

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

oab-sftsd-sep24item01

# California State Board of Education September 2024 Agenda Item #17

## Subject

Appeal from an Action of the Monterey County Committee on School District Organization to Approve a Petition to Transfer Territory from the North Monterey County Unified School District to the Lagunita Elementary School District and the Salinas Union High School District in Monterey County.

## Type of Action

Action, Information, Public Hearing

## Summary of the Issue(s)

The Monterey County Committee on School District Organization (County Committee) approved a petition to transfer territory from the North Monterey County Unified School District (USD) to the Lagunita Elementary School District (ESD) and the Salinas Union High School District (UHSD).

California *Education Code* (*EC*) Section 35710.5 provides that chief petitioners and affected school districts may appeal the actions of the County Committee to the California State Board of Education (SBE). The North Monterey County USD opposes the transfer of territory and is appealing the action by the County Committee pursuant to *EC* section 35710.5.

The SBE may affirm or reverse the County Committee’s decision to approve the petition. If the SBE denies this appeal, thereby affirming the County Committee’s action approving the petition, it must establish the election area for final voter approval of the petition (*EC* Section 35756).

## Recommendation

The California Department of Education (CDE) recommends that the SBE affirm the action of the County Committee to approve the proposal to transfer territory from the North Monterey County USD to the Lagunita ESD and the Salinas UHSD in Monterey County.

The CDE further recommends that the SBE establish the area proposed for transfer as the election area.

## Brief History of Key Issues

On June 25, 2019, the Monterey County Superintendent of Schools (County Superintendent) received a petition signed by at least 25 percent of the voters living in the portion of the Hidden Canyon Ranch residential development that is currently part of the North Monterey County USD.

The petition proposes to transfer ten homes and three undeveloped parcels—thirteen parcels total—from the North Monterey County USD to the Lagunita ESD and the Salinas UHSD. The remainder of the Hidden Canyon Ranch development is already within the boundaries of the Lagunita ESD and the Salinas UHSD. Chief petitioners state the following reasons for requesting the transfer:

1. To allow the Hidden Canyon Ranch development, which currently is divided by the school district boundary line, to have a cohesive community identity by placing all Hidden Canyon Ranch parcels in the Lagunita ESD.
2. To provide safer and shorter transportation routes to school for the portion of the Hidden Canyon Ranch community currently within the North Monterey County USD.
3. To allow residents of the entire Hidden Canyon Ranch community to have the same board governance opportunities and school input.

Pursuant to *EC* Section 35704, the County Superintendent determined that the petition was sufficient and subsequently transmitted it to the County Committee.

The North Monterey County USD opposes the transfer. The Lagunita ESD supports the transfer, and the Salinas UHSD has adopted a neutral position. On January 13, 2020, the County Committee determined that all nine minimum threshold conditions of *EC* Section 35753(a) were substantially met, and subsequently approved the petition.

On February 12, 2020, the North Monterey County USD filed an appeal requesting that the SBE reverse the County Committee's decision to approve the proposed territory transfer, asserting that:

* Seven of the nine conditions of *EC* 35753 are not substantially met.
* Numerous due process violations occurred during the County Committee process.
* Conflicts of interest on the part of members of the County Committee exist.
* Hearings and meetings were not scheduled fairly.
* The California Environmental Quality Act (CEQA) process was inadequate.

## Summary of CDE Findings & Recommendations

The CDE recommends that the SBE affirm the action of the County Committee to approve the proposal to transfer territory from the North Monterey County USD to the Lagunita ESD and the Salinas UHSD because:

* The CDE agrees with the County Committee’s findings that all of the nine conditions of *EC* Section 35753 are substantially met.
* There are no reasons to disapprove the territory transfer that are compelling enough to overturn the local approval by the County Committee (see section 7.1).

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

The SBE has not previously considered a school district reorganization matter involving these districts, and has not considered a petition from Monterey County in at least the last ten years.

The SBE has been presented with sixteen territory transfer appeals in the last ten years. In five of these, the SBE took action to allow the territory transfer to proceed. Once of these most closely resembles the current petition.

In September 2020, the SBE approved a territory transfer in San Mateo County of 10 homes and a number of undevelopable parcels from La Honda-Pescadero Unified School District to the Portola Valley Elementary School District and the Sequoia Union High School District. This territory transfer is similar to the current petition in several respects. In both petitions:

* Very few parcels are involved.
* No school facilities are involved.
* There are topographic features that negatively impact transportation and community identity for the petitioners.
* All 9 conditions of EC 35753 are substantially met.
* There are no compelling reasons to overturn the County Committee decision.

## Fiscal Analysis (as appropriate)

SBE action on the territory transfer appeal will have no fiscal impact to the state. An action by the SBE denying the appeal, and thus approving the territory transfer, will constitute an order to the County Superintendent to call an election for the proposed territory transfer. All election costs would be paid by the affected county agencies.

## Attachment(s)

**Attachment 1**: Analysis of Administrative Record (28 pages)

**Attachment 2**: Images of Locked Fire Gates (1 page)

**Attachment 3:** Map of Travel Routes to North Monterey County USD Schools (1 page)

# ATTACHMENT 1 ANALYSIS OF ADMINISTRATIVE RECORD

**Appeal from an Action by the**

**Monterey County Committee on School District Organization**

**to Approve a Petition to Transfer Territory from the**

**North Monterey County Unified School District to the**

**Lagunita Elementary School District**

**and the Salinas Union High 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 Monterey County Committee on School District Organization (County Committee) to approve a proposal to transfer territory from the North Monterey County Unified School District (USD) to the Lagunita Elementary School District (ESD) and the Salinas Union High School District (UHSD). The CDE also recommends that the SBE establish the area proposed for transfer as the election area.

## 2.0 Background

### 2.1 Affected Districts

North Monterey County USD is one of the larger school districts in Monterey County, with eight schools serving 4,435 students from transitional kindergarten through twelfth grade. Over the past decade, enrollment trends in North Monterey County USD have shown relative stability, with minor fluctuations indicating a four percent decline from 2020 to 2024.

Lagunita ESD is one of seven single-school districts in Monterey County, nestled within a rural setting in Salinas, CA. Lagunita ESD serves 61 students in kindergarten through eighth grade. Since the 2019–20 school year, their enrollment decreased by 33 percent.

