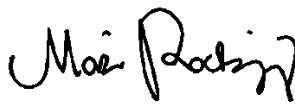





The Board of Governors of the California Community Colleges

PRESENTED TO THE BOARD OF GOVERNORS
DATE: July 18, 2016

SUBJECT: Petition for Transfer of Territory from Redwoods CCD to Mendocino-Lake CCD (Public Hearing)		Item Number: 2.5	
		Attachment: Yes	
CATEGORY:	College Finance and Facilities Planning	TYPE OF BOARD CONSIDERATION:	
Recommended By:	 Mario Rodriguez, Acting Vice Chancellor	Consent/Routine	
		First Reading	
Approved for Consideration:	 Erik Skinner, Interim Chancellor	Action	X
		Information	

ISSUE: This item concerns the proposed transfer of territory known as the Redwoods Community College District Trustee Area #8 (Trustee Area #8), identified on Attachment A, from Redwoods Community College District to Mendocino-Lake Community College District pursuant to the requirements of Education Code § 74100 *et seq.* The territory proposed for transfer includes the Mendocino Coast Education Center in Fort Bragg. The districts have mutually agreed to the territory transfer, and completed the steps necessary for Board of Governor’s approval consistent with Education Code § 74205.

BACKGROUND: The communities, the districts and the students support the proposed transfer of Trustee Area #8 from Redwoods Community College District Board to Mendocino-Lake Community College District and the continued operation of the Mendocino Coast Education Center. On February 4, 2014, the Redwoods Community College District Board of Trustees voted to suspend operations at the Mendocino Coast Education Center in Fort Bragg beginning in the fall of 2014. **(Background cont.)**

RECOMMENDATION: It is recommended that the Board of Governors (1) approve the proposed transfer of territory from Redwoods Community College District to Mendocino-Lake Community College District consistent with the petition submitted jointly by the districts and approved by the Mendocino County Committee on School District Organization (Attachment B); and, (2) approve a three-year stability period allowing Mendocino Coast Education Center to regain the 250 FTES necessary to maintain grandparented center status.

(Background cont.)

The district recommended suspending operations because of declining attendance, the distance between the center and the district's main campus (127 miles or a 3-hour drive), and continued financial deficits resulting in "Show Cause" status by the Accrediting Commission for Community and Junior Colleges.

The 2014 suspension of operations led to a dialogue between college employees and community members who discussed how to make the Mendocino Coast campus a viable operation. The Redwoods Community College District Board of Trustees voted to negotiate a Memorandum of Understanding with Mendocino-Lake Community College District to offer classes at the center beginning in the fall of 2014.

On February 17, 2014, a public meeting was held in Fort Bragg to discuss the future of the Mendocino Coast Education Center. The most frequently mentioned, and well-liked, suggestion was to change the campus affiliation from College of the Redwoods to Mendocino College. Local residents are in favor of the change. There are similarities between the Mendocino Coast Education Center in Fort Bragg and Mendocino College with regard to demographics, community identity, and local educational interests. Further, the main Mendocino-Lake Community College District campus is located 54 miles away.

On June 26, 2014, the Redwoods Community College District Board and the Mendocino-Lake Community College District Board signed an agreement related to programs and services. This agreement allowed Mendocino-Lake Community College District to offer programs and services within the service area.

On October 16, 2014, the Redwoods Community College District Board and the Mendocino-Lake Community College District Board signed an Agreement to Operate. The districts agreed to the programs and services to be offered at Mendocino Coast Education Center during the fall 2014 semester.

On April 8, 2015, the Redwoods Community College District Board and the Mendocino-Lake Community College District Board signed a Substantive Change Proposal – Change in Responsibility for the Mendocino Coast Education Center. The districts proposed that Mendocino-Lake Community College District offer 50% or more of the degrees or certificates in the service area.

On July 28, 2015, the Redwoods Community College District Board and the Mendocino-Lake Community College District Board signed a Memorandum of Understanding. The Memorandum of Understanding provided the parameters for the duties, functions and services as well as terms and conditions of all programs and services to be offered by Mendocino-Lake Community College District in the service area. The Mendocino-Lake Community College District currently provides all instruction and student services within the service area. The MOU became effective on August 15, 2015 and terminates on June 30, 2017 unless an alternate date is set or a transfer of territory occurs.

On September 17, 2015, the Boards of Trustees of the Redwoods Community College District Board and the Mendocino-Lake Community College District jointly petitioned to transfer Trustee Area #8 from Redwoods Community College District to Mendocino-Lake Community College District.

On October 7, 2015, the Mendocino County Superintendent of Schools gave notice that the petition was found legally sufficient. On November 9, 2015, the County Committee on School District Organization of Mendocino County (County Committee) held its first public hearing on the transfer.

