

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

oab-sftsd-sep20item01

# California State Board of Education September 2020 Agenda Item #06

## Subject

Appeal from an Action of the Los Angeles County Committee on School District Organization to Approve a Petition to Transfer Territory from the Lawndale Elementary School District and the Centinela Valley Union High School District to the Wiseburn Unified School District.

## Type of Action

Action, Information, Public Hearing

## Summary of the Issue(s)

The Los Angeles County Committee on School District Organization (County Committee) approved a petition to transfer territory from the Lawndale Elementary School District (ESD) and the Centinela Valley Union High School District (UHSD) to the Wiseburn Unified School District (USD). Pursuant to California *Education Code* (*EC*) Section 35710.5, the Lawndale ESD submitted an appeal to the California State Board of Education (SBE) from this County Committee action.

The SBE may affirm or reverse the County Committee’s decision to approve the territory transfer proposal. If the SBE affirms the County Committee’s action, thus approving the territory transfer, it must establish an election area for the proposal.

## Recommendation

The California Department of Education (CDE) recommends that the SBE deny the appeal, thus affirming the action of the County Committee to approve the proposal to transfer territory from the Lawndale ESD and the Centinela Valley UHSD to the Wiseburn USD. The CDE further recommends that the SBE (1) establish the territory proposed for transfer as the election area for the required election on the proposal; and (2) provide for no division of the property, funds and obligations of the Lawndale ESD and the Centinela Valley UHSD if the transfer is approved at election.

## Brief History of Key Issues

The Los Angeles County Superintendent of Schools (County Superintendent) received a petition signed by at least 25 percent of the voters residing in 406 parcels primarily located in the unincorporated community of Del Aire in Los Angeles County. The parcels are within the boundaries of the Centinela Valley UHSD and the Lawndale ESD (a component district of the Centinela Valley UHSD). Petitioners request transfer of these parcels to the Wiseburn USD for the following reasons:

* The transfer area is part of a larger, unincorporated area known as Wiseburn. All other portions of this Wiseburn community are in the Wiseburn USD.
* The transfer area is known as the “Choice Blocks” since all affected districts historically have allowed students in this area to attend any of the districts.
* The transfer will ensure that “Choice Blocks” students can attend Wiseburn USD charter high schools. The extreme competition for non-resident slots at these schools prevents many “Choice Blocks” students from being accepted.

After conducting public hearings in each affected school district and receiving recommendations from the County Superintendent, the County Committee determined that all of the nine minimum threshold conditions of *EC* Section 35753(a) are substantially met.[[1]](#footnote-1) The County Committee subsequently approved the territory transfer proposal. Pursuant to *EC* Section 35710.5, the Lawndale ESD submitted an appeal from this County Committee action. The district identified the following reasons for the appeal:

* The “Choice Blocks” area does not have a community identity with the Wiseburn USD that makes the proposed territory transfer logical or compelling.
* Approving the transfer would result in a permanent loss of students (and revenue) and a reduction in bonding capacity for the district.
* Commutes to Wiseburn USD schools from the “Choice Blocks” are more dangerous than are commutes to the Lawndale ESD schools.
* Because of the long history of open enrollment among affected districts, there is no compelling or logical reason to approve the proposed territory transfer.
* An elementary district should not lose territory, students, and revenue just so a group of parents can have priority to enroll their children in charter high schools.

The CDE reviewed the entire administrative record provided by the County Superintendent (including minutes and audio-recordings of public hearings and meetings, documentation from the affected school districts and the chief petitioners, and information prepared for the County Committee—as well as new information requested and received from the County Superintendent and the affected school districts (pursuant to *EC* Section 35751). After this review, the CDE completed an analysis of the proposed territory transfer and the subsequent appeal. The complete analysis and resultant recommendations are contained in Attachment 1.

### CDE Findings and Recommendations

Below is a summary of the CDE’s findings and recommendations from Attachment 1, which the SBE may consider when making its decision:

1. All minimum threshold standards of *EC* Section 35753 are substantially met.
2. There is no compelling reason to transfer the “Choice Blocks” to the Wiseburn USD, especially with the existing open enrollment practices of the districts.
3. There are no compelling local educational reasons or concerns to justify overturning the County Committee decision to approve the proposed transfer.
4. *EC* Section 35500 states that it is the intent of the Legislature that “local educational needs and concerns shall serve as the basis for future reorganizations of districts in each county.” The CDE believes that the County Committee is better positioned to determine “local educational needs and concerns” than is any state agency; and the CDE finds that the County Committee appropriately considered such needs and concerns when taking its action to approve the territory transfer.

Based on these findings, the CDE recommends that the SBE affirm the decision of the County Committee to approve the proposal to transfer territory from the Lawndale ESD and the Centinela Valley UHSD to the Wiseburn USD.

## Summary of Previous State Board of Education Discussion and Action

The SBE approved a proposal to unify the Wiseburn ESD (and the corresponding portion of the Centinela Valley UHSD) at its May 2013 meeting.

## Fiscal Analysis (as appropriate)

Affirming the action of the County Committee constitutes an order to the County Superintendent to call an election for the proposed territory transfer. Costs for this election will depend upon the timing of the election, the type of election, and the size of the election area established by the SBE—election costs will be borne by the county.

## Attachment

**Attachment 1**: Analysis of Administrative Record (32 pages)

# ATTACHMENT 1 Analysis of Administrative Record

**Appeal from an Action of the  
Los Angeles County Committee on School District Organization  
to Approve a Petition to Transfer Territory from the  
Lawndale Elementary School District and the  
Centinela Valley Union High School District to the  
Wiseburn Unified School District**

## 1.0 Recommendation

The California Department of Education (CDE) recommends that the California State Board of Education (SBE) affirm the action of the Los Angeles County Committee on School District Organization (County Committee) to approve a petition to transfer territory from the Lawndale Elementary School District (ESD) and the Centinela Valley Union High School District (UHSD) to the Wiseburn Unified School District (USD).

## 2.0 Background

### 2.1 Affected Districts

The Lawndale ESD serves approximately 5,700 kindergarten through eighth grade students in six elementary schools and two middle schools. There also is a district-authorized charter high school providing secondary education to over 500 ninth through twelfth grade students. Lawndale ESD’s territory encompasses the City of Lawndale, a portion of the City of Hawthorne, and portions of unincorporated territory in Los Angeles County.

The Centinela Valley UHSD educates approximately 7,600 ninth through twelfth grade students in three comprehensive high schools and two alternative/continuation schools. Included in the enrollment numbers are over 1,200 students in two district-authorized charter high schools. The territory of the district includes the City of Lawndale, the City of Hawthorne, and portions of unincorporated territory in Los Angeles County. The Lawndale ESD is a component elementary school district of the Centinela Valley UHSD along with two other component districts—the Hawthorne ESD and the Lennox ESD.

The Wiseburn USD was formed effective July 1, 2014,[[2]](#footnote-2) from the Wiseburn ESD and the corresponding portion of the Centinela Valley UHSD. The district has an enrollment of approximately 4,600 kindergarten through twelfth grade students and maintains four elementary schools and one middle school. District enrollment includes almost 1,700 students in three district-authorized charter high schools and over 400 students in a district-authorized kindergarten through eighth grade charter school. Wiseburn USD provides educational services to portions of the cities of El Segundo and Hawthorne, along with portions of unincorporated territory in Los Angeles County.

### 2.2 Charter High Schools

Charter high schools serving students within the boundaries of the Centinela Valley UHSD have been in existence for almost two decades. As previously noted, each affected school district operates at least one charter high school. The Lawndale ESD operates the Environmental Charter High School as a direct-funded start-up charter school that has provided site-based instruction since August 2001. All three high schools of the Wiseburn USD (formerly a component district of Centinela Valley UHSD) are charter schools[[3]](#footnote-3) (see Section 2.5 for information regarding enrollment options for Wiseburn USD high school students choosing not to attend a charter high school). Centinela Valley UHSD itself operates two charter high schools[[4]](#footnote-4) in addition to its three comprehensive non-charter high schools. The Hawthorne and Lennox elementary school districts (components of the Centinela Valley UHSD) also have authorized charter high schools.

In total, over 5,200 of the more than 11,200 students attending a high school in the combined territory of Centinela Valley UHSD and Wiseburn USD attend charter high schools—this represents 47 percent of that high school student population.

### 2.3 Student Racial/Ethnic Composition in Affected Districts

Table 1 depicts the percentage of students in the most populous racial/ethnic categories for each of the school districts from the California Longitudinal Pupil Achievement Data System (CALPADS). The largest racial/ethnic category in each district is “Hispanic.”

