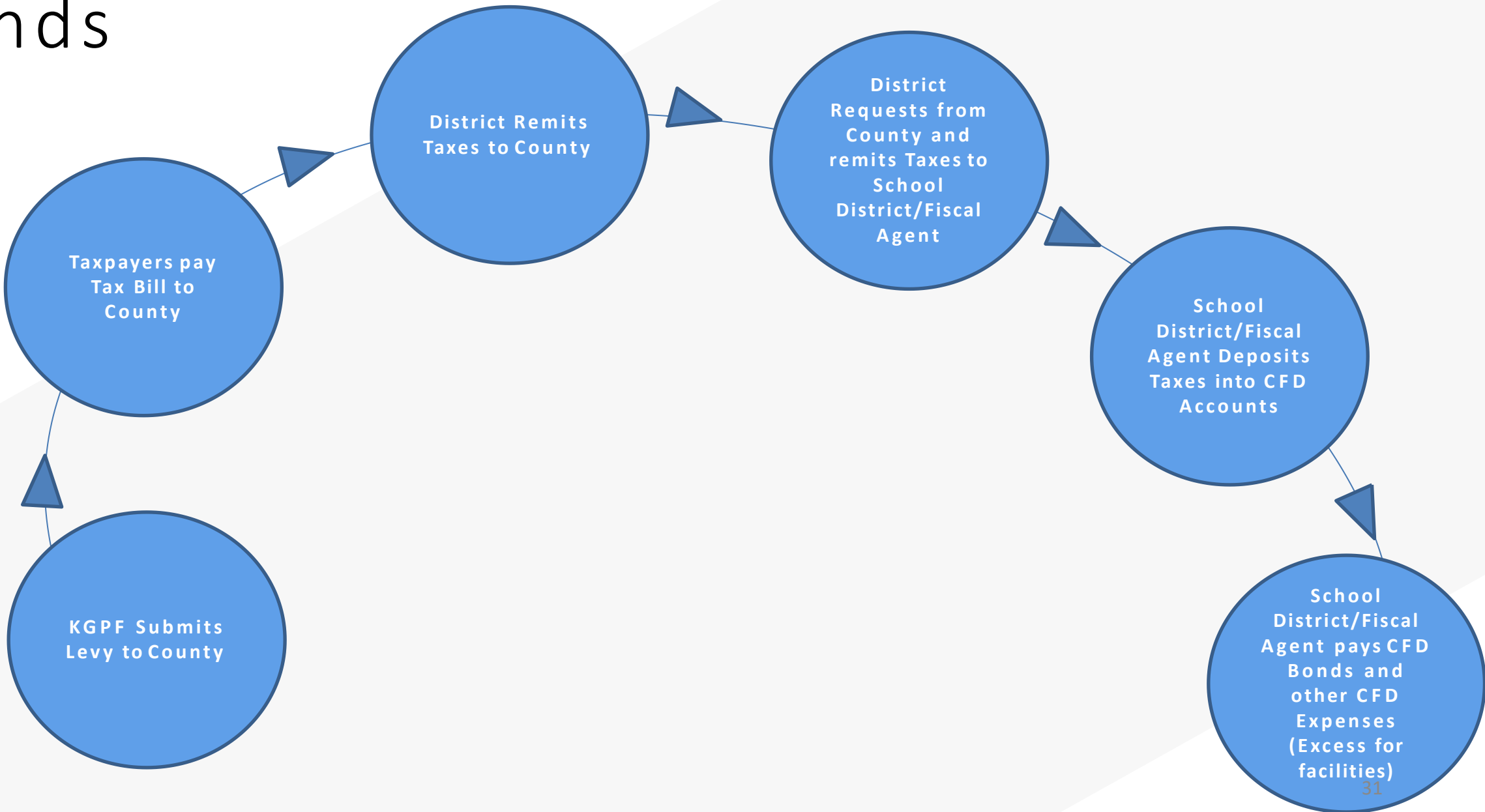
Form a CFD

A) Cost is added to the sales price  
B) Typically pays higher interest rate  
C) Homeowner tax bill is based on higher sales price

A) Lower sales price  
B) Tax-exempt lower interest rates  
C) Special Tax added to tax bill for term of the CFD  
D) District may require higher Developer Fee to be paid



