



Downey Unified
SCHOOL DISTRICT

Facilities Update

February 4, 2025

Agenda

- Update on Four School Sites
- Looking Ahead
- Financing Plan
 - Jin Kim, Piper Sandler
 - Example Workflow Timing



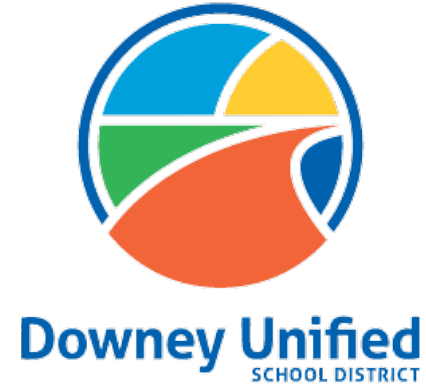
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Update on the Four Schools



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Rio Hondo Elementary School





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Rio Hondo Elementary School Timeline

Modernization

DSA Submission – Fall 2024
Construction – Spring 2025 thru Summer 2026

TK/K Buildings

DSA Submission – January 2025
Construction – Summer 2025 thru Summer 2026

New Building

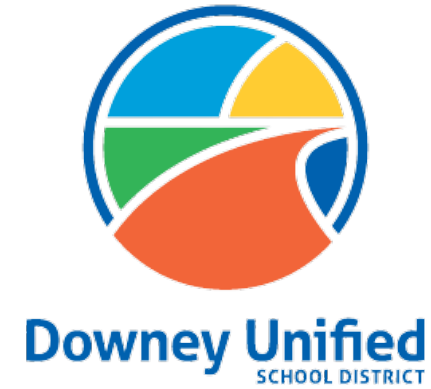
DSA Submission – January 2025
Construction – Spring 2025 thru Summer 2026

Site Work/Parking Lots

DSA Submission – January 2025
Construction – Summer 2025 thru Summer 2026

Completion Date August 2026





Rio San Gabriel Elementary School



Northwest Aerial View



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Rio San Gabriel Elementary School Timeline





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Imperial Elementary School





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Imperial Elementary School Timeline





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Carpenter Elementary School



CARPENTER ES – Northwest Aerial at TK-K Parking Lot and Drop-Off



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Carpenter Elementary School Phasing Plan

TK/K & New Building

DSA Submission – January 2025
Construction – Summer 2025 thru Spring 2026



Modernization

DSA Submission – January 2025
Construction – Spring 2026 thru Summer 2026



Site Work/
Parking Lots

DSA Submission – Fall 2024 - Winter 2025
Construction – Spring 2026 through Summer 2026

Completion Date August 2026





Looking Ahead

- Request for Qualifications – Added Qualified Lease-Leaseback Contractors to Our Pool (in process)
- Guaranteed Maximum Price (GMP) Lease-Leaseback contract for board approval upon DSA approval for Phase I (est April-May)
- Phase II Planning – Submit Designs to DSA for Remaining Elementary Schools (beginning March 2025)



Overview of Measure K Bond Funding Jin Kim, Piper|Sandler



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Original Bond Funding Plan (as of November 2022)

Bond Issuance Phasing Plan Five Equal Draws Over 12 Years	
Series A (Year 2023):	\$100,800,000
Series B (Year 2026):	\$100,800,000
Series C (Year 2029):	\$100,800,000
Series D (Year 2032):	\$100,800,000
Series E (Year 2034):	\$100,800,000
Total: \$504,000,000	