***Table 1: Percent Race/Ethnicity in Districts Affected by Proposed Transfer***

| District\* | African American | Hispanic | White | Other\*\* |
| --- | --- | --- | --- | --- |
| Lawndale ESD  (K-8 enrollment: 5,592) | 9.7% | 78.1% | 4.4% | 7.8% |
| Centinela Valley UHSD  (9-12 enrollment: 7,558) | 15.5% | 75.0% | 2.5% | 7.0% |
| Wiseburn USD  (K-12 enrollment: 4,503) | 13.5% | 55.9% | 17.1% | 13.5% |

*Source:* *2019*–*20 CALPADS*

*\* Students in the “Not Reported” CALPADS category are excluded from   
the enrollment figures and are omitted from all calculations for this table.*  
\*\* *The “Other” category includes “Asian,” “American Indian or Alaska  
Native,” “Filipino,” “Pacific Islander,” and “Two or More Races.”*

In the Wiseburn USD, the racial/ethnic composition of the student population does not necessarily reflect the racial/ethnic composition of the Wiseburn USD residential community. Due to its historically positive reputation for educational programs and the existence of job-rich industries within its boundaries,[[5]](#footnote-5) the Wiseburn USD has been the educational destination for many out-of-district students—at the time the SBE approved the Wiseburn unification proposal in 2013, 49 percent of the district’s kindergarten through eighth grade students were out of district. Although the CDE did not collect information regarding out-of-district students for this appeal, it assumes the district still has a significant out-of-district student population based on (1) the fact that its enrollment continues to grow when surrounding districts have experienced declining enrollment (see Table 3 in Section 7.2 of this attachment) and (2) the district’s ongoing support of educational options (e.g., charter high schools and open enrollment agreements for the “Choice Blocks” neighborhoods).

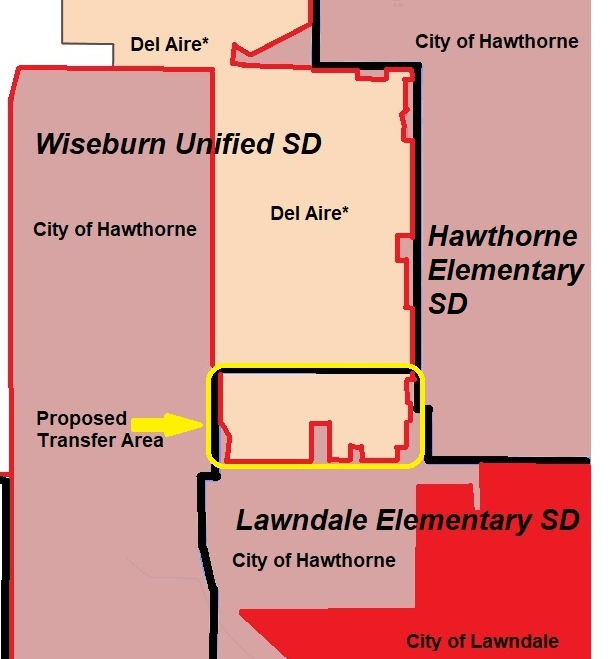
### 2.4 Territory Transfer Proposal

The proposed transfer area, located primarily in unincorporated territory of Los Angeles County, contains 406 parcels and is bounded by Inglewood Avenue to the east, Rosecrans Avenue to the south, La Cienega Boulevard to the west, and 139th Street to the north (see map in Figure 1). The petition, signed by at least 25 percent of the voters from this area, includes the following three reasons for requesting the transfer:

* The homes in the proposed transfer area are part of a larger, unincorporated area known as Wiseburn. All other portions of this Wiseburn community are located within the Wiseburn USD. This larger Wiseburn area has a distinct community identity that is unique from neighboring areas and cities.
* The proposed transfer area is known locally as the “Choice Blocks” since both the Lawndale ESD and the Centinela Valley UHSD historically have approved interdistrict transfer requests to attend schools in the Wiseburn USD. Approximately 60 percent of the 200 or so students residing in the transfer area already attend Wiseburn USD on these interdistrict transfer permits.
* Although both the Lawndale ESD and the Centinela Valley UHSD will approve transfers to the Wiseburn USD, such approval does not guarantee that high school students residing in the “Choice Blocks” will be able to enroll in the charter high schools of that district. Wiseburn USD resident students have priority for enrollment in these high schools, and the extreme competition for non-resident slots prevents many “Choice Blocks” students from being accepted. Approval of the transfer proposal will ensure that neighborhood students will have access to the Wiseburn charter high schools.

A map of the proposed transfer area is Figure 1.

***Figure 1: Overview Map of Area Proposed for Transfer***

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*\* Census Designated Place (Petitioners refer to this geographic area as “Wiseburn.” However, the US Census Bureau identifies it as “Del Aire,” which is the term that will be used in this analysis.)*

*Source map: US Census Bureau*, *Geography Division* ([*https://tigerweb.geo.census.gov/tigerweb/*](https://tigerweb.geo.census.gov/tigerweb/)*).*

### 2.5 Open Enrollment Options

As noted in Section 2.4, students residing in the “Choice Blocks” historically have had interdistrict attendance requests to attend Wiseburn USD schools approved by the Lawndale ESD and the Centinela Valley UHSD. According to the County Superintendent, there have been no formal agreements among the affected districts to

allow open enrollment for “Choice Blocks” students.[[6]](#footnote-6) However, as stated by the County Superintendent, there have been a series of “memoranda and various understandings and informal agreements, buffeted by a history of permissive enrollment,” which has provided access to Wiseburn USD schools to students in the proposed transfer area.

Both the Lawndale ESD and the Centinela Valley UHSD have indicated that they will continue to honor these attendance options. Moreover, the Wiseburn USD has indicated that it will honor similar attendance options to the Lawndale ESD and the Centinela Valley USD should the territory transfer proposal be approved.

## 3.0 Action of the County Committee

The County Committee held two public hearings for the proposed transfer of territory—one within the boundaries of the Wiseburn USD and one within the boundaries of the Lawndale ESD (also within the boundaries of the Centinela Valley UHSD). The County Superintendent) prepared an analysis and recommendations regarding the proposal for the County Committee’s consideration. Under the California *Education Code* (*EC)*, the County Committee had the following options:

* If the County Committee determined that all nine minimum threshold standards of *EC* Section 35753(a) are substantially met, it could approve the petition (though not required to do so).
* The County Committee could disapprove the petition to transfer territory for other concerns even if it finds that all nine conditions of *EC* Section 35753(a) have been substantially met.
* If the County Committee determined that all nine minimum threshold standards of *EC*Section 35753(a) are not substantially met, it would be required to disapprove the petition to transfer territory.

Although the County Superintendent recommended that two of the minimum threshold standards are not substantially met,[[7]](#footnote-7) the County Committee found that the proposal substantially meets all *EC* Section 35753 minimum threshold standards and subsequently approved the transfer by a vote of 7 to 2 (with one abstention).

Chief petitioners or affected school districts may appeal County Committee decisions on territory transfers for issues of noncompliance with the provisions of *EC* sections 35705, 35706, 35709, 35710, and 35753(a). The Lawndale ESD submitted such an appeal to the County Superintendent, who subsequently transmitted the appeal, along with the complete administrative record of the County Committee action, to the SBE.

## 4.0 Positions of Affected School Districts

### 4.1 Lawndale ESD

The Lawndale ESD is opposed to the proposed transfer of territory and is the appellant in this matter. As such, the district’s positions are contained in Section 5.0 of this attachment (Reasons for the Appeal).

### 4.2 Centinela Valley UHSD

The governing board of the Centinela Valley UHSD adopted a resolution opposing the transfer of the “Choice Blocks” neighborhoods noting that:

* The proposed transfer is not in the best interests of students residing in the “Choice Blocks.” If the transfer is approved, students in these neighborhoods no longer will be able to choose which districts they can attend.
* The Wiseburn USD does not have a comprehensive public high school other than the charter high schools within its boundaries.
* At the time of the formation of the Wiseburn USD, all affected districts entered into a joint powers authority (JPA) that provides a revenue-sharing formula for all districts related to an area-wide parcel tax. Transfer of the “Choice Blocks” would change the intent of that agreement and its revenue-sharing calculations.
* The proposed transfer primarily is motivated by a desire to increase property values in the “Choice Blocks,” which is prohibited under the *Education Code*.
* The proposed transfer would significantly disrupt the education programs of both the Lawndale ESD and the Centinela Valley UHSD.