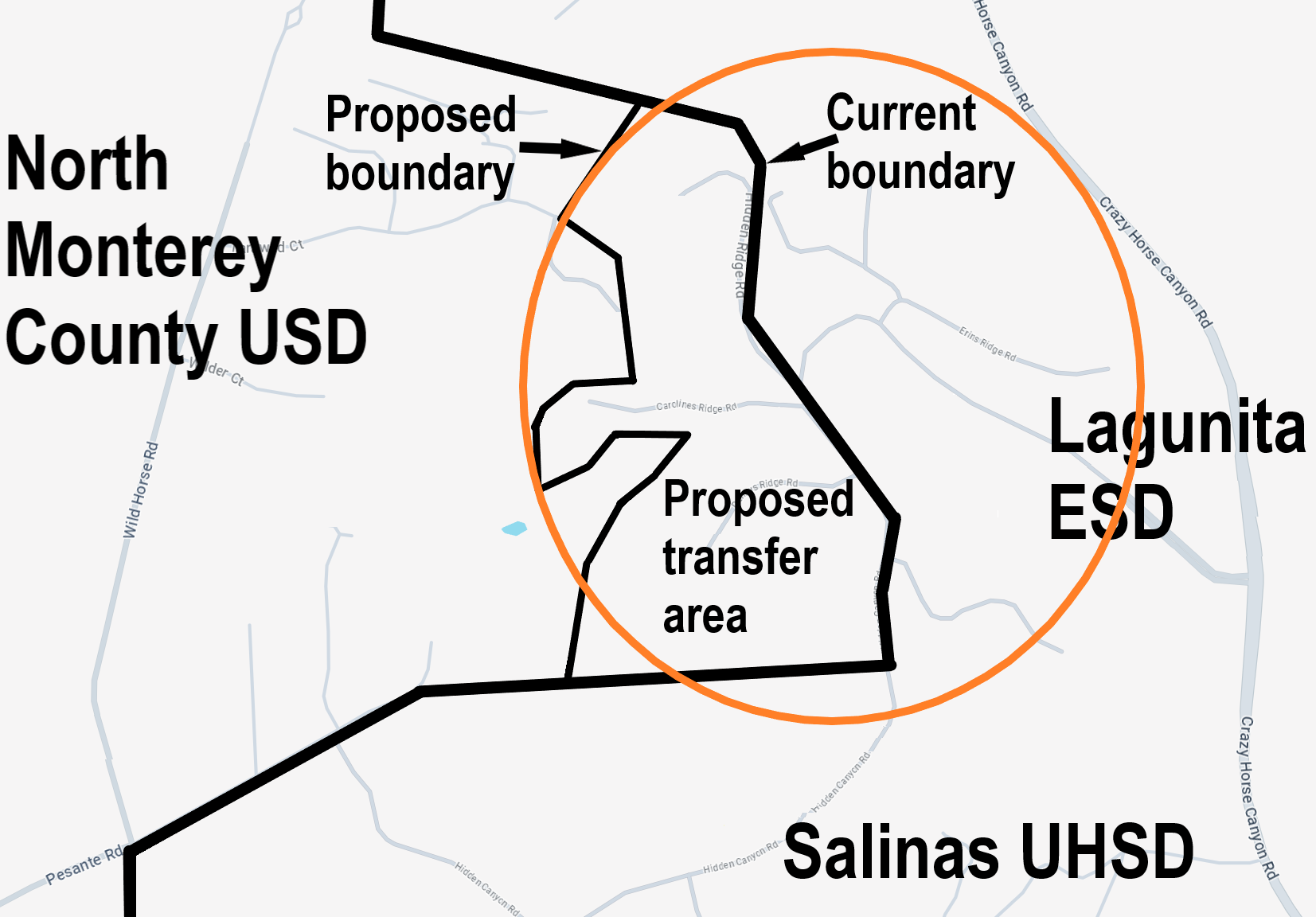
The Salinas UHSD is one of the largest high school districts in Northern California, currently serving 16,225 students in seventh through twelfth grade across twelve school sites. Its enrollment has remained relatively stable, with a change of less than one-half of one percent since the 2019–20 school year.

### 2.2 Territory Transfer Proposal

The proposed transfer area is part of a 26-parcel development called Hidden Canyon Ranch, built in 2000. This development is in a rural, unincorporated area of Monterey County. Due to a school district boundary line established in 1897 that runs through the development, the Hidden Canyon Ranch community is divided into two sections, each comprising 13 parcels. As a result, half of the parcels fall within the North Monterey County USD, while the other half are within Lagunita ESD and the Salinas UHSD. The proposed transfer of territory would place all Hidden Canyon Ranch parcels in the Lagunita ESD.

The map in Figure 1 shows the proposed transfer area with the current and proposed school district boundaries. The large circle on the map depicts the general location of the entire Hidden Canyon Ranch community.

*Figure 1: Map of Proposed Transfer Area and School District Boundaries*



*Source map: Google Maps©*

The territory proposed for transfer encompasses 13 parcels, eight of which have been developed into single-family residences. At the time the appeal was submitted, the Lagunita ESD had between four and six school-aged children from these parcels, all attending private schools. Two siblings previously had attended Lagunita Elementary School—one from kindergarten through sixth grade and the other from kindergarten through fifth grade before transferring to a private school.

Approximately 92 percent of Lagunita ESD’s total enrollment consists of approved interdistrict transfers. Table 1 below summarizes the enrollment of Lagunita ESD residents attending Lagunita Elementary School compared to the district's enrollment from interdistrict transfers.

*Table 1: Lagunita ESD Resident and Interdistrict Transfer Students*

| **Type of Student** | **2019–20** | **2020–21** | **2021–22** | **2022-23** | **2023–24** |
| --- | --- | --- | --- | --- | --- |
| Lagunita ESD Resident | 6 | 6 | 14 | 7 | 11 |
| Interdistrict Transfers from North Monterey County USD | 27 | 29 | 27 | 23 | 20 |
| Interdistrict Transfers from other School Districts | 60 | 59 | 55 | 46 | 30 |
| Total Enrollment | 93 | 94 | 96 | 76 | 61 |

*Source: Lagunita ESD*

### 2.3 Petitioner Reasons for Transfer

At least 25 percent of the voters from the territory signed a petition to transfer from the North Monterey County USD to the Lagunita ESD and the Salinas UHSD for the following reasons:

* To allow a new development split by the current boundary line to have a cohesive community identity.
* The petitioners state that Hidden Canyon Ranch residents primarily build social connections within the development, extending to religious, nonprofit, and professional groups within other areas of the Lagunita ESD and the Salinas UHSD. They do not consider areas within the North Monterey County USD as places where they share common social ties.
* Lagunita ESD and Salinas UHSD schools are much closer to the proposed transfer area than North Monterey County USD schools. More detail regarding proximity is provided in section 6.2 of this attachment.

The petition was filed with the County Superintendent who, after determining its sufficiency, transmitted it to the County Committee.

## 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 North Monterey County USD and one within the boundaries of the Lagunita ESD. Under the California *Education Code* (*EC)*, the County Committee had the following options:

* If the County Committee determined that all nine conditions of *EC* Section 35753(a) are substantially met, it *may* approve the petition and would notify the County Superintendent to call an election on the proposed transfer. An election is required when an affected district opposes an approved transfer of territory petition.
* 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 conditions of *EC* Section 35753(a) are not substantially met, it would be required to disapprove the petition to transfer territory.

The County Committee initially withheld final consideration of the petition due to concerns regarding the following two *EC* Section 35753(a) conditions:

* *EC* Section 35753(a)(8): The proposed reorganization is primarily designed for purposes other than to significantly increase property values.
* *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.

The County Committee requested MCOE staff to do additional research to address these conditions before a final determination could be made.

After thorough review, the County Committee determined that the proposal substantially met all nine required conditions of *EC* Section 35753 and ultimately approved the petition.

As for the election area, the County Committee, pursuant to a request from the North Monterey County USD, acted to expand the election area beyond the area proposed for transfer to include the attendance areas of Lagunita ESD and Prunedale Elementary School in North Monterey County USD. The County Committee later rescinded this decision, and set the territory proposed for transfer as the election area. (See section 8.1 of this attachment.)

Chief petitioners or affected school districts, pursuant to *EC* Section 35710.5, may appeal a County Committee decision on territory transfers for issues of noncompliance with the provisions of *EC* sections 35705, 35706, 35709, 35710, and 35753(a). The North Monterey County USD submitted such an appeal to the County Superintendent. The County Superintendent subsequently transmitted the appeal, along with the complete administrative record to the SBE.

