

## North S.J. schools tax OK'd for ballot

### DEVELOPERS OPPOSE PLAN; REED SUGGESTS COMPROMISE

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With 32,000 new homes planned for North San Jose over the next two decades, Santa Clara educators want help paying for new schools to support the growing community.

So Thursday night, the Santa Clara Unified School Board decided to ask voters in November to approve an assessment district to help pay for new schools and classrooms.

"It will be a hard fight, but I think we will prevail," said Andrew Ratermann, board vice president.

Under the district's plan, each new housing unit would be taxed up to \$30,000 either up front or \$4,500 in the first year and \$2,200 annually for 30 years. Current residents only would be charged \$12.20 annually.

Thursday's decision came amid opposition from developers and San Jose city leaders, who fear the tax would jeopardize job growth and stall housing projects in the valley. Both have offered alternative solutions to help finance new schools.

San Jose Mayor Chuck Reed has proposed a compromise, with major developers paying \$6,000 per unit and the city's redevelopment agency pitching in \$75 million, including \$70 million to build a K-8 school. An additional \$16 million would

come from Santa Clara and Sunnyvale developers.

"What's on the table is a solid proposal," said Bruce Dorfman, a developer who represents a consortium of developers in North San Jose.

Despite the hard line taken by Santa Clara trustees, Thursday's decision could be rescinded altogether if the San Jose City Council on Aug. 5 approves a proposal acceptable to the trustees.

Both the district and the city have tussled over the issue ever since the city approved plans to add 83,000 jobs and build 32,000 new homes in North San Jose - a move that the district contends would create a demand for at least three new schools.

The district, which includes a large portion of North San Jose, projects a 60 percent increase in students, to as many as 23,000 by year 2025.

But developers and city leaders have disputed the number of students the new housing would bring and say only a single elementary school is currently necessary. They contend that additional classroom space could be added to existing schools and that nearby school districts also could absorb students.

Dorfman argued before the vote that the projected number of students was far too high and should be re-evaluated, an idea that at least one school board member, Ina Bendis, supported.

Also Thursday, developers sent a letter to the district saying the tax plan was legally flawed, and that if the issue went to court, the district most likely would lose. The tax needs a two-thirds majority to pass.

In the first phase of the North San Jose development, which would be completed by about 2018, about 8,000 homes would be built, nearly all

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of them in the Santa Clara district.

Trustees are seeking land for a high school and more money from developers, with an agreement that they will pay an equitable share of future school costs.

Reed on Thursday sent a letter to the district saying the city would help the district acquire land in Alviso for a new high school, although the city would not help pay for it.

"San Jose needs to get serious about this and make a serious offer," Ratermann said.

At one point, the district suggested the city's redevelopment agency increase its share. Despite the city's offers, the district said, it's still \$92.8 million short of what it currently needs, and that doesn't even address \$247.6 million for future needs.

"The city doesn't have an unlimited pot of money, but we're responding by providing flexibility," said Michelle McGurk, a spokesman for Reed.

Whatever offer San Jose and developers finally come up with must be approved by the San Jose City Council on Aug. 5. If the council approves the deal, and Santa Clara trustees accept it, the school board will meet again by Aug. 11 and cancel the election to form the tax district.

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