### 4.3 Wiseburn USD

The governing board of the Wiseburn USD adopted a resolution to support the proposed transfer of territory, stating that:

* Although geographically within the Lawndale ESD, the “Choice Blocks” neighborhoods historically have identified with the Wiseburn “community of interests” to which they are “politically, geographically, commercially, socially, and emotionally tied.”
* “Choice Blocks” residents live in unincorporated Los Angeles County and are not geographically or politically part of the City of Lawndale.
* The “Choice Blocks” neighborhood has engaged in more than a 25-year effort to become part of the Wiseburn district. In the 1990s, the governing boards of both the Lawndale ESD and the Wiseburn ESD agreed in principle to the transfer. However, the effort was placed in abeyance because a long-time Lawndale ESD governing board member was a resident of the “Choice Blocks.”
* More than half of the “Choice Blocks” students already attend Wiseburn USD schools on interdistrict attendance permits. The Wiseburn USD has agreed in principle that “Choice Blocks” students always will be able to choose between Lawndale ESD schools and Wiseburn USD schools, regardless of district of residency.

## 5.0 Reasons for the Appeal

The Lawndale ESD appeals the County Committee’s decision to approve the transfer for the following reasons:

### 5.1 Community Identity

The Lawndale ESD states that the “Choice Blocks” neighborhoods do not have a community identity with the Wiseburn USD that would make the proposed territory transfer logical or compelling. The district notes that petitioners focus on issues that unite the Wiseburn community and make it unique from surrounding communities—issues such as access to quality early education programs, participation in community sport programs (e.g., Little League and the American Youth Soccer Organization [AYSO]), and involvement in parks and recreation programs. The Lawndale ESD claims that none of these issues are unique to the Wiseburn community, observing that the Lawndale ESD is a leader in early childhood education and that the residents of both the Lawndale ESD and the Wiseburn USD are included in the City of Hawthorne’s Little League and AYSO programs. Similarly, the district reports that parks and recreation programs are open to all local residents as are the local libraries, which are part of the county library system.

The Lawndale ESD believes that residents of the “Choice Blocks” already have access to the community features they claim make the Wiseburn community cohesive and unique. School district boundaries do not interfere with this access. As such, the Lawndale ESD sees no justification to permanently change school district boundaries.

### 5.2 Negative Effects on Revenue and Bonding Capacity

The Lawndale ESD states that transferring the “Choice Blocks” would result in a permanent loss of students to the district (131 kindergarten through eighth grade students lived in the “Choice Blocks” at the time the appeal was filed) and the subsequent reduction in the revenue generated by those students. The district dismisses the conclusions of some members of the County Committee that many of the students residing in the “Choice Blocks” neighborhoods already are lost to the district since they attend Wiseburn USD schools under the long-standing “open enrollment” agreements between the two districts. The Lawndale ESD notes that the number of students transferring to Wiseburn USD is subject to change in any given year due to parental choice. Thus, it is the district’s opinion that the transfer would result in the permanent loss of all “Choice Blocks” students since they would become residents of the Wiseburn USD and an option to choose the Lawndale ESD as a district of attendance no longer would exist.

According to the Lawndale ESD, permanent loss of the “Choice Blocks” students would have a significant effect on funding for the district, resulting in potential cuts to Local Control and Accountability Plan (LCAP) programs that provide significant support for the district’s school communities (with nearly 90 percent of students living in poverty). The loss of funding also could result in reductions in teaching staff, increases in class sizes, and cuts to base operations.

The Lawndale ESD also believes that the loss of the assessed valuation of “Choice Blocks” territory would have negative effects on its ability to secure future bond funds, which are critical to the maintenance of its aging facilities. At the time the district filed its appeal, the assessed valuation of the “Choice Blocks” was almost $116 million, which represented over four percent of the district’s total assessed valuation.

### 5.3 Dangerous Traffic Safety Issues

The Lawndale ESD asserts that commutes to Wiseburn USD schools from the “Choice Blocks” would be more dangerous than commutes to the Lawndale ESD schools due to Interstate 405 (San Diego Freeway), which runs between the homes in the neighborhood and the schools (see Figure 2, page 15 of this attachment). Due to this freeway, the number of streets available to travel from the “Choice Blocks” neighborhoods to Wiseburn USD schools are limited—and those that are available for school commutes are heavily used and result in dangerous commute conditions for students. The Lawndale ESD also notes that travel times and distances from the transfer area to Wiseburn USD schools are longer than for commutes to Lawndale ESD school sites.

### 5.4 Existence of Open Enrollment Options

The Lawndale ESD maintains that, because of the long history of open enrollment agreements between it and the Wiseburn USD, there is no compelling or logical reason to approve the proposed territory transfer. Students residing in this portion of the Lawndale ESD already have the ability to enroll in Wiseburn USD schools. The district further notes that a similar agreement exists between the Centinela Valley UHSD and the Wiseburn USD for attendance of high school students.[[8]](#footnote-8) The Lawndale ESD agrees with the conclusion in the County Superintendent’s recommendation to the County Committee that there “is no need to change the permanent boundaries of the two school districts to assure access and enrollment when that access already is available.”

### 5.5 Petitioner Access to Wiseburn USD High Schools

Petitioners state that, given the priority enrollment in the Wiseburn USD charter high schools for Wiseburn USD resident students and the extreme competition for non-resident slots, transfer of the “Choice Blocks” neighborhoods to the Wiseburn USD is their “greatest hope for future access” to these schools. The Lawndale ESD insists that it (as an elementary school district) should not lose territory, students, and revenue just so a group of parents can gain an advantage in enrolling their children in charter high schools. The district believes that it is bad public policy to approve territory transfers as part of the competition for more “prestigious” schools.

## 6.0 CDE Analysis of *Education Code* Section 35753

CDE staff reviewed the administrative record provided by the County Superintendent, which details (1) the County Superintendent’s reorganization feasibility study (County Committee Study), (2) the County Committee actions in its consideration of the *EC* Section 35753 threshold conditions, and (3) the concerns raised in the appeal regarding the County Committee’s actions. *EC* Section 35753 conditions are established as minimum threshold requirements for a school district reorganization (*Hamilton v. State Board of Education* [1981] 117 Cal.App.3d 132). The County Committee (and the SBE) are required to determine if these minimum standards are substantially met before taking any discretionary action to approve a reorganization (see *EC* sections 35709, 35710, and 35753).

As noted in previous sections of this attachment, the County Committee determined that all *EC* Section 35753 minimum threshold standards are substantially met by the proposed transfer of territory. The appeal does not address specifically any of these thresholds—therefore, the CDE, in its analyses in this section, focuses on the minimum threshold standards that encompass the issues raised in the appeal. Those standards include the following two *EC* Section 35753 conditions that County Superintendent recommends are not substantially met in the County Committee study:

* *EC* Section 35753(a)(2): The school districts are each organized on the basis of a substantial community identity.
* *EC* Section 35753(a)(3): The proposal will result in an equitable division of property and facilities of the original district or districts.

As noted in Section 3.0 of this attachment, the County Committee disagreed with the recommendations of the County Superintendent regarding the above two minimum threshold standards—taking action to find that each of these two standards are substantially met.

The appeal includes concerns regarding the fiscal effects of the proposed territory transfer on the Lawndale ESD. Therefore, the CDE also will examine the following *EC* Section 35753 condition (which the County Superintendent recommends is substantially met):

* *EC* Section 35753(a)(9): The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the affected district.

Other issues are contained in the appeal that, in the opinion of the CDE, do not fall clearly under *EC* Section 35753 will be addressed in Section 7.0 of this attachment (Compelling Reasons and Concerns).

For its analysis of the effects of territory transfer proposal, the CDE conducted its own study of the minimum threshold standards, using information provided by the County Superintendent and the affected school districts, as well as data that is maintained by the CDE.

### 6.1 Community Identity

*EC* Section 35753(a)(2): *The districts are each organized on the basis of a substantial community identity*. SBE regulations (Title 5, *California Code of Regulations* [5 *CCR*] Section 18573[a][2]) regarding this “community identity” condition are identified in the following Standard of Review.