## 4.0 Positions of the School Districts

### 4.1 North Monterey County USD

The North Monterey County USD is opposed to the 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 Lagunita ESD

The governing board of Lagunita ESD supports the transfer of territory. The CDE notes that the Lagunita ESD believes the addition of more residential homes to the district, thus increasing the voting population, will help alleviate some of the problems the district has experienced with recruiting candidates for the district’s governing board.

### 4.3 Salinas UHSD

The Salinas UHSD has adopted a “neutral” position regarding the proposed territory transfer, stating to the County Superintendent that “it neither supports nor opposes the proposal.”

## 5.0 Reasons for the Appeal

The North Monterey County USD asserts that:

* The proposed transfer of territory fails to substantially meet seven of the nine conditions of *EC* Section 35753(a).
* Numerous due process violations occurred during the County Committee’s consideration of the proposed territory transfer.
* Conflicts of interest on the part of members of the County Committee exist.
* Hearings and meetings were not scheduled fairly.
* The California Environmental Quality Act (CEQA) process was inadequate.

These concerns will be described in more detail and addressed by the CDE in section 6.0 of this attachment.

## 6.0 CDE Analysis

CDE staff reviewed the administrative record provided by the County Superintendent which details:

* The County Superintendent consultant’s reorganization feasibility study (County Committee Study)
* The County Committee’s actions in its consideration of the *EC* Section 35753 conditions.
* The concerns raised in the appeal regarding the County Committee’s actions. *EC* Section 35753 conditions are established as minimum conditions for a school district reorganization (*Hamilton v. State Board of Education* [1981] 117 Cal.App.3d 132)*.* The County Committee is required to determine if these minimum standards are substantially met before taking any discretionary action to approve a reorganization (*EC* sections 35709 and 35710).

As noted in previous sections of this attachment, the County Committee determined that all *EC* Section 35753 conditions are substantially met by the proposed transfer of territory. The North Monterey County USD appeal claims that seven of these nine conditions are not substantially met. Those seven conditions are the CDE’s focus in sections 6.1 through 6.7 of this attachment.

There was no objection to County Committee findings regarding the remaining two conditions.

* EC 35753(a)(3). *The proposal will result in an equitable division of property and facilities of the original district or districts.* None of the districts have any school property or facilities in the territory proposed for transfer. The County Committee found this condition to be substantially met. The appellant did not contest this finding. CDE concurs with the County Committee and recommends that this condition is substantially met.
* *EC 35753(a)(6). The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the educational programs in the affected districts.* A transfer of so few parcels will not impact any of the districts’ ability to offer their educational programs. The County Committee found this condition to be substantially met. The appellant did not contest this finding. CDE concurs with the County Committee and recommends that this condition is substantially met.

### 6.1 The reorganized districts will be adequate in terms of number of pupils enrolled.

#### Standard of Review

According to *California Code of Regulations*, Title 5 [5 *CCR*] Section 18573[a][1][A], it is the intent of the SBE that direct service districts[[1]](#footnote-1) not be created that will become more dependent upon county offices of education and state support unless unusual circumstances exist.

Under *EC* section 35753, subdivision (a)(1), each district affected by a reorganization must be adequate in terms of numbers of pupils enrolled, in that each such district should have the following projected enrollment on the date any new district becomes effective for all purposes: elementary district, 901; high school district, 301; unified district, 1,501 (*EC* sections 35753[a][1]; [5 *CCR*] Section 18573[a][1][A]).

***Appeal***

The appellants contend that moving this area to the smaller Lagunita ESD, a district which struggles with low enrollment and relies on interdistrict transfers, would not help that district meet the enrollment requirement in the *California Code of Regulations.* Instead, it would place future families in a smaller, less capable district, which could lead to challenges such as combined-grade classes and inadequate support for high-needs students.

#### County Committee Action

The County Committee Study examined enrollments in the three affected districts and the impact on those enrollments due to the proposed transfer of 13 parcels from the North Monterey County USD to the Lagunita ESD and the Salinas UHSD. Although four to six school-age children resided in the proposed transfer area at the time of the study, all attended private schools.

It was reported in this study that the Lagunita ESD, with an enrollment of approximately 100 students, already is a direct service district. The transfer of 13 parcels into the district, regardless of student enrollment in those parcels, would have no effect on this status. The student populations in both the Salinas UHSD (4,595) and the North Monterey County USD (15,818) significantly exceed the minimum enrollment requirement of 5 *CCR* Section 18573.

As reported by the Lagunita ESD superintendent, most of the district’s enrollment comes from interdistrict transfer students primarily from the North Monterey County USD and the Santa Rita ESD. With the district’s sparse population of approximately 350 registered voters, recruiting governing board members is difficult. Any additional population added to the district would benefit the district’s ability to find and retain governing board members.

On November 13, 2019, the County Committee determined that the petition substantially met the condition outlined in *EC* 35753(a)(1) since there would be no foreseeable impact on student enrollment in any affected district as a result of the territory transfer.

#### CDE Findings

CDE staff reviewed enrollment for the affected districts and schools between 2019–20 and 2023–24. Those enrollments are reported in Table 2 below.

*Table 2:* *Enrollment Changes in Affected Districts*

| **District** | **2019–20** | **2020–21** | **2021–22** | **2022–23** | **2023–24** |
| --- | --- | --- | --- | --- | --- |
| Salinas UHSD | 16,257 | 16,423 | 16,525 | 16,337 | 16,225 |
| North Monterey County USD | 4,594 | 4,583 | 4,515 | 4,483 | 4,435 |
| Lagunita ESD | 91 | 94 | 94 | 76 | 61 |

*Source data: California Longitudinal Pupil Achievement Data System (CALPADS), 2019–20 through 2023–24*

Both the Lagunita ESD and the North Monterey County USD experienced decreases in enrollment, while the Salinas UHSD enrollment increased from 2019–20 to 2023–24.

#### CDE Conclusion

Given their enrollment sizes and trends, the CDE anticipates that both the North Monterey County USD and the Salinas UHSD will maintain enrollments well above the *CCR* standards for the foreseeable future.

The CDE concurs with the County Committee’s conclusion that the reorganization will not create a new direct service district regarding the Lagunita ESD.

The CDE recommends that this condition is substantially met.

### 6.2 The school districts are each organized on the basis of a substantial community identity.

#### Standard of Review

The following criteria from 5 *CCR* Section 18573(a)(2) should be considered to determine whether a new district is organized on the basis of substantial community identity: isolation; geography; distance between social centers; distance between school centers; topography; weather; community, school and social ties; and other circumstances peculiar to the area.

#### Appeal

Appellants argue that being a rural, gated community with large lots does not constitute a unique community identity—residential communities similar to Hidden Canyon Ranch are common throughout the area.

Additionally, the appellants contend that the petitioners' argument regarding travel time to Prunedale Elementary is unconvincing, as no students currently make the trip**,** and the distance is comparable to that of traveling to the proposed transfer area’s primary grocery store.

