

ORDINANCE NO. 1493

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN CARLOS
ORDERING THE SUBMISSION OF A PROPOSITION OF INCURRING BONDED
DEBT TO THE QUALIFIED VOTERS OF THE CITY OF SAN CARLOS AT THE
GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 3, 2015, FOR THE
PURPOSE OF THE ACQUISITION AND IMPROVEMENT OF THE BLACK MOUNTAIN
PROPERTIES AS A PUBLIC PARK.**

WHEREAS, on July 13, 2015, the City Council adopted, by a two-thirds vote of all its members, a resolution entitled "Resolution of the City Council of the City of San Carlos Determining that the Public Interest and Necessity Demand the Acquisition and Improvement of Certain Municipal Improvements and Their Financing Through the Issuance of General Obligation Bonds", pursuant to which the City Council has found and determined to issue its general obligation bonds to finance the cost of acquisition and improvement of certain property which is described more fully in the map which is attached hereto as Appendix A and by this reference incorporated herein (the "Public Park Property"), and which is generally known and sometimes herein referred to as the "Black Mountain Properties"; and

WHEREAS, in order to provide for the issuance by the City of its general obligation bonds to provide financing for the Public Park Property, it is necessary for the City Council to pass an ordinance ordering the submission of the proposition of incurring bonded indebtedness for such purpose to the qualified voters of the City at a special municipal election; and

WHEREAS, the City Council desires to submit said ballot measure to the qualified voters of the City at the regular election to be held in the City on November 3, 2015, and to consolidate the bond election with other elections held within the City on that date.

NOW, THEREFORE, IT IS ORDAINED by the City Council of the City of San Carlos as follows:

Section 1. Call for Election. The City Council hereby orders that there be submitted to the qualified voters of the City a proposition on incurring a bonded debt (the "Bonds") for the purpose set forth in this Ordinance, at the regular election to be held on November 3, 2015.

Section 2. Ballot Proposition. The City Council hereby submits to the qualified voters of the City, at the regular election to be held on November 3, 2015, a proposition on issuing the Bonds, to be known as the "Black Mountain Park Ballot Measure," in substantially the following form:

BQ "To permanently protect and preserve rare San Carlos open space from development, protect a local water source, prevent increased traffic congestion, and improve access to tranquil natural areas and parks, including walking trails, recreation, and restrooms/facilities, shall City of San Carlos issue \$45 million in bonds to acquire, create and enhance Black Mountain Park, located along Alameda de las Pulgas between

Madera Avenue and Melendy Drive, with citizen oversight and funds 8
restricted to these specific purposes only?" 5

Section 3. Object and Purpose of Bonds. The object and specific single purpose of issuing the Bonds is the acquisition and improvement of the Public Park Property. The proceeds of the Bonds may only be expended for the specific purposes set forth in the ballot proposition.

Section 4. Estimated Cost of Public Park Property. The estimated cost of the acquisition and improvement of the Public Park Property is \$45,000,000. The estimated cost includes legal or other fees, the costs of printing the Bonds and other costs and expenses, which are incidental to or connected with the authorization, issuance and sale of the Bonds.

Section 5. Principal Amount of Bonds. The amount of the principal of the Bonds shall not exceed \$45,000,000.

Section 6. Maximum Interest Rate. The maximum rate of interest to be paid on the Bonds shall be 12% per annum. Said interest shall be payable semiannually except that interest for the first year after the date of the Bonds may be made payable at the end of said year.

Section 7. Issuance and Sale of Bonds. The City proposes to acquire and improve the Public Park Property and to issue and sell the Bonds pursuant to Article 1, commencing with Section 43600, of Chapter 4 of Division 4 of Title 4 of the California Government Code, or Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, in one or more series, in the maximum amount and for the objects and purposes set forth above if two-thirds of all qualified voters voting on the proposition set forth above vote in favor thereof. The Bonds will be general obligations of the City payable from and secured by taxes levied and collected in the manner prescribed by laws of the State of California. All of the Bonds shall be equally and ratably secured, without priority, by the taxing power of the City.