#### Standard of Review

5 *CCR* Section 18573(a)(2): *To determine whether the new district is organized on the basis of substantial community identity, the State Board of Education will consider the following criteria:*

* *Isolation*
* *Geography*
* *Distance between social centers*
* *Distance between school centers*
* *Topography*
* *Weather*
* *Community, school, and social ties, and other circumstances distinctive about the area.*

In addition to the above *California Code of Regulations* guidance, the *School District Organization Handbook[[9]](#footnote-9)* provides the following “best-practices” recommendation:

No single factor is likely to determine that community identity exists. The county committee probably will need to examine several attributes of the population and the makeup of the territory in question to make a judgment on this condition. Some indicators that the committee might study include types of housing, parks and recreation facilities and programs, sports activities, transportation patterns, geopolitical factors, and shopping patterns.

#### County Committee Action

The County Committee Study recommendation for the County Committee is that the “community identity” condition is not substantially met. The rationale for this recommendation includes the following findings:

* Chief petitioners, and the “Choice Blocks” residents they represent, express a stronger sense of community identity with the Wiseburn USD because they have sought to build that relationship. This is, in part, due to the fact that a majority of the students in the area attend (and historically have attended) the Wiseburn USD despite being residents of the Lawndale ESD and the Centinela Valley UHSD.
* The “Choice Blocks” petitioners claim that the current boundary line isolates them from their Wiseburn community schools is not reasonable given the long history of students from this area crossing that school district boundary line to attend schools.
* Residences in the “Choice Blocks” are located in the City of Hawthorne, City of Lawndale, and unincorporated portions of Los Angeles County. A change to the school district boundary will not affect the ability of residents to avail themselves of the community services offered by those cities or the county.
* Chief petitioners and other residents of the “Choice Blocks” do not evidence greater community identity with the Wiseburn USD than with the Lawndale ESD and the Centinela Valley UHSD.

Despite the above recommendations from the County Superintendent, the County Committee voted that the “community identity” condition is substantially met.

#### Appeal

The Lawndale ESD, in its appeal, addressed two issues that the CDE finds are related to the issue of community identity:

##### No distinct community identity with the Wiseburn USD

The Lawndale ESD states that the “Choice Blocks” neighborhoods do not have a community identity with the Wiseburn USD that would make the proposed territory transfer logical or compelling. This point is detailed in Section 5.1 of this attachment but, in summary, the district claims that (1) there are no community identity issues that are unique to the Wiseburn area and (2) residents of the “Choice Blocks” already have access to the community features they claim make the Wiseburn community cohesive and unique—and will retain that access regardless of district of residence.

##### Home-to school commute safety

The Lawndale ESD asserts that commutes to Wiseburn USD schools from the “Choice Blocks” would be more dangerous than are commutes to the Lawndale ESD schools because of (1) the presence of Interstate 405 (San Diego Freeway) between the homes in the neighborhood and the schools (see Figure 2, page 15 of this attachment) and (2) the longer commute times to Wiseburn USD schools. Additional detail regarding this claim is provided in Section 5.3 of this attachment.

The Lawndale ESD identifies additional issues that it believes are related to community identity: (1) The long history of open enrollment in the “Choice Blocks” and (2) the desire of the petitioners to have increased access to the charter high schools of the Wiseburn USD. It is the CDE’s opinion that these issues are best treated separately in Section 7.0 of this attachment (Compelling Reasons and Concerns) and not within this analysis of the minimum threshold standards of *EC* Section 35753.

#### CDE Findings/Conclusion

The CDE disagrees with the claim expressed in both the County Committee study and the appeal that the “community identity” threshold is not substantially met if it cannot be determined that the proposed transfer area has a greater sense of community identity with the Wiseburn USD than it does with the Lawndale ESD. It is the CDE’s opinion that an analysis of this threshold standard does not require that a burden be placed upon the petitioners to prove that the territory transfer is beneficial to the community identity of the affected districts. The focus of the “community identity” condition, as a minimum threshold requirement, is that the proposed reorganization does not negatively affect the community identity of the districts. The information provided to the County Committee by the County Superintendent, as well as the information in the appeal, clearly indicates that the proposed reorganization would have no effect on the community identity of the districts. Again, the CDE believes that petitioners are not required to prove that the proposed transfer would **enhance** community identity—the standard is that the affected districts would **maintain** substantial community identity after the proposed reorganization.

Similarly, the CDE finds little evidence that the safety of the home-to-school commutes to Wiseburn USD schools by the students in the “Choice Blocks” would differ substantially from the safety of home-to-school commutes with the Lawndale ESD. In its appeal, the Lawndale ESD primarily justifies this claim with two issues: (1) the longer distances to Wiseburn USD schools from the “Choice Blocks” and (2) the fact that Interstate 405 is between the homes and the schools creating a dangerous barrier for these commutes.

Regarding commute distances, the CDE finds no substantial differences between the Lawndale ESD and the Wiseburn USD (see Table 2). Distances range from three fifths of a mile to one mile for the kindergarten through fifth grade students, while the Lawndale middle school is a longer distance from the “Choice Blocks’ than is the Wiseburn middle school (see Table 2).

***Table 2: Commute Times and Distances to Schools[[10]](#footnote-10)***

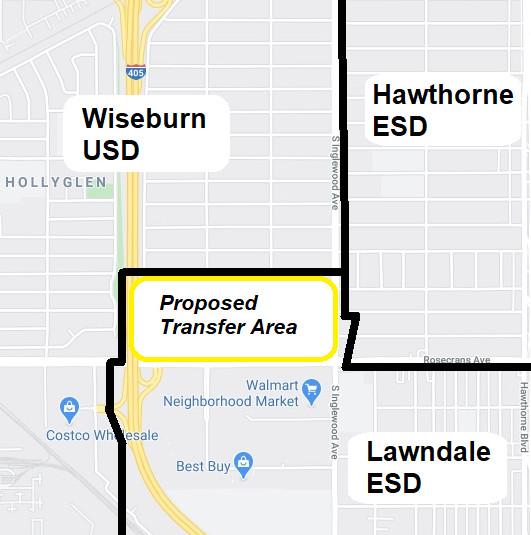
| District\* | School | Grade Levels Served | Distance\* in miles | Walking Time in Minutes |
| --- | --- | --- | --- | --- |
| Lawndale ESD | Billy Mitchell Elementary | K-5 | 0.6 | 13 |
| Lawndale ESD | Jane Addams Middle | 6-8 | 1.3 | 26 |
| Wiseburn USD | Juan Cabrillo Elementary | K-2 | 0.8 | 16 |
| Wiseburn USD | Peter Burnett Elementary | 3-5 | 1.0 | 20 |
| Wiseburn USD | Richard Henry Dana Middle | 6-8 | 1.0 | 20 |

The CDE also finds little support from information in the appeal and other sources that the commute from the “Choice Blocks” to Wiseburn USD schools is substantially more dangerous due to the presence of Interstate 405. Freeways, busy surface streets, and commercial establishments are common to school commutes in urban areas such as those in the Lawndale ESD and Wiseburn USD. Specific to this proposal are the following circumstances:

* A large shopping mall separates the “Choice Blocks” from the rest of the Lawndale ESD and all of its schools (see Figure 2).
* All of the Wiseburn USD schools are located west of Interstate 405. A significant portion of the Wiseburn USD resident students (from the area north of the “Choice Blocks”) commute to these schools across the freeway—no information was provided in the appeal that detailed any safety issues with those commutes.
* Interstate 405 separates the southwest corner of the Lawndale ESD from the remainder of the district. All of the Lawndale ESD middle schools are located on the opposite side of the freeway from this southwest corner—no information was provided in the appeal detailing safety issues for these middle school students.

Given the commute conditions that exist (and the lack of documentation regarding commute safety concerns), the CDE finds no discernable differences in the commute safety concerns regardless of whether “Choice Blocks” students attend Lawndale ESD schools or Wiseburn USD schools. The CDE agrees with the County Committee finding that this “community identity” condition is substantially met.

***Figure 2: Proposed Transfer Area in Relation to Freeway and Shopping Center***



*Google Maps ©2020*

### 6.2 Equitable Division of Property and Facilities

*EC* Section 35753(a)(3): *The proposal will result in an equitable division of property and facilities of the original district or districts.* SBE regulations (5 *CCR* Section 18573[a][3]) regarding this “equitable division” condition are identified in the following Standard of Review.

#### Standard of Review

5 *CCR* Section 18573(a)(3): *To determine whether an equitable division of property and facilities will occur, the California Department of Education will determine which of the criteria authorized in Education Code Section 35736 shall be applied. It shall also ascertain that the affected districts and the county office of education are prepared to appoint the committee described in Education Code Section 35565 to settle disputes arising from such division of property*.

