

REPORT TO THE COMMUNITY

Sale of First Measure E Bonds Yields \$50 Million

The first bonds from Measure E, the Santa Clarita Community College District's \$230 million general obligation bonds approved by voters in June 2016, were sold on April 12, yielding \$50 million to help fund a parking structure at the Valencia campus and two new buildings at the Canyon Country campus.



"With student enrollment and demand for access continuing to grow, the funds come at a critical time in the college's development," Chancellor Dr. Dianne G. Van Hook said. "The demand for access to education, whether from veterans looking to transition to new careers, or from high school students planning to jumpstart their college studies, or local residents focusing on upgrading their skills to remain competitive in fast-changing fields, means that we will need more facilities, and different kinds of facilities,

to serve our community. Measure E provides the funding that allows us to respond to what our community needs."

As part of the financing process, the district received and confirmed its credit ratings with Fitch Ratings and Standard & Poor's, which issued an "AAA" rating – the highest rating assigned to a community college – and an "AA" rating, respectively, with stable outlooks.

As a result, the district received more than \$114 million in orders for the \$50 million in bonds being offered, demonstrating significant investor interest in the district's bonds. The current interest rate on the bonds is 3.63 percent.

Measure E funds will help build a three-level parking structure at the Valencia campus, creating 1,659 parking spaces. Construction is slated to begin by the end of the year.

The second permanent building to

be built on the Canyon Country campus, the Science Building will be located at the center of campus, serving as a focal point for students and first-time visitors. The 52,000-square-foot building will be devoted primarily to physical and biological sciences, housing eight labs and a lecture room.

The Student Services/Learning Resources Building will be the new home to Student Services and The Learning Center (TLC) at the Canyon Country campus. The four-story building will be located opposite the Science Building and will provide office and library space.

Projections show college enrollment reaching 30,000 students per semester

over the next decade, in part because of new programs such as First-Year Promise, which provides new full-time students with a free year of college, and College Now!, which eliminates enrollment fees for high school students.

The district also refinanced approximately \$10.25 million in Certificates of Participation (COPs), which will allow the district to save approximately \$1 million in interest costs.

The bond finance team included Piper Jaffray as the investment banking and underwriting firm, KNN Public Finance as municipal advisor for the transaction, and Stradling Yocca Carlson & Rauth as bond and disclosure counsel.

'Measure E provides the funding that allows us to respond to what our community needs.'

– DR. DIANNE G. VAN HOOK

AUDIT GIVES BEST RATING POSSIBLE

The Santa Clarita Community College District's independent citizens' bond oversight committee has accepted the results of an independent audit confirming that, for the 10th year in a row, the district has properly accounted for all bond expenditures and issued the district an unmodified opinion – the best rating possible – noting no adjustments, no audit findings, nor any questioned costs or instances of bond noncompliance.



Vavrinek, Trine, Day & Co. LLP conducted both the financial and performance audit, covering the fiscal year that ended on June 30, 2016. The firm presented its report to the district's independent citizens' bond oversight committee on Jan. 24.

"This displays the efficiency and continuous stability of the combined efforts of finance staff, the facilities team, and the chancellor," said Nicholas Lentini, chair of the oversight committee.

The 2015-16 audit confirms approximately \$152.2 million in resources from the first four bond issuances, which also includes earned interest and net premium in the bonds. Of that amount, more than \$130.8 million has been expended on authorized bond projects, leaving the



BOND FUNDING FROM BOTH MEASURES M AND E WILL BE USED TO BUILD A 52,000-SQUARE-FOOT SCIENCE BUILDING AT THE CANYON COUNTRY CAMPUS.

district with a Measure M bond project fund balance of \$21.4 million as of June 30, 2016.

"We are pleased to learn that College of the Canyons has once again achieved another clean Measure M audit," said Sharlene Coleal, assistant superintendent and vice president of business services at the college. "We are thankful to the bond oversight committee volunteers for their efforts in ensuring that the District remains in full compliance." Measure M was approved by voters in 2006.