# CFD Flow of Funds



# REPORTING REQUIREMENTS

## Accountability Report (SB 165)

January 1

- Collections and Expenditures of the CFD
- Authorized Project Status

## Annual Debt Transparency Report CDIAC

January 31  
for bonds issued  
after January 21, 2017

- Bond Proceeds
- Expenditures

## Yearly Fiscal Status Report CDIAC

October 31

- Required by the State
- Outstanding Bonds
- Assessed Values
- Delinquencies and Foreclosure
- Fund Balances
- Now must be posted City's website

## State Controller's Report

January 31

- Transactional data for Financing Authorities

## Continuing Disclosure

March 31

- Required by SEC to Update Secondary Bond Market
- Development Status
- Value to Lien
- Fund Balances
- Delinquencies and Foreclosures



# ***CFD No. 1 SUMMARY***

Date Formed	Development	No. Permits subject to Special Tax 2023/24	CFD Bonds Issued
April 9, 2013	May 2022	38	None

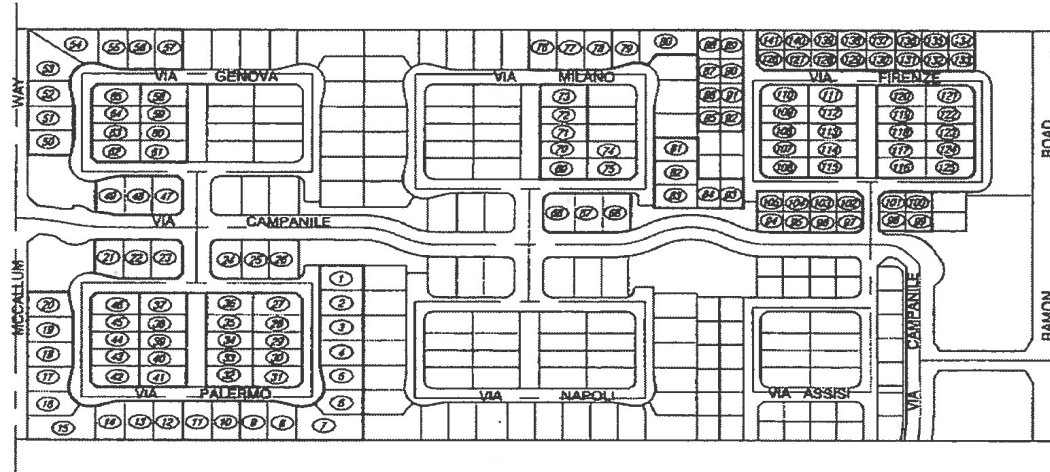
# CFD MAP

COPY 7/6/3

## LOT DESIGNATION

LOT NO.	ASSESSOR'S PARCEL	LOT NO.	ASSESSOR'S PARCEL	LOT NO.	ASSESSOR'S PARCEL
1	670-540-008	48	670-510-054	95	670-530-022
2	670-540-009	49	670-510-055	96	670-530-023
3	670-540-010	50	670-510-007	97	670-530-024
4	670-540-011	51	670-510-008	98	670-530-025
5	670-540-012	52	670-510-056	99	670-530-026
6	670-540-013	53	670-510-057	100	670-530-029
7	670-540-014	54	670-510-058	101	670-530-030
8	670-540-015	55	670-510-059	102	670-530-031
9	670-540-016	56	670-510-060	103	670-530-032
10	670-540-017	57	670-510-061	104	670-530-033
11	670-540-018	58	670-510-037	105	670-530-034
12	670-540-019	59	670-510-038	106	670-530-005
13	670-540-020	60	670-510-039	107	670-530-004
14	670-540-021	61	670-510-040	108	670-530-003
15	670-540-022	62	670-510-033	109	670-530-002
16	670-540-023	63	670-510-034	110	670-530-001
17	670-540-024	64	670-510-035	111	670-530-010
18	670-540-025	65	670-510-036	112	670-530-009
19	670-540-026	66	670-520-016	113	670-530-008
20	670-540-027	67	670-520-060	114	670-530-007
21	670-540-028	68	670-520-061	115	670-530-006
22	670-540-029	69	670-520-032	116	670-530-015
23	670-540-030	70	670-520-033	117	670-530-014
24	670-540-031	71	670-520-034	118	670-530-013
25	670-540-032	72	670-520-035	119	670-530-012
26	670-540-033	73	670-520-036	120	670-530-011
27	670-540-034	74	670-520-040	121	670-530-020
28	670-540-035	75	670-520-041	122	670-530-019
29	670-540-036	76	670-520-005	123	670-530-018
30	670-540-037	77	670-520-006	124	670-530-017
31	670-540-038	78	670-520-007	125	670-530-016
32	670-540-039	79	670-520-008	126	670-530-035
33	670-540-040	80	670-520-009	127	670-530-036
34	670-540-041	81	670-520-013	128	670-530-037
35	670-540-042	82	670-520-014	129	670-530-038
36	670-540-043	83	670-520-015	130	670-530-039
37	670-540-044	84	670-520-055	131	670-530-040
38	670-540-045	85	670-520-052	132	670-530-041
39	670-540-046	86	670-520-051	133	670-530-057
40	670-540-047	87	670-520-050	134	670-530-043
41	670-540-048	88	670-520-049	135	670-530-044
42	670-540-049	89	670-520-048	136	670-530-045
43	670-540-050	90	670-520-047	137	670-530-046
44	670-540-051	91	670-520-046	138	670-530-047
45	670-540-052	92	670-520-045	139	670-530-048
46	670-540-053	93	670-520-042	140	670-530-049
47	670-510-053	94	670-530-021	141	670-530-050

