

RESOLUTION NO. 24-9347

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

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;

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;

WHEREAS, on July 9, 2024, the City Council adopted, by a two-thirds vote of all its members, Resolution No. 24-9346 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”);

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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;

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;

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;

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;

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;

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;

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 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 response; fix streets to reduce potholes and provide safer roads and routes for drivers, pedestrians, and cyclists; upgrade stormdrains/pipes to prevent flooding/sinkholes; and renovate/replace recreation, library and other community facilities; shall the City of Santa Clara's measure authorizing \$400,000,000 in bonds, funded by levying an estimated \$19 per \$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.

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9. The Council hereby selects the following course of action regarding arguments in favor of the proposed ballot measure:

Mayor Lisa Gillmor and Council Member Karen Hardy 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 shall also jointly file a Rebuttal Argument to any Argument against the proposed Charter Amendment that may be filed. The City Council Members may also select up to three individuals or organizations to sign on the official ballot argument and/or any Rebuttal Argument. 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;

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.

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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.

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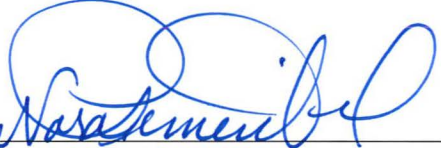
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18. Severability. If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the 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 16TH DAY OF JULY, 2024, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:	Becker, Chahal, Hardy, Jain, Park, and Watanabe and Mayor Gillmor
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: 
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:
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.


JOVAN D GROGAN
City Manager
City of Santa Clara

ORDINANCE NO. 2069

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

BE IT ORDAINED 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;

WHEREAS, the City desires to undertake certain public infrastructure improvements for the City consisting of streets and transportation improvements, improvements to public safety facilities, improvements to parks and community facilities, storm drain and flood collection improvements, and improvements to other City facilities, as more particularly described below (collectively, the “Improvements”);

WHEREAS, the City is authorized to call an election for the purpose of incurring bonded indebtedness and to authorize the issuance of bonds to finance the Improvements, which constitute public infrastructure of the City, pursuant to certain provisions of the California Constitution, including Article XIII A, the California Government Code, including Article 1 of Chapter 4 of Division 4 of Title 4 (commencing with Section 43600) and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Section 53506) (collectively, the “Bond Law”);

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WHEREAS, the City intends to issue its general obligation bonds (the “Bonds”) under and pursuant to the Bond Law to finance the cost of the acquisition and construction of the Improvements;

WHEREAS, under existing law, approval of the Bonds requires 2/3rds of the voters in the City voting on the measure to vote in favor of the measure;

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 measure proposing that tax is approved by 55% of the voters of the city, county, city and county, or special district, as applicable, and the measure includes specified accountability requirements;

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

WHEREAS, the measure to approve the Bonds is intended to and will comply with all the provisions of ACA1, including all of its accountability requirements, so that, if ACA1 is approved on November 5, 2024, approval of the Bonds shall require that 55% (not 2/3rds) of the voters in the City voting on the measure vote in favor of the measure; 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.

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

1. Recitals Correct. The foregoing recitals are true and correct.
2. Purpose and Intent. Pursuant to the authority provided by the California Government Code and California Elections Code, the purpose and intent of this Ordinance is to authorize and direct the submittal to the qualified voters of the City at the general municipal election to be held on November 5, 2024, of a measure authorizing the City to issue general obligation bonds (the “Bonds”) for the purpose of financing the Improvements on the terms set forth below.
3. Findings. The City Council hereby makes the following findings with respect to the proposed measure for the Bonds:

(i) On July 9, 2024, the City Council adopted, by a two-thirds vote of all its members, a resolution entitled “A Resolution of the City Council of the City of Santa Clara, California, Determining that the Public Interest and Necessity Demand the Acquisition, Construction and Improvement of Municipal Improvement Projects Constituting Public Infrastructure of the City, and Their Financing Through the Issuance of General Obligation Bonds,” pursuant to which the City Council has found and determined that the public interest and necessity demand the issuance of general obligation bonds to finance the Improvements, which are municipal improvement projects constituting public infrastructure of the City.

