



CITY OF INGLEWOOD

Office of the Mayor



James T. Butts, Jr.
Mayor

May 6, 2022

Honorable Governor Newsom,

Inglewood Unified School District (IUSD) and the City of Inglewood have an unwavering commitment and partnership to the community we serve. Our goal is to ensure that we provide our students and generations to come with safe, high quality, and equitable school communities, educational experiences, and opportunities.

Inglewood Unified serves approximately 7,600 students in 19 schools in the city of Inglewood and an adjacent section of unincorporated Los Angeles County of Ladera Heights. IUSD's enrollment has declined significantly for years - from approximately 18,000 students in 2002 and is projected to further decline to 6,800 students by the 2024 school year.

On September 14, 2012, Senate Bill (SB) 533 was approved bringing Inglewood Unified School District under state receivership with a state-approved emergency appropriation of \$55 million to avoid fiscal insolvency. IUSD made efforts to avoid the takeover with last-minute expenditure reductions resulting in a loan of \$29 million from the State. Receivership has resulted in the following difficulties for IUSD:

- The District has an outstanding loan balance of approximately \$21 million. This results in an annual payment of 1.8 million, for the next 12 years. Over \$8 million will go to pay interest alone.
- The 1.8 million has to be paid from Unrestricted General Fund Dollars, specifically, the LCFF Base dollars. This affects the District in many ways:
 - The District has a unique disadvantage as it begins with a 1.8 million deduction from base funding every year for the next 12 years.
 - The annual state loan repayment causes cash flow challenges in the month of November when the apportionment is deducted.
 - Less funds are available to give raises to staff. This puts Inglewood Unified at a particular disadvantage, as it is already amongst the lowest paid Districts in the county. Not being able to provide a competitive salary severely impacts the district's ability to recruit teachers, counselors, custodians, and many other essential staff. For example:
 - IUSD started the 21-22 school year with 35 vacancies
 - This year we received 136 resignations/retirements
 - Less funds are available to fund core program items such as: Technology improvements, Career Pathways, Critical Base Programs, and Materials and Supplies for Students.

In light of the State's significant budget surplus and the continuous declining enrollment, as well as the challenges of recruiting and retaining highly qualified staff, **the District would like to request the forgiveness of our state loan**, so that we may redirect the \$1.8 million to support student services, enhance recruitment and retention efforts, and provide stability and sustainability to our students, families, and community.

The City of Inglewood's vision has transformed our community by inspiring hope, social justice and bringing in state-of-the-art facilities, such as Sofi Stadium, home of the Los Angeles Chargers and the Los Angeles Rams, as well as Intuit Dome, the soon to be new home of the Los Angeles Clippers. These organizations have not only transformed our city, but have positively impacted our school community. Through their partnerships, IUSD has been able to offer new programs, services and resources to our students, staff and families.

In doing so, the City has significantly increased Property Tax revenues annually to the Schools of Los Angeles County. This property tax revenue is conservatively estimated to be \$35 million dollars at present and growing to \$60 million annually when normalized at build out. Calculations are based on the current added assessed value of approximately \$7 billion for the Forum, Sofi Stadium and associated development, as well as an additional future \$5 billion assessed value for the (under construction) Intuit Dome (Clippers new home) and planned build out of the 237-acre Hollywood Park Entertainment District. At the state level, you may also expect a substantial infusion of sales and other taxes directly emanating from these iconic developments. Staff is arranging a Sacramento visit with a target date of May 18, 2022. Based upon the aforementioned revenue projections, I would appreciate the opportunity to talk with you in person to discuss your help in securing a 10-year annual stipend over and above the ADA funding for the IUSD to allow it to continue operations and improve teacher compensation to recruit the best and brightest, and to improve school conditions for our students, families, and community.

Thank you for the consideration for the request of the state forgiveness loan, as we collectively work together for the future of IUSD.

Sincerely,



James T. Butts, Jr.
Mayor, City of Inglewood



Erika F. Torres, Ed.D., MSW
County Administrator, Inglewood Unified School District