*Assumed Annual Assessed Valuation Growth Rate for Planning Purposes: 4.50%

Modified Bond Phasing Plan With Highest Available First Draw

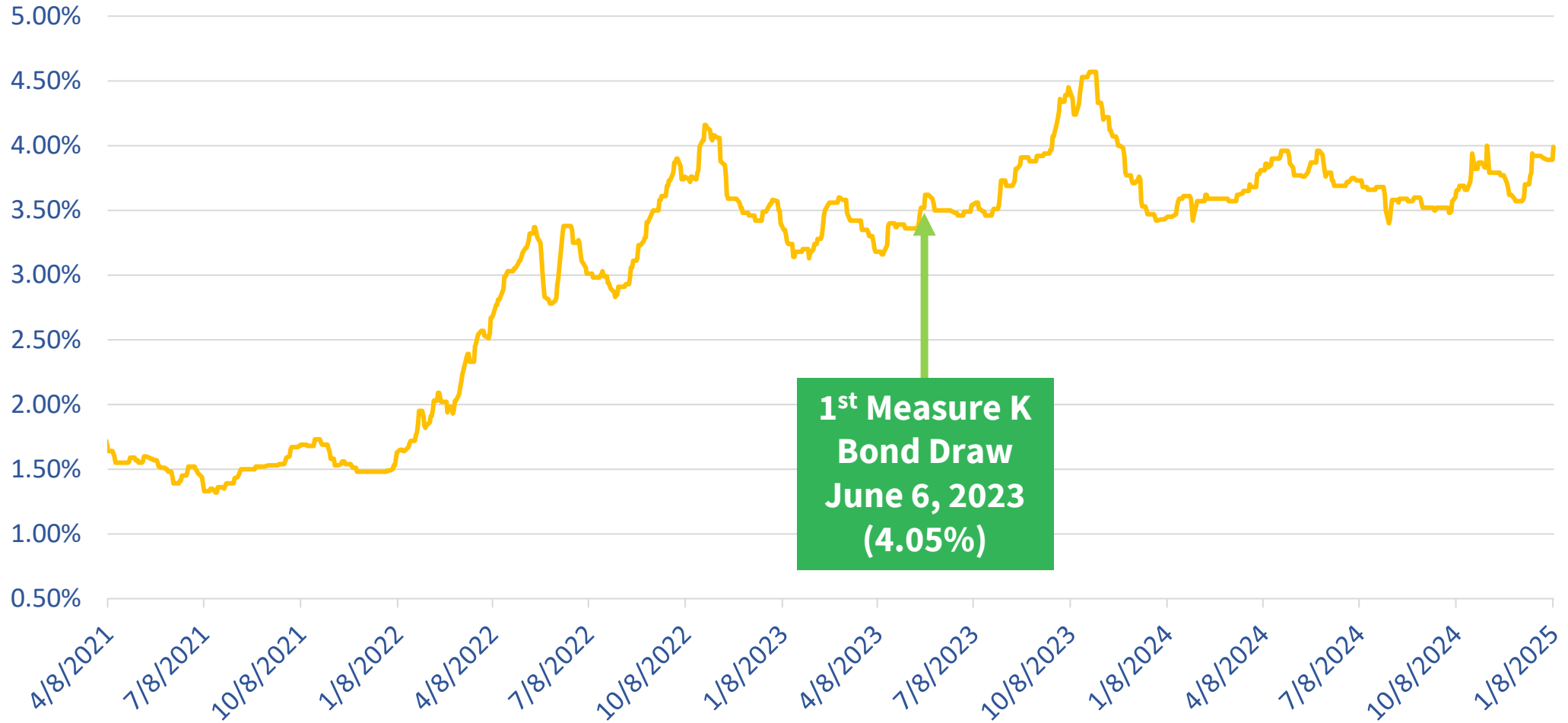
(BOE meeting February 28, 2023)

Bond Issuance Phasing Plan Five Equal Draws Over 12 Years	
Series A (Completed in 2023):	\$125,000,000
Series B (Year 2026):	\$80,000,000
Series C (Year 2029):	\$110,000,000
Series D (Year 2032):	\$80,000,000
Series E (Year 2034):	\$109,000,000
Total:	\$504,000,000