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(ii) In order to provide for the issuance by the City of general obligation bonds to provide financing for the Improvements, it is necessary for the City Council to adopt an ordinance ordering the submission of the measure of incurring bonded indebtedness for such purpose to the qualified voters of the City at a municipal election.

(iii) 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 5, 2024, and to consolidate the bond election with other elections held within the City on that date, by a resolution adopted after the adoption of this Ordinance pursuant to California Elections Code Section 10403 (the "Resolution Calling Election").

4. Call for Election. The City Council hereby orders that there be submitted to the qualified voters of the City, pursuant to the Resolution Calling Election, a measure on incurring bonded indebtedness for the purposes set forth in this Ordinance, at the regular election to be held on November 5, 2024.

5. Ballot Measure. The City Council hereby submits to the qualified voters of the City, at the regular election to be held on November 5, 2024, a measure on issuing the Bonds. The statement of the measure shall be in substantially the form set forth in the resolution of the City placing the measure on the ballot.

6. Object and Purpose of Bonds. The object and purpose of the Bonds is to finance some or all of the costs of the Improvements. The Improvements are more particularly described in that certain Expenditure Plan ("Expenditure Plan") to be attached as Exhibit A to this Ordinance, which shall be approved by the City Council by separate Resolution and presented to the voters as part of the measure for the Bonds.

The authorized Improvements will include all work, facilities and expenditures necessary and incidental to the Improvements described in the Expenditure Plan. Examples of such work, facilities, and expenditures include, but are not limited to: costs of design, engineering, architect and other professional services, inspections, site preparation, utilities, landscaping, construction management and other planning and permitting, legal, accounting and similar costs; a customary construction contingency; demolition and disposal of existing structures; rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction; addressing unforeseen conditions revealed by construction or renovation, and other necessary improvements required to comply with existing building codes and other applicable law, including the Americans with Disabilities Act; costs of the bond election; bond issuance costs; project administration during the duration of such projects, including reimbursement of City staff time; and financing and interest costs on the Bonds.

The final costs, locations, designs, layouts and other components of the Improvements will be determined as plans are finalized, construction bids are awarded, and projects are completed. Therefore, the City Council cannot guarantee that the Bonds will provide sufficient funds to allow completion of all needed Improvements.

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7. Estimated Cost of Improvements. The estimated cost of the Improvements is \$400,000,000. The estimated cost includes legal or other fees, the costs of printing the Bonds, and other costs and expenses incidental to or connected with the authorization, issuance and sale of the Bonds. To the extent the Improvements financed are revenue-producing public works, the cost of the Improvements may also include bond interest estimated to accrue during the construction period and for a period of not to exceed 12 months after completion of construction.

8. Principal Amount of Bonds. The aggregate principal of the Bonds shall not exceed \$400,000,000.00.

9. Maximum Interest Rate. The maximum rate of interest to be paid on the Bonds shall be the statutory maximum of 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. The actual interest rates of each series of the Bonds will be determined at the time of each respective Bond sale.

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10. Issuance and Sale of Bonds. The City proposes 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 the requisite number of qualified voters voting on the measure vote in favor thereof. The Bonds will be general obligations of the City payable solely from and secured by ad valorem taxes levied and collected in the manner prescribed by the laws of the State of California, and not from the general fund or other funds of the City. The revenue generated from the ad valorem tax levied and collected will be used for the payment of debt service on the Bonds. All of the Bonds shall be equally and ratably secured, without priority, by the taxing power of the City.

11. Manner of Conducting Election. The election on the Bonds held on November 5, 2024 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 Resolution Calling Election and the provisions of California law regulating the election with which it is consolidated.

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12. Procedure for Voting on Measure. 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 measure on the ballot, in accordance with procedures to be adopted by the authorized officers of the County of Santa Clara (the “County”) charged with conducting the election.

