

Measure J Financing  
September 22, 2010  
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As a local firm, we are pleased to provide additional explanation and information about Measure J financing. CFW is an Emeryville-based education finance firm with more than twenty-four years of expertise in providing finance advisory services for more than 150 California school districts. CFW has worked successfully with these districts to authorize over \$5.0 billion in California school bonds.

Measure J would allow the District to issue up to \$95 million in bonds to upgrade local schools, bring them to current seismic safety programs, and offer a range of services such as after-school, recreation and job training programs. Under State law, the maximum estimated tax rate for the bonds cannot exceed \$60 per \$100,000 of assessed value (not market value) at the time of issuance. The estimated average residence in Emeryville is currently assessed at approximately \$300,000, so it is estimated the average homeowner would pay approximately \$180 a year. Despite the current recession, local taxpayers could pay less if property values increase in the future as planned local development occurs.

Commercial and business property owners would pay the same Measure J tax rate as homeowners—and over 50% of the total Measure J bond obligation. Emeryville homeowners are therefore NOT paying the majority of Measure J.

Consistent with other school districts throughout California and similar to a homeowner's mortgage, Measure J bonds would be repaid over time, 30 years on average. As is common for these types of school bonds, total sales are structured in three issuances of \$44.7 million, \$22.2 million, and \$28.1 million respectively over the course of 7 years which is designed to be in tandem with Emery Unified School District's projected construction needs to build its updated, seismically safe schools.

In determining the financing for Measure J, local estimates have been used to project Assessed Value. The City of Emeryville prepares its annual budgets based on 4% growth in assessed value. After consultations with the City, CFW utilized the same rate in calculating Measure J tax rate projections, despite the fact that actual growth has historically been far greater in the City of Emeryville. In addition, for the next two years, bond repayment has been assumed to remain flat to account for the current state and national economy and its impact on commercial properties in Emeryville.

The approach and methodology CFW utilized on behalf of Emery USD's Measure J bond approach is consistent with those used by other California school districts. This approach projects to generate the funds needed to upgrade Emeryville schools so that they meet current seismic safety needs at the lowest cost to taxpayers.