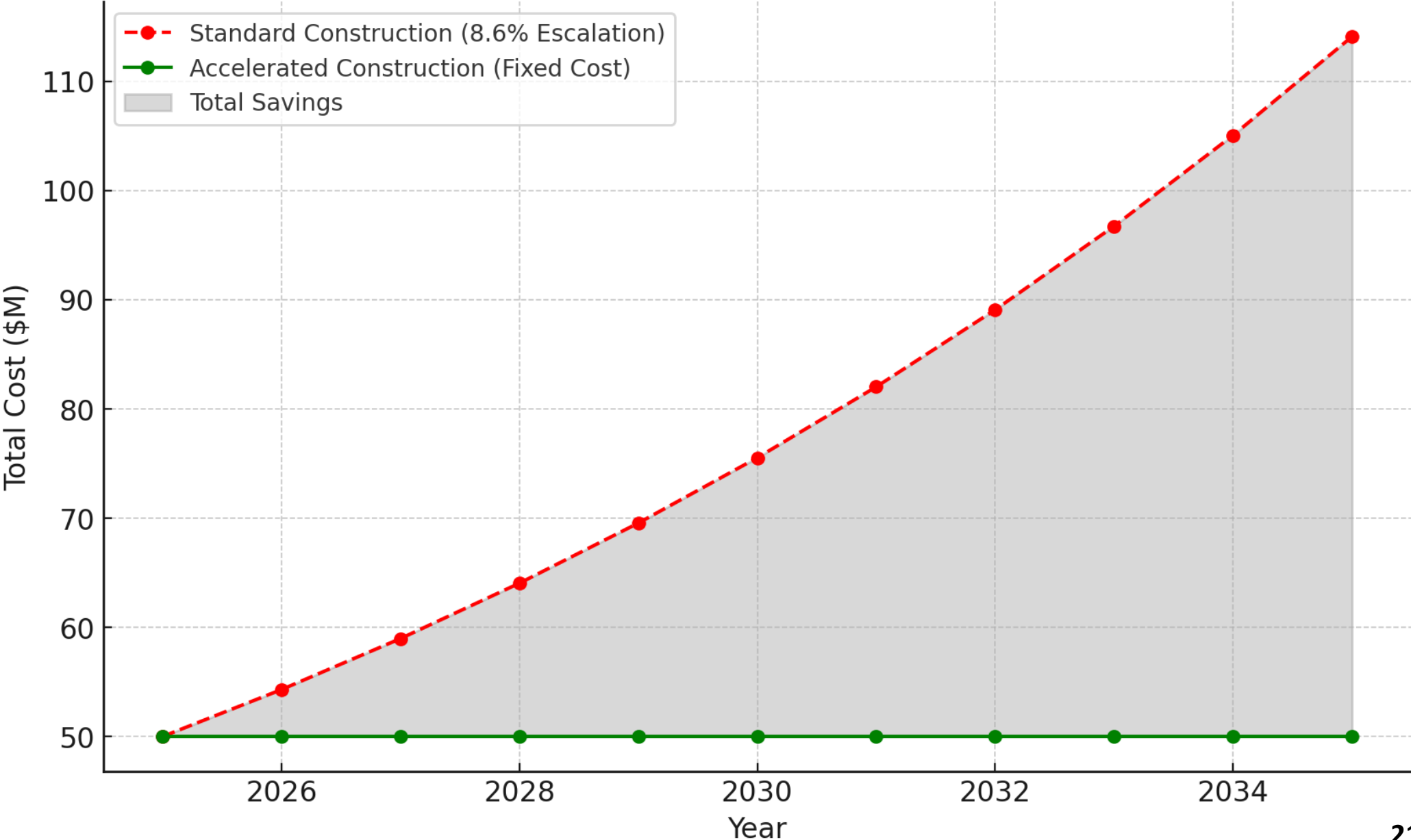
*Assumed Annual Assessed Valuation Growth Rate for Planning Purposes: 4.50%

