



**CITY OF LOS ALTOS
CITY COUNCIL MEETING
July 14, 2015**

SPECIAL MEETING

Agenda Item # 1

SUBJECT: Adopt Resolution No. 2015-25, determining that the public interest and necessity demand the development of certain municipal improvements and their financing through the issuance of general obligation bonds for the Hillview Community Center and Park

BACKGROUND

On March 24, 2015, the City Council accepted the Civic Center Master Plan update and Community Center Conceptual Design. The updated plan focuses on re-building the Hillview Community Center and Park as a first phase. This phase will include three areas: 1) replace the 70-year old Hillview Community Center with a new, multi-generational Community Center; 2) build community pool facilities; and 3) improve Hillview Park, sports fields and the surrounding open space.

At its March 24, 2015 meeting, Council identified November 2015 as the preferred date for a potential bond election and directed staff to engage an election consultant and to begin developing a financing strategy. The City engaged Tramutola LLC to assist in developing educational and financing strategies for improvement of the Community Center. At subsequent study session meetings on May 27, 2015 and June 23, 2015, the City Council discussed the merits of having one bond measure or two as well as a targeted dollar amount for the bond. Ultimately, Council provided direction to move forward with one bond measure of between \$60 and \$65 million.

EXISTING POLICY

2009 Civic Center Master Plan and 2015 Update

PREVIOUS COUNCIL CONSIDERATION

March 24, 2015; April 28, 2015; May 27, 2015 and June 23, 2015

DISCUSSION

Bond Election process

In order to call for an election to issue municipal bonds, the City Council must first pass a Resolution determining that it is in the public interest or need to construct certain municipal improvements. Resolution No. 2015-25 (Attachment 1) determines the need for bonds to finance the Hillview Community Center and Park project. It is recommended that the City Council adopt Resolution No. 2015-25 at its July 14, 2015 meeting.

Following adoption of Resolution No. 2015-25, the City Council will consider an ordinance calling for a bond election.

PUBLIC CONTACT

Posting of the meeting agenda serves as notice to the general public.

FISCAL/RESOURCE IMPACT

It is unknown at this time the exact cost for holding a bond election in November 2015. The total cost will depend upon the number of elections to be held at the same time. There are sufficient funds in the Community Center Redevelopment Capital Improvement Project CF-01002 to cover the cost of the election.

No City funds or resources will be used in support or opposition of the bond measure.

ENVIRONMENTAL REVIEW

An addendum to the 2010 Civic Center Master Plan Environmental Impact Report was prepared in July 2015.

RECOMMENDATION

Adopt Resolution No. 2015-25, determining that the public interest and necessity demand the development of certain municipal improvements and their financing through the issuance of general obligation bonds for the Hillview Community Center and Park

ALTERNATIVES

Do not adopt Resolution No. 2015-25; this will result in the City being unable to hold a November 2015 election.

Prepared by: Marcia Somers, City Manager with Jon Maginot, City Clerk/Assistant to the City Manager and Jolie Houston, City Attorney

ATTACHMENT:

1. Resolution No. 2015-25

Adopt Resolution No. 2015-25, determining that the public interest and necessity demand the development of certain municipal improvements and their financing through the issuance of general obligation bonds for the Hillview Community Center and Park

RESOLUTION NO. 2015-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY
DEMAND THE DEVELOPMENT OF CERTAIN MUNICIPAL
IMPROVEMENTS AND THEIR FINANCING THROUGH THE ISSUANCE
OF GENERAL OBLIGATION BONDS FOR THE
HILLVIEW COMMUNITY CENTER AND PARK**

WHEREAS, under certain provisions of the California Government Code, including Article 1, commencing with Section 43600, of Chapter 4 of Division 4 of Title 4, and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 (collectively, the “Bond Law”), the City is authorized to submit the proposition of incurring bonded indebtedness to finance municipal improvements to the qualified voters of the City at an election, and, upon receiving the requisite voter approval, to issue general obligation bonds to finance such municipal improvements; and

WHEREAS, the City intends to issue its general obligation bonds (the “Bonds”) under and pursuant to the Bond Law to finance the development of certain public park and recreation facilities (the “Hillview Community Center and Park”); and

WHEREAS, in order to initiate proceedings under the Bond Law to provide for the financing of the Hillview Community Center and Park, the City Council must make certain findings and determinations; and

WHEREAS, the City intends to issue its general obligation bonds to finance the development of the Los Altos Community Center Master Plan Update, now referred to as the Hillview Community Center and Park project, which was reviewed under the California Environmental Quality Act (“CEQA”) and an Environmental Impact Report (“EIR”) was prepared and certified by the City Council on March 9, 2010 (“2010 EIR”); and

WHEREAS, based on the proposed Hillview Community Center and Park project description, knowledge of the project site, the environmental review previously completed, and the following analysis, the City determined that the proposed Hillview Community Center and Park project represents an insubstantial change in the project description as evaluated in the 2010 EIR and would not result in any new significant impacts not previously disclosed in the 2010 EIR, nor would it result in a substantial increase in the magnitude of any significant environmental impact previously identified in the 2010 EIR. For these reasons, an Addendum to the certified 2010 EIR was prepared in July 2015 and a supplemental or subsequent EIR or Initial Study /Mitigated Negative Declaration is not required for the proposed Hillview Community Center and Park project.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby determines as follows:

1. *Declaration of Necessity to Issue Bonds.* The public interest and necessity demand, and it is the intention of the City Council to require the construction and improvement of the Hillview Community Center and Park and to issue the Bonds to finance the cost thereof, subject to completion of the proceedings required by the Bond Law.
2. *Maximum Amount.* The estimated cost of the Hillview Community Center and Park is not to exceed \$65,000,000, which includes provision for legal or other fees, and other costs and expenses, which are incidental to or connected with the authorization, issuance and sale of the Bonds.
3. *Findings.* The City Council hereby finds and determines that the costs of the Hillview Community Center and Park require an expenditure by the City greater than the amount allowed for it by the annual tax levy of the City. The principal amount of the Bonds will not exceed the estimated cost set forth above for the Hillview Community Center and Park.
4. *Issuance of the Bonds.* This Resolution is adopted, and the Bonds, if approved by two-thirds of all qualified voters voting on the issuance of the Bonds, are to be issued pursuant to the Bond Law.
5. *Effective Date.* This Resolution shall take effect upon its adoption by two-thirds of all members of the City Council of the City.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the ____ day of ____, 2015 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Janis C. Pepper, MAYOR

Attest:

Jon Maginot, CMC, CITY CLERK