

From: [Cox, Robert](#)
To: [City Council](#)
Subject: Livable Mountain View Comment on Item 7.2: Update on City/School Collaboration and Challenges
Date: Monday, April 3, 2023 9:05:24 AM

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Mayor Hicks, Vice Mayor Showalter, and Members of the City Council,

Thank you for the opportunity to comment on Item 7.2: Update on City/School Collaboration and Challenges, including the important issue of the school districts' proposal that the joint agreement on the use of school park space by the community at large must be terminated. The school district proposal states that dozens of portables must be placed on the school parks to accommodate potential new students, resulting in the loss of the use of those parks by the community. Our school districts, like the rest of our city, need to understand that Mountain View is becoming a more urban area. Future plans for our schools need to include building UP and not just building OUT. As the school districts plan for the future, they must not cling to the past by replicating what worked in the 1950s and 1960s, when our city had a much smaller population and ample available open space. The city could assist the schools districts by bringing in urban planners who can show the school districts how to build up, redesign parking areas, and put together a viable future plan for the districts' land use.

Therefore, Livable Mountain View strongly supports a continuing dialog between the city and the school systems leading to new agreements that extend the decades of cooperation these two bodies have enjoyed and focus on how to plan and develop school sites for an urbanized city. As you are all aware, agreements between the city and school districts have provided major financial benefits to the school systems, while allowing city residents to use parks during off school hours and school break sessions. The school districts should not break trust with the residents of Mountain View and unilaterally cut off negotiations.

As regards the Shoreline area, not only has the city has already agreed to provide the schools with the property tax accruing from new residential development, the Google master plan agreement will span a 30 year period. The remaining property tax dollars which the school districts seek is critical for the maintenance of the Shoreline area and wildlife habitats, and would cause irreparable harm to the general city budget. This city budget serves the needs of all members of the community, including every child in every school in Mountain View.

Thank you for considering our point of view on this important issue.

Robert Cox, Louise Katz, Nazanin Dashtara, Muriel Sivyer-Lee, and Leslie Friedman
For the Steering Committee of Livable Mountain View

From: [Glaser, Heather](#)
To: [City Council](#)
Subject: FW: Additional Comments on Update on City/School Collaboration and Challenges
Date: Monday, April 3, 2023 10:32:36 AM
Attachments: [image.png](#)

Best,

Heather Glaser
City Clerk
City of Mountain View
650-903-6304

----- Forwarded message -----

From: **Laura Blakely** [REDACTED]
Date: Sun, Apr 2, 2023 at 10:03 AM
Subject: Additional Comments on Update on City/School Collaboration and Challenges
To: Laura Blakely [REDACTED]

Honorable Councilmembers:

Hello, again—I wanted to share some further thoughts about City/School collaboration and challenges. Again, I am writing in my personal capacity as someone who is passionate about our public schools

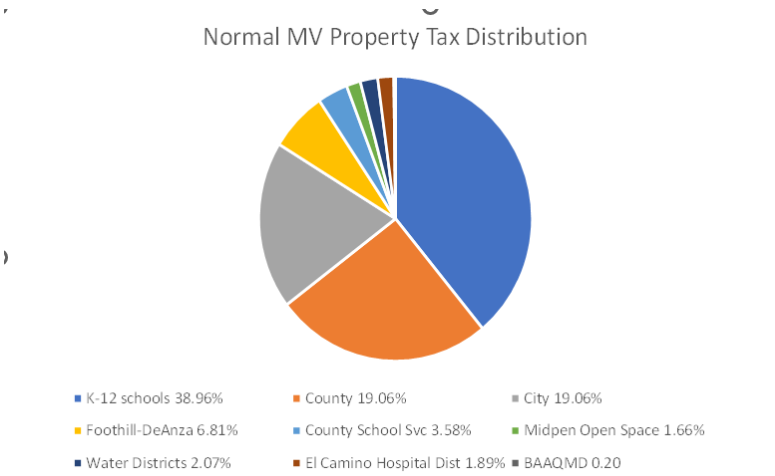
As I mentioned previously, I do believe that it will be in all parties' interest to share as much data and information as possible and encourage that we move forward to expedite sharing.

I'm also aware that at least a few of you may not be that familiar with what a tax increment district is or how one works. I hope those of you who are more familiar with them will bear with me, but I believe a basic explanation would be helpful and is fundamental to understanding how the Shoreline tax increment district is funded. When a tax increment district is established, the aggregate tax "basis," or assessed value, is frozen as of the date the tax increment provisions go into effect. All property taxes levied against the tax value as of the effective date flow to agencies as they normally do. As the real property increases in value over time, all taxes flowing from the increased valuation get redirected to the tax increment district to use for whatever purposes the district was established for. (Oftentimes, the increases in value may be attributed to the work that the special district has undertaken to improve the property—such as, in the case of Shoreline, getting rid of the hog farm and building a golf course over the dump with infrastructural improvements to abate the methane gas from the dump.)

Proposition 13 caps future increases in valuation for tax assessment purposes owing to inflation to approximately 1.0% annually, plus the rate necessary to fund any voter-approved debt (not to exceed 2.0%). So real property only gets reassessed for tax purposes at market value (new sales price) when it is sold, or for the market value of new construction and improvements built on the

property upon the issuance of occupancy certificates for any such new construction.

