

Chair: Jamie Goldstein
Vice Chair: Martin Bernal
Board Member: Jenny Haruyama
Board Member: Susan Mauriello



**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA)
REGULAR BOARD MEETING
THURSDAY, JULY 28, 2016
[IMMEDIATELY FOLLOWING THE SPECIAL STUDY SESSION]
DOWNTOWN BRANCH MEETING ROOM
224 CHURCH STREET, SANTA CRUZ, CA 95060**

1. CALL TO ORDER / ROLL CALL

Board Members Martin Bernal, Jenny Haruyama, Susan Mauriello, and Chair Jamie Goldstein

2. ADDITIONAL MATERIALS

Additional information submitted after distribution of the agenda packet.

3. ADDITIONS AND DELETIONS TO AGENDA

4. ORAL COMMUNICATION

Any member of the audience may address the Board on any matter either on or off the agenda that is within the Board's jurisdiction. Note, however, that the Board is not able to undertake extended discussion or act on non-agendized items. Such items can be referred to staff for appropriate action which may include placement on a future agenda. If you intend to address a subject that is on the Agenda, please hold your comments regarding that item until it is before the Board, so that we may properly respond to all comments on that subject at the same time. In general 3 minutes will be permitted per speaker during Oral Communication; A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.

5. EXECUTIVE DIRECTOR REPORT

A. Report of Executive Director of recent events and Schedule of Important Dates (PG.3-5)

6. CONSENT CALENDAR

A. Approve Minutes of the June 2, 2016 Board Meeting (PG.6-7)

B. Resolution declaring results of special election and directing recording of notice of special tax lien. (PG.8-21)

All items listed in the "Consent Calendar" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes on the action unless members of the public or the Board request specific items to be discussed for

separate review. Items pulled for separate discussion will be considered following General Business.

7. GENERAL BUSINESS

- A. Ordinance Levying Special Taxes; Second Reading (PG.22-26)
- B. Funding Scenarios for Library Facilities (PG.27-29)
- C. Receive direction or consider discussions/approvals from the Board that relate to matters considered as part of the Libraries JPA Board budget study session. Such matters could include: budget instruction; LFFA reimbursement for Libraries JPA costs related to LFFA activities; Issuance of Bonds that are secured by the Special Tax revenue; and other matters relating to the Special Tax revenue. (PG.30)

Other Business items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each Business item: 1) Staff explanation; 2) Board questions; 3) Public comment; 4) Board deliberation; 5) Decision.

8. ADJOURNMENT

Adjourned to a Regular Meeting of the Libraries Facilities Financing Authority (LFFA) to be held on Thursday, September 1, 2016, at 9:00 a.m. at the Downtown Branch Library located at 224 Church Street, Santa Cruz.

The Santa Cruz City-County Library System does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, we ask that you attend fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment please call the Library Administration Office at (831)427-7706 at least five days in advance so that we can arrange for such special assistance, or email library_admin@santacruzpl.org.

STAFF REPORT



**SANTA CRUZ
PUBLIC LIBRARIES**

Library Facilities
Financing Authority

AGENDA: July 28, 2016
DATE: July 18, 2016
TO: Board of Directors
FROM: Rich Hill, Interim Executive Director
SUBJECT: Item 5.A.--Executive Director Report

RECOMMENDATION

Receive and file this report.

DISCUSSION

The following activities were pursued during the Month of June 2016:

- Worked on City of Santa Cruz reimbursement of indirect costs
- Prepare schedule of possible Libraries JPA costs reimbursable by the LFFA
- Miscellaneous Emails
- Met with Director of Libraries and discussed the duties of the LFFA Interim Executive Director
- Prepare July 28, 2016 meeting agenda

ATTACHMENT

1. Revised List of Important Dates

ATTACHMENT 1

List of Important Dates

7/18/2016 (Mon)	LFFA	Final Resolution Declaring Election Results due to Secretary
7/28/2016 (Thur)	LFFA	Budget Work Session; LFFA Meeting – Consider Resolution Declaring Election Results and Second Reading of Special Tax Ordinance
8/10/2016 (Wed)	LFFA	Notice of Special Tax Lien recorded and direction provided to County Auditor-Controller-Treasurer-Tax Collector
9/01/2016 (Thur)	LFFA	LFFA Meeting – To be determined
10/06/2016 (Thur)	LFFA	LFFA Meeting – To be determined
11/03/2016 (Thur)	LFFA	LFFA Meeting – To be determined
12/01/2016 (Thur)	LFFA	LFFA Meeting – To be determined

(1) Bonds are currently scheduled to be issued in March 2018. A Resolution Authorizing Bond Issuance will need to be approved before March 2018.

**SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM**

**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA)**

REGULAR MEETING MINUTES

THURSDAY, JUNE 2, 2016

9:00 A.M.

1. ROLL CALL

PRESENT: Chair Jamie Goldstein, Vice Chair Martin Bernal, Chuck Comstock, Susan Mauriello

STAFF: Interim Executive Director Rich Hill; Interim Library Director Janis O'Driscoll

2. ADDITIONAL MATERIALS

LFFA related Contracts Summary (informational only)

3. ADDITIONS AND DELETIONS TO AGENDA

The Agenda of June 2, 2016 was approved by consensus.

4. ORAL COMMUNICATION

None

5. EXECUTIVE DIRECTOR REPORT

A. Report of Executive Director of recent events and Schedule of Important Dates
ACTION: Received report

6. CONSENT CALENDAR

A. Approve Minutes of the May 5, 2016 Board Meeting

RESULT: A. APPROVED MINUTES OF May 5, 2016

MOVER: Martin Bernal, Vice Chair

SECONDER: Susan Mauriello, Board Member

AYES: Bernal, Goldstein, Comstock, Mauriello

7. GENERAL BUSINESS

A. Ordinance Levying Special Taxes

A member of the public commented on the Ordinance

RESULT: APPROVED FIRST READING OF THE ORDINANCE LEVYING SPECIAL TAXES AND DIRECTED STAFF TO PLACE THE ORDINANCE ON THE REGULAR MEETING AGENDA OF JULY 28, 2016 FOR ITS FINAL READING AND CONSIDERATION FOR ADOPTION WITH REQUEST FOR JONES HALL TO SIGN THE DOCUMENT AS TO FORM AND SUFFICIENCY. [UNANIMOUS]

MOVER: Susan Mauriello, Board Member

SECONDER: Chuck Comstock, Board Member

AYES: Bernal, Goldstein, Comstock, Mauriello

8. ADJOURNMENT

The Libraries Facilities Financing Authority (LFFA) adjourned at 9:11 a.m. to the Regular Meeting on Thursday, July 28, 2016 at 9:00 a.m. at the Downtown Branch Meeting Room located at 224 Church St., Santa Cruz, CA 95060.

