



Midpeninsula Regional  
Open Space District

R-15-115  
Meeting 15-20  
July 30, 2015

## AGENDA ITEM 1

### AGENDA ITEM

Revising Fiscal Year 2015-2016 Tax Levy for the Midpeninsula Regional Open Space District's General Obligation Bonds - Series 2015A and Series 2015B

### GENERAL MANAGER'S RECOMMENDATION

A handwritten signature in black ink, appearing to be "S. J. ...", written over the end of the "GENERAL MANAGER'S RECOMMENDATION" heading.

Adopt Resolutions of the Board of Directors of the Midpeninsula Regional Open Space District for each of San Mateo, Santa Clara and Santa Cruz Counties to amend the ad valorem property tax levy from \$1.10 per \$100,000 (or \$0.0011 per \$100) to \$.80 per \$100,000 (or \$0.0008 per \$100) in assessed value for the District's General Obligation Bonds – Series 2015A and Series 2015B (Measure AA).

### SUMMARY

On June 3, 2014, voters of the District approved the passage of Measure AA under which the District is authorized to issue up to \$300 million of general obligation bonds (Bonds) over thirty years to finance Measure AA capital projects. By Resolution 2015-19 adopted on May 13, 2015, the Board of Directors authorized the issuance of up to \$45,000,000 as the first tranche of the Bonds.

The most recent financing schedule for the first tranche is as follows:

- July 17 Ratings received from Fitch and Standard & Poor's
- July 20 Distribution of the Preliminary Official Statement
- July 28/29 Pricing of the bonds
- August 13 Closing of the bond sale

### DISCUSSION

Debt service payments on the Bonds are paid through ad valorem taxes on all taxable property within the District. Based on the estimated debt service schedule received from the underwriters, and tax revenue projections provided by the District's Tax Administration Consultant (Goodwin Consulting Group), the Board, on July 22, 2015 approved resolutions for each of the three Counties authorizing the placement of an ad valorem property tax levy of \$0.0011 per \$100, or \$1.10 per \$100,000 in assessed value. Concurrently, the District received a "AAA" rating from Standard and Poor's and Fitch Rating Services for the subject General Obligation bonds. With the pricing of bonds complete, the premium exceeded original estimates and, as a result, the property tax rate can be lowered from \$1.10 to \$.80 per \$100,000 of assessed valuation. This provides the best value for District taxpayers, which was originally estimated at \$1.00 per \$100,000 of assessed valuation in early 2014.

**FISCAL IMPACT**

The establishment of the revised ad valorem property tax levy will provide the District with sufficient revenues to pay related debt service on the issuance of \$45,000,000 of general obligation bonds, which have been priced, and the sale of which will close on August 13.

**BOARD COMMITTEE REVIEW**

This item was not previously reviewed by a Board 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, staff will forward the resolutions to the relevant departments and Board of Supervisors of each County for inclusion in the 2015-2016 property tax bills.

**Attachments:**

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

Responsible Department Head:  
Mike Foster, Controller

Prepared by:  
Andrew Taylor, Senior Accountant

**RESOLUTION NO. 15-\_\_\_\_****A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AMENDING THE 2015-16 TAX RATE ON VOTER APPROVED GENERAL OBLIGATION BONDS**

**WHEREAS**, on July 22, 2015 the Board of Directors of the Midpeninsula Regional Open Space District (the “District”) adopted Resolution No. 15-34, attached hereto and incorporated herein as Exhibit “A”, establishing the tax rate necessary to pay the principal and interest on the Bonds coming due and payable on March 1, 2016 and September 1, 2016 as \$0.0011 per \$100 of assessed valuation in each of 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 successfully completed the sale of its voter approved General Obligation Bonds on July 29, 2015. Favorable market conditions have resulted in lower than expected debt service requirements which allow the District to amend the tax levy with a lower rate; and

**WHEREAS**, the District wishes to amend Resolution No. 15-34 to establish a tax rate of \$0.0008 per \$100 of assessed valuation.

**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 amends Resolution No. 15-34 to reflect the tax rate necessary to pay the principal and interest on the Bonds coming due and payable on March 1, 2016 and September 1, 2016 as \$0.0008 per \$100 of assessed valuation. 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 San Mateo, 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 2015-2016 property tax bill and collected by each of 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 \_\_\_\_\_, 2015, at a Regular Meeting thereof, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**ATTEST:**

**APPROVED:**

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Secretary  
Board of Directors

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President  
Board of Directors

**APPROVED AS TO FORM:**

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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.

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District Clerk

**RESOLUTION NO. 15-34****A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT SETTING THE 2015-16 TAX RATE 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 each of 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 has determined to issue its General Obligation Bonds, Series 2015, in one or more series, in the aggregate principal amount of not to exceed \$45,000,000 pursuant to the Act; 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, also, that part of the principal which 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; and

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 March 1, 2016 and September 1, 2016 is \$0.0011 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 Auditor-Controller of the County of San Mateo, 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 2015-2016 property tax bill and collected by each of the County.

