



Finance Department

Council General Obligation Bond Study Session

May 27, 2025



Key Official Actions

Action	Estimated Timeline
1. Bond Compliance Citizens' Oversight Committee (COC) Confirmation & COC Bylaws Approval	May 27, 2025
2. Approve Ad Valorem Tax Levy for Debt Service ⁽¹⁾	June 10, 2025
3. Approve Updated Debt Management Policy	September 2025
4. Approve Bond Issuance and Related Documents ⁽²⁾	January 2026

⁽¹⁾ Annual until final maturity

⁽²⁾ Each Bond Issuance



Key Related Documents

Action & Document	Responsibility
<ol style="list-style-type: none">1. Bond Compliance COC Confirmation & COC Bylaws Approval<ul style="list-style-type: none">• Resolution Adopting Bylaws<ul style="list-style-type: none">➤ Bylaws per City Ordinance No. 2069	Staff & Bond Counsel
<ol style="list-style-type: none">2. Approve Ad Valorem Tax Levy for Debt Service<ul style="list-style-type: none">• Resolution Authorizing Levy Based on Estimated Debt Service On Unsold GO Bonds<ul style="list-style-type: none">➤ FY 2025/26 Property Tax Roll Amount per \$100,000 Assessed Value➤ Based on \$150 Million 1st Tranche Bond Issuance Size	Staff & Financial Advisor



Tax Levy Resolution on June 10

- **WHAT DOES THIS DO**



- Places a levy on the tax rolls for FY 2025/26
 - County collects property taxes November 2025 & February 2026*
 - City pays debt service due August 1, 2026 (estimated 1st payment date)

- **WHY NOW**



- Reduces interest expenses
 - Immediately pays down Principal
 - Eliminates capitalized interest which increases total Principal amount

** County of Santa Clara distributes advances of Ad Valorem tax collections to cities in installments between November to June during each fiscal year*



Key Related Documents – cont'd

Action & Document	Responsibility
<p>3. Approve Updated Debt Management Policy</p> <ul style="list-style-type: none">• Update to include references to:<ul style="list-style-type: none">➤ Administrative Disclosure Procedures➤ Administrative Bond Proceeds Project Fund Drawdown Procedures• Possibly enhances Credit Ratings	<p>Staff & Financial Advisor</p>



Key Related Documents – cont'd

Action & Document	Responsibility
<p>4. Approve Bond Issuance and Related Documents</p> <ul style="list-style-type: none">• Preliminary Official Statement (POS)*<ul style="list-style-type: none">➤ City of Santa Clara Overview➤ Property Assessed Valuation➤ Description of Funded Projects➤ Financial Information• Trust Agreement<ul style="list-style-type: none">➤ Trustee to hold Bond Proceeds in Project Fund• Bond Sale Documents<ul style="list-style-type: none">➤ Notice of Sale or Bond Purchase Agreement• Continuing Disclosure Certificate	<p>Staff, Bond Counsel, & Financial Advisor</p>

** Council Members' input requested – see Bond Counsel "Responsibilities of Council Members Regarding Bond Issuance" examples on page number 5*