ATTEST: _____
Helga Smith, Clerk of the Board

All documents referred to in these minutes are available in the Santa Cruz Public Libraries – Library Headquarters Office, 117 Union Street, Santa Cruz.

STAFF REPORT



**SANTA CRUZ
PUBLIC LIBRARIES**
Libraries Facilities
Financing Authority

AGENDA: July 28, 2016

DATE: July 21, 2016

TO: Board of Directors

FROM: Rich Hill, Interim Executive Director

SUBJECT: 6.B. Resolution Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien

RECOMMENDATION

Adopt the attached Resolution Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien.

BACKGROUND

On February 11, 2016 the Board adopted a series of resolutions that: 1) form Santa Cruz Community Facilities District No. 2016-1; 2) authorized the levy of a special tax in accordance with the Mello-Roos Community Facilities Act of 1982; 3) determined the necessity to incur bonded indebtedness; 4) called for a special election.

DISCUSSION

The special election was held on June 7, 2016 at which time the voters approved the special tax for the purposes of constructing and improving Library Facilities. The Santa Cruz County Election Official has transmitted to the CFD Secretary the results of the election which are detailed in Exhibit A of the attached resolution.

Once the resolution is adopted, and within 15 days, the CFD Secretary will record a notice of special tax lien. This will allow the Board to adopt an ordinance levying special taxes.

Prepared and approved by:
Richard Hill, Interim Executive Director.

RESOLUTION NO. 2016-006

**RESOLUTION DECLARING RESULTS OF SPECIAL ELECTION AND
DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN**

**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
Community Facilities District No. 2016-1**

WHEREAS, on February 11, 2016, this Board (the "Board") of the Santa Cruz Libraries Facilities Financing Authority (the "Authority") adopted a resolution entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation"), ordering the formation of the "Santa Cruz Libraries Facilities Financing Authority Community Facilities District No. 2016-1" (the "CFD"), authorizing the levy of a special tax on property within the CFD and preliminarily establishing an appropriations limit for the CFD, all pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act").

WHEREAS, this Board has also adopted a resolution entitled "Resolution Determining the Necessity to Incur Bonded and Other Indebtedness" (the "Resolution Determining Necessity"), determining the necessity to incur bonded indebtedness and other debt (as defined in the Act) in the maximum aggregate principal amount of \$67,000,000 upon the security of the special tax to be levied within the CFD pursuant to the Act.

WHEREAS, under the Resolution of Formation and the Resolution Determining Necessity, and a "Resolution Calling Special Election" (the "Election Resolution"), the propositions of the levy of the special tax, the establishment of the appropriations limit and the incurring of the bonded indebtedness or other debt (as defined in the Act) were submitted to the qualified electors of the CFD as required by the Act.

WHEREAS, under the Election Resolution, which is by this reference incorporated herein, the special election was held in the CFD on June 7, 2016 by the Santa Cruz County Clerk (the "Election Official").

WHEREAS, the Election Official has transmitted to the Secretary a canvass and statement of results of election (the "Canvass") a copy of which is attached hereto as Exhibit A.

WHEREAS, this Board has reviewed the Canvass, finds it appropriate and wishes to complete its proceedings for the CFD.

NOW, THEREFORE, IT IS ORDERED, by the Board of the Santa Cruz Libraries Facilities Financing Authority, as follows:

1. **Issues Presented.** The issues presented at the special election were (i) levy of the special tax, (ii) incurring of bonded indebtedness or other debt and (iii) establishment of the appropriations limit.

2. **Canvass and Issues Approved.** The Board hereby approves the Canvass and finds that it shall be a permanent part of the record of its proceedings for the CFD. Pursuant to the Canvass, the issues presented at the special election were approved by the qualified electors of the CFD by more than two-thirds of the votes cast at the special election.

3. **Proceedings Approved.** Pursuant to the voter approval, the CFD is hereby declared to be fully formed with the authority to levy the special taxes, to incur the approved bonded indebtedness and other debt and to have the established appropriations limit, all as heretofore provided in these proceedings and in the Act. It is hereby found that all prior proceedings and actions taken by this Board with respect to the CFD were valid and in conformity with the Act.

4. **Notice of Tax Lien.** The Secretary is hereby directed to complete, execute and cause to be recorded in the office of the County Recorder of the County of Santa Cruz a notice of special tax lien in the form required by the Act, such recording to occur no later than 15 days following adoption by the Board of this resolution.

5. **Effective Date.** This resolution shall be effective upon its adoption by the Board.

Upon motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

- AYES:
- NOES:
- ABSENT:
- ABSTAINING:

the foregoing resolution is hereby adopted on July 28, 2016.

Board Chair

ATTEST:

Secretary

EXHIBIT A

CANVASS OF STATEMENT OF RESULTS OF ELECTION

--This exhibit is a copy of the certified excerpt of local non partisan Measure S from the Santa Cruz County Clerk of Elections Statement of Votes Book

--The Statement of Votes Book can be found in its entirety online by accessing the Clerk of Elections website.

Statement of Vote



June 7, 2016
Presidential Primary Election



Prepared by:
Gail L. Pellerin
Santa Cruz County Clerk
701 Ocean St., Room 210
Santa Cruz, CA 95060
831-454-2060 / 1-866-282-5900
831-454-2445 (FAX)
www.votescount.com



County of Santa Cruz

COUNTY CLERK / ELECTIONS

701 Ocean Street, Room 210, Santa Cruz, CA 95060-4076
831-454-2060 Toll-free: 866-282-5900 FAX: 831-454-2445 TDD: 711
E-mail: info@votescount.com Web Sites: www.sccoclerk.com & www.votescount.com

Gail L. Pellerin, County Clerk
Tricia Webber, Assistant County Clerk

July 5, 2016

Information Regarding the Statement of Vote

This Statement of Vote is prepared and issued pursuant to Elections Code Sections 15372 - 15374.

How results are compiled

The Statement of Vote reports shows results by “consolidated” voting precinct for each contest on the ballot. There were 186 consolidated voting precincts in this election – 138 were assigned to a polling location and 48 were assigned to vote by mail ballot due to a limited number of voters in that unique ballot type in that area of the county. A key to the consolidated voting precincts is provided in the “Voting/Absentee/Regular Precinct Cross Reference” provided in this booklet. There were 19 different ballot types in this election. Since this was a Presidential Primary, ballots were issued to voters based on their political party affiliation. Voters who were registered with no party preference or with a non-qualified political party, were allowed to select a ballot from the Democratic, American Independent, or Libertarian Party.