## PROPOSED BOUNDARIES OF PALM SPRINGS UNIFIED SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICT NO. 1 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF EDUCATION, OF THE PALM SPRINGS UNIFIED SCHOOL DISTRICT THIS 12<sup>TH</sup> DAY OF February, 2013.

*Gary Jeandron*  
GARY JEANDRON  
CLERK OF THE BOARD OF EDUCATION  
PALM SPRINGS UNIFIED SCHOOL DISTRICT  
STATE OF CALIFORNIA

### LEGEND

- COMMUNITY FACILITIES DISTRICT BOUNDARY
- PARCEL LINE
- ① LOT NUMBER

NOTE: FOR PARTICULARS OF LINES AND DIMENSIONS OF THE ASSESSOR'S PARCELS, REFERENCE IS MADE TO THE COUNTY OF RIVERSIDE ASSESSOR'S PARCEL MAPS.

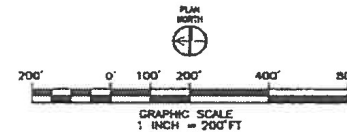
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 1, RIVERSIDE COUNTY, STATE OF CALIFORNIA WAS APPROVED BY THE BOARD OF EDUCATION OF THE PALM SPRINGS UNIFIED SCHOOL DISTRICT AT A REGULAR MEETING THEREOF, HELD ON THE 12<sup>TH</sup> DAY OF February, 2013, BY ITS RESOLUTION NO. 2012/13-410

*Gary Jeandron*  
GARY JEANDRON  
CLERK OF THE BOARD OF EDUCATION  
PALM SPRINGS UNIFIED SCHOOL DISTRICT  
STATE OF CALIFORNIA

FILED THIS 15<sup>TH</sup> DAY OF February, 2013, AT THE HOUR OF 3 O'CLOCK P.M. IN BOOK 31 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGES 3, AND AS INSTRUMENT NO. 2013-0081170 IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, STATE OF CALIFORNIA. Fee: \$10.00

LARRY WARD  
COUNTY RECORDER OF RIVERSIDE COUNTY  
COUNTY ASSESSOR  
COUNTY CLERK

*Larry Ward*  
LARRY WARD  
DEPUTY RECORDER



Anderson Consulting Engineers, Inc.	SUBMITTALS
3525 DEL MAR HEIGHTS RD #106 SAN DIEGO, CA 92130 (858) 472-7093	8/9/12 DRAFT FINAL
	10/4/12 DRAFT FINAL
	1/25/13 FINAL
	DESIGNED BY: JAA
	DRAWN BY: MC
	CHECKED BY: JAA
	SHEET 1 OF 1

# Lyn Gruber

## Principal, Koppel & Gruber Public Finance



A seasoned professional with over twenty-five (25) years of experience in public finance, Ms. Gruber focuses her attention on CFD formations, special projects, and Proposition 218 compliance. While consulting primarily with school districts and cities, she has formed hundreds of Mello-Roos Community Facilities Districts and maintenance assessment districts. Ms. Gruber has presented on CFDs at UCLA Extension classes and at the annual conferences for both the Municipal Management Analysts of Northern California (MMANC) and the Coalition for Adequate School Housing (CASH). Ms. Gruber holds a Bachelor of Arts from California State University at San Bernardino.



334 Via Vera Cruz, Suite 256  
San Marcos, CA 92078

760-510-0290  
lyn@kgpf.net

Koppel & Gruber Public Finance has been providing consulting services for public agencies and school districts since 2004 specifically related to community facilities district formation and special district administration and bond continuing disclosure reporting.

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# QUESTIONS?

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