The *School District Organization Handbook* provides no supplementary guidelines but does identify additional *Education Code* provisions for the division of funds, property, and obligations. In particular, it refers to *EC* sections 35560 and 35570 through 35579 (which address division of outstanding bonded indebtedness).

#### County Committee Action

The County Committee Study contains the following findings regarding this “equitable division” threshold condition:

* Pursuant to *EC* Section 35575, the “Choice Blocks” property owners would drop any current liability for outstanding bonded indebtedness of the Centinela Valley UHSD and the Lawndale ESD and assume their proportionate share of the Wiseburn USD outstanding bonded indebtedness. However, the study also noted that existing agreements between the Centinela Valley UHSD and the Wiseburn USD modify *EC* Section 35575 by requiring that the “Choice Blocks” property owners would continue with their responsibility for Centinela Valley UHSD outstanding bonded indebtedness incurred as of January 1, 2012[[11]](#footnote-11) (if the territory is transferred).
* An additional component of the agreements that enabled the unification of the Wiseburn ESD was the establishment a Joint Powers Authority (JPA) by the Centinela Valley UHSD and the Wiseburn USD. This JPA provides a revenue-sharing formula for the Wiseburn USD, the Centinela Valley UHSD, and the high school district’s three component districts (including the Lawndale ESD). The Centinela Valley UHSD claims the territory transfer, if approved, would alter the distribution of the parcel tax revenue among the affected districts. In the County Committee Study, the County Superintendent was unable to confirm the accuracy of this claim.
* At the time the County Committee study was completed, the County Superintendent was unable to obtain the exact assessed valuation of the “Choice Blocks” property. As a result, the exact impact of the loss (or gain) of the assessed valuation on affected districts could not be determined. However, given the relatively small size of the proposed transfer area, the County Superintendent noted it is unlikely that this loss (or gain) would have a substantial effect on any district.
* Pursuant to *EC* sections 35560 and 35736, property, funds, and obligations of the Lawndale ESD (and the Centinela Valley UHSD) shall be divided pro rata based on either assessed valuation or the numbers of students in the proposed transfer area attending schools in the affected districts. Calculations for this division are complicated by (1) the inability to obtain an accurate assessed valuation of the proposed transfer area; (2) open enrollment agreements for students residing in the “Choice Blocks;” and (3) the existence of the revenue-sharing parcel tax agreement.

The County Superintendent, in the County Committee Study, recommends that the “equitable division” condition is not substantially met due to the unavailability of accurate assessed valuation information and the uncertainty of the effects that factors related to the reorganization would have on the division of Lawndale ESD property, funds, and obligations.[[12]](#footnote-12)

Despite the above recommendation from the County Superintendent, the County Committee voted that the “equitable division” condition is substantially met.

#### Appeal

The Lawndale ESD argues that approving the territory transfer will negatively affect the ability of the district to seek general obligation bonds. The loss of the assessed valuation of the “Choice Blocks” (as well as the future growth of this value) will reduce the bonding capacity of the district well into the future.

#### CDE Findings/Conclusion

*EC* Section 35560 provides that, as part of a school district reorganization, the property, funds, and obligations of the districts containing the territory to be reorganized (i.e., the proposed transfer area) shall be divided pro rata among the affected districts based on the assessed valuation of the reorganized territory. *EC* Section 35736 gives authority to the SBE to determine a more equitable means to divide the property, funds, and obligations if warranted. Furthermore, the SBE, pursuant to 5 *CCR* Section 18573(a)(3), provides the CDE with responsibility to determine which of the criteria in *EC* Section 35736 will be used when determining the division of property funds, and obligations upon a successful school district reorganization. Typically, in territory transfer reorganizations such as this, the pro rata division is based upon the number of students in the reorganized territory attending each affected district (except for the division of those assets, funds, and obligations related to real property [including outstanding bonded indebtedness]).

Regardless of the method employed, both the assessed valuation and the numbers of students in the proposed transfer area are obtainable values. Based on information provided by the affected districts, the assessed valuation of the proposed transfer area for 2019–20 is approximately $177.5 million, which is about 4.3 percent of the assessed valuation of the Lawndale ESD and 0.9 percent of the Centinela Valley UHSD. The Lawndale ESD reports that, for 2019–20, 43 students from the proposed transfer area were enrolled in the district (0.7 percent of district enrollment). The Centinela Valley UHSD reports that 28 students from the proposed transfer area were enrolled in that district for the 2019–20 school year (0.4 percent of district enrollment). Further discussion of the CDE positions regarding these issues is provided below:

##### Division of property, funds, and obligations

The County Superintendent, in the County Committee study, states that no division of property, funds, and obligations (other than outstanding bonded indebtedness) is required given the small number of students affected and the lack of school facilities within the “Choice Blocks” territory. The CDE supports this assertion by recommending that the most equitable strategy is to not require division of property, funds, and obligations (if the territory transfer is approved) because:

* Students from the “Choice Blocks,” who are enrolled in the Lawndale ESD and the Centinela Valley UHSD, represent well under one percent of the enrollment of those districts.
* All affected districts have indicated a willingness to retain the historical open enrollment status of the “Choice Blocks” regardless of the outcome for the territory transfer proposal.
* The assessed valuation of the “Choice Blocks” is less than five percent of the Lawndale ESD and less than one percent of the Centinela Valley UHSD.

##### Lawndale ESD bonding capacity

The Lawndale ESD has raised concerns that transfer of the “Choice Blocks” from of the district would have significant negative effects on the future bonding capacity of the district—threatening the future ability of the district to seek future bond funds. The district has had three successful general obligation bond elections in the past 22 years: a $26.0 million measure (November 1998); a $27.0 million measure (November 2016); and a very recent $33.8 million measure (March 2020). The Lawndale ESD concern regarding the effect of the territory transfer on future bond measures is twofold:

* The loss of 4.3 percent of the district’s assessed valuation would reduce the bonding capacity of the district, thus reducing its ability to issue funds from the already approved general obligation bond measures.
* *EC* Section 35575 provides that property owners in the “Choice Blocks” will drop any liability for Lawndale ESD’s outstanding bonded indebtedness[[13]](#footnote-13) and assume their proportionate share of the Wiseburn USD bonded indebtedness if the territory transfer is approved. This “Choice Blocks” responsibility for bond repayment would shift to the remaining property owners in the Lawndale ESD—increasing the property taxes of those property owners. There is concern that the increased property taxes would make it less likely for Lawndale ESD voters to support a future bond measure.

It is CDE’s opinion that a number of factors mitigate the concerns of the Lawndale ESD regarding the loss of assessed valuation and the subsequent effects on the district’s future ability to seek bond funds:

* The assessed valuation of the Lawndale ESD has increased over 21 percent in the past five years. Thus, the annual growth in assessed valuation approximates the 4.3 percent loss of the “Choice Blocks” territory.
* The district very recently (March 2020) conducted a successful general obligation bond election, in addition to a successful bond measure at the November 2016 election.
* The district has the ability to request SBE approval to increase its bonding capacity if needed (through the SBE’s general waiver process [*EC* Section 33050 et seq.]).

Given the existence of potential equitable methods for dividing property, funds, and obligations (other than bonded indebtedness), the relatively small percentage of assessed valuation represented by the “Choice Blocks” territory, and the above-listed factors that mitigate concerns regarding future bond funds, the CDE agrees with the finding of the County Committee and recommends that this “equitable division” minimum threshold standard is substantially met.

### 6.3 Negative Effect on Fiscal Status

*EC* Section 35753(a)(9): *The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed district or any existing district affected by the proposed reorganization.*

#### Standard of Review

There are no SBE regulations on this subject; however, the criteria and standards adopted by the SBE pursuant to *EC* Section 33127 and published in 5 *CCR* sections 15440–15466, are recommended for evaluation of the financial condition of school districts affected by any proposed reorganization.

#### County Committee Action

The County Committee Study contained the following findings regarding the “fiscal status” threshold condition:

* About half of the students residing in the “Choice Blocks” neighborhoods already attend the Wiseburn USD through attendance in that district’s charter high schools or under the open enrollment practices of the affected districts.
* None of the affected school districts would lose or gain significant enrollment or revenue if the territory transfer is approved.
* The territory transfer would have no negative effects on the ability of any affected district to maintain a reserve for economic uncertainties.
* There is no support for the claims by the Lawndale ESD and the Centinela Valley UHSD that they would experience substantial fiscal losses as a result of the territory transfer.

The County Committee agreed with these finding and determined that this “fiscal status” condition is substantially met by the proposed territory transfer.