13. Transparency and Accountability Requirements.

(a) In order to comply with ACA1 and Sections 53410 and 53411 of the California Government Code, the City Council hereby adopts the following accountability requirements relating to the Bonds (the “State Accountability Requirements”):

(i) The proceeds from the sale of the Bonds shall be used only for the purposes specified in this Ordinance, and not for any other purpose, including City employee salaries (other than for reimbursement of staff costs incurred in providing normal and customary project management and delivery services for the Improvements (“Project Related Administrative Costs”)), and other operating expenses. The administrative cost of the City for the Improvements, including any and all Project Related Administrative Costs, shall not exceed 5% of the proceeds from the sale of the Bonds.

(ii) The proceeds from the sale of the Bonds shall only be spent on projects and programs that serve the jurisdiction of the City.

(iii) This Ordinance shall be the ordinance through which projects will be funded and the City hereby certifies that it has evaluated alternative funding sources.

(iv) The City shall conduct an annual, independent performance audit to ensure that the Bond funds are expended pursuant to this Ordinance.

(v) The City shall conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the public infrastructure authorized by this Ordinance.

(vi) The City shall post the audits required by clauses (iv) and (v) in a manner that is easily accessible to the public.

(vii) The City shall submit the audits required by clauses (iv) and (v) to the California State Auditor for review.

(viii) The City shall appoint a citizens' oversight committee (the "Bond Compliance COC") to ensure that Bond proceeds are expended only for the purposes described in the measure approved by the voters. Members appointed to the Bond Compliance COC shall receive educational training about bonds and fiscal oversight.

(ix) Any entity owned or controlled by a member of the City Council shall be prohibited from bidding on any work funded by the measure.

(x) A separate account shall be created and held by the City, into which the proceeds of the Bonds shall be deposited and applied solely for the Improvements. Expenditures shall be tracked on a project by project basis to facilitate project oversight and compliance audits.

(xi) The City's Director of Finance shall file a report with the City Council at least annually showing the amount of Bond proceeds collected and expended, and the status of the Improvements.

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If approved by California voters, any transparency or accountability provisions of ACA1 not already expressly provided herein are hereby incorporated by reference in this Ordinance. The City Council hereby declares its intent that this Ordinance and the accountability measures contained herein shall comply with ACA1 and any and all other statutory or other requirements determined to be required for compliance with ACA1. To the extent any provision of this Ordinance is determined to be inconsistent with the terms of ACA1, or any other applicable state law, the City is authorized and directed to make any necessary conforming changes.

(b) In addition to the State Accountability Requirements, the City Council hereby adopts the following local accountability and transparency requirements relating to the Bonds and the use of Bond proceeds (“Local Accountability Requirements”):

(i) Expenditure Plan Requirements. Bond proceeds shall only be used on Improvements in strict accordance with the terms of the adopted Expenditure Plan, as it may be amended from time to time subject to the requirements of Section 13(b)(ii), below.

(ii) Required Process for Amending Expenditure Plan. City staff shall review, analyze and make a recommendation on any proposed substantive amendment to the Expenditure Plan (“Amendment”). Prior to City Council consideration, any such proposed Amendment shall first be submitted to the Bond Compliance COC for their review and recommendation. Any proposed Amendment shall require the unanimous approval of the City Council.

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(iii) Prohibited Uses. In no event shall Bond proceeds may be used for (I) improvements to Levi's Stadium; (II) any Improvements projects for the sole benefit of Levi's Stadium; (III) Improvements projects within .5 miles of Levi's Stadium, except Improvements in existing residential neighborhoods designed to be of substantial direct benefit to those areas and not Levi's Stadium; or (IV) the direct or indirect benefit of any professional sports team.

(iv) Additional Terms for the Bond Compliance COC. The Bond Compliance COC shall consist of 9 members selected by a lottery process and appointed by Council. The committee shall include seven residents, one large business representative, and one small business representative (neither of which must be residents, but both must be either an owner or employee of a business headquartered within the City). Additionally, no business representative shall work for, have previously worked for, or be employed by a firm that provides services to any professional sports teams within the City. The role of the Bond Compliance Committee shall be to (I) ensure that project implementation is consistent with all Bond measure requirements, including the terms of the Expenditure Plan; (II) review and report on annual audits, and (III) review and provided recommendations to the City Council on any proposed amendment to the Expenditure Plan, and (IV) to inform the public concerning the expenditure of Bond proceeds.