#### County Committee Action

The County Committee Study recommended that this condition is substantially met. The rationale for this recommendation includes the following findings:

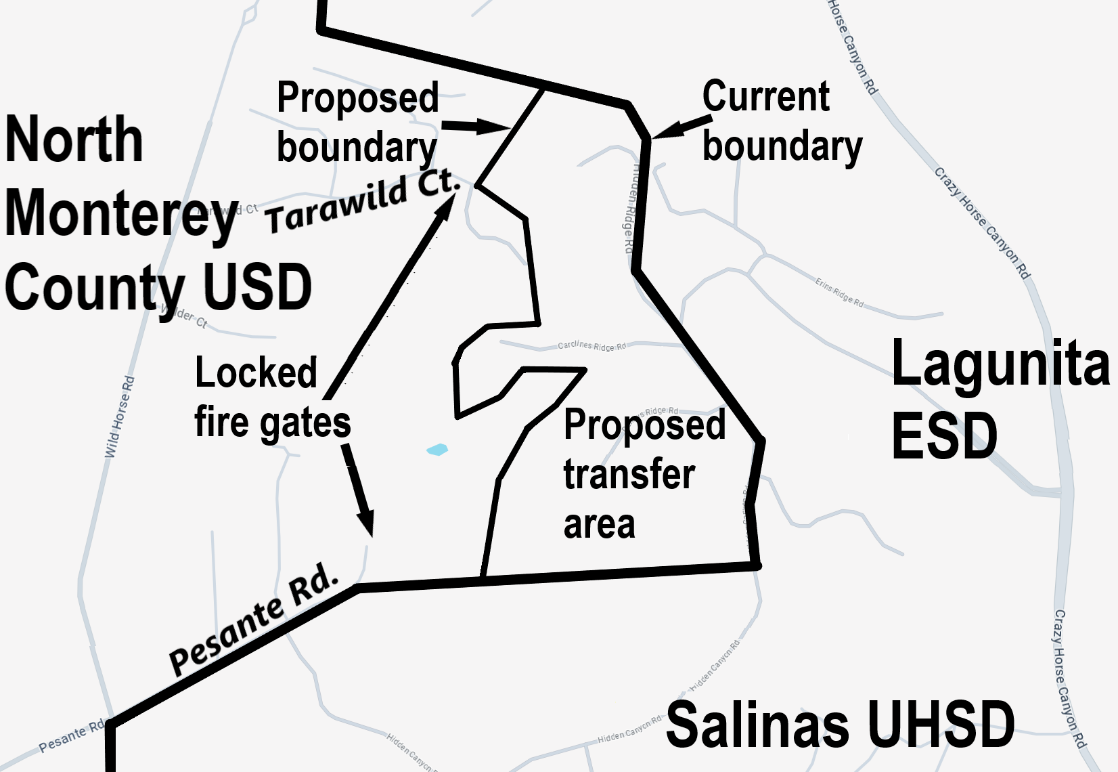
* Chief petitioners and residents of the Hidden Canyon Ranch development express a stronger community identity with areas within the Lagunita ESD and the Salinas UHSD for activities such as shopping and religious centers. They do not identify with the unincorporated communities of the North Monterey County USD as places where they have common social ties. Historically, a few Hidden Canyon Ranch students residing within North Monterey County USD boundaries attended Lagunita ESD on approved interdistrict transfer permits. Petitioners underscore deep-rooted and long-standing community ties to Lagunita ESD.
* The North Monterey County elementary, middle and high schools are further away from the transfer area than the Lagunita Elementary School and the high school in Salinas UHSD.
* The North Monterey County USD bus stops, which are located on Pesante Road and two miles away on Crazy Horse Canyon Road present challenges. Due to the lack of sidewalks and safety hazards posed by wildlife and traffic, accessing these stops is impractical. The sole exit route from Hidden Canyon Ranch, Crazy Horse Canyon Road, is characterized by its narrow, winding nature, absence of lighting or sidewalks, and high traffic volume averaging 4,600 vehicles daily at speeds up to 55 mph, according to the County Committee study.
* The proposed territory transfer would allow Lagunita ESD board governance opportunities and school input to the entire Hidden Canyon Ranch development.

#### CDE Findings/Conclusion

Geography: The Hidden Canyon Ranch development is geographically isolated. There are limited options for ingress and egress, and residents of the proposed transfer area must drive a considerable distance through territory of the Lagunita ESD to go anywhere. For example, the most direct route from the Hidden Canyon Ranch development to Prunedale Elementary School (and beyond to North Monterey County High School and North Monterey County Middle School) is Pesante Road. However, access to this road is not available to the residents. It is a fire access road which is closed by a locked gate, under the control of North County Fire Protection District (NCFPD). A January 2020 letter from the NCFPD Fire Marshal confirms that the gate remains locked to ensure unhindered access to the development for emergency responders only. There is a second fire gate on Tarawild Court which is between Wild Horse Road and Hidden Ridge Road that also remains locked.

Figure 2 shows the general location of the locked fire gates on the roads that lead into the Hidden Canyon Ranch community. The NCFPD provided the CDE with images of these locked fire gates. Those images are contained in Attachment 2.

*Figure 2: Map Showing Location of Locked Fire Gates on Roads into Transfer Area*



*Source map: Google Maps©*

Distance to Schools: The fire gates impact the distance residents in the area must travel to access schools. For Hidden Canyon Ranch residents, the distance to North Monterey County USD elementary and high schools are about six miles longer than comparable commutes to the elementary and high schools of Lagunita ESD and the Salinas USD, respectively. The commute to North Monterey County Middle School is even longer. Attachment 3 provides a map illustrating the travel routes to North Monterey County Schools that residents must take due to the existence of the locked fire gates. Table 3 below summarizes these distances.

*Table 3: Distance to schools from the proposed transfer area*

| **District** | **School** | **Miles from proposed transfer area** |
| --- | --- | --- |
| North Monterey County USD | Prunedale Elementary School | 7.5 |
| Lagunita ESD | Lagunita Elementary School | 1.6 |
| North Monterey County USD | North Monterey County Middle School | 12.5 |
| North Monterey County USD | North Monterey County High School | 11 |
| Salinas UHSD | Rancho San Juan High School | 5 |

Source: Google Maps ©

Safety: The North Monterey County USD does provide a bus stop to serve the Hidden Canyon Ranch community two miles away and the following safety concerns exist: Crazy Horse Canyon Road is a narrow, winding road with speed limits of up to 55 mph and up to 4,600 vehicles per day. Additionally, there are no streetlights or sidewalks.

Distance to social centers: Residents express greater social ties with the city of Santa Rita (within the boundaries of the Lagunita ESD), a seven-mile commute via Crazy Horse Canyon and San Juan Grade roads. This allows residents to access services without having to drive on busy Highway 101.

The CDE agrees that the proposed transfer aims to create a more cohesive community identity within the transferred Hidden Canyon Ranch development, and it will not negatively affect the community identity of any affected district.

The CDE concurs with the County Committee that this condition is substantially met.

### 6.3 The reorganization of the school districts will preserve each affected district’s ability to educate pupils in an integrated environment and will not promote racial or ethnic discrimination or segregation.

#### Standard of Review

In 5 *CCR* Section 18573(a)(4), the SBE set forth five factors to be considered in determining whether reorganization will promote racial or ethnic discrimination or segregation:

1. The current number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts, compared with the number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts if the proposal or petition were approved.
2. The trends and rates of present and possible future growth or change in the total population in the districts affected, in each racial and ethnic group within the total district, and in each school of the affected districts.
3. The school board policies regarding methods of preventing racial and ethnic segregation in the affected districts and the effect of the proposal or petition on any desegregation plan or program of the affected districts, whether voluntary or court ordered, designed to prevent or to alleviate racial or ethnic discrimination or segregation.
4. The effect of factors such as distance between schools and attendance centers, terrain, geographic features that may involve safety hazards to pupils, capacity of schools, and related conditions or circumstances that may have an effect on the feasibility of integration of the affected schools.
5. The effect of the proposal on the duty of the governing board of each of the affected districts to take steps, insofar as reasonably feasible, to alleviate segregation of minority pupils in schools regardless of its cause.