#### Appeal

The Lawndale ESD claims, in its appeal, that the territory transfer proposal would result in a permanent loss of 131 kindergarten through eighth grade students[[14]](#footnote-14) residing in the “Choice Blocks” and the revenue generated by those students. The district objects to the County Committee’s assumption that the students from that territory (and who attend the Wiseburn USD under the long-standing open enrollment agreements of the districts) are (1) permanently lost to the Lawndale ESD and (2) should not be considered when assessing the fiscal effects of the transfer. The district notes that the number of transfer students is subject to change each year.

The district states that the loss of students goes beyond the loss of state funding associated with those students. A significant portion of Lawndale ESD’s per student funding is either supplemental or concentration grant funding under the Local Control Funding Formula (LCFF). This funding is restricted to providing “new” or “improved” student services in the district’s Local Control and Accountability Plan (LCAP). Programs funded through supplemental and concentration grant funding provide significant support in a school community with nearly 90 percent of its students living in poverty. A substantial loss of revenue due to the territory transfer likely would result in these programs being cut or curtailed.

The Lawndale ESD asserts that it still would be required to provide “new” or “improved” student services based upon its LCAP. This requirement, combined with the loss of revenue from the “Choice Blocks” students, would force the district to make severe cuts to its general operations—for example, according to the Lawndale ESD, the loss of the Choice Blocks” students could force the district to reduce instructional staff by 13 teachers.

It also is noted in the appeal that a school that loses only a few students per classroom or grade level cannot reduce its expenditures to accommodate the funding loss. Each classroom still would need a full-time teacher and an aide, as well as the same level of maintenance, utilities, and administrative/support staff.

#### CDE Findings/Conclusion

There is a long history of open enrollment agreements between the Lawndale ESD and the Wiseburn USD (and the Wiseburn ESD before unification) for students residing in the “Choice Blocks.” Both districts have indicated that they intend to maintain those agreements regardless of the success of the proposed territory transfer. Enrollment of students from the “Choice Blocks” in the Wiseburn USD has been very consistent over the past five years—ranging from 82 to 95 students. Thus, absent a reversal in the districts’ positions regarding open enrollment, the CDE agrees with the County Superintendent that this trend is expected to continue.

For the 2019–20 school year, 43 “Choice Blocks” students attended Lawndale ESD schools. The CDE expects that, should the territory transfer be approved, a large percentage of the future “Choice Blocks” students who would attend Lawndale ESD would, instead, attend Wiseburn USD schools despite the presence of the open enrollment agreements. Based on 2019–20 enrollment numbers, that likely could translate into a loss of up to 0.75 percent of the Lawndale ESD enrollment. The CDE agrees with the County Superintendent that this represents a nominal effect on the district.

Although the governing board of the Centinela Valley UHSD has adopted a resolution opposing the proposed territory transfer, that district is not an appellant and has not provided any information related to negative financial effect of the transfer on the district’s student-based revenue. In 2019–20, 28 high school students from the “Choice Blocks” attended Centinela Valley UHSD schools—representing slightly over 0.37 percent of the district’s enrollment. The potential loss of enrollment for the Centinela Valley UHSD due to a successful transfer of the “Choice Blocks” is not as clear as with the Lawndale ESD given the fact that all of the Wiseburn USD high schools are charter schools. Currently, about 25 percent of the students attending these charter schools reside within the boundaries of the Centinela Valley UHSD. If all the high school students in the “Choice Blocks” neighborhoods attend Wiseburn USD charter high schools, there likely would be some reduction in the numbers of Centinela Valley UHSD students admitted to these charter schools as nonresident students—due to the enrollment caps that the Wiseburn USD has in place with its charter schools. Regardless, the CDE also agrees with the County Superintendent that the transfer represents a nominal fiscal effect on the Centinela Valley UHSD.

The County Superintendent, after her review of the Lawndale ESD 2019–20 First Interim Report, concurred with the district’s positive certification. However, she also concurred with the district’s projection of deficit spending due primarily to declining enrollment, increasing level of restricted program encroachment, rising cost of health benefits, and increasing employer contributions to employee pension plans. Similarly, the County Superintendent concurred with the positive certifications in both the Centinela Valley UHSD and the Wiseburn USD First Interim Report and also noted deficit spending for both of these districts.

Based on the above information, the CDE agrees with the County Committee’s finding that the “fiscal status” threshold condition is substantially met.

The CDE does caution that the current fiscal outlook for the state, as well as the affected districts, is unknown and potentially very troublesome due to the Coronavirus Disease 2019 (COVID-19) pandemic. Although the CDE has not considered the unknown (but very likely) negative effects on district finances in this analysis of the “fiscal status” condition, the SBE may want to consider this matter in its decision-making process regarding the appeal of the County Committee’s approval of the territory transfer. This issue is addressed in greater detail in Section 7.2 of this attachment.

### 6.4 Summary of CDE Findings

The CDE agrees with the County Committee that all *EC* Section 35753 minimum threshold conditions are substantially met.

## 7.0 Compelling Reasons and Concerns

An action by the SBE to either affirm or reverse the County Committee is a discretionary action, whether the SBE finds that all *EC* Section 35753 conditions are substantially met or if it finds all the conditions are not met. As part of this discretionary authority, the SBE may consider compelling reasons and concerns offered by affected districts, petitioners and appellants, community members, and the CDE in making its determination to either affirm or reverse the County Committee’s approval of the territory transfer.

Again, the action that is being appealed is the County Committee approval of a territory transfer. The SBE may consider compelling reasons that support the transfer in any decision it might make to affirm the County Committee decision. Conversely, the SBE may consider any concerns with the proposed transfer in consideration of an action to reverse County Committee approval of the transfer.

The chief petitioners and the Lawndale ESD have offered a number of reasons and concerns regarding the proposed transfer, some of which have been discussed in other sections of this report. Those potential compelling reasons and concerns (that the CDE considers most relevant) are summarized in this section. The CDE also provides, in this section, other reasons and concerns for SBE consideration.

### 7.1 Potential Reasons for Supporting the Transfer

Based on analyses of the information available, the CDE finds that the proposed territory transfer substantially meets all nine minimum threshold standards provided in *EC* Section 35753. However, the fact that a proposed territory transfer substantially meets these standards is not intended as a compelling reason for approval (*Hamilton v. State Board of Education* [1981] 117 Cal.App.3d 132).

In the CDE’s opinion, the SBE may consider any compelling reason it finds appropriate, including the following:

* A local determination has been made to approve the transfer.
* Greater community identity exists between the “Choice Blocks” and the Wiseburn USD than between the “Choice Blocks” and the Lawndale ESD.
* A transfer would ensure that “Choice Blocks” students have access to Wiseburn USD charter schools.

These reasons are examined in greater detail in the following paragraphs.

#### County Committee Approval

*EC* Section 35500 provides the intent of the Legislature regarding school district reorganization. This intent is, in part, that “local educational needs and concerns shall serve as the basis for future reorganization of districts in each county.” The SBE may consider that the County Committee has a solid understanding of the “local educational needs and concerns” in the affected districts, and employed that understanding in its action to approve the territory transfer.

#### Community Identity

“Community identity” is one of the *EC* Section 35753 threshold conditions—the focus of this condition, as a minimum threshold requirement, is that the proposed reorganization does not negatively affect the community identity of the districts. Both the County Committee and the CDE already have found that this condition is substantially met (see Section 6.1 of this attachment). However, the SBE may consider a “community identity” circumstance that enhances community identity as a compelling reason for the transfer (and affirmation of the County Committee approval of the transfer).

Two outcomes of transferring the “Choice Blocks” to the Wiseburn USD potentially may enhance the community identity of the area:

* The “Choice Blocks” is the only portion of the Del Aire census-designated place (see Figure 1, page 4 of this attachment) that currently is not within the boundaries of the Wiseburn USD. The SBE may consider that consolidation of the entire territory of this census-designated place into a single district enhances community identity.
* As noted in Section 6.1, a large shopping center separates the “Choice Blocks” from the other residential areas of the Lawndale ESD (see Figure 2, page 15 of this attachment). The SBE may consider that having this shopping center as a “boundary” between the districts enhances community identity.

#### Increased Petitioner Access to Wiseburn USD Charter Schools

Chief petitioners state that a successful transfer of territory is their “greatest hope for future access” to the Wiseburn USD charter high schools. Priority enrollment in these schools currently is provided to Wiseburn USD residents and the extreme competition for the non-resident openings prevents many “Choice Blocks” students from attending these charter schools. The petitioners assert that the Wiseburn USD charter high schools exhibit higher academic performance than the schools in the Centinela Valley UHSD—the territory transfer would ensure that “Choice Blocks” students “will have access to a quality, consistent education” through the schools located in their own community.

