


City Council

RTC 25-412 Item 8: Update on Measure I - Santa Clara's Public Facilities and Infrastructure Bond Measure Work Plan, Implementation Schedule, and Request for Direction on the Appointment Process and Terms for the Measure I Bond Compliance Oversight Committee

April 8, 2025



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Measure I

- November 4, 2024, Santa Clara voters approved the Public Facilities and Infrastructure Bond Measure
- \$400M general obligation bond to fund capital infrastructure improvements throughout the City
- Measure requires compliance with the Expenditure Plan and the formation of a Bond Compliance Oversight Committee

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Expenditure Plan Summary

- Fire Stations and Emergency Response: \$142.2M
- Parks, Libraries, Senior Center, and Aquatics: \$115.3M
- Storm Drain System Improvements: \$46M
- Police Facilities: \$44M
- Streets and Transportation: \$41.2M
- Historic Buildings & Beautification: \$9.2M

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Expenditure Plan Projects

Project Areas	Total
Streets and Transportation	41,170,000
Street Resurfacing and Rehabilitation	23,000,000
ADA Improvements	10,000,000
Creek Trail Rehabilitation	2,500,000
Bicycle Wayfinding	300,000
Contingency/Escalation/Administration	5,370,000
Fire Stations and Emergency Response	142,235,450
Fire Stations 5 Replacement	27,000,000
Fire Stations 7 Replacement	27,000,000
Fire Stations 9 Replacement/Renovations	9,000,000
Fire Station 1 Replacement/Renovations	58,000,000
Fire Training Tower Renovation	783,000
Various Fire Station Infrastructure Upgrades	1,900,000
Contingency/Escalation/Administration	18,552,450
Police Facilities	43,987,500
Police Department Drone First Responder Infrastructure	3,000,000
Emergency Operations Center Infrastructure	250,000
Police Training Facility	30,000,000
Police Department Facility and Real-Time Crime Center Infrastructure	5,000,000
Contingency/Escalation/Administration	5,737,500

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Expenditure Plan Cont.

Project Areas	Total
Parks, Library, Senior Center, and Aquatics Facilities	115,258,750
Renovation/Expansion of 3 Public Libraries	9,000,000
Senior Center Expansion/Renovation	9,500,000
Community Aquatic Facility/ISC Renovation/Replacement	45,000,000
Bowers Park Renovations	4,400,000
Earl Carmichael Park Playground Renovations	2,900,000
Warburton Park Playground Renovations	3,000,000
Henry Schmidt Park Playground Renovations	4,325,000
Pickleball Court	1,600,000
Mary Gomez Park Renovations	2,500,000
Aged Parks & Buildings Infrastructure in Critical/Poor Condition	18,000,000
Contingency/Escalation/Administration	15,033,750

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Expenditure Plan Cont.

Project Areas	Total
Stormdrain System Improvements	46,000,000
Stormdrain System Improvements	16,423,000
Storm Water Retention Basin Remediation	9,209,000
Green Stormwater Infrastructure Design & Construction	6,645,000
Lafayette St. Underpass at Subway Pump Station	4,946,000
Bowers Ave Underpass SDPS Rehabilitation	2,030,000
SDPS Motor and Control Replacement	347,000
Stormdrain Pump Station Outfall Reconstruction Program	250,000
Stormdrain Renovations	150,000
Contingency/Escalation/Administration	6,000,000
Historic Buildings and Beautification	9,200,000
Street/Median Beautification Improvements	4,000,000
Renovations to Historic Buildings	3,000,000
Triton Museum Improvements	1,000,000
Contingency/Escalation/Administration	1,200,000
Bond Issuance Costs	2,000,000
GRAND TOTAL	\$ 399,851,700

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Transparency and Accountability Plan

1. Voter Approved Expenditure Plan including project category areas and related spending amounts [Ordinance Section 6, Section 13(b)(i) and Exhibit A]
2. Process for substantive amendments to the Expenditure Plan to require a staff recommendation, input from the Community Oversight Committee and unanimous approval of the City Council [Ordinance Section 13(b)(ii)]
3. Formation of a Community Oversight Committee to ensure compliance with bond requirements and provided input on any proposed Expenditure Plan amendment [Ordinance Section 13(a)(viii) and 13(b)(iv)]

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Transparency and Accountability Plan

4. Bond expenditures subject to independent annual audits with public presentations of the audits to the Community Oversight Committee and Council Audit Committee [Ordinance Sections 13(a)(v)-(vii) and 13(b)(v)]
5. Strict prohibitions on the use of bond proceeds for (a) Levi's Stadium Improvements; (b) any projects for the sole benefit of Levi's Stadium; (c) any improvements within .5 miles of the Stadium, except for improvements in residential neighborhoods of direct benefit to those areas and not Levi's Stadium; and (d) the direct or indirect benefit of any professional sports team [Ordinance Section 13(b)(iii)]