The Statement of the Vote also reports the vote-by-mail “absentee” results by “consolidated” voting precinct. Vote-by-mail results are listed by voting precinct number which is followed by the words “Vote By Mail/Absentee.” This category includes permanent vote-by-mail voters, mail ballot voters, voters who request to vote by mail, or voters who vote early (using paper ballots or touchscreen) at the County Elections Office or Watsonville City Clerk’s Office. Voters who reside in an all-mail ballot precinct, but voted on the touchscreen, have their votes tallied in the precinct count versus the vote-by-mail count due to the fact that touchscreens were set up for precinct operations.

Following the precinct by precinct report, total results for the Precincts and Vote-by-Mail/Absentee are provided, plus grand totals by Congressional District, State Senate District, State Assembly Districts, Supervisorial Districts, cities, and the unincorporated area of the county where the contest was on the ballot.

The “Registration” column shows the total registration for the consolidated voting precinct. Voter registration information is current as of the last day to register to vote in the election (15 days prior to the election). Late arriving, but eligible, voter registration affidavits are not included in the registration figures. Voters voting provisional ballots reflected in the Ballots Cast column, but are not accounted for in the Registration column. The “Ballots Cast” column shows total ballots cast either in the precinct or vote-by-mail.

Other Reports Included

Three election result summaries are included:

1. Final Official Results;
2. Vote-by-Mail ballots counted election night; and
3. Semi-Official Election Night Results.

Vote-By-Mail ballot statistical reports are provided showing the total number of ballots issued by voting precinct and the method of issuing, and then the total number of ballots returned by voting precinct. These statistics do not reflect votes cast by confidential voters in Santa Cruz County, or provisional ballots cast by voters in all-mail ballot precincts.

The Provisional Ballot Report shows how many voters voted by provisional ballot, how many of those were counted in its entirety, how many were not counted, the total number of ballots that were partially counted, and the breakdown of reasons why ballots were not counted. California law allows voters who vote a ballot from another precinct to have their votes remade for those contests in which they are eligible to vote.

A report showing the registration by District broken down by political party is also provided. Finally, there is a list of the 138 polling places established in the June election indicating which registration precincts were consolidated to form the voting precinct. For each election, the county's registration precincts are consolidated into voting precincts. The number of voting precincts is related to the number of various unique ballot types there are in the county for the particular election.

The key to registration precincts is: 1st digit = supervisorial district; 2nd digit = city, where 1 = Santa Cruz, 2 = Capitola, 3 = Watsonville, 4 = Scotts Valley and 0 = unincorporated; 3rd digit designates the council district in Watsonville. The 4th and 5th digits are random.

The last final reports outline our "Canvass Activities."

Cost and Information

Bound copies of this Statement of Vote may be purchased for \$25 or individual pages for 50 cents per page.

If you have any questions concerning any portion of this Statement of Vote or need additional copies, please contact the Santa Cruz County Elections Department, 701 Ocean St., Room 210, Santa Cruz, CA, 95060; phone 831-454-2060; FAX 831-454-2445; Toll-Free 1-866-282-5900; info@votescount.com website www.votescount.com

**Certification of County Clerk of the Results of the Canvass of
the June 7, 2016 Presidential Primary Election**

I, Gail L. Pellerin, County Clerk of the County of Santa Cruz, do hereby certify that, in pursuance to the provisions of Elections Code Section 15300, et. seq., I did canvass the results for the votes cast in the Presidential Primary Election held in Santa Cruz County on June 7, 2016, for measures and contests that were submitted to the vote of the voters, and that the Statement of Votes Cast to which this certificate is attached, is full, true and correct.

I hereby set my hand and official seal this 5th day of July, 2016 at the County of Santa Cruz.



Gail L. Pellerin

Gail L. Pellerin
Santa Cruz County Clerk

140035		NONPARTISAN MEASURE S SANTA CRUZ LIBRARIES 2/3 TO PASS												
		Registration	Ballots Cast	Turnout (%)		Yes	No							
10020	10020	1141	317	27.78		229	69							
10020	- Vote By Mail / Absentee F	1141	481	42.16		318	140							
10060	10060	1120	281	25.09		199	65							
10060	- Vote By Mail / Absentee F	1120	478	42.68		318	124							
10080	10080	1081	257	23.77		177	58							
10080	- Vote By Mail / Absentee F	1081	483	44.68		335	124							
10090	10090	1040	268	25.77		200	53							
10090	- Vote By Mail / Absentee F	1040	420	40.38		302	101							
10110	10110	1151	308	26.76		230	62							
10110	- Vote By Mail / Absentee F	1151	410	35.62		279	103							
10120	10120	1166	331	28.39		215	85							
10120	- Vote By Mail / Absentee F	1166	442	37.91		272	146							
10130	10130	1340	359	26.79		261	75							
10130	- Vote By Mail / Absentee F	1340	566	42.24		388	157							
10141	10141	373	78	20.91		56	16							
10141	- Vote By Mail / Absentee F	373	201	53.89		149	44							
10143	10143	93	0	0.00		0	0							
10143	- Vote By Mail / Absentee F	93	65	69.89		41	21							
10144	10144	1150	352	30.61		240	89							
10144	- Vote By Mail / Absentee F	1150	473	41.13		306	150							
10151	10151	765	159	20.78		98	52							
10151	- Vote By Mail / Absentee F	765	351	45.88		187	139							
10170	10170	768	290	37.76		199	72							
10170	- Vote By Mail / Absentee F	768	249	32.42		159	76							
10190	10190	1288	338	26.24		235	76							
10190	- Vote By Mail / Absentee F	1288	495	38.43		315	161							
10201	10201	530	131	24.72		88	37							
10201	- Vote By Mail / Absentee F	530	184	34.72		115	55							
10204	10204	201	0	0.00		0	0							
10204	- Vote By Mail / Absentee F	201	153	76.12		95	53							
10220	10220	1024	260	25.39		195	51							
10220	- Vote By Mail / Absentee F	1024	374	36.52		268	94							
10232	10232	106	0	0.00		0	0							
10232	- Vote By Mail / Absentee F	106	72	67.92		45	21							
10240	10240	748	200	26.74		138	52							
10240	- Vote By Mail / Absentee F	748	287	38.37		195	81							
10260	10260	846	240	28.37		163	61							
10260	- Vote By Mail / Absentee F	846	330	39.01		210	101							
10270	10270	1221	266	21.79		192	61							
10270	- Vote By Mail / Absentee F	1221	548	44.88		385	133							
10281	10281	723	224	30.98		155	65							
10281	- Vote By Mail / Absentee F	723	295	40.80		195	85							
10283	10283	239	3	1.26		3	0							
10283	- Vote By Mail / Absentee F	239	169	70.71		110	50							
10291	10291	1395	328	23.51		204	103							
10291	- Vote By Mail / Absentee F	1395	640	45.88		377	240							
10310	10310	1275	327	25.65		252	48							
10310	- Vote By Mail / Absentee F	1275	519	40.71		385	104							
10351	10351	926	308	33.26		183	110							
10351	- Vote By Mail / Absentee F	926	353	38.12		202	134							
10381	10381	1307	311	23.79		192	95							
10381	- Vote By Mail / Absentee F	1307	483	36.95		298	146							
10410	10410	664	180	27.11		137	33							
10410	- Vote By Mail / Absentee F	664	279	42.02		195	75							
10442	10442	36	1	2.78		1	0							
10442	- Vote By Mail / Absentee F	36	21	58.33		10	10							
10521	10521	108	1	0.93		1	0							
10521	- Vote By Mail / Absentee F	108	79	73.15		35	39							
10541	10541	260	2	0.77		2	0							
10541	- Vote By Mail / Absentee F	260	189	72.69		103	79							
10551	10551	19	0	0.00		0	0							