### 7.2 Potential Concerns Regarding the Proposed Transfer

The SBE, even if it determines the transfer substantially meets *EC* Section 35753 conditions, may consider any concerns that warrant reversing the County Committee’s action to approve the proposal, including (but not limited to) the following:

* Open enrollment options already exist for “Choice Blocks” students.
* Enrollment in the Lawndale ESD and the Centinela Valley UHSD has been declining for years, while increasing in the Wiseburn USD.
* The current COVID-19 pandemic may have created a fiscal and educational environment that currently is not conducive for changing school district boundaries.

These concerns are examined in greater detail in the following paragraphs.

#### Existing Open Enrollment Options

As discussed earlier in this attachment (see section 2.5), there has existed a history of permissive enrollment for students residing in the “Choice Blocks.” During the local review process for this proposed territory transfer, all affected school districts indicated they will honor existing attendance options regardless of whether or not the territory transfer is approved.

#### Enrollment Patterns

The proposed transfer area currently is located in the Lawndale ESD and the Centinela Valley UHSD, two districts with generally declining enrollment over the past five years (see Table 3). The Wiseburn USD has experienced enrollment growth over that same time period. The loss of the “Choice Blocks” students to the Lawndale ESD and the Centinela Valley UHSD likely could reduce overall enrollment beginning the year the transfer becomes effective, but would have no significant effect on the overall trend of declining enrollment.

***Table 3: Historical Enrollment in Districts Affected by Proposed Transfer***

| Year | Lawndale ESD | Centinela Valley UHSD | Wiseburn USD |
| --- | --- | --- | --- |
| 2015–16 | 6,192 | 7,682 | 4,129 |
| 2016–17 | 6,028 | 7,572 | 4,301 |
| 2017–18 | 5,953 | 7,501 | 4,495 |
| 2018–19 | 5,814 | 7,473 | 4,503 |
| 2019–20 | 5,689 | 7,584 | 4,612 |

*Source:* *CALPADS*

#### Financial Considerations

Public education in California currently is suffering due to the ongoing COVID-19 pandemic. Future impacts on school districts regarding funding, staffing, instructional planning and delivery, and facility usage are unknowable at this point. The SBE may consider that a change to school district boundaries and resultant effect on funding and student attendance, no matter how minimal, is unwarranted in the current environment. Again, although some negative effects due to COVID-19 on the educational programs and fiscal status of every school district in the state are likely, the CDE believes that it is too speculative at this point to identify the degree or timing of those effects on any of these specific affected school districts. This uncertainty is further enhanced due to the fact that the earliest the proposed territory transfer could go into effect (if the SBE affirms the County Committee’s action) is July 1, 2022.[[15]](#footnote-15)

### 7.3 CDE Recommendation

The CDE agrees with the recommendation in the County Committee study, finding no compelling reasons to transfer the “Choice Blocks” from the Lawndale ESD and the Centinela Valley UHSD to the Wiseburn USD. The community identity issues raised by petitioners are not substantially different than community identity issues that exist in other neighborhoods and school districts throughout urban communities in Los Angeles County. Freeways, busy streets, and commercial establishments that exist between neighborhoods and school sites are commonplace in these urban areas. Shared residency in a city or town, let alone in unincorporated county territory, is not a compelling reason to change school district boundaries.

Similarly, the petitioners’ desire to gain an advantage in enrolling their students at the Wiseburn USD charter high schools is not a compelling reason for a territory transfer. Interdistrict attendance agreements typically are the vehicle to address parental aspirations for an educational environment different than that provided by the school district of residence. “Choice Blocks” students have many attendance options given the open enrollment practices of the affected districts, the stated intent of the districts to continue those practices, and the plethora of charter schools that are available in the districts.

Although CDE finds no compelling reason for the transfer, the County Committee has made a local decision to approve the transfer—the CDE finds no concerns with that decision (or with the proposed transfer) that are compelling enough to reverse the County Committee’s action. The affected districts have provided assurances to the Los Angeles COE that current open enrollment options available to the “Choice Blocks’ will not be altered regardless of the success of the territory transfer. The CDE finds no substantial negative effects to either the Lawndale ESD or the Centinela Valley UHSD because of loss of students or assessed valuation.

The CDE does acknowledge that the COVID-19 environment creates a lack of certainty regarding effects on the educational services and funding of the affected districts. At this point, there can only be speculation regarding how the proposed transfer would contribute to the likely negative effects of COVID-19 on the districts losing the territory. Regardless, the earliest that the transfer would be effective is July 1, 2022, assuming the SBE affirms the action of the County Committee in the current calendar year and a local election on the matter is conducted sometime in 2021 (see *EC* Section 35534). This timing (which would push out the effects of the transfer almost two years) only increases the speculative nature.

In summary, *EC* Section 35500 identifies the legislative intent that local educational needs and concerns should drive reorganizations of school districts. The CDE believes that the County Committee, given its substantial experience in addressing countywide district organization issues, is better equipped than is the CDE to identify and understand the local factors supporting a district reorganization in Los Angeles County. Although the County Committee took no formal action to identify a specific reason for its vote to approve the transfer, members raised a number of “community identity” issues to support the approval during the public meetings that were conducted. The most focused of these issues was the following argument:

The overwhelming majority of parents in the proposed transfer area have taken steps to place their students in the Wiseburn USD. Testimony from the affected districts (regarding support for open enrollment in the area) indicates that these districts would have no problems with 100 percent of the “Choice Blocks” students attending Wiseburn USD on enrolment permits—which is no different than if the territory was in that district. However, out-of-district permit students are treated differently than resident students (e.g., they are required to apply for permits each year, there is no ability for parents to vote in school district elections, etc.). Right now, a large majority of the public school community in “Choice Blocks” is treated in this manner—if the transfer is approved, only a small minority of the community would be so affected.

After review of the administrative record, the CDE finds that the County Committee conducted appropriate public hearings to obtain input from affected districts and petitioners and made its decision based upon that input and other information available to it. The CDE can find no compelling rationale in this record or the circumstances related to the proposed territory transfer to warrant reversing the County Committee’s local action to approve the transfer.

## 8.0 Amendments to the Territory Transfer Proposal

The SBE has authority to amend or add certain provisions to any petition for reorganization. The CDE recommends two provisions be added to the petition if the SBE affirms the action of the County Committee—the determination of the area of election (pursuant to *EC* Section 35732) and inclusion of an alternate method of dividing property, funds, and obligations of the districts that would lose the “Choice Blocks” territory (pursuant to *EC* Section 35736). The following information details the CDE recommendations regarding these provisions.

### 8.1 Area of Election

District opposition to a territory transfer approved by a County Committee is one of the factors that triggers a local election (see *EC* sections 35709 and 35710). Both the Lawndale ESD and the Centinela Valley UHSD are on record opposing the territory transfer—thus, final approval of the transfer must be through approval at local election. The County Committee voted to establish the area proposed for transfer as the election area. If the SBE affirms the action of the County Committee, it must determine the territory in which this election will be held (pursuant to *EC* Section 35756).

The “default” election area in *EC* Section 35732 is the territory proposed for reorganization (i.e., the proposed transfer area). The SBE may expand the election area if it determines that conditions warrant such expansion.

#### Area of Election Principles

In establishing the area of election, the CDE and SBE follow the legal precedent set by the California Supreme Court in *Board of Supervisors of Sacramento County, et al. v. Local Agency Formation Commission* (1992) 3 Cal. 4th 903 (the *“LAFCO”* decision). *LAFCO* holds that elections may be confined to within the boundaries of the territory proposed for reorganization (the “default” area), provided there is a *rational basis* for doing so. *LAFCO* requires we examine: (1) the public policy reasons for holding a reorganization election within the boundaries specified; and (2) whether there is a genuine difference in the relevant interests of the groups that the election plan creates.

A reduced voting area has a fair relationship to a legitimate public purpose. State policy favors procedures that promote orderly school district reorganization statewidein a manner that allows for planned, orderly, community-based school systems that adequately address transportation, curriculum, faculty, and administration.