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(v) Communications Program. There shall be a Bond measure communications program to enhance accountability and transparency including, at a minimum, the following elements: (I) requirement for an annual public presentation on the Expenditure Plan and the status of the implementation of Improvements projects to the Bond Compliance COC and the City Council presented by the City Manager; (II) requirements for an annual presentation of the independent annual audit(s) required in Section 13(b) above to the COC and the Council Audit Committee; (III) status of all Bond funded projects to be communicated on the City's webpage; and (IV) notice of all proposed Improvements projects to residents within 1,000 feet of such project(s), with public signage providing further information at the project site(s).

These Local Accountability Requirements are intended to supplement and not replace ACA1 or any other applicable state law. To the extent of any duplication or inconsistency, the requirement(s) requiring the greater degree of transparency or accountability shall apply.

14. Identification of Tax. The tax imposed by this measure is an ad valorem tax levied upon taxable property in the City, and will be used to pay the principal and interest on the Bonds.

15. Official Actions. The Mayor, the City Manager, the Director of Finance, the City Clerk, and 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.

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16. Interpretation. The provisions of this Ordinance, being necessary for the health, welfare, and safety of the City and its residents, is to be liberally interpreted to carry out its purposes. No error, irregularity or informality, and no neglect or omission of any officer, in any proceeding taken related to the submission of the measure incurring bonded indebtedness to the qualified voters of the City shall void or invalidate any such proceeding, any Bonds issued by the City or any levy of ad valorem taxes to pay principal of and interest on the Bonds.

17. Severability. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provisions or applications, and to this end the provisions this Ordinance are declared to be severable.

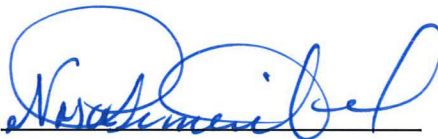
18. Publication of Ordinance. The City Clerk shall cause the proposed ordinance to be posted at least three (3) days prior to its adoption in three (3) public places in the City and at least three (3) days prior to the ordinance adoption shall cause a single publication in an official newspaper. In accordance with Section 43611 of the California Government Code, this Ordinance shall also 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. No other notice need be given.

19. **Adoption; Effective Date.** This Ordinance shall take effect immediately after its final adoption in accordance with Section 36937(a) of the California Government Code; however, prior to its final adoption it shall be published in accordance with the requirements of Section 808 and 812 of "The Charter of the City of Santa Clara,

California.”.


PASSED FOR THE PURPOSE OF PUBLICATION this 9TH day of July, 2024 by the following vote:

AYES:	COUNCILORS:	Becker, Chahal, Hardy, Jain, and Watanabe, and Mayor Gillmor
NOES:	COUNCILORS:	Park
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: 
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

FINALLY PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA this 16TH day of July, 2024, by the following vote:

AYES:	COUNCILORS:	Becker, Chahal, Hardy, Jain, Watanabe, Park and Mayor Gillmor
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: 
NORA PIMENTEL, MMC
ASSISTANT CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Exhibit A – Expenditure Plan

EXHIBIT A

General Obligation Bond Expenditure Plan

\$400 Million Bond Measure

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
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
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

1. **In General.** This City of Santa Clara plan for the expenditure of bond proceeds (“Expenditure Plan”) was adopted by the City Council on July 16, 2024, by Resolution No. 24-9346, to implement Section 6 of that certain Ordinance No. 2069 adopted concurrently herewith (“Ordinance”). The Ordinance calls for an election by City voters on a ballot measure to approve the issuance of up to \$400,000,000 in bonds (“Infrastructure Bonds”) for purposes of financing the acquisition and construction of public infrastructure on the terms set forth therein. To the extent of any conflict between this Expenditure Plan and the Ordinance, the terms of the Ordinance shall govern. The above chart summarizes the Expenditure Plan’s “Project Categories” (as defined in Section 2, below), and “Infrastructure Projects” (as defined in Section