140035		NONPARTISAN MEASURE S SANTA CRUZ LIBRARIES 2/3 TO PASS												
	Registration	Ballots Cast	Turnout (%)		Yes	No								
10551 - Vote By Mail / Absentee F	19	11	57.89		6	4								
10552 10552	0	0	0.00		0	0								
10552 - Vote By Mail / Absentee F	0	0	0.00		0	0								
10572 10572	43	1	2.33		1	0								
10572 - Vote By Mail / Absentee F	43	28	65.12		12	15								
10603 10603	1103	274	24.84		183	79								
10603 - Vote By Mail / Absentee F	1103	469	42.52		267	183								
10620 10620	1206	309	25.62		195	96								
10620 - Vote By Mail / Absentee F	1206	504	41.79		322	160								
10690 10690	62	0	0.00		0	0								
10690 - Vote By Mail / Absentee F	62	45	72.58		34	10								
10762 10762	25	0	0.00		0	0								
10762 - Vote By Mail / Absentee F	25	16	64.00		8	8								
10781 10781	310	1	0.32		1	0								
10781 - Vote By Mail / Absentee F	310	228	73.55		150	67								
11010 11010	1411	429	30.40		284	127								
11010 - Vote By Mail / Absentee F	1411	590	41.81		341	229								
11120 11120	911	202	22.17		137	55								
11120 - Vote By Mail / Absentee F	911	417	45.77		254	145								
12010 12010	272	0	0.00		0	0								
12010 - Vote By Mail / Absentee F	272	167	61.40		125	31								
12022 12022	60	3	5.00		1	0								
12022 - Vote By Mail / Absentee F	60	34	56.67		22	11								
12023 12023	540	167	30.93		111	42								
12023 - Vote By Mail / Absentee F	540	192	35.56		125	56								
12030 12030	1417	327	23.08		237	74								
12030 - Vote By Mail / Absentee F	1417	600	42.34		396	177								
14110 14110	0	0	0.00		0	0								
14110 - Vote By Mail / Absentee F	0	0	0.00		0	0								
14121 14121	1276	307	24.06		178	121								
14121 - Vote By Mail / Absentee F	1276	498	39.03		266	224								
14141 14141	146	0	0.00		0	0								
14141 - Vote By Mail / Absentee F	146	71	48.63		31	38								
20011 20011	1155	246	21.28		159	70								
20011 - Vote By Mail / Absentee F	1155	357	30.88		190	144								
20013 20013	434	91	20.97		54	34								
20013 - Vote By Mail / Absentee F	434	143	32.95		77	54								
20020 20020	1360	292	21.47		171	94								
20020 - Vote By Mail / Absentee F	1360	509	37.43		278	207								
20041 20041	961	229	23.83		128	88								
20041 - Vote By Mail / Absentee F	961	383	39.85		231	136								
20044 20044	958	238	24.84		136	91								
20044 - Vote By Mail / Absentee F	958	389	40.61		206	166								
20061 20061	743	217	29.21		121	89								
20061 - Vote By Mail / Absentee F	743	289	38.90		148	130								
20093 20093	3	0	0.00		0	0								
20093 - Vote By Mail / Absentee F	3	3	100.00		2	0								
20101 20101	1050	197	18.76		125	61								
20101 - Vote By Mail / Absentee F	1050	448	42.67		250	174								
20150 20150	634	169	26.66		119	46								
20150 - Vote By Mail / Absentee F	634	234	36.91		138	80								
20221 20221	1247	348	27.91		234	90								
20221 - Vote By Mail / Absentee F	1247	529	42.42		324	185								
20232 20232	1141	338	29.62		217	108								
20232 - Vote By Mail / Absentee F	1141	475	41.63		283	167								
20241 20241	87	0	0.00		0	0								
20241 - Vote By Mail / Absentee F	87	56	64.37		27	28								
20242 20242	1298	298	22.96		202	84								
20242 - Vote By Mail / Absentee F	1298	549	42.30		365	158								
20251 20251	1101	281	25.52		186	78								
20251 - Vote By Mail / Absentee F	1101	399	36.24		267	117								