Discussion of other judicial activity in this area is warranted. In a case that preceded *LAFCO,* the California Supreme Court invalidated an SBE reorganization decision that approved an area of election that was limited to the newly unified district. As a result, electors in the entire high school district were entitled to vote (*Fullerton Joint Union High School District v. State Board of Education* [1982] 32 Cal. 3d 779 [*Fullerton*]). The *Fullerton* court applied strict scrutiny and required demonstration of a compelling state interest to justify the exclusion of those portions of the district from which the newly unified district would be formed.

#### Recommended Area of Election

The *Fullerton* case does not require that the SBE conduct a different analysis than that described above. The *LAFCO* decision disapproved the *Fullerton* case, and held that absent invidious discrimination, the rational basis approach to defining the election area applied. In this matter of the proposed transfer of territory from the Lawndale ESD and the Centinela Valley UHSD to the Wiseburn USD, no discrimination, segregation, or racial impacts are identified. Accordingly, the *LAFCO* standard and analysis applies.

The CDE finds no reason to believe that the proposed transfer would have a significant effect on the present or future racial composition of any affected district, or have any significant negative fiscal effect. Therefore, the CDE recommends that the election area only be the territory proposed for transfer if the SBE takes action to affirm the County Committee’s approval of the territory transfer proposal.

### 8.2 Division of Property, Funds, and Obligations

The SBE, pursuant to 5 *CCR* Section 18573(a)(3), provides the CDE with responsibility to determine which of the criteria in *EC* Section 35736 will be used when determining the division of property funds, and obligations upon a successful school district reorganization. It has been the practice of the CDE that the pro rata division of property funds, and obligations (which are not related to real property) be based upon the number of students in the reorganized territory attending each affected district. The Lawndale ESD reports that, for 2019–20, 43 students from the proposed transfer area were enrolled in the district (0.7 percent of district enrollment). The Centinela Valley UHSD reports that 28 students from the proposed transfer area were enrolled in that district for the 2019–20 school year (0.4 percent of district enrollment).

Given the lack of real property in the proposed transfer area, the assumed continuation of open enrollment opportunities, and the minimal students and assessed valuation involved, the CDE recommends no pro rata division of property, funds, and obligations related to this proposed transfer of territory.

## 9.0 State Board of Education Action

Subdivision (c) of *EC* Section 35710.5 provides that the SBE, upon receiving an appeal from an action of a County Committee, may review the appeal (either in conjunction with a public hearing or based solely on the administrative record) or ratify the County Committee’s decision by summarily denying review of the appeal. The practice of the SBE has been to hear all appeals in conjunction with a public hearing—thus, the assumption in this section is that the SBE will conduct a public hearing as part of its review.

### 9.1 State Board of Education Options

The SBE has the following three options for this territory transfer appeal:

1. The SBE may review the appeal in conjunction with a public hearing.

* Following review of the appeal, the SBE must affirm or reverse the action of the County Committee.
* If the proposal will be sent to election, the SBE must determine the territory in which the election is to be held.
* The SBE may reverse or modify the action of the County Committee in any manner consistent with law.

1. The SBE may request additional information regarding the appeal or the territory transfer, and choose not to take action until a later meeting.
2. The SBE, pursuant to *EC* Section 35720, may direct the County Committee to formulate plans and recommendations for an alternative reorganization. The County Committee then would report back to the SBE regarding its actions.

### 9.2 California Department of Education Findings

The CDE makes the following findings regarding the territory transfer proposal:

* All minimum threshold standards of *EC* Section 35753 are substantially met. The CDE agrees with the County Committee’s determination that all such conditions are substantially met.
* There is no compelling reason to transfer the “Choice Blocks” to the Wiseburn USD, especially in light of the existing open enrollment practices of the districts for the students in this area.
* There are no compelling local educational reasons or concerns to justify overturning the County Committee decision to approve the proposed territory transfer.
* *EC* Section 35500 states that it is the intent of the Legislature that “local educational needs and concerns shall serve as the basis for future reorganizations of districts in each county.” The CDE believes that the County Committee is better positioned to determine “local educational needs and concerns” than is any state agency; and the CDE finds that the County Committee appropriately considered such needs and concerns when taking its action to approve the territory transfer.

### 9.3 Recommended Action

The CDE recommends that the SBE deny the appeal, thus affirming the action of the County Committee to approve the proposal to transfer territory from the Lawndale ESD and the Centinela Valley UHSD to the Wiseburn USD. The CDE further recommends that the SBE (1) establish the territory proposed for transfer as the election area for the required election on the proposal and (2) provide for no division of the property, funds and obligations of the Lawndale ESD and the Centinela Valley UHSD if the transfer is approved at election.

1. Pursuant to *EC* sections 35709 and 35710, a county committee may approve a territory transfer only if it finds all conditions in *EC* Section 35753 substantially met. [↑](#footnote-ref-1)
2. The SBE approved the formation of Wiseburn USD at its May 2013 meeting. The unification subsequently was approved at a November 2013 local election. The Wiseburn USD formerly was the Wiseburn ESD, which was a component elementary school district of the Centinela Valley UHSD [↑](#footnote-ref-2)
3. Prior to unification the Wiseburn ESD opened two charter high schools (Da Vinci Science and Da Vinci Design) in 2009. A third charter high school (Da Vinci Communications) was founded in 2013. [↑](#footnote-ref-3)
4. The Family First and New Opportunities charter high schools both are direct-funded charter schools offering a combination of site-based instruction and an independent study program since 2013. [↑](#footnote-ref-4)
5. The Wiseburn USD is adjacent to the Los Angeles International Airport (LAX)—many industries related to LAX (e.g., aerospace and hotels) are located within the boundaries of the district. [↑](#footnote-ref-5)
6. As part of the effort to ensure local support for the unification of the Wiseburn ESD, the Centinela Valley UHSD and the Wiseburn ESD sponsored special legislation that, among other things, allows students residing in the Wiseburn USD to attend Centinela Valley UHSD schools without an interdistrict attendance agreement if the high school district accepts the students (see *Education Code* [*EC*] Section 35584). [↑](#footnote-ref-6)
7. These two conditions are discussed in Section 6.0 of this attachment. [↑](#footnote-ref-7)
8. See Section 2.5 of this attachment for more information regarding existing open enrollment agreements. [↑](#footnote-ref-8)
9. The *School District Organization Handbook* (<https://www.cde.ca.gov/re/lr/do/>) was developed originally in 1993 through the joint efforts of the SBE, the California County Superintendents Educational Services Association, the Fiscal Crisis and Management Assistance Team, and the CDE. Guidance in this handbook is exemplary—and compliance with it is not mandatory (*EC* Section 33308.5). [↑](#footnote-ref-9)
10. Information regarding high school commutes is not included in Table 2 given that all of Wiseburn USD’s high schools are charter schools and special legislation allowing Wiseburn USD students to attend Centinela UHSD exists (*EC* Section 35584). [↑](#footnote-ref-10)
11. As part of the effort to ensure local support for the unification of the Wiseburn ESD, the two districts sponsored special legislation that, among other things, required tax repayments for Centinela Valley UHSD bonds approved by voters prior to January 1, 2012, to be levied on all Wiseburn USD property that formerly was part of the high school district (see *EC* Section 35581). [↑](#footnote-ref-11)
12. During public comment at the County Committee meeting at which the County Committee Study findings and recommendations were presented, the Wiseburn USD provided additional information regarding the factors that was unavailable at the time the County Committee Study was completed. County Superintendent’s staff noted that, had this information been available previously, the recommendation likely could be that the condition is substantially met. [↑](#footnote-ref-12)
13. The Centinela Valley UHSD is not included because Wiseburn USD responsibility for bond debt of the high school district is addressed as part of special legislation arising from local efforts to facilitate unification of the Wiseburn ESD (*EC* sections 35580 and 35581) and subsequent agreements between the two districts. The “Choice Blocks” responsibility for Centinela Valley UHSD bond debt, if the territory becomes part of the Wiseburn USD, would be addressed under the special legislation and agreements. [↑](#footnote-ref-13)
14. The 131 students existed at the time the Lawndale ESD filed its appeal. The districts report that, for the 2019–20 school year, 138 kindergarten through eighth grade students were in the “Choice Blocks” territory—43 attending the Lawndale ESD and 95 attending the Wiseburn USD. [↑](#footnote-ref-14)
15. SBE affirmation of the County Committee’s approval of the territory transfer requires the County Superintendent to order a local election to give final approval to the proposal. The earliest that a local election could be conducted is spring of 2021. If the proposal is approved at election, *EC* Section 35534 establishes the effective date for the reorganization as “July 1 of the calendar year following the calendar year in which the action is completed.” (i.e., July 1, 2022). [↑](#footnote-ref-15)