Section 8. Consolidation; Manner of Conducting Election. The bond election hereby called for November 3, 2015, is hereby ordered consolidated with any other election to be held within the City on said date. The election shall be held and conducted, election officers appointed, voting precincts designated, ballots printed, polls opened and closed, ballots counted, and returned, returns canvassed, results declared, and all other proceedings incidental to and connected with the election shall be regulated and done in accordance with the provisions of law regulating the election as specified herein. The Board of Supervisors of San Mateo County and the San Mateo County Clerk, Elections Division, are hereby requested to order the consolidation of the municipal election hereby called with any other election to be held within the City on said date.

Section 9. Procedure for Voting on Proposition. Ballots for the election shall be provided in the form and in the number provided by law. Voters shall be provided an opportunity to vote for or against the proposition on the ballot, in accordance with procedures to be adopted by the authorized officers of the County charged with conducting the election.

Section 10. Accountability Requirements. In accordance with Sections 53410 and 53411 of the California Government Code, the City Council hereby adopts the following accountability requirements relating to the Bonds:

- (a) A separate account shall be created and held by the City, into which the proceeds of the Bonds are deposited.
- (b) The Administrative Services Director of the City shall file a report with the City Council no later than January 1, 2016, and at least once a year thereafter, showing the amount of Bond proceeds collected and expended, and the status of the project to be financed from the proceeds of the Bonds.

Section 11. Establishment of Oversight Committee; Public Input. In the event the ballot proposition is passed by two-thirds of all qualified voters voting on the proposition, the City Council shall establish and appoint members to an oversight committee, which shall have responsibility for reviewing and reporting on the expenditure of the proceeds of the Bonds. In addition, the City Council shall seek input from the public regarding the scope and design of the improvements to be financed from the proceeds of the Bonds.

Section 12. Ballot Arguments; Tax Rate Statement. The Mayor is hereby authorized (but not required) to act as an author of any ballot argument in support of the ballot measure which is prepared in connection with the election, including a rebuttal to any argument in opposition to the ballot measure. The Administrative Services Director is hereby authorized to execute any Tax Rate Statement to be included as part of the official ballot measure.

Section 13. Impartial Analysis. Pursuant to Section 9280 of the California Elections Code, the City Clerk is hereby directed to submit a copy of this Ordinance to the City Attorney and the City Attorney or his designee is hereby authorized and directed to prepare an impartial analysis of the ballot proposition showing the effect of the ballot proposition on the existing law and the operation of the ballot proposition. Such analysis shall not exceed 500 words in length and shall comply in all respects with applicable provisions of the California Elections Code.

Section 14. Official Actions. The Mayor, the City Manager, the Administrative Services Director and the City Clerk, or any of their designees, are hereby authorized to execute any documents and to perform all acts necessary to place the bond measure on the ballot.

Section 15. Publication of Ordinance. This Ordinance shall be published once a day for at least seven days in a newspaper published at least six days a week in the City, or once a week for two weeks in a newspaper published less than six days a week in the City. The first of said publications shall, in either event, be within 15 days after the adoption of this Ordinance.

Section 16. Effective Date. This Ordinance shall become effective immediately upon its adoption by two-thirds vote of all the members of this Council.

* * * * *

I, Crystal Mui, hereby certify that the foregoing Ordinance No. 1493 was introduced on July 13, 2015, and adopted at a regular meeting of the San Carlos City Council on July 27, 2015, by the following vote:

AYES, COUNCILMEMBERS: GRASSILLI, GROCOTT, JOHNSON, OLBERT, COLLINS

NOES, COUNCILMEMBERS: NONE

ABSENT, COUNCILMEMBERS: NONE

[REDACTED]

CITY CLERK of the City of San Carlos

APPROVED:

[REDACTED]

MAYOR of the City of San Carlos

I hereby certify this to be a full, true and correct copy of the document it purports to be as the same is on file in my office.

Dated 8-6-15

[REDACTED]

City Clerk of the City of San Carlos

FILED IN THE OFFICE OF THE
CHIEF ELECTIONS OFFICER
OF SAN MATEO COUNTY, CALIF.