As the Staff Report points out, the tax valuation of the Shoreline Regional Park Community when the tax increment provisions became effective in the late 1970s was \$33.9 million. So roughly \$339,000 of taxes flowing from the base value of \$33.9 million are allocated (as with most property in Mountain View outside of this special district) to agencies in the percentages shown in the chart below:



Taxes on approximately \$5.866 billion (that’s billion with a “B”) of the increased valuation, or roughly \$58.7 million (that’s million with an “M”) flow back to the Shoreline District. If the District were to cease existing, the City would receive approximately \$11.2 million, the schools would receive just under \$23 million, and the balance of roughly \$24.5 million would flow to the other agencies shown in the chart.

As the Staff Report states, under the current JPA arrangement with the two school districts, the District in the current tax year will “share back” roughly \$8.75 million with the MVWSD and MVLA school districts (equating to a little over one-third of what they would otherwise receive). My understanding is that there is another side agreement with the County pursuant to which some tax dollars are redirected to the County, but I don’t know the percentage. (This is the type of information that could be shared and illuminated further if you support the subcommittee process that staff recommends.) Without the County arrangement, after sharing the existing JPA amount with the schools, the District would retain almost \$50 million in tax funds for the current year.

The aggregate assessed value of the North Bayshore property has grown exponentially over the last 15 years. When I first got involved with the Shoreline Six effort (in 2009/2010 or so), it was purported to be valued at approximately \$2.1 billion. In 2018, it grew by \$735 million (which translates to over \$8 million in property taxes) when Google purchased LinkedIn’s former headquarters (which under LinkedIn’s ownership were assessed at approximately \$365 million) for \$1 billion. Today, with the new Google geodesic dome buildings coming online, the tax value is roughly \$5.9 billion. I’m not sure whether the City has issued occupancy certificates for those buildings or the new ones going in at Landings, but the pie is a huge one and is continuing to grow. I imagine the curve will taper off a bit as the world readjusts to new post-covid in-person work structures, but it’s not likely to plummet. So it’s a big enough pie and the City can share more with the schools and still retain *significant* funding to accomplish the other primary purposes that have

been identified (methane, sea level rise, environmental and infrastructure).

The City has proposed allocating the “full” tax increment for residential properties to the schools. While these tax dollars are welcome, the residential tax value will not increase much in the near term—it won’t increase at all until occupancy certificates are issued on newly constructed residences. Where will the school districts put the school kids who move into those homes if they haven’t built schools before the students arrive? And the schools deserve tax dollars from both residential *and* commercial properties. The school districts need to plan now for new schools. They’ll need the residential taxes to hire and pay teachers and staff to work in the new schools which can happen when and as the kids arrive, but right now the school districts need to plan and identify funding streams to build the new schools over time, in time for the new students who will live here.

In a perfect world, the schools would receive their 38.96% share of tax revenues. This would enable the school districts to set some funds aside in reserves to acquire land (through eminent domain or otherwise) or construct facilities—or they could use the guaranteed tax revenue stream as collateral to obtain a much larger certificate of participation for this purpose, or some combination of these options. But renewing the JPA with a much more generous allocation to the schools does not mean that the District has to give up all the other incremental tax funds. In my opinion (others may disagree), there is no need to bust everything up and rescind the statute that created the District. If a successor JPA arrangement were to allocate the full “normal” amount to the schools (approximately \$23 million for the current year), the City/District could still retain the balance of \$36.7 million less whatever the County allocation is. This amount annually would supply a LOT of money for levies, infrastructural improvements and methane abatement.

I would argue that the schools have a much greater need and a more direct impact from the development planned for North Bayshore because of new housing in the Shoreline area and across the District than the other agencies do. In reading the 1969 Shoreline Act verbiage that was provided as an exhibit to the staff report, I was surprised to see that the statutory language appears to support my contention. Section 55 (on page 8) says:

For the purpose of aiding and cooperating in the land assembly, planning, undertaking, construction or operation of community development or redevelopment projects located within the area in which it is authorized to act, any public body, including without limitation the city and county, upon the terms as it determines may: (a) Dedicate, sell, convey or lease any of its property to the community; (b) Cause parks, playgrounds, recreational community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished within or adjacent to or in connection with community projects... (emphasis added)

While using tax funds to cause educational facilities to be furnished in the City to serve students who live in North Bayshore is not part of the current Shoreline Area Plan, I understand that you will be amending this plan, and encourage you to add educational facilities to the revised Plan.

We need to work together. Please support the information-sharing and subcommittee process staff recommends. As our City Manager noted in her remarks at the State of the City on Friday, we are a community, and things work best when we all come together. Our collaborative efforts are worth so much more than the sum of our individual contributions, and relationships among community members in our City are inextricably intertwined. The City needs the schools and the schools need

the City. The schools require more Shoreline funds. The City and our neighbors deserve more access to park space. Can't we come together to make Mountain View an even better place for our community members? I am hopeful that following your study session, we can.

Respectfully,

Laura Blakely

