



Midpeninsula Regional
Open Space District

R-24-72
Meeting 24-16
June 12, 2024

AGENDA ITEM 5

AGENDA ITEM

Establish the Fiscal Year 2025 (FY25) Tax Levy for the Midpeninsula Regional Open Space District Measure AA General Obligation Bonds - Series 2015A, Series 2018 and Series 2024

GENERAL MANAGER'S RECOMMENDATION

Adopt three Resolutions of the Board of Directors of the Midpeninsula Regional Open Space District, one each for San Mateo, Santa Clara, and Santa Cruz Counties, to establish an ad valorem property tax levy of \$1.30 per \$100,000 in assessed value (or \$0.0013 per \$100) for the Measure AA General Obligation Bonds – Series 2015A, Series 2018 and Series 2024. The District Controller has reviewed the calculation and concurs with the proposed rate of levy for FY25.

SUMMARY

On June 3, 2014, voters of the Midpeninsula Regional Open Space District (District) approved the passage of Measure AA authorizing the District to issue up to \$300 million of general obligation bonds (Bonds) over thirty years to finance Measure AA capital projects. In 2015, the District issued \$40,000,000 of tax-exempt bonds (Series A) and \$5,000,000 of taxable bonds (Series B). Series 2015B was fully paid off as of September 1, 2021. In February 2018, the District issued \$50,000,000 of tax-exempt bonds. The Board authorized, and District plans to issue, \$37,500,000 of tax-exempt bonds in June 2024. The proposed FY25 tax levy of \$0.0013 per \$100, or \$1.30 per \$100,000 in assessed value, will provide the District with sufficient revenues to pay the related debt service payments through September 2025.

DISCUSSION

Debt service payments on the Bonds are paid through a tax levy on all taxable property within the District. Each year, the levy is calculated based on the assessed value and the debt service amount the District needs to collect. The evolution of the tax levy is as follows:

FY16	\$.0008 per \$100 of assessed valuation
FY17	\$.0006 per \$100 of assessed valuation
FY18	\$.0009 per \$100 of assessed valuation
FY19	\$.0018 per \$100 of assessed valuation
FY20	\$.0016 per \$100 of assessed valuation
FY21	\$.0015 per \$100 of assessed valuation
FY22	\$.0015 per \$100 of assessed valuation
FY23	\$.0013 per \$100 of assessed valuation

FY24 \$.0012 per \$100 of assessed valuation
(Proposed) FY25 \$.0013 per \$100 of assessed valuation

Based on the debt service schedule for the Bonds, and tax revenue projections provided by the District’s Tax Administration Consultant (Goodwin Consulting Group), the General Manager requests the Board approve resolutions for each of the three Counties authorizing the placement of an ad valorem property tax levy of \$0.0013 per \$100, or \$1.30 per \$100,000 in assessed value. The tax levy remains relatively constant as assessed values continue to grow and there is an offset of approximately \$1.3 million from bond premiums, without this offset, the rate would be \$0.0016 per \$100, or \$1.60 per \$100,000 in assessed value.

FISCAL IMPACT

The establishment of the ad valorem property tax levy will provide the District with sufficient revenues to pay the scheduled debt service payments on September 1, 2024, March 1, 2025, and September 1, 2025.

PRIOR BOARD AND COMMITTEE REVIEW

This item to establish the FY25 Tax Levy was not previously reviewed by the Board or Committee.

PUBLIC NOTICE

Notice was provided pursuant to the Brown Act. No additional notice is necessary.

CEQA COMPLIANCE

No compliance is required as this action is not a project under CEQA.

NEXT STEPS

If approved by the Board, the General Manager will direct staff to forward the resolutions to the relevant departments and Board of Supervisors of each County for inclusion in the FY25 property tax bills.

Attachments:

1. Resolution of the Midpeninsula Regional Open Space District Setting the Tax Rate on Voter Approved General Obligation Bonds – County of San Mateo
2. Resolution of the Midpeninsula Regional Open Space District Setting the Tax Rate on Voter Approved General Obligation Bonds – County of Santa Clara
3. Resolution of the Midpeninsula Regional Open Space District Setting the Tax Rate on Voter Approved General Obligation Bonds – County of Santa Cruz

Responsible Department Head:

Stefan Jaskulak, Chief Financial Officer/Director of Administrative Services

Prepared by:

Rafaela Ocegüera, Budget & Finance Manager

RESOLUTION NO. 24-____

A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT SETTING THE 2024-25 TAX RATE FOR SAN MATEO COUNTY ON VOTER APPROVED GENERAL OBLIGATION BONDS

WHEREAS, the Midpeninsula Regional Open Space District (the “District”) is a regional open space district that includes territory in the County of San Mateo, the County of Santa Clara and the County of Santa Cruz (each a “County”; collectively the “Counties”); and

WHEREAS, the District is empowered to issue general obligation bonds that are authorized by two-thirds of the qualified electors of the District pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the “Act”); and

WHEREAS, a special bond election was duly and regularly held in the District on June 3, 2014, for the purpose of submitting a ballot measure to the qualified electors of the District (the "2014 Authorization"), and more than two-thirds of the votes cast at the election approved the issuance of up to \$300 million of general obligation bonds to finance certain projects specified in the 2014 Authorization; and

WHEREAS, for the purpose of financing the projects authorized by the 2014 Authorization (the “Projects”), by its Resolution No. 15-19, the District issued General Obligation Bonds, Series 2015, Series A and Series B for the aggregate amount of \$45,000,000 pursuant to the Act. By Resolution No. 17-31, the District further issued General Obligation Bonds, Series 2018 for the aggregate amount of \$50,000,000. By Resolution No. 24-06, the District further authorized issuance of General Obligation Bonds, Series 2024 for the aggregate amount not to exceed \$40,000,000; and

WHEREAS, Section 5569 of the Public Resources Code provides that, for the purpose of paying all sums coming due for principal and interest on all bonds of the District, there shall be levied and collected each year a tax sufficient to pay the annual interest on such bonds and the part of the principal that will become due before the time for setting the next general tax levy; and

WHEREAS, Section 5571 of the Public Resources Code provides that the Board of Supervisors of the County of San Mateo, at the time of making the general tax levy in each year, levy a tax upon all the real and personal property within the District and within its respective County at a rate sufficient to meet the proportion of taxes necessary to be raised in the County for the purpose of paying the principal and interest of the bonds and other indebtedness of the District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Midpeninsula Regional Open Space District, as follows:

SECTION 1. Levy of Tax. The Board of Directors of the District hereby determines that the tax rate necessary to pay the principal and interest on the Bonds coming due and payable on September 1, 2024, March 1, 2025, and September 1, 2025, is \$0.0013 per \$100 of assessed

valuation, and such tax rate shall be and is hereby levied in accordance with all applicable requirements of law.

SECTION 2. Collection of Tax. The Controller is hereby directed to forward a copy of this Resolution to the Controller of San Mateo County, and to the Board of Supervisors of the County, and to take such actions and execute such documents as may be required to cause the tax rate set forth in Section 1 to be placed on the 2024-2025 property tax bill and collected by the County.

SECTION 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on June 12, 2024, at a Regular Meeting thereof, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

Curt Riffle, Secretary
Board of Directors

Margaret MacNiven, President
Board of Directors

APPROVED AS TO FORM:

Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

Maria Soria, District Clerk

RESOLUTION NO. 24-__

A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT SETTING THE 2024-25 TAX RATE FOR SANTA CLARA COUNTY ON VOTER APPROVED GENERAL OBLIGATION BONDS

WHEREAS, the Midpeninsula Regional Open Space District (the “District”) is a regional open space district that includes territory in the County of San Mateo, the County of Santa Clara and the County of Santa Cruz (each a “County”; collectively the “Counties”); and

WHEREAS, the District is empowered to issue general obligation bonds that are authorized by two-thirds of the qualified electors of the District pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the “Act”); and

WHEREAS, a special bond election was duly and regularly held in the District on June 3, 2014, for the purpose of submitting a ballot measure to the qualified electors of the District (the "2014 Authorization"), and more than two-thirds of the votes cast at the election approved the issuance of up to \$300 million of general obligation bonds to finance certain projects specified in the 2014 Authorization; and

WHEREAS, for the purpose of financing the projects authorized by the 2014 Authorization (the “Projects”), by its Resolution No. 15-19, the District issued General Obligation Bonds, Series 2015, Series A and Series B for the aggregate amount of \$45,000,000 pursuant to the Act. By Resolution No. 17-31, the District issued General Obligation Bonds, Series 2018 for the aggregate amount of \$50,000,000. By Resolution No. 24-06, the District further authorized issuance of General Obligation Bonds, Series 2024 for the aggregate amount not to exceed \$40,000,000; and

