

RESOLUTION NO. _____

**A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN JOSE ESTABLISHING THE FISCAL YEAR 2024-2025
PROPERTY TAX LEVY FOR THE CITY'S GENERAL
OBLIGATION BOND INDEBTEDNESS**

WHEREAS, an election was duly and regularly held in the City of San José (the "City") on November 7, 2000, at which the voters approved Measure O (2000) that authorized the issuance of bonds in the principal amount of not to exceed \$211,790,000 for the purpose of acquiring property for and constructing improvements to the neighborhood library facilities throughout the City, which measure was entitled "San José Neighborhood Libraries Bond"; and

WHEREAS, an election was duly and regularly held in the City on November 7, 2000, at which the voters approved Measure P (2000) that authorized the issuance of bonds in the principal amount of not to exceed \$228,030,000 for the purpose of acquiring property for and constructing improvements to parks and recreation facilities, which measure was entitled "San José Safe Neighborhood Parks and Recreation Bond"; and

WHEREAS, an election was duly and regularly held in the City on March 5, 2002, at which the voters approved Measure O (2002) that authorized the issuance of bonds in the principal amount of not to exceed \$159,000,000 for the purpose of acquiring property for and constructing improvements in order to add and improve police and fire stations and training facilities and to create state of the art 911 communications facilities, which measure was entitled "San José 911, Fire, Police, Paramedic, and Neighborhood Security Act"; and

WHEREAS, an election was duly and regularly held in the City on November 6, 2018, at which the voters approved Measure T (2018) that authorized the issuance of bonds in the principal amount of not to exceed \$650,000,000 for the purpose of acquiring property for and constructing improvements in order to improve emergency and disaster response, repair deteriorating bridges vulnerable to earthquakes, repave streets and potholes in the worst condition, prevent flooding and water contamination including the acquisition of land in the Coyote Valley for these purposes, and repair critical infrastructure, which measure was entitled "San José Disaster Preparedness, Public Safety and Infrastructure Bond"; and

WHEREAS, Measure O (2000), Measure P (2000), Measure O (2002) and Measure T (2018) were each approved by more than two-thirds of the votes cast at the applicable election; and

WHEREAS, the City is empowered to issue general obligation bonds which are authorized by at least two-thirds of the qualified electors of the City pursuant to Chapter 14.28 of the San José Municipal Code; and

WHEREAS, the City is additionally empowered to issue general obligation refunding bonds pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53550 of said Code following a determination by the City Council of the City that the prudent management of the fiscal affairs of the City require it to do so; and

WHEREAS, pursuant to the authorizations under Measure O (2000), Measure P (2000), Measure O (2002) and Measure T (2018), the City has issued general obligation bonds, including refunding bonds, four series of which remain outstanding designated as Series 2019A-1, Series 2019B, Series 2019C, and Series 2021A (collectively, the “Bonds”); and

WHEREAS, the City is obligated to levy ad valorem taxes upon all property within the City subject to taxation by the City, without limitation of rate or amount (except with respect to certain personal property which is taxed at limited rates), for the payment of the debt service on the Bonds; and

WHEREAS, the Bonds were outstanding in the amount of \$522,800,000 as of August 13, 2024; and

WHEREAS, the City is obligated to direct the County of Santa Clara (the “County”) to collect such ad valorem taxes in such amounts and at such times as is necessary to ensure the timely payment of debt service on the Bonds; and

WHEREAS, the amount of the annual ad valorem tax levied by the City to repay the Bonds is determined by the relationship between the assessed valuation of taxable property in the City and the amount of debt service due on the Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. Pursuant to the provisions of Chapter 14.28 of the San José Municipal Code, an ad valorem property tax is hereby established to be levied on all land and improvements in the City of San José during Fiscal Year 2024-2025 in the amount of 0.01570 per \$100 in assessed value for the secured and utility tax roll and in the amount of 0.01670 per \$100 in assessed value for the unsecured tax roll as set forth in the attached Exhibit A for the payment of the debt service on the Bonds and the County’s administrative fee.

2. The City's Director of Finance shall cause a certified copy of this Resolution to be delivered to the Auditor of the County for entry in the assessment book of the respective sums in dollars and cents, to be paid as established by this Resolution. The City's Director of Finance is authorized to adjust the amount of the ad valorem property tax levy for Fiscal Year 2024-2025 set forth in this Resolution, if necessary, to provide sufficient revenues for the payment of debt service on the Bonds and to take the actions required to effectuate the adjustment in a timely manner.

ADOPTED this _____ day of _____, 2024, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk

EXHIBIT A

The total net debt service tax levy requirement for the Bonds is \$40,575,346. This amount includes the County of Santa Clara administrative fee estimated at \$101,185 which is approximately 0.25% of the principal and interest due. The secured tax and utility net assessed value for Fiscal Year 2024-2025 is \$246,046,414,545. The tax rate for the secured and utility net assessed value for Fiscal Year 2024-2025 is 0.01570 per \$100 in assessed value. The unsecured roll is included in the calculation for all series of the outstanding Bonds. The unsecured net assessed value for Fiscal Year 2024-2025 is \$11,243,574,199. The tax rate for the unsecured tax roll for Fiscal Year 2024-2025 is 0.01670 per \$100 in assessed value.