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VIA E-MAIL TO MKAKISH@RUSD.K12.CA.US AND US MAIL

Mays Kakish, Chief Business Officer
Riverside Unified School District
3380 14th Street
Riverside, CA 92501

Re: Opinion on Use of Bond Funds

Dear Mays:

Recently, the District has been criticized for use of Measure O for the development of the UCR STEM campus and for acquisition of property in the Casa Blanca neighborhood. This letter is written to address the scope and use of Measure O funds.

I. Resolution

The Ballot Language under Resolution 2015.16-56 entitled "RESOLUTION OF THE BOARD OF EDUCATION OF RIVERSIDE UNIFIED SCHOOL DISTRICT ORDERING AN ELECTION, AND ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER" simply provides:

EXHIBIT A

"To repair and upgrade Riverside schools, including deteriorating roofs, plumbing and electrical systems, improve student safety, security, and seismic safety, upgrade classrooms, science labs, career- training facilities, computer systems and instructional technology to support student achievement in math, science, engineering and skilled trades, and construct, acquire, repair classrooms, sites, facilities and equipment, shall Riverside Unified School District issue \$392 million in bonds at legal rates, with citizen oversight, no money for administrator salaries, all money staying local?" (emphasis added)

The Project List at Exhibit "B" includes:

Partner with U.C. Riverside and Riverside City College to build a Center for the Study of Advanced Science, Technology, Engineering and Math, that will give local high school students access to college-level instruction....

Build new classrooms and facilities to relieve overcrowding...

...In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following:

...acquire land; construct new schools...

II. Legal Analysis

There are several cases that address application of General Obligation Bond (“GO Bond”) ballot language to projects. Generally, the cases hold all expenditures from a GO Bond must be expended within the restrictions of the ballot language that was put before the voters. The specific ballot language is authorized through a Board Resolution which is utilized to prepare the ballot. See Education Code Section 15122. The primary case on the subject of restrictive language is Taxpayers for Accountable School Bond Spending v. San Diego Unified School District (2013) 215 Cal.App.4th 1013. This case is useful to review since the court prohibited the use of funds in the San Diego Unified School District bond finding that the project list was comprehensive and the planned athletic stadium and field lights project was not specifically listed. The Taxpayers for Accountable School Spending challenge was based on a very detailed and comprehensive list of projects and thus the court looked to whether the specific stadium project was listed.

It should be noted that the practice of listing all projects in detail is not a common practice when preparing ballot language. The more commonly utilized practice is preparing a general list of facilities projects. A case addressing the commonly prepared bond language – similar to most bond language and the bond language in Measure O -- is Committee for Responsible School Expansion v. Hermosa Beach City School District(2006) 142 Cal.App.4th 1178. This case reviews Article XIII A (1)(b)(3) of the State Constitution and concludes that the accountability language of the Constitution does not require a specific list of projects be made part of the ballot and that general language in the ballot referring to a project list meets the constitutional requirements and cites to Education code 15272. In the Hermosa case, the court found that even though the subject of the challenge, a gymnasium, was not specifically listed in the ballot, the general description included the intent to build a gymnasium and a specific listing was not required.

In the present case, Exhibit A provides language to construct and acquire sites. Which encompasses the UCR STEM project and the Casa Blanca project. However, the intent is even more specifically addressed with the Project list at Exhibit “B” which includes:

Partner with U.C. Riverside and Riverside City College to build a Center for the Study of Advanced Science, Technology, Engineering and Math, that will give local high school students access to college-level instruction....

Build new classrooms and facilities to relieve overcrowding...

...In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following:

...acquire land; construct new schools... (emphasis added)

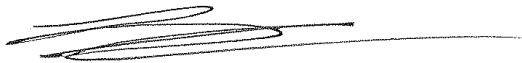
Thus, the ballot language not only specifically lists the UCR STEM Project but also anticipates acquiring property to construction new schools which is meant to address projects like the acquisition and future

development of schools. The specific location of a future school is both impractical and a poor practice to specify ahead of time, so listing new schools is consistent with past practice of school districts.¹

III. Conclusion

The language of the ballot includes both the UCR STEM Project and acquiring property for future schools. Please let me know if you have any questions or wish to discuss.

Sincerely

A handwritten signature in black ink, appearing to read 'Terry Tao', with a long horizontal line extending to the right.

Terry Tao, AIA, Esq.

Tao Rossini, a Professional Corporation

Cc: David Casnocha
Sergio San Martin
Ana Gonzalez

¹ Specifying a site or location would be tantamount to inverse condemnation of property and would open the District to liability. Additionally, if the location was specified, speculators could manipulate property prices or implement subdivision applications to enhance the property value prior to acquisition. Thus, ballot language does not specify specific locations or parcels of land that are the subject of a future school.