On March 24, 2016, the County Committee voted in favor of the proposed transfer contingent on the district's agreement on bond repayment and the Board of Governor's approval of a three-year stability period between 2017/18 through 2019-20 to allow the Mendocino Coast Education Center to regain the 250 FTES necessary to maintain grandparented center status.

On April 5, 2016, the Redwoods Community College Board of Trustees approved the final Petition for Transfer of Inhabited Territory. On April 13, 2016, the Mendocino Community College Board of Trustees approved Resolution No. 04-16-01 consenting to all conditions listed in the Petition for Transfer of Inhabited Territory.

ANALYSIS:

ACTION TO REORGANIZE DISTRICTS – TRANSFER OF TERRITORY

Education Code § 74100 *et seq.* provides a detailed process for the transfer of territory from one community college district to another:

1. The request to transfer territory from one district to another is initiated by filing a petition with the County Superintendent(s) of the school districts having jurisdiction within the area to be transferred.
2. The County Superintendent(s) shall transmit a copy of the petition to the Board of Governors upon receipt. The superintendent has 30 days to examine the petition. If he/she finds the petition sufficient, and signed as required, he/she shall transmit the petition to the County Committee, the boards of each college district and the Board of Governors.
3. The County Committee shall hold one or more public meetings in each of the districts affected within 90 days of receipt of the petition.
4. Per Education Code § 74106, each petition must include:
 - a. The rights of employees affected
 - b. The financial impact of the transfer
 - c. Whether the districts involved will be governed by a City Charter
 - d. A description of the territory to be transferred
 - e. How property, obligations and bond indebtedness will be divided
 - f. Any racial or ethnic composition changes in the districts
 - g. The impact of the proposed change on the boards of trustees
 - h. A draft statement of the terms of agreement
 - i. Whether the change is compatible with county master plans
5. Within 90 days after affording the public an opportunity to comment on the petition, the County Committee shall forward a copy of the petition and the report documents to each district and the Board of Governors.
6. The County Committee may approve the petition for the transfer of inhabited territory, if the governing board of the receiving district has consented and the provisions of Education Code § 74108 are met:
 - a. The transfer will not result in any increased cost to the state.
 - b. The transfer will not result in a reduction in state aid to community college districts not party to the petition.

- c. The reallocation of local property tax revenues has been accurately determined and will be appropriately transferred.
 - d. The transfer will not significantly affect the racial or ethnic composition of the districts affected.
 - e. The transfer will not decrease educational opportunities for residents of all districts involved
7. The County Committee shall transmit a copy of the approved petition together with related information to the Board of Governors within 10 days of its approval.

Chancellor’s Office staff worked closely with representatives of Redwoods Community College District Mendocino-Lake Community College District to ensure that the process required by Education Code § 74100 *et seq.* was followed for the proposed transfer of territory. The proposal and approved petition are properly before the Board of Governors for review.

BOARD OF GOVERNORS’ APPROVAL AUTHORITY

Education Code § 74109 requires the County Committee to send an approved petition, together with any related information or recommendations, to the Board of Governors for review. The final approved petition was approved by the County Commission on March 24, 2016 and sent to the Chancellor’s Office with a recommendation to approve.

Consistent with Education Code § 74204, notice of a public hearing before the Board of Governors on the proposed transfer of territory was provided to: (a) the governing board and district superintendent of each district whose boundaries would be affected; (b) the county superintendent and county committee of each county with jurisdiction over any of the districts whose boundaries would be affected; and (c) the persons designated in the petition as the chief petitioners. A copy of the notice is included as Attachment C.

Consistent with Education Code § 35753(a), the Board of Governors may approve the reorganization of districts when the following conditions are substantially met:

- 1. The reorganized districts will be adequate in terms of number of pupils enrolled.
- 2. The districts are each organized on the basis of a substantial community identity.
- 3. The proposal will result in an equitable division of property and facilities of the original district or districts.
- 4. The reorganization of the districts will preserve each affected district’s ability to educate students in an integrated environment and will not promote racial or ethnic discrimination or segregation.
- 5. Any increase in costs to the state resulting from the proposed reorganization will be insignificant and otherwise incidental to the reorganization.
- 6. The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the educational programs in the districts affected by the proposed reorganization.
- 7. Any increase in school facilities costs resulting from the proposed reorganization will be insignificant and otherwise incidental to the reorganization.
- 8. The proposed reorganization is primarily designed for purposes other than to significantly increase property values.

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.

As demonstrated in the attached petition (Attachment B), the conditions identified in Education Code § 35753(a) have been substantially met.

Attachments: Attachment A – Trustee Area #8 Description, Attachment B – Petition to Transfer Territory and Approval of Petition, Attachment C – Notice of Public Hearing

*Staff: Harold Flood, Facilities Planning and Utilization Specialist
College Finance and Facilities Planning*