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Transparency and Accountability Plan

6. Funds only to be used for public infrastructure projects serving the City of Santa Clara [Ordinance Section 13(a)(ii)]
7. All bond proceeds are to be deposited into a separate account(s) and tracked on a project-by-project basis [Ordinance Section 13(a)(x)]
8. No bond proceeds are to be used for employee salaries or benefits with the exception of normal and customary personnel charges for project management and delivery services not to exceed 5% of bond proceeds [Ordinance Section 13(a)(i)]

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Transparency and Accountability Plan

9. Annual public presentations on the Expenditure Plan and project status to the Community Oversight Committee and the City Council [Ordinance Section 13(b)(v)]
10. For projects requiring mail notice, noticing to all properties within 1,000 feet of the project [Ordinance Section 13(b)(v)]
11. Enhanced communications program on bond-funded projects including on the City's webpage with public signage providing further information at project sites [Ordinance Section 13(b)(v)]

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Measure I Governance Structure

- **Internal Leadership Team**
 - Capital Projects Program Manager
 - Director of Public Works
 - Finance Director
- **Bond Administration Team**
 - Finance Director
 - Bond Counsel – Jones Hall*
 - Municipal Advisor – Public Financial Management *

* Approved by City Council Reso 24-9341

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Bond Compliance Oversight Committee

- **Responsibilities**
 - Monitor project alignment with Expenditure Plan
 - Review annual audits
 - Provide input on proposed plan amendments
 - Inform the public
- **Recruitment and Selection Process**
 - 9 members (7 residents, 1 large business, 1 small business)
 - Selected by lottery and confirmed by the City Council

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Bond Compliance Oversight Committee: By District or At-Large

- Ordinance requires that seven resident members be chosen by a lottery method
- City Council should determine if the lottery will be structured by one of the following:
 - District Based: six (6) district seats and one (1) citywide seat, which aligns to how the City Council is structured, or
 - At-Large: all seven (7) seats will be chosen irrespective of district residency.

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Bond Compliance Oversight Committee: Term Limits

- Proposed term structure: Members would be eligible to serve two full four-year terms.
- For continuity and to prevent all seats from being vacated simultaneously, recommend initial appointments to be staggered as follows:
 - Two-year term for representatives from Districts 1, 3, and 5, and Small Business Representative
 - Four-year term for representatives from Districts 2, 4, 6, the at-large seat, and Large Business Representative

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Applications by District to Date

Large Business: 3
Small Business: 1
Resident by District:

D1=3
D2=7
D3=5
D4=8
D5=7
D6=4

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Bond Issuance Process

- IRS regulations for tax exempt bonds require expenditure within approx. 3 years
 - Multiple bond issuances in phases to ensure compliance
- Identification of Projects for Phase 1
 - Staff estimates costs and project timeline
 - Oversight Committee review and confirmation of Expenditure Plan compliance
 - Council approves Phase 1 projects
- City adopts a resolution authorizing a tax levy for incorporation into the upcoming property tax roll
- June 2025 – City Council to authorize first tax levy

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Capital Projects Delivery Strategy

Type 1: Projects that are Design-Ready

- Project that are ready to be designed and are ready to proceed with funding

Type 2: Projects requiring Conceptual Design

- projects that are multi-year initiatives that are larger or more complex and require additional time to finalize design concepts

Type 3: Projects requiring Planning and Feasibility Study

- Projects that require study, planning and feasibility assessments before design

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Current Efforts:

- Proposed Project List: Public Works is identifying potential projects to be included in the initial bond issuance which will include projects from all three capital project delivery types
- Staff Capacity: Evaluating staffing model to ensure adequate resources are available to support the Measure I bond projects
- Committee Formation and Training

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Phase 1 Schedule

Meetings	Dates
Lottery Selection and Confirmation of Bond Compliance Oversight Committee	May 2025
Bond Compliance Oversight Committee Review and Confirmation of Expenditure Plan Compliance	May/June 2025
Council Approval of Phase 1 Projects	June 2025
Resolution Authorizing a Tax Levy	June 2025
Bond Issuance	Q4 2025

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Recommendation:

1. The City Council note and file the Measure I update report.
2. The City Council take the following actions with respect to the Measure I Citizen's Oversight Committee:
 - a. Approve the criteria that 6 of the 7 residents serving on the Citizen's Oversight Committee be selected by District so that all 6 Council Districts are represented.
 - b. Stagger the Citizen's Oversight Committee representative terms as follows:
 - i. Initial Two-year term for representatives from Districts 1, 3, and 5, and Small Business Representative
 - ii. Initial Four-year terms for representatives from Districts 2, 4, 6, the at-large seat, and Large Business Representative

All Committee Members shall be entitled to serve up to 2 full-four year terms. Those members serving an initial two-year term will be eligible to serve up to two additional four-year terms.

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