June 7, 2016

JUNE 7, 2016 PRESIDENTIAL PRIMARY

140035		NONPARTISAN MEASURE S SANTA CRUZ LIBRARIES 2/3 TO PASS												
		Registration	Ballots Cast	Turnout (%)	Yes	No								
20253	20253	16	0	0.00	0	0								
20253	- Vote By Mail / Absentee F	16	12	75.00	7	5								
20260	20260	1244	316	25.40	227	72								
20260	- Vote By Mail / Absentee F	1244	526	42.28	349	147								
20280	20280	1517	372	24.52	246	101								
20280	- Vote By Mail / Absentee F	1517	644	42.45	411	208								
20300	20300	1289	322	24.98	217	84								
20300	- Vote By Mail / Absentee F	1289	507	39.33	344	151								
20320	20320	1434	350	24.41	209	128								
20320	- Vote By Mail / Absentee F	1434	618	43.10	372	224								
20330	20330	1274	365	28.65	232	121								
20330	- Vote By Mail / Absentee F	1274	487	38.23	288	178								
20341	20341	586	150	25.60	86	60								
20341	- Vote By Mail / Absentee F	586	241	41.13	127	102								
20351	20351	1215	380	31.28	291	75								
20351	- Vote By Mail / Absentee F	1215	438	36.05	282	146								
20354	20354	1069	207	19.36	129	74								
20354	- Vote By Mail / Absentee F	1069	495	46.30	313	163								
20402	20402	855	197	23.04	126	69								
20402	- Vote By Mail / Absentee F	855	349	40.82	205	134								
20421	20421	34	1	2.94	1	0								
20421	- Vote By Mail / Absentee F	34	30	88.24	13	15								
20520	20520	1243	236	18.99	156	73								
20520	- Vote By Mail / Absentee F	1243	615	49.48	343	253								
20551	20551	1101	314	28.52	189	115								
20551	- Vote By Mail / Absentee F	1101	456	41.42	266	169								
20592	20592	0	0	0.00	0	0								
20592	- Vote By Mail / Absentee F	0	0	0.00	0	0								
20622	20622	0	0	0.00	0	0								
20622	- Vote By Mail / Absentee F	0	0	0.00	0	0								
22010	22010	1139	234	20.54	163	61								
22010	- Vote By Mail / Absentee F	1139	475	41.70	282	164								
22040	22040	887	253	28.52	157	85								
22040	- Vote By Mail / Absentee F	887	355	40.02	212	128								
22050	22050	1538	429	27.89	308	99								
22050	- Vote By Mail / Absentee F	1538	625	40.64	438	155								
30010	30010	234	1	0.43	1	0								
30010	- Vote By Mail / Absentee F	234	156	66.67	131	17								
30020	30020	452	177	39.16	138	34								
30020	- Vote By Mail / Absentee F	452	129	28.54	86	37								
30030	30030	894	314	35.12	216	78								
30030	- Vote By Mail / Absentee F	894	319	35.68	227	74								
30041	30041	1205	388	32.20	271	92								
30041	- Vote By Mail / Absentee F	1205	471	39.09	309	141								
30051	30051	18	0	0.00	0	0								
30051	- Vote By Mail / Absentee F	18	8	44.44	4	3								
30072	30072	22	0	0.00	0	0								
30072	- Vote By Mail / Absentee F	22	19	86.36	11	6								
30080	30080	399	102	25.56	65	24								
30080	- Vote By Mail / Absentee F	399	162	40.60	107	49								
31010	31010	1117	355	31.78	266	57								
31010	- Vote By Mail / Absentee F	1117	455	40.73	337	90								
31011	31011	1369	375	27.39	287	66								
31011	- Vote By Mail / Absentee F	1369	546	39.88	419	100								
31012	31012	0	0	0.00	0	0								
31012	- Vote By Mail / Absentee F	0	0	0.00	0	0								
31020	31020	1370	375	27.37	284	63								
31020	- Vote By Mail / Absentee F	1370	533	38.91	368	132								
31030	31030	1408	451	32.03	344	61								
31030	- Vote By Mail / Absentee F	1408	505	35.87	341	117								
31050	31050	1140	336	29.47	258	58								

140035		NONPARTISAN MEASURE 5 SANTA CRUZ LIBRARIES 2/3 TO PASS													
		Registration	Ballots Cast	Turnout (%)		Yes	No								
31050 - Vote By Mail / Absentee F		1140	469	41.14		308	137								
31070 31070		1297	410	31.61		325	63								
31070 - Vote By Mail / Absentee F		1297	480	37.01		372	83								
31131 31131		870	224	25.75		169	43								
31131 - Vote By Mail / Absentee F		870	349	40.11		249	84								
31140 31140		1568	509	32.46		398	85								
31140 - Vote By Mail / Absentee F		1568	551	35.14		394	121								
31150 31150		1354	411	30.35		315	74								
31150 - Vote By Mail / Absentee F		1354	543	40.10		412	97								
31160 31160		1044	338	32.38		276	39								
31160 - Vote By Mail / Absentee F		1044	394	37.74		312	59								
31190 31190		1271	401	31.55		335	42								
31190 - Vote By Mail / Absentee F		1271	480	37.77		381	61								
31210 31210		1016	315	31.00		251	37								
31210 - Vote By Mail / Absentee F		1016	341	33.56		277	44								
31240 31240		1689	443	26.23		367	43								
31240 - Vote By Mail / Absentee F		1689	584	34.58		446	91								
31250 31250		1478	452	30.58		329	96								
31250 - Vote By Mail / Absentee F		1478	613	41.47		418	171								
31300 31300		1298	378	29.12		293	54								
31300 - Vote By Mail / Absentee F		1298	481	37.06		353	101								
31400 31400		1386	380	27.42		306	58								
31400 - Vote By Mail / Absentee F		1386	601	43.36		430	153								
31450 31450		1152	362	31.42		281	62								
31450 - Vote By Mail / Absentee F		1152	510	44.27		401	84								
31480 31480		922	320	34.71		238	55								
31480 - Vote By Mail / Absentee F		922	359	38.94		248	91								
31490 31490		907	277	30.54		198	61								
31490 - Vote By Mail / Absentee F		907	427	47.08		293	112								
31560 31560		797	274	34.38		226	23								
31560 - Vote By Mail / Absentee F		797	300	37.64		226	56								
31580 31580		730	251	34.38		195	45								
31580 - Vote By Mail / Absentee F		730	273	37.40		188	65								
31600 31600		525	260	49.52		217	16								
31600 - Vote By Mail / Absentee F		525	127	24.19		106	6								
31610 31610		440	149	33.86		115	10								
31610 - Vote By Mail / Absentee F		440	69	15.66		52	6								
31630 31630		431	150	34.80		134	8								
31630 - Vote By Mail / Absentee F		431	35	8.12		28	4								
31650 31650		444	238	53.60		191	13								
31650 - Vote By Mail / Absentee F		444	93	20.95		81	4								
31690 31690		281	137	48.75		105	11								
31690 - Vote By Mail / Absentee F		281	73	25.98		61	8								
31710 31710		1149	405	35.25		289	98								
31710 - Vote By Mail / Absentee F		1149	419	36.47		288	114								
40010 40010		2	0	0.00		0	0								
40010 - Vote By Mail / Absentee F		2	2	100.00		2	0								
40071 40071		895	196	21.90		98	83								
40071 - Vote By Mail / Absentee F		895	292	32.63		141	141								
40161 40161		1533	317	20.68		179	117								
40161 - Vote By Mail / Absentee F		1533	435	28.38		227	188								
40162 40162		595	154	25.88		78	62								
40162 - Vote By Mail / Absentee F		595	191	32.10		85	100								
40170 40170		158	1	0.63		1	0								
40170 - Vote By Mail / Absentee F		158	77	48.73		43	27								
40270 40270		624	144	23.08		70	68								
40270 - Vote By Mail / Absentee F		624	242	38.78		101	136								
40310 40310		0	0	0.00		0	0								
40310 - Vote By Mail / Absentee F		0	0	0.00		0	0								
50011 50011		1	0	0.00		0	0								
50011 - Vote By Mail / Absentee F		1	1	100.00		0	1								

