

RESOLUTION NO. ____

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA, CALLING AND GIVING NOTICE OF A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2024 FOR A VOTE ON A MEASURE TO APPROVE THE ISSUANCE OF GENERAL OBLIGATION BONDS TO FINANCE MUNICIPAL IMPROVEMENTS CONSTITUTING PUBLIC INFRASTRUCTURE OF THE CITY; REQUESTING THE CONSOLIDATION OF THE SPECIAL MUNICIPAL ELECTION WITH THE PRESIDENTIAL GENERAL ELECTION TO BE HELD IN SANTA CLARA COUNTY ON NOVEMBER 5, 2024; DIRECTING THE CITY CLERK TO TRANSMIT THE MEASURES TO THE CITY ATTORNEY TO PREPARE THE IMPARTIAL ANALYSIS; AND DESIGNATING THE PARTIES RESPONSIBLE FOR PREPARATION OF BALLOT ARGUMENTS

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the City of Santa Clara (the “City”) is a municipal corporation and charter city duly organized and existing under the Constitution and laws of the State of California; and

WHEREAS, the City Council of the City (the “City Council”) is required by the California Constitution as well as other applicable provisions of California law to submit any proposal for bonded indebtedness to the voters for their consideration; and

WHEREAS, on July 9, 2024, the City Council adopted, by a two-thirds vote of all its members, Resolution No. 24-180 determining the necessity to incur a bonded indebtedness to finance municipal improvement projects constituting public infrastructure of the City through the issuance of general obligation bonds (the “Bonds”); and

WHEREAS, on the date hereof, the City Council adopted, by a two-thirds vote of all its members, an ordinance entitled “AN ORDINANCE OF THE CITY OF SANTA CLARA, CALIFORNIA, ORDERING THE SUBMISSION OF A MEASURE INCURRING BONDED INDEBTEDNESS TO THE QUALIFIED VOTERS OF THE CITY OF SANTA CLARA AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 5, 2024, FOR THE PURPOSE OF FINANCING THE

COST OF THE ACQUISITION, CONSTRUCTION AND IMPROVEMENT OF CERTAIN MUNICIPAL IMPROVEMENT PROJECTS CONSTITUTING PUBLIC INFRASTRUCTURE OF THE CITY, SUBJECT TO ACCOUNTABILITY MEASURES AND COMPLIANCE WITH AN ADOPTED EXPENDITURE PLAN” (the “Ordinance”), which orders the submission to the voters of a proposition authorizing the issuance of the Bonds to the voters of the City for their consideration; and **WHEREAS**, under existing law, approval of the Bonds requires 2/3 of the voters in the City voting on the proposition to vote in favor; and

WHEREAS, Assembly Constitutional Amendment No. 1 (“ACA1”) has qualified for the November 5, 2024 Statewide ballot and would, among other things, change existing law to authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure if the proposition proposing that tax is approved by 55% of the voters of the city, county, city and county, or special district, as applicable, and the proposition includes specified accountability requirements; and

WHEREAS, the foregoing amendments effectuated by ACA1, if approved at the November 5, 2024 Statewide ballot, would apply to any proposition authorizing general obligation bonds of a city that is submitted at the same election as ACA1; and

WHEREAS, the proposition to approve the Bonds complies with all the provisions of ACA1 so that, if ACA1 is approved on November 5, 2024, approval of the Bonds shall require 55% (not 2/3) of the voters in the City voting on the proposition to vote in favor; and

WHEREAS, if the ballot measure authorizing issuance of the Bonds is approved by the requisite number of affirmative votes, the City will be authorized to issue the Bonds; and

WHEREAS, pursuant to California Elections Code section 1201, the next Presidential General Election will be held on November 5, 2024; and

WHEREAS, in the course of conducting a Special Municipal Election on November 5, 2024, it is desired that that the Board of Supervisors of the County of Santa Clara consolidate a special

municipal election to be held on November 5, 2024, with the Presidential General Election to be held on the same date for the purpose of submitting this ballot measure. It is also necessary for the City to request services of the County as set forth in this Resolution.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. Recitals Correct. The foregoing recitals are true and correct.
2. Election Ordered; Ballot Measure. Pursuant to its right, power and authority under the California Constitution and the laws of the State of California, the City Council on its own motion hereby orders submitted to the voters at an election to be held in the City on November 5, 2024, a ballot measure designated by letter by the Santa Clara County (the “County”) Registrar of Voters authorizing the sale of general obligation bonds to finance the costs of municipal improvement projects constituting public infrastructure of the City described in the Ordinance, to appear on the ballot in substantially the following form:

To improve 911 emergency rapid response; fix potholes, repair and improve streets throughout Santa Clara; fix underground stormdrains/pipes to prevent sinkholes; provide safer roads and routes to school for drivers, pedestrians; and repair/maintain safe public facilities; shall the City of Santa Clara’s measure authorizing \$400,000,000 in bonds, funded by levying an estimated \$19/\$100,000 of assessed value while bonds are outstanding, generating approximately \$21,674,000 annually, with annual audits and citizen oversight of spending, be adopted?	BONDS YES _____
	BONDS NO _____

The full text of the proposed measure to be submitted to the voters is set forth in the Ordinance, and incorporated herein by reference as if set forth in full. The full text of the Ordinance and Exhibit A, Tax Rate Statement, as described in Section 4, shall be printed in the voter information guide.

3. Voter Approval. The proposed measure shall not take effect unless approved by (1) if ACA1 passes, a 55% vote of the voters voting on the question or (2) if ACA1 does not pass, a 2/3rds vote of the voters voting on the question.

4. Tax Rate Statement. The City Council hereby finds that the estimates and projections contained in the measure and in the tax rate statement required by Section 9401 of the California Elections Code, which has been prepared in connection with the measure as is attached as Exhibit A, have been made based on currently available information, but depend on a number of variables which are subject to variation. Such estimates and projections have been made in good faith, and are not binding or intended to be limitations on the terms of the Bonds. The Director of Finance is hereby authorized to finalize and execute the tax rate statement, and to file the tax rate statement and any other documents required for the Bond measure with the County Registrar of Voters.

5. Request for Consolidation; County Services. Pursuant to Section 10002 and 10403 of the California Elections Code, the City hereby requests that the County Board of Supervisors and the County Registrar of Voters consolidate the City's general obligation bond measure with the Statewide general election to be held on November 5, 2024. The City further hereby requests the services of the County Registrar of Voters in carrying out the election for the City's general obligation bond measure, including sending to the City's registered voters all required election materials, conducting the election, canvassing the vote received, and taking all steps necessary and required for the holding of this election within the City. The City Clerk of the City shall receive the canvass as it pertains to the election on the measure from the County, and shall certify the results to the City Council, as and to the extent required by law.

6. Election Procedures. The City acknowledges that the consolidated election will be held and conducted in the manner prescribed in Section 10418 of the California Elections Code. The location of the central counting place for the ballots to be cast at the election shall be as established by the County Board of Supervisors and/or the County Registrar of Voters. The precincts, ballot drop box locations and hours of operations, vote center locations and hours of operations, vote-by-mail procedures and timing, and election officers, and all other persons and procedures for the election shall be the same as those utilized by the County.

7. County Compensation. The City acknowledges that the compensation for election officers,

polling place rental fees and any other fees or costs of the election shall be based on the rates set by the County Board of Supervisors which are in effect at the time of the consolidated election, and the County shall be reimbursed by the City for such services as they are performed. The City Clerk is hereby authorized and directed to reimburse the County for services performed in accordance with this Resolution, when the work is completed and upon presentation to the City of a properly approved bill subject to the approval by the City Clerk.

8. Arguments. The last day for filing direct arguments for or against the measure shall be July 30, 2024 at 5:00 p.m., and all such arguments shall be filed with the City Clerk, City of Santa Clara, 1500 Warburton Avenue, Santa Clara, CA 95050, and shall not exceed 300 words in length. Each argument shall be signed and include the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. The arguments shall be accompanied by the “Form of Statement to be filed by Author(s) of Argument” as provided by the City Clerk. Arguments received prior to the deadline shall be confidential until the deadline. The City Clerk, upon receipt of arguments and after the filing deadline, shall immediately transmit copies to any known opposing parties who may then submit rebuttals within the time period described below.

9. The Council hereby selects the following course of action regarding arguments in favor of the proposed ballot measure (Council to select one of the following concurrent with the adoption of resolution):

a. Two or Three City Council Members who support adoption of the proposed Charter Amendment shall be authorized to, and shall, jointly file an official ballot Argument in favor of the proposed Charter Amendment measure. The City Council Members authorized to file such ballot Argument, or at least two, but no more than three, other City Council Members authorized to do so by the City Council, shall also jointly file a Rebuttal Argument to any Argument against the proposed Charter Amendment that may be filed. Neither the City Council, nor any of its

Members, shall file a ballot Argument in opposition to the proposed Charter Amendment measure in their official capacity;

OR

b. Takes no action with regard to authorizing the Council or member of the Council to submit a written argument (in favor) of the measure, in which case the City Clerk shall select arguments for or against the measure in accordance with the priority order set forth in Elections Code section 9287.