#### Appeal

The North Monterey County USD notes that the petition reflects a persistent statewide trend of moving students from school districts with high percentages of minority students to districts with smaller percentages of minority students. The district highlights that in the year 2019, only 12 percent of students in North Monterey County USD were white, compared to 46 percent in Lagunita Elementary School District. The district argues that the demographics of the proposed territory are likely to be predominantly white, similar to the existing portion of the development within the Lagunita ESD boundary. They assert that this part of North Monterey County USD territory contributes to the district's overall diversity and should remain within North Monterey County USD to foster a more racially balanced and integrated learning environment. The district emphasizes that the significant racial/ethnic demographic disparity between the two districts suggests that the territory transfer would increase racial/ethnic segregation.

#### County Committee Action

The County Committee voted that this condition is substantially met. Although no specific reasons for the vote were formally provided, the CDE infers from the County Committee discussions (as recorded in the meeting minutes) that the decision was based on two main points: no students from the area proposed for transfer have attended a North Monterey County USD school, and the belief that the County Committee should focus on current conditions rather than speculate about future student demographics.

#### CDE Findings/Conclusion

Since no students from the territory proposed for transfer currently attend North Monterey County USD, the CDE finds no rational basis to perform full analyses of the factors contained in 5 *CCR* Section 18573(a)(4). However, comparisons of the percentages of minority students in the affected districts, schools, and grade levels are provided in the following two tables. As noted previously, the area proposed for transfer is currently part of the North Monterey County USD. If the proposed transfer is approved, the petition area will become part of the Lagunita ESD and the Salinas UHSD. Table 4 provides a comparison of the percentages of minority students in these three districts, allowing for an evaluation of the potential impact on student demographics.

*Table 4: CALPADS Enrollment by Race/ Ethnicity in Affected Districts 2023-24*

| **District** | **Enrollment\*** | **Hispanic or Latino** | **White** | **Other\*\*** |
| --- | --- | --- | --- | --- |
| Lagunita ESD | 61 | 42.6% | 52.5% | 4.9% |
| North Monterey County USD | 4,435 | 91.6% | 6.4% | 2.0% |
| Salinas UHSD | 16,225 | 91.8% | 4.0% | 4.2% |

*\* 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 “African American,” “American Indian or  
Alaska Native,” “Asian,” “Filipino,” “Pacific Islander,” and “Two or More.”*

The North Monterey County USD and the Salinas UHSD both have student populations that are overwhelmingly Hispanic/Latino. The Lagunita ESD differs significantly in two ways: (1) The percentage of Hispanic/Latino students and white students is more equivalent, and (2) the Lagunita ESD is much smaller—with just 61 students.

Select 2023–24 CALPADS socio-economic data (English Learner [EL] and Free or Reduced-Price Meal [FRPM] program) for each affected district is shown in Table 5 below.

*Table 5: Percent of disadvantaged students in affected districts (CALPADS)*

| **District** | **Enrollment** | **EL Students** | **FRPM eligible** |
| --- | --- | --- | --- |
| North Monterey County USD | 4,435 | 48.7% | 87.5% |
| Lagunita ESD | 61 | 3.3% | 14.8% |
| Salinas UHSD | 16,225 | 19.4% | 92.9% |

The CDE finds that the proposed transfer would move no current students from one district to another and that the proposed transfer area never could produce enough students to affect the racial/ethnic balance of students in a district the size of the North Monterey County USD. The CDE agrees with the County Committee’s decision that this condition is substantially met.

### 6.4 Any increase in costs to the state as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.

#### Standard of Review

Although the SBE has adopted no regulations regarding *EC* Section 35753(a)(5), Chapter 6 of the *School District Organization Handbook* recommends that the following factors be considered in evaluating this condition:

a. Whether implementation of the proposal would change one or more of the affected districts’ basic aid status. A change in basic aid could increase the amount of state apportionment funds required for either the proposed new district or one or more of the remaining districts

b. Additional state costs for school facilities.

c. Other state special or categorical aid programs and any increased state costs if students transferring would qualify in the gaining district and not in the losing district.

d. The additional costs to the state if costs per student for special or categorical programs are higher in the gaining district.

e. The effect on the affected districts’ home-to-school and special education transportation costs and state reimbursements.

f. Increased costs resulting from additional schools becoming eligible for “necessary small school” funding pursuant to *EC* sections 42280 through 42289.

#### Appeal

The North Monterey County USD argues that transferring territory without public school students reallocates its valuable property tax base to Lagunita ESD and Salinas UHSD, impacting revenue from high-value residential properties and potentially increasing state costs due to reduced local funding stability. A previous territory transfer resulted in financial loss for North Monterey County USD, which cannot sustain further losses and needs to benefit from local growth in historically served areas. Losing valuable parcels reduces property tax revenue, necessitating increased state funding. Approval of this transfer proposal sets a precedent for ongoing transfers, which, if approved, would continue to significantly increase state costs.

#### County Committee Action

The County Committee Study contains the following analysis of this condition as it relates to the proposed territory transfer:

This condition is a non-issue since:

* Both affected school districts are state funded districts.[[2]](#footnote-2)
* Direct service schools would not be created as a result of the territory transfer; and,
* Neither affected school districts would create additional categorical program eligibility due to the transfer.

The study concluded that, since post-transfer per-pupil funding would be no greater than current levels, there would be no substantial increase in costs to the state because of the territory transfer.

The County Committee found this condition to be substantially met.

#### CDE Findings/Conclusion

CDE concurs with the conclusion of the County Committee. Because there are currently no students who will change districts as a result of the proposed territory transfer, it will have no impact on state costs with regard to per-pupil funding, facilities, or transportation costs. No new categorical programs would be created.

CDE recommends that this condition is substantially met.

### **6.5 Any increase in school facilities costs as a result of the** proposed reorganization will be insignificant and otherwise incidental to the reorganization.

#### Standard of Review

The SBE has not adopted regulations regarding this condition. However, Chapter 6 of the *School District Organization Handbook* recommends that analysis of the condition should include a determination of: (1) the availability of facilities to house all students at all grade levels in the reorganized area, (2) sources of funding for new construction, (3) effect on facilities and housing capacity of all affected districts, and (4) impact on bonding capacity of affected districts.

#### Appeal

Appellants argue that transferring the territory, even though it involves only a few parcels, could lead to higher housing costs. They claim that while the current assessed valuation (AV) of the transferred territory is low (0.25 percent), future development could significantly increase property values within North Monterey County USD. This anticipated growth, reaching 0.38 percent in assessed valuation, could result in higher property taxes and housing costs for district residents over time. This growth may also lead to a cumulative loss of over $165,000 in General Obligation (GO) Bond property taxes for North Monterey County USD by 2044, not counting any future bond measures. This would add an estimated tax burden of $18.15 per $500,000 home over the existing bond term for remaining North Monterey County USD taxpayers. Additionally, parcels in the transferred territory would face lower GO Bond tax rates under Salinas UHSD compared to North Monterey County USD. Furthermore, developing five new homes in the transferred territory could lead to a loss of over $70,000 in developer fees for North Monterey County USD, based on current average home sizes and fee rates.