SANTA CRUZ COUNTY Statement of Vote
JUNE 7, 2016 PRESIDENTIAL PRIMARY

140035		NONPARTISAN MEASURE S SANTA CRUZ LIBRARIES 2/3 TO PASS												
		Registration	Ballots Cast	Turnout (%)		Yes	No							
50021	50021	1252	419	33.47		284	119							
50021	- Vote By Mail / Absentee F	1252	451	36.02		296	137							
50023	50023	1027	330	32.13		233	87							
50023	- Vote By Mail / Absentee F	1027	361	35.15		232	117							
50061	50061	810	238	29.38		166	64							
50061	- Vote By Mail / Absentee F	810	261	32.22		151	98							
50090	50090	0	0	0.00		0	0							
50090	- Vote By Mail / Absentee F	0	0	0.00		0	0							
50091	50091	1094	315	28.79		198	101							
50091	- Vote By Mail / Absentee F	1094	454	41.50		301	137							
50092	50092	892	280	31.39		189	81							
50092	- Vote By Mail / Absentee F	892	292	32.74		203	76							
50102	50102	1379	410	29.73		274	110							
50102	- Vote By Mail / Absentee F	1379	490	35.53		309	163							
50111	50111	595	185	31.09		132	47							
50111	- Vote By Mail / Absentee F	595	184	30.92		137	37							
50113	50113	496	184	37.10		136	43							
50113	- Vote By Mail / Absentee F	496	154	31.05		107	42							
50114	50114	32	1	3.13		1	0							
50114	- Vote By Mail / Absentee F	32	23	71.88		14	9							
50121	50121	1139	375	32.92		247	112							
50121	- Vote By Mail / Absentee F	1139	392	34.42		263	114							
50141	50141	205	0	0.00		0	0							
50141	- Vote By Mail / Absentee F	205	134	65.37		89	44							
50143	50143	980	305	31.12		196	96							
50143	- Vote By Mail / Absentee F	980	330	33.67		210	105							
50147	50147	446	119	26.68		80	29							
50147	- Vote By Mail / Absentee F	446	193	43.27		130	55							
50154	50154	932	259	27.79		176	73							
50154	- Vote By Mail / Absentee F	932	339	36.37		202	119							
50161	50161	1428	410	28.71		275	111							
50161	- Vote By Mail / Absentee F	1428	534	37.39		369	144							
50181	50181	109	2	1.83		2	0							
50181	- Vote By Mail / Absentee F	109	74	67.89		50	20							
50183	50183	795	197	24.78		119	68							
50183	- Vote By Mail / Absentee F	795	326	41.01		218	98							
50191	50191	1245	370	29.72		232	117							
50191	- Vote By Mail / Absentee F	1245	436	35.02		262	157							
50192	50192	35	0	0.00		0	0							
50192	- Vote By Mail / Absentee F	35	18	51.43		13	5							
50201	50201	1071	258	24.09		177	70							
50201	- Vote By Mail / Absentee F	1071	416	38.84		267	137							
50211	50211	984	268	27.24		176	82							
50211	- Vote By Mail / Absentee F	984	376	38.21		238	129							
50221	50221	656	200	30.49		137	48							
50221	- Vote By Mail / Absentee F	656	314	47.87		192	103							
50232	50232	658	135	20.52		85	46							
50232	- Vote By Mail / Absentee F	658	272	41.34		160	93							
50235	50235	629	102	16.22		59	38							
50235	- Vote By Mail / Absentee F	629	310	49.28		187	105							
50243	50243	6	0	0.00		0	0							
50243	- Vote By Mail / Absentee F	6	1	16.67		1	0							
50250	50250	170	0	0.00		0	0							
50250	- Vote By Mail / Absentee F	170	130	76.47		78	46							
50284	50284	8	0	0.00		0	0							
50284	- Vote By Mail / Absentee F	8	6	75.00		5	1							
50287	50287	5	1	20.00		1	0							
50287	- Vote By Mail / Absentee F	5	1	20.00		0	1							
50301	50301	297	3	1.01		2	0							
50301	- Vote By Mail / Absentee F	297	189	63.64		116	65							
50341	50341	595	155	26.05		94	55							

SANTA CRUZ COUNTY Statement of Vote
JUNE 7, 2016 PRESIDENTIAL PRIMARY

140035		NONPARTISAN MEASURE S SANTA CRUZ LIBRARIES 2/3 TO PASS													
	Registration	Ballots Cast	Turnout (%)	Yes	No										
50341 - Vote By Mail / Absentee F	595	226	37.98	128	92										
50381 50381	760	112	14.74	73	36										
50381 - Vote By Mail / Absentee F	760	389	51.18	240	128										
50434 50434	100	1	1.00	0	1										
50434 - Vote By Mail / Absentee F	100	73	73.00	38	34										
50480 50480	762	129	16.93	71	53										
50480 - Vote By Mail / Absentee F	762	409	53.67	236	148										
50492 50492	89	0	0.00	0	0										
50492 - Vote By Mail / Absentee F	89	70	78.65	53	16										
50502 50502	29	0	0.00	0	0										
50502 - Vote By Mail / Absentee F	29	18	62.07	8	10										
50521 50521	657	135	20.55	106	22										
50521 - Vote By Mail / Absentee F	657	287	43.68	183	94										
51010 51010	1245	294	23.61	227	43										
51010 - Vote By Mail / Absentee F	1245	467	37.51	344	90										
51080 51080	1465	376	25.67	312	45										
51080 - Vote By Mail / Absentee F	1465	610	41.64	456	120										
51090 51090	1571	497	31.64	368	99										
51090 - Vote By Mail / Absentee F	1571	602	38.32	428	150										
51620 51620	226	0	0.00	0	0										
51620 - Vote By Mail / Absentee F	226	181	80.09	148	24										
54010 54010	953	281	29.49	160	116										
54010 - Vote By Mail / Absentee F	953	366	38.41	217	131										
54020 54020	546	122	22.34	64	48										
54020 - Vote By Mail / Absentee F	546	297	54.40	187	95										
54031 54031	1134	264	23.28	151	104										
54031 - Vote By Mail / Absentee F	1134	438	38.62	240	175										
54051 54051	1475	331	22.44	199	120										
54051 - Vote By Mail / Absentee F	1475	627	42.51	392	215										
54061 54061	928	241	25.97	129	104										
54061 - Vote By Mail / Absentee F	928	352	37.93	193	139										
54070 54070	1123	278	24.76	177	85										
54070 - Vote By Mail / Absentee F	1123	425	37.85	256	156										
Precinct Totals	130018	34562	26.58	23979	8604										
Vote By Mail / Absentee Reporting	130018	52007	40.00	33809	15717										
Grand Totals	130018	86569	66.58	57788	24321										
18th Congressional Dist	33697	22229	65.97	14167	7080										
20th Congressional Dist	96321	64340	66.80	43621	17241										
17th Senatorial District	130018	86569	66.58	57788	24321										
29th Assembly District	124319	83500	67.17	56136	23088										
30th Assembly District	5699	3069	53.85	1652	1233										
State Board of Equal District 1	130018	86569	66.58	57788	24321										
State Board of Equal District 2	130018	86569	66.58	57788	24321										
Supervisor District 1	32886	22099	67.20	14524	6426										
Supervisor District 2	28614	18706	65.37	11637	6238										
Supervisor District 3	31677	21832	68.92	16347	4087										
Supervisor District 4	3807	2051	53.87	1025	922										
Supervisor District 5	33034	21881	66.24	14255	6648										
Santa Cruz County	130018	86569	66.58	57788	24321										
City of Santa Cruz	35282	24251	68.73	18080	4659										
City of Capitola	5853	3861	65.97	2587	1083										
City of Scotts Valley	7581	4898	64.61	2840	1871										
Unincorporated Area	81302	53559	65.88	34281	16708										
Unincorporated Parks & Recreatio	78370	51669	65.93	33063	16119										