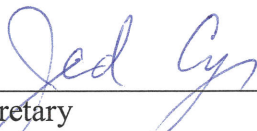
SECTION 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on July 22, 2015, at a Regular Meeting thereof, by the following vote:

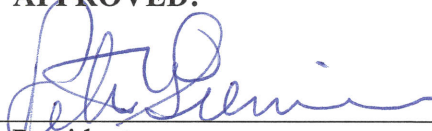
**AYES: CYR, HANKO, HARRIS, HASSETT, KISHIMOTO, SIEMENS**  
**NOES: NONE**  
**ABSTAIN: NONE**  
**ABSENT: RIFFLE**

**ATTEST:**

**APPROVED:**

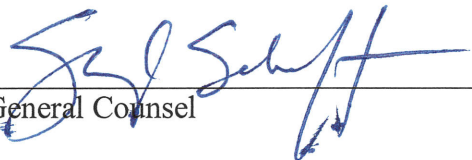


Secretary  
Board of Directors



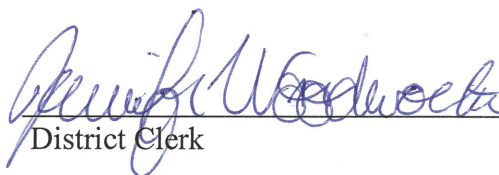
President  
Board of Directors

**APPROVED AS TO FORM:**



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.

  
District Clerk

**RESOLUTION NO. 15-\_\_\_****A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AMENDING THE 2015-16 TAX RATE ON VOTER APPROVED GENERAL OBLIGATION BONDS**

**WHEREAS**, on July 22, 2015 the Board of Directors of the Midpeninsula Regional Open Space District (the “District”) adopted Resolution No. 15-33, attached hereto and incorporated herein as Exhibit “A”, establishing the tax rate necessary to pay the principal and interest on the Bonds coming due and payable on March 1, 2016 and September 1, 2016 as \$0.0011 per \$100 of assessed valuation in each of 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 successfully completed the sale of its voter approved General Obligation Bonds on July 29, 2015. Favorable market conditions have resulted in lower than expected debt service requirements which allow the District to amend the tax levy with a lower rate; and

**WHEREAS**, the District wishes to amend Resolution No. 15-33 to establish a tax rate of \$0.0008 per \$100 of assessed valuation.

**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 amends Resolution No. 15-33 to reflect the tax rate necessary to pay the principal and interest on the Bonds coming due and payable on March 1, 2016 and September 1, 2016 as \$0.0008 per \$100 of assessed valuation. 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 2015-2016 property tax bill and collected by each of 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 \_\_\_\_\_, 2015, at a Regular Meeting thereof, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**ATTEST:**

**APPROVED:**

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Secretary  
Board of Directors

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President  
Board of Directors

**APPROVED AS TO FORM:**

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General Counsel

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District Clerk



**RESOLUTION NO. 15-33**

**A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE  
DISTRICT SETTING THE 2015-16 TAX RATE ON VOTER APPROVED  
GENERAL OBLIGATION BONDS**

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WHEREAS, the Midpeninsula Regional Open Space District (the "District") is a regional open space district that includes territory in each of 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 has determined to issue its General Obligation Bonds, Series 2015, in one or more series, in the aggregate principal amount of not to exceed \$45,000,000 pursuant to the Act; 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, also, that part of the principal which 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; and

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

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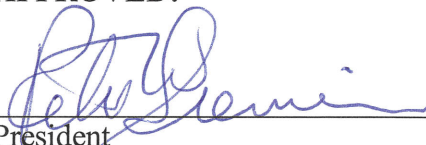
PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on July 22, 2015, at a Regular Meeting thereof, by the following vote:

**AYES: CYR, HANKO, HARRIS, HASSETT, KISHIMOTO, SIEMENS**  
**NOES: NONE**  
**ABSTAIN: NONE**  
**ABSENT: RIFFLE**

**ATTEST:**

**APPROVED:**

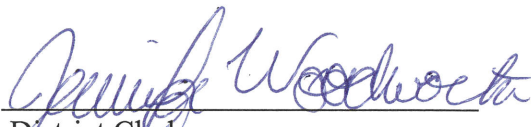
  
\_\_\_\_\_  
Secretary  
Board of Directors

  
\_\_\_\_\_  
President  
Board of Directors

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
General Counsel

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\_\_\_\_\_  
District Clerk

**RESOLUTION NO. 15-\_\_\_**

**A RESOLUTION OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AMENDING THE 2015-16 TAX RATE ON VOTER APPROVED GENERAL OBLIGATION BONDS**

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**WHEREAS**, on July 22, 2015 the Board of Directors of the Midpeninsula Regional Open Space District (the “District”) adopted Resolution No. 15-35, attached hereto and incorporated herein as Exhibit “A”, establishing the tax rate necessary to pay the principal and interest on the Bonds coming due and payable on March 1, 2016 and September 1, 2016 as \$0.0011 per \$100 of assessed valuation in each of the County of San Mateo, the County of Santa Clara and the County of Santa Cruz (each, a “County”; collectively, the “Counties”); and

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**ABSTAIN:**

**ABSENT:**

**ATTEST:**

**APPROVED:**

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Secretary  
Board of Directors

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President  
Board of Directors

**APPROVED AS TO FORM:**

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General Counsel

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**AYES: CYR, HANKO, HARRIS, HASSETT, KISHIMOTO, SIEMENS**

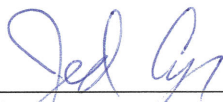
**NOES: NONE**

**ABSTAIN: NONE**

**ABSENT: RIFFLE**

**ATTEST:**

**APPROVED:**

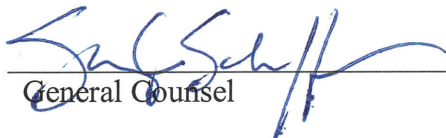


Secretary  
Board of Directors




President  
Board of Directors

**APPROVED AS TO FORM:**



General Counsel

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District Clerk