#### County Committee Action

* The proposed territory transfer would shift four to six potential students from North Monterey County USD to Lagunita ESD/Salinas UHSD. However, these students attend private schools, so there would be no impact on school housing. Even if these students return to public school, Lagunita ESD administration confirms they have sufficient space and anticipate no increased housing costs.
* The transfer would reduce North Monterey County USD’s AV by $8.8 million (0.25 percent of its $3.5 billion total AV), resulting in an estimated $5,566 loss in annual tax revenue. Property taxpayers would see an insignificant tax increase of approximately $0.80 annually on a $500,000 AV home.
* Projecting new construction on five vacant lots would minimally increase tax revenues, adding only an estimated $3,165 for bond repayment.
* With $33.5 million in outstanding bonded debt (less than 1 percent of AV), the transfer's impact is negligible. Unified districts have a debt limit of 2.5 percent of AV. The transfer will not significantly affect bonding capacity.
* Lagunita ESD currently holds no bonds, has minimal AV, and only 350 voters. Adding the territory would not significantly impact property tax revenues or housing costs.
* Salinas UHSD opened its fifth high school in 2019–20 with a 1,500-student capacity and current enrollment of 900. This school can accommodate high school students from Hidden Canyon Ranch if the petition is approved.

The County Committee concluded that the transfer would not significantly increase school housing costs.

The County Committee found this condition to be substantially met.

#### CDE Findings/Conclusion

Given the fact that there are currently no students, and even considering the potential for relatively few students to be generated from the proposed transfer area, it is the CDE’s opinion that the territory transfer would have insignificant effects on the affected districts’ capabilities to house their current or future student populations. Additionally, the CDE believes that the AV loss from North Monterey County USD to Lagunita ESD/Salinas UHSD is insignificant, and overall districtwide AV increases would mitigate any impact on bonding capacities for both districts.

Therefore, the CDE agrees with the County Committee and recommends that this condition is substantially met.

### 6.6 The proposed reorganization is primarily designed for purposes other than to significantly increase property values.

#### Standard of Review

The SBE has not adopted regulations regarding this condition. Chapter 6 of the *School District Organization Handbook* recommends that the rationale for the reorganization should be analyzed and, if it is determined to be questionable or not compelling, there should be consideration of increased property values as the primary reason for the reorganization.

#### Appeal

The North Monterey County USD claims that the primary purpose for the transfer is to enhance property values since: (1) interdistrict transfers are readily available, which should be sufficient if the sole desire is to attend Lagunita ESD schools; and (2) there are no current children in the transfer area.

#### County Committee Action

The County Committee Study compared property sales inside and outside the territory transfer area, revealing no price advantage for being in Lagunita ESD/Salinas UHSD versus North Monterey County USD. Therefore, based on the County Committee Study's data and analysis, the proposal does not appear to be primarily aimed at significantly increasing property values.

The County Committee found this condition to be substantially met.

#### CDE Findings/Conclusion

The CDE finds that no evidence has been provided to substantiate that the transfer is proposed primarily to increase property values Therefore, the claim in the appeal that the reorganization's primary purpose is to enhance property values lacks concrete evidence and is speculative.

The CDE agrees with the County Committee’s decision that this condition is substantially met.

### 6.7 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.

#### Standard of Review

The SBE has not adopted regulations regarding this condition. As stated in chapter 6 of the *School District Organization Handbook*, the standards and criteria adopted by the SBE pursuant to *EC* Section 33127, and published in 5 *CCR* sections 15440-15466, are recommended for evaluation of the financial conditions of the affected districts.

#### Appeal

North Monterey County USD contends that the proposed transfer of territory will have a significant adverse impact on its financial standing due to the following issues:

1. The transfer could result in a loss of over $4 million in state revenues over a 30-year period.
2. North Monterey County USD currently offers a robust suite of educational services to all prospective students.
3. The potential $69,000 annual Local Control Funding Formula (LCFF) revenue loss from these students could significantly impact North Monterey County USD’s ability to provide services. Losing the territory will deprive North Monterey County USD of GO Bond support and developer fees, reducing funding for the district's educational services.
4. With a need for facilities modernization, the financial burden of these reductions will likely fall on the remaining North Monterey County USD territory or the District’s General Fund.

#### County Committee Action

The County Committee Study analysis of this condition studies the overall fiscal health of North Monterey County USD, including impacts on funding, enrollment, capital costs and debt.

1. Fiscal Health. All affected districts demonstrate good fiscal management, with no noted issues or concerns from the County Superintendent or independent auditors. From 2014–15 to 2018–19, North Monterey County USD’s year-end Unrestricted General Fund balance increased, and its enrollment grew from 4,493 to 4,595.

2. LCFF Funding: North Monterey County USD would lose no LCFF funding because the four elementary school-age students residing in these parcels, are attending non-public schools.

3. Capital Costs: North Monterey County USD reported significant need for facilities improvement; their buildings are old and over-crowded. However, the territory transfer would not significantly impact their ability to raise capital for these projects because:

* The territory is only 0.25 percent of the district’s total AV of $3 billion.
* The district had issued 40 percent of its bonding capacity; the district could raise an additional $45 million dollars in GO bonds.

1. Debt: North Monterey County USD carries $5.5 million in debt via Certificates of Participation, and the district uses developer fees to help cover the debt payments. However, with only a few remaining parcels for potential future development in the subdivision, the territory's future student population is very unlikely to generate significant developer fees.

After initially receiving the fiscal information in November of 2019, the County Committee deferred their decision regarding this condition to a future meeting. In January 2020, the County Committee found this condition to be substantially met.

#### CDE Findings/Conclusion

The CDE makes the following findings regarding the effects of the proposed transfer on the fiscal status of the affected districts:

* All affected school districts have submitted positive certifications[[3]](#footnote-3) in their Second Interim Financial Reports for fiscal year 2023–24.
* No current public-school students reside in the proposed transfer area. Thus, there will be no changes in state funding due to the transfer.
* Over the past five years, the North Monterey County USD has approved, on average, twenty-six inter-district transfers per year to the Lagunita ESD. This annual number greatly exceeds the number of students that the proposed transfer area could produce.
* The proposed transfer area is about 0.25 percent of the total AV of the North Monterey County USD. Although the district would lose this AV, it would only slightly reduce the bonding capacity and ability to repay GO Bonds. Moreover, the AV growth of the district since the petition was filed far exceeds the AV they would lose if the transfer were approved.
* There are no current plans to develop the remaining parcels. Given the small size of the proposed transfer area and the limited potential development opportunities, very few future developer fees are expected.

The CDE concurs with the County Committee and recommends that this condition is substantially met.