STAFF REPORT



**SANTA CRUZ
PUBLIC LIBRARIES**
Libraries Facilities
Financing Authority

AGENDA: July 28, 2016
DATE: May 24, 2016
TO: Board of Directors
FROM: Rich Hill, Interim Executive Director
SUBJECT: Ordinance Levying Special Taxes; Second Reading

RECOMMENDATION

Approve the second and final reading of the Ordinance Levying Special Taxes, as attached; thereby adopting the ordinance, and direct staff to publish the ordinance within 15 days of its adopting in accordance with Government Coded section 25124(a) and 25124(b).

BACKGROUND

This Board took the following actions to define an area to be subject to a special tax for the general purpose of funding library improvements:

- By resolution formed Santa Cruz Libraries Financing Authority Community Facilities District No. 2016-1 (CFD).
- Adopted a resolution Determining the Necessity to Incur Bonded Indebtedness and Other Indebtedness, and Resolution Calling Special Election.
- Adopted the Resolution of Formation establishing a tax formula to be approved by voters.
- Approved the first reading of the Ordinance Levying Special Taxes on June 2, 2016.
- Resolution certify the successful passage of Measure S has been adopted.

DISCUSSION

Measure S, the Santa Cruz Special Tax initiative for Library Facilities was successfully approved by the voters on June 7, 2016. This Measure authorizes the levies of the Special Taxes within the boundaries of the CFD. Special Taxes can now be assessed and bonds may be issued, secured by the Special Tax revenue, to fund the library improvements. With the passage of this Special Tax Ordinance, the taxes may be initially assessed during the 2016-2017 tax year. The Special Tax has a maximum 30 year duration.

Should the ordinance pass and with direction from the Board, staff will publish the ordinance within 15 days as prescribe in the Government Code. Next steps: 1) NBS completion of the development of tax procedures; 2) record Notice of Special Tax Lien with the County.

Prepared and approved by:
Richard Hill, Interim Executive Director.

Attachment

1. Ordinance Levying Special Taxes

Attachment

Ordinance Levying Special Taxes

- This ordinance was initially read at the regular LFFA meeting of June 2, 2016.
- When initially read the Board approved the addition of "APPROVED AS TO SUFFICIENCY AND FORM:" such approval to be executed by Bond Counsel.
- The attached ordinance reflects those additions.

ORDINANCE NO. LFFA-001

AN ORDINANCE LEVYING SPECIAL TAXES

SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
Community Facilities District No. 2016-1

WHEREAS, on February 4, 2016, this Board (the "Board") of the Santa Cruz Libraries Facilities Financing Authority (the "Authority") adopted a resolution entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation"), ordering the formation of the "Santa Cruz Libraries Facilities Financing Authority Community Facilities District No. 2016-1" (the "CFD"), authorizing the levy of a special tax on property within the CFD and preliminarily establishing an appropriations limit for the CFD, all pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act"); and

WHEREAS, this Board has also adopted a resolution entitled "Resolution Determining the Necessity to Incur Bonded and Other Indebtedness" (the "Resolution Determining Necessity"), determining the necessity to incur bonded indebtedness and other debt (as defined in the Act) in the maximum aggregate principal amount of \$67,000,000 upon the security of the special tax to be levied within the CFD pursuant to the Act; and

WHEREAS, under the Resolution of Formation and the Resolution Determining Necessity, and a "Resolution Calling Special Election" (the "Election Resolution"), the propositions of the levy of the special tax, the establishment of the appropriations limit and the incurring of the bonded indebtedness or other debt (as defined in the Act) will be submitted to the qualified electors of the CFD as required by the Act.

WHEREAS, under the Election Resolution, which is by this reference incorporated herein, the special election will be held in the CFD on June 7, 2016 by the Santa Cruz County Clerk (the "Special Election").

WHEREAS, this Board now wishes to initiate the completion of proceeding for the levy of special taxes within the CFD, which shall be conditioned on the approval, by an affirmative vote of more than 2/3rds of the votes cast at the Special Election, of the propositions set forth above.

NOW, THEREFORE, IT IS ORDAINED, by the Board of the Santa Cruz Libraries Facilities Financing Authority, as follows:

1. **Special Tax Levy.** By the passage of this Ordinance, following the approval by the affirmative vote of more than 2/3rds of the votes cast at the Special Election, the Board hereby authorizes and levies Special Taxes within the CFD pursuant to the Act, at the rate and in accordance with the formula set forth in the Resolution of Formation, the provisions of which are hereby incorporated herein. Subject to other orders of this Board, the Special Taxes are hereby levied for a period of 30 years

commencing in Fiscal Year 2016-17. Unless otherwise specified by resolution of this Board, no further ordinances or resolutions shall be required under the Act to cause of the levy of the Special Taxes in any fiscal year.

2. **Annual Determination of Levy.** The Treasurer of the Authority is hereby authorized and directed each fiscal year to determine or cause to be determined the Special Taxes and amount to be levied for the next ensuing fiscal year for each parcel of real property within the CFD, in the manner and as provided in the Resolution of Formation.

3. **Maximum Special Tax.** In no event shall the Special Taxes be levied on any parcel within the CFD in excess of the maximums specified in the Resolution of Formation.

4. **Special Tax Collections.** All of the collections of the special tax shall be used as provided for in the Act and in the Resolution of Formation including, but not limited to, the payment of costs of providing the Facilities, the payment of principal and interest on any Bonds, the replenishment of any reserve fund for the Bonds, the payment of the costs of the Authority in administering the CFD, and the costs of collecting and administering the special tax.

5. **Manner of Collection.** The Special Taxes shall be collected in the same manner as ordinary ad valorem taxes are collected by the County of Santa Cruz and shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes; provided, however, that the Board may provide for other appropriate methods of collection by resolutions of the Board. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent special tax payments. The Treasurer of the Authority is hereby authorized and directed to provide all necessary information to the Auditor/Controller/Treasurer/Tax Collector of the County of Santa Cruz in order to effect proper billing and collection of the Special tax, so that the special tax shall be included on the secured property tax roll of the County of Santa Cruz for each fiscal year until otherwise directed by the Authority.

