FOOTHILL-DE ANZA
Community College District

NEWS RELEASE

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Foothill-De Anza taxpayers can look forward to lower bond rates

The Board of Trustees acted March 5 to reduce bond costs for taxpayers in the Foothill-De Anza Community College District by authorizing the refunding of outstanding general obligation bonds to take advantage of lower interest rates.

With rates for tax-exempt bonds currently at or near an all-time low, the board voted to authorize the refinancing a portion of Measure E and Measure C general obligation bonds. Similar to refinancing a home, the refunding will reduce existing debt service on previously issued outstanding bonds, decreasing the annual tax rate for property owners in the Foothill-De Anza district.

The district currently plans to refund approximately $77.6 million of the bonds, saving taxpayers about $690,000 in estimated debt service costs every year through 2030, or about $13 million in total savings.

"While these savings do not come to the district, they will benefit property owners who support Foothill-De Anza's bond program," said board President Joan Barram. "We are delighted to have this opportunity to return money to our local taxpayers."

District voters overwhelmingly approved the sale of $248 million of Measure E bonds in 1999 and $490.8 million of Measure C bonds in 2006 to fund capital improvements in the district. Bond funds cannot be used to pay for academic programs and other operating expenses.

"We are grateful to local voters for their investment in preserving and enhancing Foothill and De Anza colleges for the continued use of the community for decades to come," said Chancellor Linda Thor. "These bonds have made it possible for the district to prolong the life of original campus buildings and update aging facilities with new buildings, classrooms and labs that are equipped with modern-day technology and built to high energy-efficiency standards.''

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