AUG 07 2015

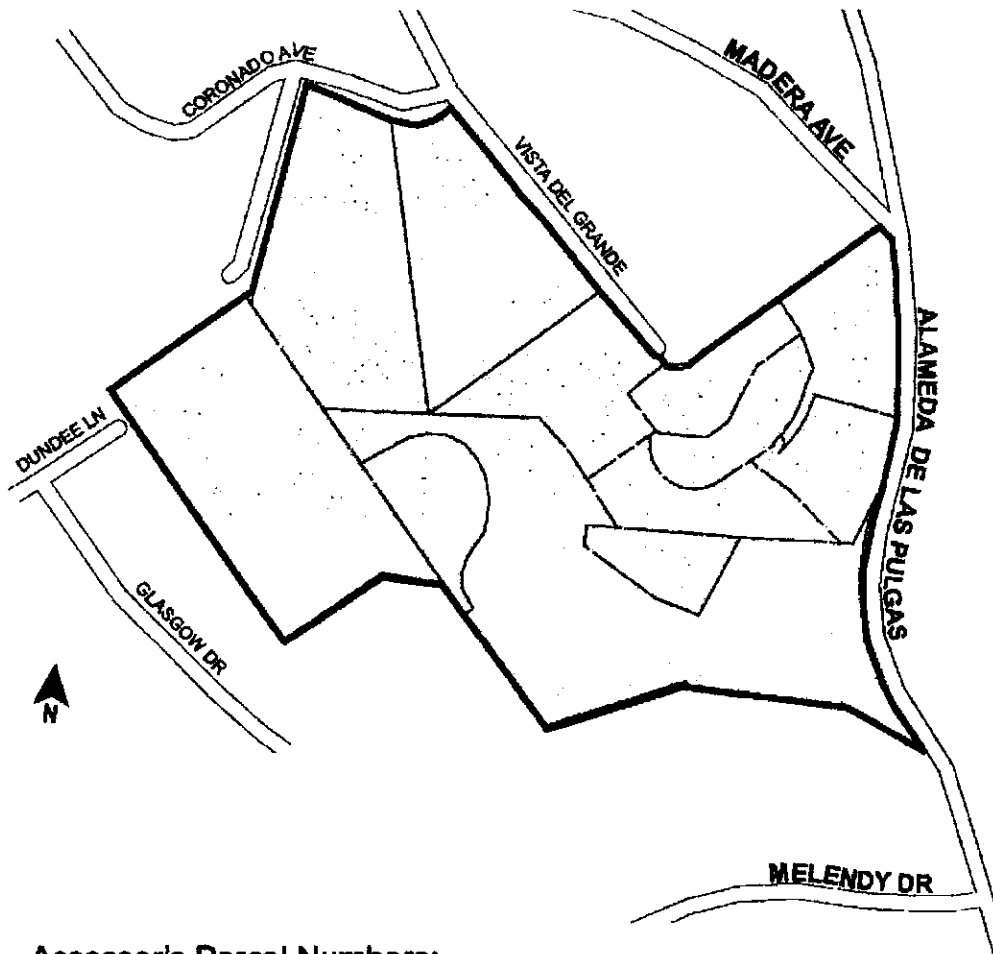
MARK CHURCH, Chief Elections Officer

By [REDACTED]

DEPUTY CLERK

APPENDIX A

Map of Black Mountain Properties



Assessor's Parcel Numbers:

049360040	050220020	050220170	050621030
049360060	050220140	050621010	050621040
049372010	050220160	050621020	050621050

Map not drawn to scale.

Full text begins

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MAYOR of the City of San Carlos

