

**MEMORANDUM OF UNDERSTANDING BETWEEN
CITY OF PASADENA AND PASADENA UNIFIED SCHOOL DISTRICT
REGARDING MEASURE I REVENUES**

This Memorandum of Understanding ("MOU") by and between the City of Pasadena, a California municipal corporation ("Pasadena") and the Pasadena Unified School District, a school district ("District"), is made with reference to the following:

RECITALS

WHEREAS, the City and the District share mutual goals in assisting and preparing youth to be productive members of society and support each other's efforts in that regard;

WHEREAS, on November 6, 2018, Pasadena voters approved Measure I, the Pasadena Infrastructure/Community Essential Services Protection Measure ("Measure I"), by establishing a 3/4 cent transactions and use tax, with 68.74 percent voting yes; Measure I is codified in the Pasadena Municipal Code, Chapter 4.42;

WHEREAS, also on November 6, 2018, Pasadena voters approved Measure J, an advisory vote ("Measure J"), which, among other things, asked whether one-third of the revenue from Measure I should be used to support Pasadena public schools, with 72.05 percent voting yes;

WHEREAS, through this MOU, the City desires to transfer to the District one-third of the annual revenues from Measure I, for the purposes set forth herein;

WHEREAS, by its approval of this MOU, the City Council of the City of Pasadena finds and determines that this MOU serves the following valid public purposes, which includes allowing the District to reinvest existing funds and the funds from this MOU to (a) accomplish the District priorities set forth herein; (b) support initiatives by the District, which benefits the health, safety, and welfare of families of students in the District, as well as Pasadena residents generally, which benefit from the successful operation of schools by the District, by way of, among other means, increased property values; (c) lower crime rates, reducing the need for City services, (d) enable the District to reinvest and enhance its facilities that can, in turn, be a part of future joint use arrangements between the City and the District, (e) further the City's Economic Development Strategic Plan, by increasing collaboration between the City and the District, and developing a thriving Pasadena public school system; and (f) improve the quality of life in the City of Pasadena.

NOW THEREFORE, in consideration of mutual covenants contained herein, the parties mutually agree as follows:

1. Term

The term of this MOU shall be three (3) years from the effective date as set forth below. Thereafter, this MOU shall automatically and annually renew for successive one (1) year terms, unless either party provides notice to the other of its intent to terminate this Agreement this MOU not less than thirty (30) days before the end of the then-current term.

2. City's Responsibilities

Beginning in Fiscal Year 2020, commencing July 1, 2019, on a monthly basis, the City shall provide to the Los Angeles County Office of Education, on behalf of the District, an amount equal to one-third of the revenue from Measure I actually received by the City during the prior month. Said payments by the City are contingent on the District's performance of their obligations as set forth in Paragraph 3, below. Notwithstanding the foregoing, in the first calendar year of this MOU, the City shall provide to the Los Angeles County Office of Education, on behalf of the District, an amount not less than \$5,000,000 (five million dollars).

3. District's Responsibilities

The District shall use the funds received pursuant to this MOU in the following priority order:

Priority One	Maintain an adequate level of reserves, as required by State law
Priority Two	Restore and maintain existing educational programming that would otherwise face reduction/elimination, including, but not limited to, the following programmatic areas; International Baccalaureate, Dual-Language Immersion, Science/Technology/ Engineering/Arts/Math (STEM/STEAM), Visual & Performing Arts, and International Academy
Priority Three	Other District projects and programs that benefit students

No later than April 30 of each year, and commencing as of April 30, 2020, the District shall present a written report to the City, setting forth, with sufficient detail, (a) the specific amount of funds allocated to each of the three priority areas; and (b) a description of the particular use of funds; and (c) an expenditure plan for the coming Fiscal Year, based on the three priority areas ("Report and Plan"). The Report and Plan shall be included in the preliminary budget of the City and will be reviewed by the City Council, and if deemed acceptable, affirmed as part of the adopted budget.

4. Liability Insurance/Indemnity/Notice

This MOU shall be covered by the liability insurance, indemnity, and notice provisions in the Joint Use of Facilities Agreement, Contract #13,991 (as amended). Notwithstanding the foregoing, the District agrees to indemnify, hold harmless and defend (even if the allegations are false, fraudulent or groundless), to the maximum extent permitted by law, the City, its City Council and each member thereof, and its officers, employees, commission members and representatives, from any and all liability, loss, suits, claims, damages, costs, judgments and expenses (including attorney's fees and costs of litigation) which in whole or in part result from, or arise out of, or are claimed to result from or to arise out of the City's transfer and/or use of Measure I revenues as set forth herein, excepting the sole negligence or willful misconduct of the City. The City shall be entitled to actively supervise the matter, shall be authorized, as necessary, to select and retain its own, separate, independent counsel at the District's expense, which decision shall be made solely and exclusively by the City, and costs of the foregoing may be deducted by the City from the payments described in Paragraph 2, above.

5. Entire Agreement

This MOU, including any Exhibits attached hereto, constitutes the entire agreement and understanding between the parties regarding its subject matter and supersedes all prior or contemporaneous negotiations, representations, understandings, correspondence, documentation and agreements (written or oral).

6. Written Amendment

This MOU may only be changed by written amendment signed by District and the City Manager or other authorized representative of the City, subject to any requisite authorization by the City Council. Any oral representations or modifications concerning this MOU shall be of no force or effect.

7. Severability

If any provision in this MOU is held by any court of competent jurisdiction to be invalid, illegal, void, or unenforceable, such portion shall be deemed severed from this MOU, and the remaining provisions shall nevertheless continue in full force and effect as fully as though such invalid, illegal, or unenforceable portion had never been part of this MOU.

8. Choice of Forum

The parties hereby agree that this MOU is to be enforced in accordance with the laws of the State of California, is entered into and is performed in the City of Pasadena and that all claims or controversies arising out of or related to performance under this MOU shall be submitted to and resolved in a forum within the County of Los Angeles at a place to be determined by the rules of the forum.

9. Termination

Either party may terminate this MOU, with or without cause, by giving thirty (30) days written notice.

IN WITNESS WHEREOF, the City and the District have caused their duly authorized representatives to execute this Memorandum of Understanding effective the date shown below.

DATED:

CITY OF PASADENA

PASADENA UNIFIED SCHOOL DISTRICT

Steve Mermell
City Manager

Dr. Brian McDonald
Superintendent

ATTEST:

Mark Jomsky
City Clerk

APPROVED AS TO FORM:

Michele Beal Bagneris
City Attorney