

Irvine Unified School District
Irvine, California

Board of Education
Minutes of Special Meeting
September 26, 2008

Call to Order

The Special Meeting of the Board of Education was called to order by President McInerney at 10:34 a.m., in the District Administration Center, 5050 Barranca Parkway, Irvine, California.

Pledge of Allegiance

The Pledge of Allegiance to the United States of America was led by President McInerney and was followed by a moment of silence.

Roll Call

Members Present:

Gavin Huntley-Fenner, Sue Kuwabara, Mike Parham, Sharon Wallin, Carolyn McInerney

Members Absent:

None

Staff:

Gwen Gross, Superintendent of Schools
Lisa Howell, Director, Fiscal Services
Lee Brooks, Executive Assistant to the Superintendent

Other Staff:

Ian Hanigan, Sherry McGrew, Judy Mueller, Laurie Serich-Lundquist, Anne Trefz

Adoption of the Agenda

On the motion of Member Wallin, seconded by Member Huntley and carried 5-0, the Board adopted the agenda as presented.

Study Session

CFD 08-1: Stonegate Apartments - Formation Discussion

District consultants in attendance:

Adam Bauer - Fieldman, Rolapp & Associates
Andreas Chialtis - Atkinson, Andelson, Loya, Ruud & Romo
Greg Harrington - Orrick, Herrington & Sutcliffe LLP
Trevin Simms - Lozano Smith
Karen Scott - Scott Associates

District consultants reported on negotiations with the Irvine Company (TIC) relative to restructuring of the mitigation arrangement for the Northern Sphere properties. One component of TIC's proposal, yet to be negotiated, is to form one large community facilities district (CFD 09-1) to include most of the properties in the Northern Sphere. Because several apartment buildings in the Stonegate area (bounded by Irvine Blvd., Sand Canyon, Spring Meadow and Groveland streets) are now being occupied, statutory voting requirements and timelines would eliminate them from inclusion in CFD 09-1.

In order to preserve the special tax revenues from these apartments (estimated at \$600,000 per year), district consultants have suggested the formation of a small community facilities district (CFD 08-1) as an interim solution. The consulting team confirmed that the formation of CFD 08-1 and adoption of the new rate and method (reduce tax rate to \$1100 per unit) will not go into effect unless the formation of CFD 09-1 occurs. CFD 09-1 will only occur if current negotiations are successful. If negotiations are unsuccessful, the apartments will remain in CFD 07-1 and will be taxed at the higher rate.

The Board discussed details of the proposal and received clarification from consultants and staff regarding potential impacts.

Speaking to the topic:

Mike LeBlanc, Sr. Vice President, Entitlement, The Irvine Company

Adjournment

There being no further Board of Education business, the meeting was adjourned at 11:30 a.m.

Carolyn McInerney
Board President

Gwen E. Gross, Ph.D.
Superintendent of Schools