2. **Project Categories.** The Expenditure Plan includes the following infrastructure expenditure categories (“Project Categories”), each with a designated amount of allocated Infrastructure Bonds proceeds (“Designated Allocations”): Streets and Transportation (\$41,170,000); Fire Stations and Emergency Response (\$142,235,450); Police Facilities (\$43,987,500); Parks, Library, Senior Center and Aquatic Facilities (\$115,258,750); Storm Drain System Improvements (46,000,000); Historic Buildings and Beautification (\$9,200,000); and Bond Issuance Costs (\$2,000,000). Project Categories and/or their respective Designated Allocations may be amended, but only in accordance with the Expenditure Plan Amendment Process set forth in Section 6 of this Expenditure Plan, below. Notwithstanding the foregoing, the Designated Allocation for Bond Issuance Costs shall be treated as a “Budgeted Amount” under this plan, to be updated by staff without a formal Expenditure Plan amendment in accordance with the process set forth in Section 3, below.

3. **Designated Infrastructure Subcategories/Specific Projects.** Within each Project Category, there is a list of designated project subcategories and/or specific projects (“Infrastructure Projects”), including estimated amounts budgeted for each such project subcategory/specific project, and an overall estimate of the projected contingencies, cost escalations and administrative costs necessary for project implementation (“Budgeted Amounts”). Infrastructure Projects may be deleted or added, but only in accordance with the Expenditure Plan Amendment Process set forth in Section 6 of this Expenditure Plan, below. Budgeted Amounts represent City staff’s best estimate of the projected costs for such Infrastructure Projects as of the date of the City’s adoption of this Expenditure Plan. Throughout the duration of the Expenditure Plan staff will monitor the Budgeted Amounts for outstanding projects and, at least [annually], as necessary, staff will revise the Expenditure Plan to update the Budgeted Amounts to be consistent with then projected project implementation costs. Staff updates to Budgeted Amounts will not be considered amendments to the Expenditure Plan requiring the amendment process set forth in Section 6, below.

4. **Phased Implementation.** Infrastructure Projects identified within the Expenditure Plan will be implemented in phases (each a “Project Phase”). Consistent with priorities set by the City Council, staff will develop lists of proposed Infrastructure Projects to be included within each Project Phase. Each Project Phase will be presented for City Council and approval as part of the City’s annual Capital Improvement Program budget process. Additional factors to be considered in the development and timing of each Project Phase, and the sequencing of projects within each Project Phase time period include: (a) the need to balance available staff and contractor resources; (b) the length of the planning, design, and construction phases of each project; (c) disruption to the public as City services and facilities are removed from service to undergo renovations; (d) legal requirements for the expenditure of Infrastructure Bond proceeds (in general, under current federal tax law, the City must expect to spend 85% of each series of Infrastructure Bond funds within three years of their date(s) of issuance); (e) the timing and availability of alternate and supplemental funding sources; (f) local, regional, state or federal permitting requirements; (g) the need to coordinate with outside agencies.

5. **Council Approval Required.** Council approval shall be required for (a) each and every proposed Project Phase for the implementation of the Expenditure Plan; (b) each and every issuance of Infrastructure Bonds to finance a Project Phase; and (c) any proposed amendment to the Expenditure Plan as provided in Section 6. Below.

6. **Amendment of the Plan.** Any proposed substantive amendment to this Expenditure Plan shall be subject to the requirements of Section 13(b)(ii) of the Ordinance. Such requirements shall include prior consideration and input from the “Bond Compliance COC” as provided therein.

7. **Legal Requirements for Capital Projects.** All Infrastructure Project costs paid from Infrastructure Bond proceeds shall consist of capital costs of the acquisition and improvement of real property within the meaning of California law. Any Infrastructure Project costs consisting of furnishings, furniture, equipment, software, ordinary maintenance (such as repairs, painting, resurfacing, striping or slurry seals), or other non-capital costs shall be paid by the City from other funds.