Interest Rate Movement Since April 2021

30-Year Municipal Market Data Interest Rates

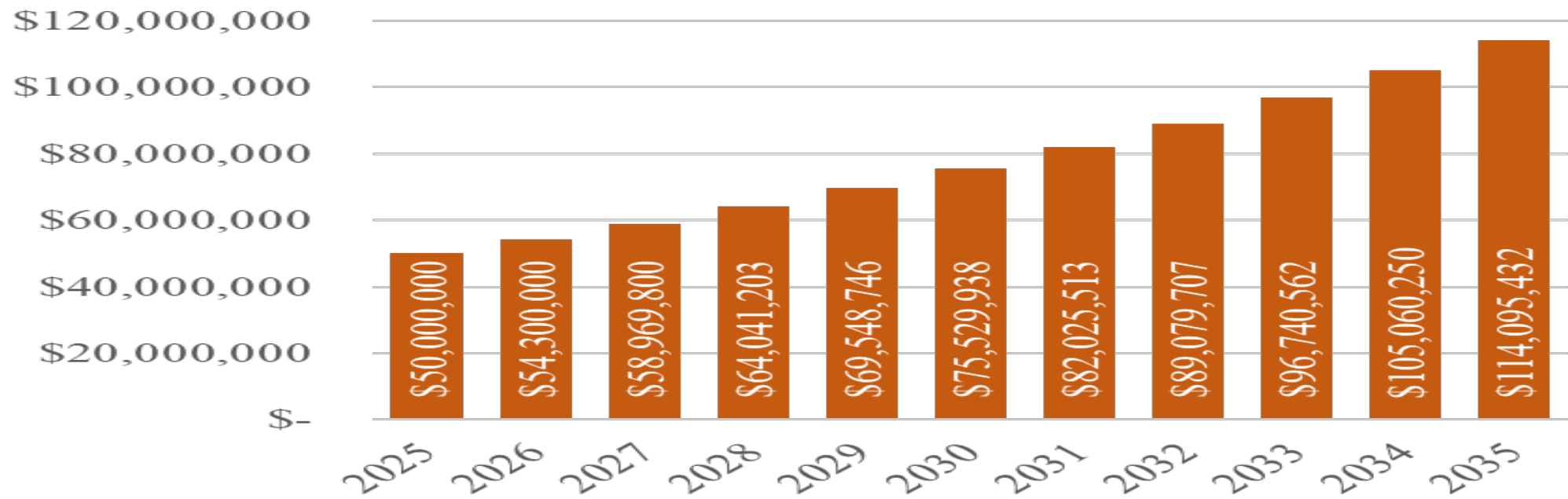


Projected Cost Escalation on \$50 Million Project (8.6% Escalation, Starting 2025)



How Much Would Our Projects Cost in the Future? (Based on Historical California Construction Cost Index)

Construction Cost Escalation
Based on Historical
California Construction Cost Index
Since COVID-19
(8.60% Average Annual Increase)





Maximizing Next Two Bond Draws for Measure K



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Recommended (Updated) Bond Phasing Plan