The \$160 million bond measure has helped fund a variety of major facilities

and improvements, such as expansion of both Mentry Hall and the Library/TLC (The Learning Center), and construction of the Dr. Dianne G. Van Hook University Center, the Canyon Country campus, the College of the Canyons Institute for Culinary Education, and the Canyons Hall student services and administration building. The bond also helped secure \$36.7 million in state matching funds that otherwise would have been lost and gone to other districts.

"College of the Canyons has diligently used Measure M bonds to continue meeting the short-term and long-term

needs of our ever-growing student population," Chancellor Dr. Dianne G. Van Hook said. "With the support and trust of the community, we are committed to continue building for the future."

Measure M will fund the start of construction for the Science Building at the Canyon Country campus and a parking structure at the Valencia campus.

"We look forward to using the remaining Measure M bond funds to the maximum value possible to continue reaching our goals and redefining what a community college can do for the communities it serves," Van Hook added.

Project Summary

Bond-funded facilities, upgrades and improvements.

PARKING STRUCTURE

LOCATION: VALENCIA CAMPUS
STATUS: CONSTRUCTION TO START LATE 2017
SIZE: 1,659 SPACES ON THREE LEVELS
COST: \$21 MILLION

SCIENCE BUILDING

LOCATION: CANYON COUNTRY CAMPUS
STATUS: CONSTRUCTION TO START IN 2018
SQUARE FOOTAGE: 52,000
COST: \$32 MILLION

COLLEGE OF THE CANYONS INSTITUTE FOR CULINARY EDUCATION

LOCATION: VALENCIA CAMPUS
STATUS: COMPLETED 2015
SQUARE FOOTAGE: 12,208
COST: \$10 MILLION

CANYONS HALL

LOCATION: VALENCIA CAMPUS
STATUS: COMPLETED 2015
SQUARE FOOTAGE: 46,370
COST: \$17.1 MILLION
This facility features a Welcome Center, computer kiosks for students, and services such as Admissions & Records, Financial Aid, Counseling, Transfer Center, and Job & Career Center.

CANYON COUNTRY CAMPUS

LOCATION: CANYON COUNTRY
STATUS: PHASE 1 COMPLETED 2007
SIZE: 70 ACRES
COST: \$58 MILLION
The Canyon Country campus, now in its 10th anniversary year, has served more than 55,000 students.

DR. DIANNE G. VAN HOOK UNIVERSITY CENTER

LOCATION: VALENCIA CAMPUS
STATUS: COMPLETED 2009
SQUARE FOOTAGE: 110,000
COST: \$39.8 MILLION
The University Center provides instructional and support space for degree programs offered by six universities. It has served more than 30,000 students.

MENTRY HALL EXPANSION

LOCATION: VALENCIA CAMPUS
STATUS: COMPLETED 2010
SQUARE FOOTAGE: 28,000 (78,237 TOTAL)
COST: \$12.3 MILLION
This expansion added more instructional space, including computer labs and classrooms.

APPLIED TECHNOLOGY EDUCATION CENTER

LOCATION: CANYON COUNTRY CAMPUS
STATUS: COMPLETED 2011
SQUARE FOOTAGE: 10,315
COST: \$7.1 MILLION
The first permanent building at the Canyon Country campus houses a variety of educational and career-training programs.

LIBRARY/TLC EXPANSION

LOCATION: VALENCIA CAMPUS
STATUS: COMPLETED 2012
SQUARE FOOTAGE: 51,435 (86,606 TOTAL)
COST: \$15.8 MILLION
Expansion of Library and The Learning Center (TLC).

PARKING LOT

LOCATION: CANYON COUNTRY CAMPUS
STATUS: COMPLETED 2010
COST: \$1 MILLION

TECHNOLOGY INFRASTRUCTURE UPGRADES

LOCATION: DISTRICTWIDE
STATUS: COMPLETED
COST: \$1 MILLION

VALENCIA CAMPUS PARKING STRUCTURE