### 6.8 Other Appeal Issues

In addition to the findings of the County Committee with regard to the conditions of EC 35753 analyzed above, North Monterey County USD included in their appeal 4 other objections, discussed in further detail below. However, *EC* Section 35710.5 provides that chief petitioners or affected school districts may appeal a County Committee decision on territory transfers for issues of noncompliance with the provisions of *EC* sections 35705, 35706, 35709, 35710, and 35753(a). As explained below, it is CDE’s opinion that the following four objections have either been addressed above as part of CDE’s analysis of EC 35753 conditions, or do not raise issues of noncompliance with *EC* sections 35705, 35706, 35709, 35710, and 35753(a):

1. Prior Territory Transfer Impacts on North Monterey County USD and Potential Consequences to North Monterey County USD for Proposed Hidden Canyon Ranch Territory Transfer

* Objection: In 2008, approximately 336 acres of North Monterey County USD territory were transferred to the Monterey Peninsula Unified School District. This area was slated for significant development, including over 1,360 residential units and 855,000 square feet of commercial and industrial space. The loss of this land resulted in a substantial decline in tax revenue that would have otherwise benefited North Monterey County USD. Similarly, the current petition proposes transferring another highly valuable area that could otherwise support North Monterey County USD’s extensive student and community programs. Given North Monterey County USD's current deficit spending, allowing this transfer would set a harmful precedent, potentially causing severe financial damage to the district.
* CDE Response: The CDE recognizes that North Monterey County USD lost over 1,300 homes in a previous territory transfer. However, as discussed in more detail in section 6.7 above, this petition involves only 13 parcels with no current students residing in those parcels attending North Monterey County USD. As such, CDE believes the effects of this petition’s transfer will be negligible.

2. Alleged conflicts of interest or bias on the part of members of the County Committee.

* Objection: According to North Monterey County USD, a County Committee member acted as an advocate for the Petition rather than as a neutral decision-maker. Despite her personal connection to Lagunita School District, where her grandchild is a student, she refused to recuse herself, citing the absence of a financial conflict. According to North Monterey County USD, this member showed bias, criticizing North Monterey County USD's opposition and citing election costs as a factor in his vote, which ultimately favored Lagunita ESD. According to North Monterey County USD the member’s involvement presented a common law conflict of interest, compromising the impartiality required by law.
* CDE response: This is not an issue of noncompliance with *EC* sections 35705, 35706, 35709, 35710, or 35753(a). Moreover, the *Education Code* provides the SBE no authority to determine if a County Committee member has a conflict of interest regarding any matter before the County Committee. It is the understanding of the CDE that the Fair Political Practices Commission is the authoritative source in these matters.

3. Contention that hearings and meetings were not scheduled fairly.

* Objection: According to North Monterey County USD, the County Committee scheduled public hearings at inconvenient times, limiting North Monterey County USD parents' participation.
* CDE response:
  + EC 35705 requires the County Committee to (1) hold a hearing in each of the affected districts within 60 days of receiving the petition, and (2) provide at least ten days advance notice to the chief petitioners, the governing boards of affected districts, and other persons requesting such notice. North Monterey County USD’s appeal did not offer any evidence that these conditions were not met. The County Committee received the petition on July 25, 2019. Public hearings were held on September 17, 2019—54 days after receiving the petition—in two locations: (1) Prunedale Elementary School in North Monterey County USD and (2) Lagunita Elementary School in Lagunita ESD. The record indicates that notices were posted in multiple print and digital locations on or before September 4, 2019 in each of the affected districts.
  + EC 35706 requires the County Committee to approve or disapprove a petition to transfer territory within 120 days of the first public hearing. North Monterey County USD’s appeal did not offer any evidence that these conditions were not met. The County Committee approved the petition on Jan 13, 2020—118 days after receiving the petition.
  + CDE recommends that the County Committee met the obligations of *EC* 35705 and *EC* 35706 regarding public hearings.

4. Contention that the CEQA process was inadequate.

* Objection: According to North Monterey County USD, while a CEQA challenge falls outside this process, it is important to note that the County Committee, as the lead agency, agendized a "Notice of Exemption" without providing any factual or legal basis. This deprived the public of a meaningful opportunity to engage. When North Monterey County USD's legal counsel raised this issue, County Committee, recessed, had its counsel research the law, and then inserted the necessary legal and factual bases into the record after the fact.
* CDE response: This is not an issue of noncompliance with *EC* sections 35705, 35706, 35709, 35710, or 35753(a). Moreover, local compliance with CEQA is governed by the *Public Resources Code* (Section 21000 *et seq*.), with guidelines for implementation codified in *14 CCR* Section 15000 *et seq*. Although the SBE is subject to the *Public Resources Code* and the *California Code of Regulations* when it is a CEQA lead agency, it is provided no authority over local agencies when they are the lead agencies for a CEQA project, as is the case with this territory transfer proposal.

### 6.9 Summary

CDE staff does not find sufficient support for the issues raised in the appeal or in the administrative record to justify overturning the decision of the County Committee to approve the territory transfer proposal.

The CDE recommends that the SBE deny the appeal and uphold the County Committee’s decision to approve the territory transfer petition for the following reasons:

* As explained in Section 6.8, above, the County Committee substantially complied with *EC* Section 35705 requirements for public hearings and *EC* Section 35706 regarding consideration of the proposed transfer of territory.
* The CDE agrees with the County Committee’s findings that all of the nine conditions of *EC* Section 35753 are substantially met.
* There are no reasons to disapprove the territory transfer that are compelling enough to overturn the local approval by the County Committee (see section 7.1 for potential compelling reasons).

## 7.0 Compelling Reasons and Concerns

Approval of a territory transfer by the SBE is a discretionary action, whether the SBE finds that all *EC* Section 35753 conditions are substantially met or even if all the conditions are not met. The SBE may consider compelling reasons offered by affected districts, petitioners and appellants, community members, and the CDE in making its determination to approve a territory transfer. It also may consider any concerns raised by these same parties in a determination to disapprove the transfer.

The North Monterey County USD and the petitioners/appellants supporting the territory transfer have offered numerous reasons and concerns regarding the proposed transfer, some of which have been included in other sections of this report. In this section, the CDE will summarize the potential compelling reasons and concerns it considers most relevant.

### 7.1 Reasons for Approval of the Territory Transfer

The SBE, even if it determines the transfer fails to substantially meet *EC* Section 35753 conditions, may consider any issue it determines to be compelling as a reason to affirm the County Committee’s approval of the territory transfer, including (but not limited to) the following:

* No children from the territory proposed for transfer have ever attended the North Monterey County USD. However, some children have attended Lagunita ESD in the past, although not within the last several years.
* Schools in the Lagunita ESD and the Salinas UHSD are much closer to the homes in the proposed transfer of territory and offer more convenient access. (See section 6.2 of this attachment for a more detailed discussion).

### 7.2 Concerns Regarding Approving the Territory 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:

* The proposal is to transfer territory from a heavily minority district (North Monterey County USD).

The CDE already has recommended that the transfer would not have negative effects on any affected district’s ability to provide educational services to students in an integrated environment since no students would change districts (see section 6.3 of this attachment for more detail). Similarly, it is CDE’s opinion that transferring a few parcels of territory (without students) from a heavily minority district is not a significant concern.

* Approval of the proposed transfer may set a precedent.

The North Monterey County USD argues that removing territory from the district would set a precedent for future territory transfer efforts. In any territory transfer issue before the SBE, the CDE always has considered whether the transfer proposal could be precedent setting. It is the opinion of the CDE that the reasons behind the current transfer proposal are unique and would not set any precedent for approval of future territory transfers from the North Monterey County USD.

## 8.0 Recommended Petition Amendments

The SBE has authority to amend or add certain provisions to any petition for reorganization. The CDE recommends only one provision be added to the petition if the SBE upholds the action of the County Committee by denying the appeal—establishment of the area of election.