\$100 Million 2025 & \$100 Million in 2028 at \$60 Maximum Tax Rate

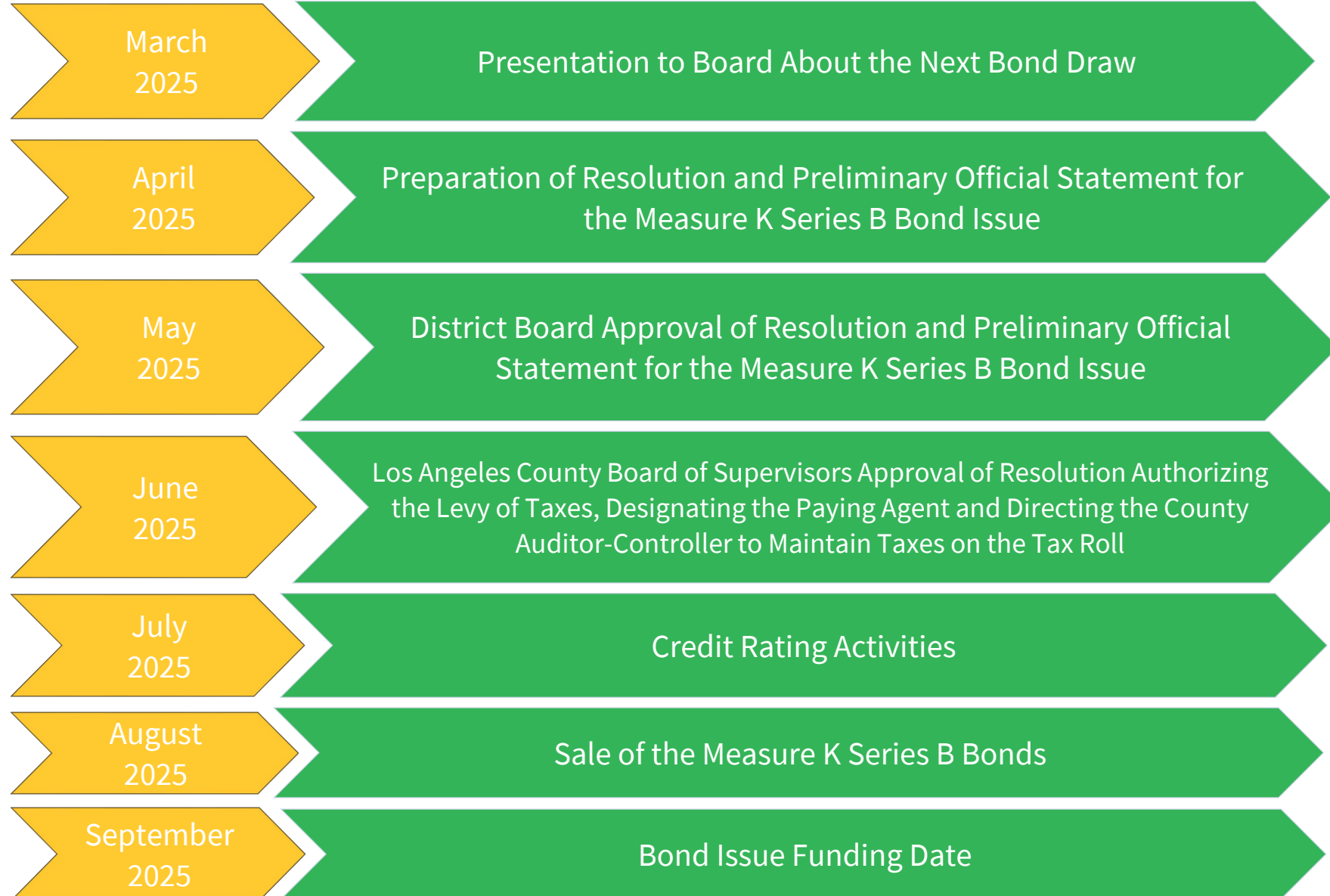
- ✓ Assumed Annual Assessed Valuation Growth Rate for Planning Purposes: 4.50%
- ✓ Tax Rate of \$60 Per \$100,000 of Assessed Valuation
- ✓ Assumes Use of Capital Appreciation Bonds

Bond Phasing Plan \$100 Million in 2025 and \$100 Million in 2028

Series A (Completed in 2023):	\$125,000,000
Series B (2025):	\$100,000,000
Series C (2028):	\$100,000,000
After 2032*:	\$179,000,000
Total:	\$504,000,000

*Assumes Use of Capital Appreciation Bonds

Potential Steps in the Measure K Series B Bond Issuance Process



Recommended Next Steps (Project Phasing)

Submit completed design plans for all Measure K projects to maximize state matching funds (Prop 2).

Prioritize construction of TK-K villiages at remaining school sites.

Given current escalation and projected future escalation costs, outlook the potential for a 2030 or 2032 bond measure.



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THANK YOU!