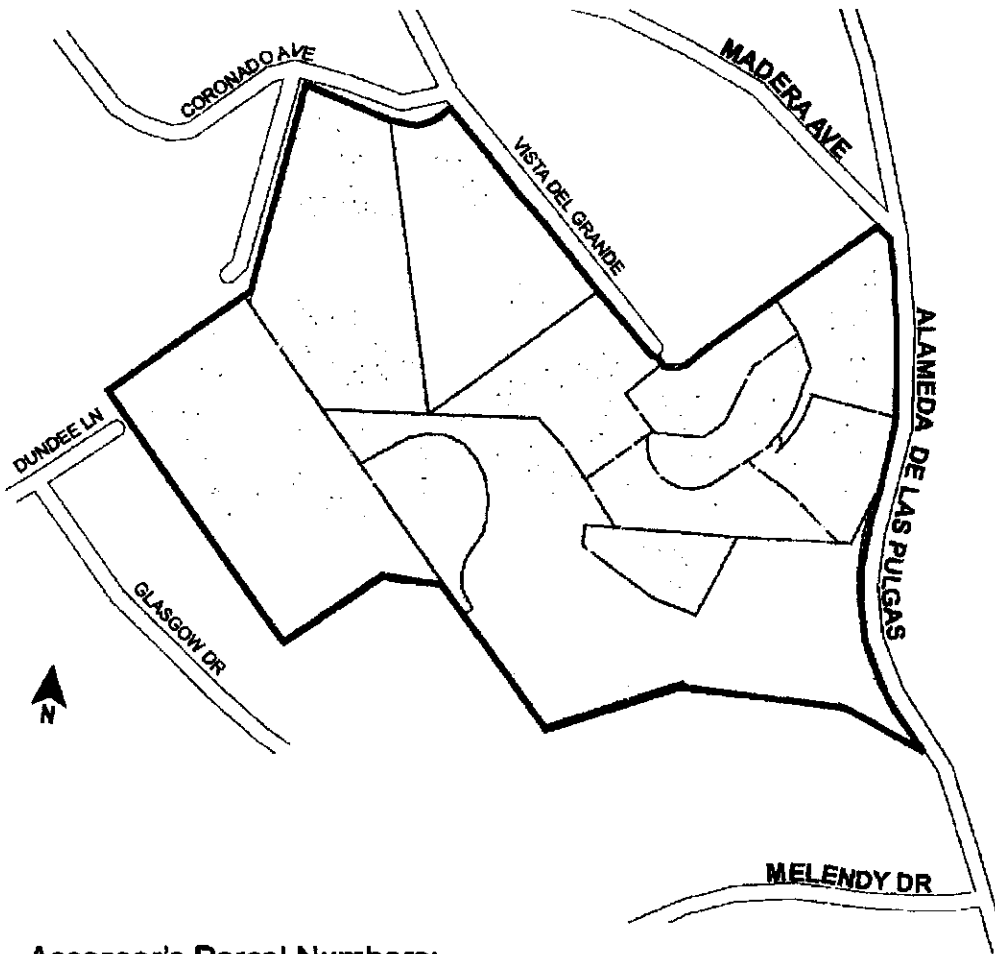
APPROVED:



MAYOR of the City of San Carlos

APPENDIX A

Map of Black Mountain Properties



Assessor's Parcel Numbers:

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Map not drawn to scale.

Full text ends

CITY OF SAN CARLOS



CITY COUNCIL

RON COLLINS, MAYOR
CAMERON JOHNSON, VICE MAYOR
BOB GRASSILLI
MATT GROCOTT
MARK OLBERT

CITY CLERK
600 ELM STREET
SAN CARLOS, CALIFORNIA 94070-3085

TELEPHONE: (650) 802-4219
FAX: (650) 595-6719

WEB: <http://www.cityofsancarlos.org>

FINAL AS OF 7-29-15

TAX RATE STATEMENT RELATING TO GENERAL OBLIGATION BONDS

Pursuant to Section 9401 of the Elections Code of the State of California:

The following statements are made with respect to the proposed \$45,000,000 general obligation bond issue of the City of San Carlos.

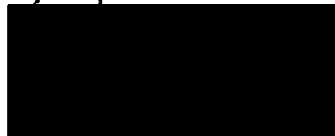
Assuming a single \$45,000,000 bond sale with a 30-year maturity schedule and a true interest cost of about 3.8%, using a projected 2015-16 assessed valuation of \$8,383,649,359 for the City of San Carlos and a future annual assessed valuation growth rate of 3.5%, the following estimates and statements are made:

- a) Total principal and interest to be paid over the life of the bonds is estimated to be \$86,712,800. The average annual tax rate is estimated to be \$19.78 per \$100,000 assessed value (this is the same as an estimate of \$.001978 or 1.978 cents per \$100 assessed value). If the total assessed valuation of properties in the City increases faster than 3.5% per year, this tax rate will decrease.

- b) A tax rate of \$20.90 per \$100,000 assessed value (this is the same as an estimate of \$.00209 or 2.09 cents per \$100 assessed value) would be necessary to make bond principal and interest payments coming due during the first fiscal year after bonds are sold, which would be 2016-2017.

- c) The highest tax rate required to be levied is estimated to be \$20.90 per \$100,000 assessed value in the year 2016-2017 only, falling thereafter (this is just over \$.00209 or 2.09 cents per \$100 assessed value).

/s/



Administrative Services Director
City of San Carlos

FILED IN THE OFFICE OF THE
CHIEF ELECTIONS OFFICER
COUNTY CALIF.

AUG 07 2015



DEPUTY CLERK