### 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, per *EC* sections 35709 and 35710. The North Monterey County USD, as the appellant in this matter, opposes the territory transfer. Thus, final approval of the transfer must be approved at a local election.

#### County Committee Action

The County Committee may specify an area of election, however is not required to do so. (EC Section 35732). If a plan does not specify the area of election, the statute states that “the election shall be held only in the territory proposed for reorganization.”

At their January 13, 2020, meeting, the County Committee determined that the election area would be within the boundaries of the Lagunita Elementary School District and the Prunedale Elementary School attendance area.

The Lagunita ESD requested the County Committee rescind that determination. The Lagunita ESD’s legal counsel argued that there is no legal basis in either statute or case law to expand the area of election beyond the statutory default election area as defined in *EC* Section 35732.

At their February 12, 2020, meeting, the County Committee rescinded the original decision from January 13, 2020, removing the Prunedale Elementary School attendance area from the election territory.

***CDE Findings***

Pursuant to *EC* Section 35756, the SBE is required to establish the election area if its action results in approval of a district reorganization.

The SBE may alter either the County Committee’s specified election area or the “default” election area, but the alterations must comply with the “Area of Election Legal Principles” in Section 8.2 below.

### 8.2 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.

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 transfer of territory from the North Monterey County USD to the Lagunita ESD and the Salinas UHSD, no discrimination, segregation, or racial impacts are identified. Accordingly, the *LAFCO* standard and analysis applies.

### 8.3 Recommended Area of Election

The CDE staff finds that the transfer of territory would have no significant effect on the voters in either the remaining North Monterey County USD or the receiving Lagunita ESD and Salinas UHSD. There is no reason to expand the election area beyond the area proposed for transfer. Therefore, the CDE recommends that the SBE establish the proposed transfer area as the election area. The CDE further notes that, pursuant to *EC* sections 35517 and 35710.1, no election will be called if the election area contains fewer than 12 persons who are registered to vote.

## 9.0 State Board of Education Options

After the SBE reviews the appeal in conjunction with a public hearing, the SBE must take action on the appeal (the action of the County Committee). The SBE may reverse or modify the action of the County Committee in any manner consistent with the law. The SBE may:

* Approve the appeal, reversing the action of the County Committee.
* Deny the appeal, affirming the action of the County Committee. This would require the County Superintendent to call an election. The SBE must determine the territory in which the election is to be held.
* Request additional information regarding the appeal or the territory transfer and choose not to take action until a later meeting.
* Direct the County Committee to formulate plans and recommendations for an alternative reorganization pursuant to *EC* Section 35720. If so, it also may: (1) affirm or reverse the action of the County Committee regarding the current territory transfer appeal as part of its direction to the County Committee; or, (2) elect to hold in abeyance any action on the current appeal until receipt of plans and recommendation from the County Committee.

## 10.0 Recommended Action

The CDE recommends that the SBE affirm the action of the County Committee to approve the proposal to transfer territory from the North Monterey County USD to the Lagunita ESD and the Salinas UHSD. The CDE further recommends that the SBE establish the territory proposed for transfer as the election area.

# ATTACHMENT 2 Images of Locked Fire Gates

*Figure 1: Locked Gate on Tarawild Court*

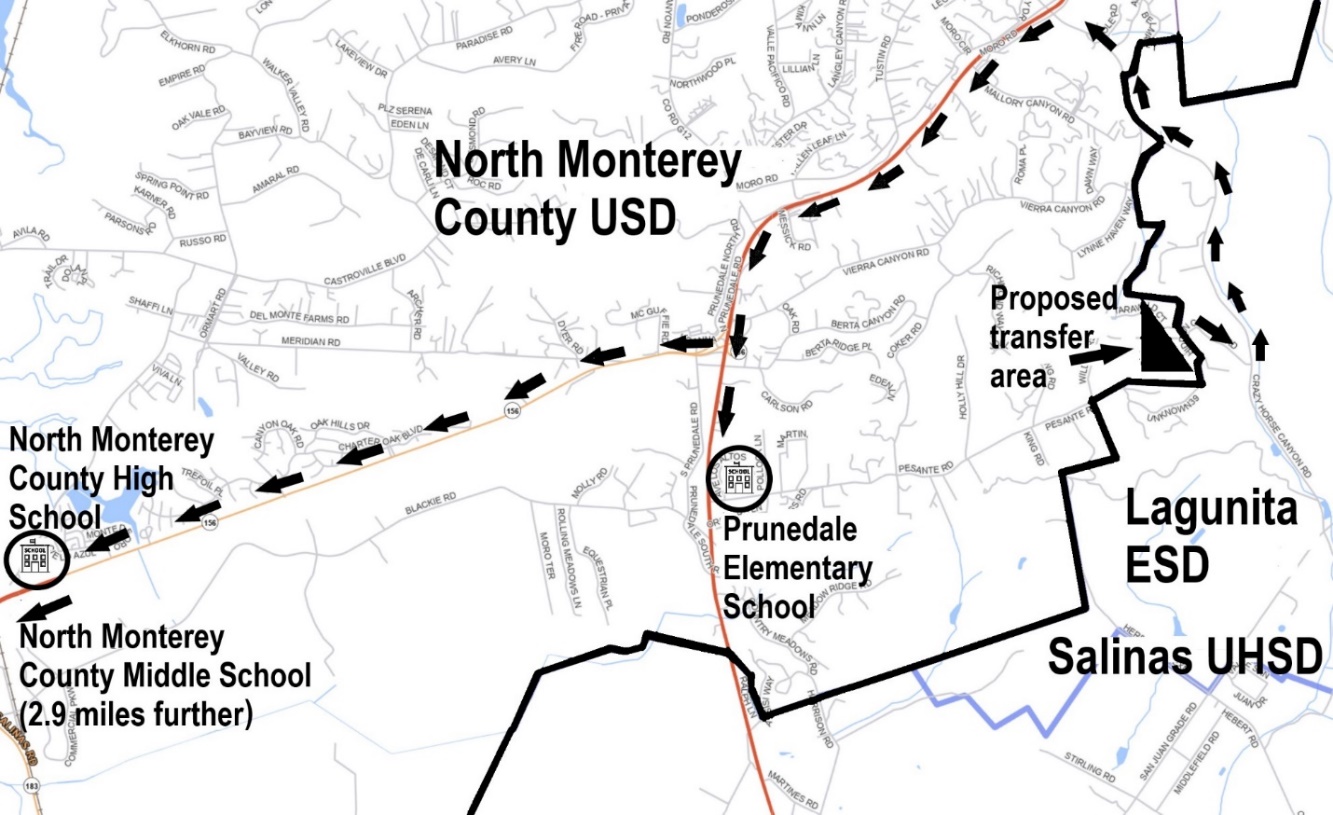


*Figure 2: Locked Gate on Pesante Road*



*Images courtesy of the North County Fire Protection District*

# ATTACHMENT 3 Map of Travel Routes to North Monterey County USD Schools



*Source map: US Census Bureau*

1. Direct service districts are small districts unable to effectively and efficiently provide some services on their own. [↑](#footnote-ref-1)
2. Like 90% of California’s school districts, state funded school districts receive state aid to make up the difference between local property taxes and the state's per-student funding requirement. [↑](#footnote-ref-2)
3. A positive certification is assigned when the district has certified that it will meet its financial obligations for the current fiscal year and two subsequent fiscal years. [↑](#footnote-ref-3)