

Fremont Union High School District
The Cities of Sunnyvale and Cupertino

What is the Impact of the Vallco Development



on School Funding and Enrollment

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Superintendent



PRESENTATION OBJECTIVES

- Provide a brief overview of school funding
- Demonstrate the effect that a developed Vallco will have on school enrollment and capacity
- Summarize the benefits and concerns of an SB 35 plan
- Summarize the potential benefits of a compromise plan



HOW DOES THE STATE FUND SCHOOLS?

Since 2013, the State has used the **Local Control Funding Formula (LCFF)** to determine the minimum funding level for all school districts.

In simple terms, the LCFF is a funding formula that provides a base amount per student, then adds additional funds for targeted populations: English Learners, Foster Youth, homeless and low-income students.



HOW DOES THE STATE FUND SCHOOLS?

Fully funding the LCFF has helped move California from 49th to 41st in per pupil spending, compared to the rest of the Country.

Source: California Budget and Policy Center



HOW DOES THE STATE FUND SCHOOLS?

“Local Control Funding Formula District” (LCFF)

If local property taxes are less than the LCFF funding result, State provides the difference up to the LCFF calculation.

“Community Funded District” (Basic Aid)

If local property taxes are greater than the LCFF funding result, district receives local property tax only.



HOW DOES FUNDING INCREASE?

“Local Control Funding Formula District” (LCFF)

Ways to increase funds:

1. More students
2. State increases per student amount

“Community Funded District”

Ways to increase funds:

1. Increased property tax values
2. New Developments



FUHSD ENROLLMENT

Fremont Union High School District has used Enrollment Projection Consultants (EPC) to provide enrollment forecast studies since 2005. EPC is used by several districts in Santa Clara County, including both of our feeder districts (Cupertino Union and Sunnyvale).

Our latest forecast, from a year ago, was only off by 11 students, or one-tenth of 1%.



AN SB 35 DEVELOPED VALLCO WOULD...

- Provide FUHSD with an additional \$6.5 million annually in property taxes (conservative estimate)
- Generate more students, which generates more state funding for LCFF districts like CUSD
- Generate increased development impact fees
- Create additional parcel tax funding



While an SB 35 plan for Vallco
would yield some benefits for
CUSD and FUHSD....



WORKING TOGETHER

A compromise plan for Vallco *could* include:

- Affordable housing for teachers, allowing them to live in the community that they serve.
- A permanent home for our Adult and Community Education
- A new District Office for CUSD, saving on the current high rent for this space.
- Additional funding for schools through property and parcel taxes.
- Other possible community benefits.



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