Senate Report 12-10-2019

- Workgroup to increase revenue earned from Supplemental portion of SCFF
 - 1. Sort of permanent outcome
 - Changing Satisfactory Academic Progress (SAP) policy (proposed)
 - 3. Low cost, potentially high benefit (\$2-4 mil additional revenue to **District** per year)
 - 4. Needs ITS, may need faculty support, may need SCC on board; let's not put up barriers unless it's clearly justified
- II. Workgroup to restore FTES to \geq 20K
 - 1. Some goals are short term (e.g., advertising), some are long term (dual enrollment, DE expansion...)
 - 2. Will cost \$\$

III. Others:

- 2.~\$1,000 per sf, ~10% annual increase
- 3.SAC may take on debt to fund Health Science bldg
- 4. Campus Entrance revamp project

CURRENT (partially funded) CAPITAL PROJECTS

	Budget	
HEALTH SCIENCES BUILDING	58,800,000	
RUSSELL HALL REPLACEMENT SECONDARY		
EFFECTS AND RELOCATIONS - Demolition	852,200	
Campus Entrance Improvements	20,000,000	
Total Expenses	79,652,200	
State Funds - Health Science Center	20,475,000	
41-2398 SAC Health Science Center	6,806,934	
41-3156 SAC Health Science Center	13,000,000	
FY 18/19 Fund 11 Transfer	2,500,000	
Total Saved	42,781,934	
Unfunded Liability	36,870,266	

Additional Ongoing	Annual Cost	
Science Center FT Custodian (S&B's)		72,917
Science Center FT Custodian (S&B's)		72,917
Science Center FT Custodian (S&B's)		72,917
Johnson Center FT Custodian (S&B's)		72,917
Johnson Center FT Custodian (S&B's)		72,917
Johnson Center FT Custodian (S&B's)		72,917
Preventative Maintence - Scence Center	TB	D
Preventative Maintence - Johnson Center	ТВ	D
		437,502



October 24, 2019

Rancho Santiago Community College District Santa Ana College Campus Attn: Mark Reynoso 1530 W. 17th Street Santa Ana, CA 92706

Dear Mark,

Thank you for your time to discuss a possible financing scenario for Rancho Santiago Community College District (RSCCD) Santa Ana College campus. Based on our conversation we have prepared this guideline for you to consider the options available to you. These points are not intended to be final but rather for discussions. This letter is neither a commitment nor an offer to lend by the Bank at this time. However, it is a summary of the credit facility that we would be pleased to consider as we look forward to a long-lasting banking relationship with you.

Credit Facility: Commercial Real Estate Term Loan

Borrower: Rancho Santiago Community College District

(Santa Ana College)

Guarantor: TBD, if needed.

Amount: Not to exceed \$40,000,000

Structure: Master Loan Agreement; Loan A (\$16m) & Loan B (\$20m)

Purpose: A) Provide funds to complete the construction of a Health & Science

Building and B) Provide funds to renovate the Campus Entrance.

Maturity: Loan maturity shall be ten (10) years.

Amortization: Several options are available including a 10 year, 15 year, 20 year and a

25 year amortization.

Repayment Options: There are several options available to meet the needs and scope of project

for repayment under the Master Loan Agreement.

Loan Amount	\$40,000,000		10 yea	r option will cost us \$49 million			
Taxable Options							
Amortization	10 Years	15 Years	20 Years	25 Years			
Rate	4.25%	4.25%	4.25%	4.25%			
Monthly Payment	410,938	302,168	249,018	218,086			
Annual Payment	4,931,254	3,626,012	2,988,218	2,617,029			
Tax Exempt Options							
Amortization	10 Years	15 Years	20 Years	25 Years			
Rate	3.25%	3.25%	3.25%	3.25%			
Monthly Payment	391,758	281,990	227,841	195,929			
Annual Payment	4,701,100	3,383,878	2,734,094	2,351,153			

The above scenarios do not account for any interest only payments which would be offered for a construction loan, nor do they account for any principal pay-downs. In addition, this also assumes that the A & B loans are termed out for the same period.