10. Rebuttal Arguments. The last day for filing rebuttal arguments for or against the measure shall be August 9, 2024 at 5:00 p.m., and all such arguments shall be filed with the City Clerk, City of Santa Clara, 1500 Warburton Avenue, Santa Clara, CA 95050, and shall not exceed 250 words in length. The rebuttal arguments shall be accompanied by the “Form of Statement to be filed by Author(s) of Argument” as provided by the City Clerk. Arguments received prior to the deadline shall be confidential until the deadline.

11. Impartial Analysis. The City Council directs the City Clerk to submit to the City Attorney a copy of the measure, and the City Attorney is hereby authorized and directed to prepare an impartial analysis of the ballot measure showing the effect of the measure on the existing law and operation of the measure. The impartial analysis shall be submitted by the City Attorney to the City Clerk on or before August 9, 2024 at 5:00 p.m., shall not exceed 500 words in length, and otherwise shall comply in all respects with the applicable provisions of the California Elections Code.

12. Public Examination Period. Pursuant to Section 9295 of the California Elections Code, there shall be a 10-day public review period for the impartial analysis, arguments submitted for or against the measure, and rebuttal arguments. These time periods are established as follows: (a) with respect to arguments submitted for or against the measure, commencing on July 30, 2024 and closing on August 10, 2024, and (b) with respect to the impartial analysis and rebuttal arguments, commencing on August 9, 2024 and closing on August 19, 2024.

13. Printing of Arguments and Rebuttals. The City Clerk shall comply with all provisions of law establishing priority of arguments for printing and distribution to the voters, and shall take all necessary actions to cause the selected arguments to be printed and distributed to the voters. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.
14. Election Law Governing. In all particulars not recited in the Resolution, the election shall be held and conducted as provided by law for holding municipal elections.
15. Publications. The City Clerk is directed to give notice of the election and synopsis of the City's general obligation bond measure in the time, form, and manner as required by law.
16. Transmittal to County Elections Officials. The City Clerk is authorized to transmit a certified copy of this resolution to the County Board of Supervisors and the County Registrar of Voters.
17. Other Actions. Each of the City Manager, the Director of Finance and the City Clerk are hereby authorized and directed to work with the appropriate officials of the County to carry out the purposes and intent of this Resolution, including preparing, signing, filing and/or revising any applicable documents, agreements, or other materials.
18. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

19. Effective Date. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 2024, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST:

NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments:

1. Exhibit A Tax Rate Statement

EXHIBIT A

TAX RATE STATEMENT

An election will be held in the City of Santa Clara (the “City”) on November 5, 2024, to authorize the sale of up to \$400,000,000.00 in bonds of the City to finance the municipal improvements listed in the bond measure. If such bonds are authorized, the City expects to sell the bonds in one or more series. Principal and interest on the bonds will be payable solely from the proceeds of ad valorem tax levies made upon the taxable property in the City. The following information is provided in compliance with applicable provisions of the California Elections Code. Such information is based upon the best estimates and projections presently available from official sources, and other demonstrable factors.

Based upon the foregoing and projections of the City’s assessed valuation:

1. The best estimate of the average annual tax rate that would be required to be levied to fund the bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of filing of this statement is \$19 per \$100,000 of assessed valuation of all property to be taxed. The best estimate of the final fiscal year in which the tax is anticipated to be collected is 2060.
2. The best estimate of the highest tax rate that would be required to be levied to fund the bond issue, based on assessed valuations available at the time of filing this statement is \$28.70 per \$100,000 of assessed valuation of all property to be taxed. The best estimate of the first fiscal year in which the highest tax rate will apply is 2026.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$736,890,700.

Voters should note that such estimated tax rates are specific to the repayment of bonds issued under this authorization and are and will be in addition to tax rates levied in connection with other bond authorizations approved or to be approved by the voters of the City or any other overlapping public agency.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property within the City as shown on Santa Clara County’s official tax rolls, not on the property’s market value. In addition, taxpayers eligible for a property tax exemption, such as the homeowner’s exemption, will be taxed at a lower effective tax rate than described above. Property owners should consult their own property tax bills to determine their property’s assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts or durations and are not binding upon the City. The actual debt service amounts, tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the rating for the bonds, the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the City based on need for funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the City as determined by the Santa Clara County assessor in the annual assessment and the equalization process.

City Manager
City of Santa Clara