WHEREAS, Section 5569 of the Public Resources Code provides that, for the purpose of paying all sums coming due for principal and interest on all bonds of the District, there shall be levied and collected each year a tax sufficient to pay the annual interest on such bonds and the part of the principal that will become due before the time for setting the next general tax levy; and

WHEREAS, Section 5571 of the Public Resources Code provides that the Board of Supervisors of the County of Santa Clara, at the time of making the general tax levy in each year, levy a tax upon all the real and personal property within the District and within its respective County at a rate sufficient to meet the proportion of taxes necessary to be raised in the County for the purpose of paying the principal and interest of the bonds and other indebtedness of the District.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Midpeninsula Regional Open Space District, as follows:

SECTION 1. Levy of Tax. The Board of Directors of the District hereby determines that the tax rate necessary to pay the principal and interest on the Bonds coming due and payable on September 1, 2024, March 1, 2025, and September 1, 2025, is \$0.0013 per \$100 of assessed

valuation, and such tax rate shall be and is hereby levied in accordance with all applicable requirements of law.

SECTION 2. Collection of Tax. The Controller is hereby directed to forward a copy of this Resolution to the Controller-Treasurer of the County of Santa Clara, and to the Board of Supervisors of the County, and to take such actions and execute such documents as may be required to cause the tax rate set forth in Section 1 to be placed on the 2024-2025 property tax bill and collected by the County.

SECTION 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on June 12, 2024, at a Regular Meeting thereof, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

Curt Riffle, Secretary
Board of Directors

Margaret MacNiven, President
Board of Directors

APPROVED AS TO FORM:

Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

Maria Soria, District Clerk

RESOLUTION NO. 24-____

A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT SETTING THE 2024-25 TAX RATE FOR SANTA CRUZ COUNTY ON VOTER APPROVED GENERAL OBLIGATION BONDS

WHEREAS, the Midpeninsula Regional Open Space District (the “District”) is a regional open space district that includes territory in the County of San Mateo, the County of Santa Clara and the County of Santa Cruz (each a “County”; collectively the “Counties”); and

WHEREAS, the District is empowered to issue general obligation bonds that are authorized by two-thirds of the qualified electors of the District pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the “Act”); and

WHEREAS, a special bond election was duly and regularly held in the District on June 3, 2014, for the purpose of submitting a ballot measure to the qualified electors of the District (the "2014 Authorization"), and more than two-thirds of the votes cast at the election approved the issuance of up to \$300 million of general obligation bonds to finance certain projects specified in the 2014 Authorization; and

WHEREAS, for the purpose of financing the projects authorized by the 2014 Authorization (the “Projects”), by its Resolution No. 15-19, the District issued General Obligation Bonds, Series 2015, Series A and Series B for the aggregate amount of \$45,000,000 pursuant to the Act. By Resolution No. 17-31, the District further issued General Obligation Bonds, Series 2018 for the aggregate amount of \$50,000,000. By Resolution No. 24-06, the District further authorized issuance of General Obligation Bonds, Series 2024 for the aggregate amount not to exceed \$40,000,000; and

WHEREAS, Section 5569 of the Public Resources Code provides that, for the purpose of paying all sums coming due for principal and interest on all bonds of the District, there shall be levied and collected each year a tax sufficient to pay the annual interest on such bonds and the part of the principal that will become due before the time for setting the next general tax levy; and

WHEREAS, Section 5571 of the Public Resources Code provides that the Board of Supervisors of the County of Santa Cruz, at the time of making the general tax levy in each year, levy a tax upon all the real and personal property within the District and within its respective County at a rate sufficient to meet the proportion of taxes necessary to be raised in the County for the purpose of paying the principal and interest of the bonds and other indebtedness of the District.

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valuation, and such tax rate shall be and is hereby levied in accordance with all applicable requirements of law.

SECTION 2. Collection of Tax. The Controller is hereby directed to forward a copy of this Resolution to the Auditor-Controller of the County of Santa Cruz, and to the Board of Supervisors of the County, and to take such actions and execute such documents as may be required to cause the tax rate set forth in Section 1 to be placed on the 2024-2025 property tax bill and collected by the County.

SECTION 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on June 12, 2024, at a Regular Meeting thereof, by the following vote:

AYES:

NOES:

ABSTAIN:

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APPROVED:

Curt Riffle, Secretary
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Hilary Stevenson, General Counsel

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Maria Soria, District Clerk