6. **Severability.** If for any reason any portion of this ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the CFD, by a court of competent jurisdiction, the balance of this ordinance and the application of the special tax to the remaining parcels within the CFD shall not be affected.

7. **Publication.** The Secretary shall cause this Ordinance to be published in accordance with Section 25124(a) and 25124(b)(1) of the California Government Code in a newspaper of general circulation published and circulated in the County of Santa Cruz, and is authorized and directed to cause a summary of the ordinance to be used for such publication.

8. **Effective Date.** This adoption of this Ordinance shall be conditioned on the approval, by an affirmative vote of more than 2/3rds of the votes cast at the Special Election, of the propositions set forth above, and shall take effect 30 days from the date of final passage.

INTRODUCED on June 2, 2016, upon motion of Director Susan Mauriello,
seconded by Director Chuck Comstock, and on the following roll call vote, to wit:

AYES: Bernal, Goldstein, Comstock, Mauriello
NOES:
ABSENT:
ABSTAINING:

ATTEST:

Board Chair

Secretary

PASSED AND ADOPTED on July 28, 2016, upon motion of Director _____,
seconded by Director _____, and on the following roll call vote, to wit:


AYES:
NOES:
ABSENT:
ABSTAINING:

ATTEST:

Board Chair

Secretary

APPROVED AS TO
SUFFICIENCY AND FORM:



Jones Hall, Bond Counsel



STAFF REPORT

AGENDA: July 28, 2016
DATE: July 18, 2016
TO: Board of Directors
FROM: LFFA Interim Executive Director
SUBJECT: 7.B. Funding Scenarios for Library Facilities

RECOMMENDATION

Consider the information below regarding scenarios for the construction of Library Facilities and LFFA reimbursement of Libraries JPA costs, and provide direction.

BACKGROUND

On February 11, 2016, the Board adopted resolutions forming the Santa Cruz Libraries Facilities Financing Authority Community Facilities District (CFD), determining necessity to incur bonded other indebtedness, and calling an election to levy a special tax on property within the CFD. The ballot measure, known as Measure S, was approved by Santa Cruz County voters on June 7, 2016. It is anticipated that the special tax will be levied beginning in 2016-17 and that bonds will be issued beginning in 2017-18.

Further, information has been submitted to the Board identifying more than \$500,000 of LFFA costs in connection with the June 7, 2016 special tax election and other administrative activities. These costs have been paid by the Libraries JPA and may be reimbursed by the special tax revenues.

DISCUSSION

The LFFA Financial Advisor has begun to develop funding scenarios for the library projects. Under one scenario, for example, three bond issues are proposed with the first series in August 2017, the second series in August 2018, and the third and final series in August 2021. This would allow for all bond issues to be completed within five years from the receipt of the first tax proceeds and provide time to plan and design projects since all proceeds from each sale of bonds must be spent within three years of such bond issue.

As described below, once more specific information is received from the members as to timing and requirements, an actual funding scenario can be developed. The goal is to provide a combination of tax revenue and bond proceeds sufficient to meet the Library Facilities construction financing needs of each member, while raising the bond proceeds as cost efficiently as possible.

The timing of library projects is an important consideration for the funding scenarios, and information has been requested from each jurisdiction. What is known is that the County of Santa Cruz and City of Capitola are moving forward with the new Felton Branch Library and Capitola Branch Library, respectively, and financing for these projects will be needed in 2017-18. The following provides a brief summary of their timing:

- Felton Branch Library – The County is proceeding with the discretionary review process with the goal of securing development permits within a year. Construction documents and other agency approvals will follow with construction planned to begin Spring or Summer 2018.
- Capitola Branch Library – The City is contracting for project management services and beginning the design process. The permitting process is expected to wrap up a year later. Construction documents will follow with construction planned to begin Spring or Summer 2018.

More detailed timelines are needed for the remaining library projects in Aptos, Boulder Creek, La Selva Beach, Live Oak, Santa Cruz and Scotts Valley. Based on preliminary work, the County projects construction starting in Aptos within three to five years and in Live Oak within five to six years. The projects in Boulder Creek and La Selva Beach could be bundled and begin as soon as feasible. This information will be used to refine the funding scenarios being developed and provide recommendations on the allocation of bond proceeds to members based on readiness to construct.

In addition, the LFFA amendment approved by the County and cities in December 2015 provides that net special taxes and bond proceeds are to be distributed to the jurisdictions in the amounts or percentages specified below:

	Amount	Percentage
City of Capitola	\$8,000,000	12.90%
City of Santa Cruz	\$25,000,000	40.32%
City of Scotts Valley	\$3,000,000	4.84%
County of Santa Cruz	\$26,000,000	41.94%
Total	\$62,000,000	100.00%

The special tax is estimated to generate about \$4,150,000 annually¹. The following table provides two scenarios relating to the distribution of the net special tax in 2016-17:

	Scenario 1	Scenario 2
Collection:		
Maximum Special Tax	\$4,150,000	\$4,150,000
Administrative Costs	(\$100,000)	(\$500,000)

¹ The maximum special tax is estimated to be as high as \$4,260,000, but there may be corrections once the tax is levied that may reduce it closer to \$4,150,000.

	Scenario 1	Scenario 2
Net Special Tax	\$4,050,000	\$3,650,000
Distribution:		
County (41.94%)	\$1,698,570	\$1,530,810
Santa Cruz (40.32%)	\$1,632,960	\$1,471,680
Scotts Valley (4.84%)	\$196,020	\$176,660
Capitola (12.90%)	\$522,450	\$470,850

As shown in the first scenario, if administrative costs are \$100,000, an estimated \$4,050,000 in net special tax would be distributed in 2016-17. However, administrative costs could be higher depending on the direction that the Board provides with respect to LFFA costs that were paid by the Libraries JPA and may be reimbursed by the LFFA. The second scenario includes administrative costs of \$500,000, resulting in an estimated \$3,650,000 for distribution in 2016-17.

It is also possible to develop alternative schedules for reimbursing the Libraries JPA the administrative costs through as many as five years or more. A cash flow analysis could be used to determine the best schedule, and appropriate cash source.

At today's meeting, the Board may wish to provide direction in the following areas:

- The number and timing of bond issues;
- The amount of funds raised with each series of bonds;
- The allocation of funds to members based on readiness to construct; and
- The preparation of cash flow analyses for the Library JPA and the LFFA.

Prepared by:
Nicole Coburn
Senior Administrative Analyst

Approved by:
Richard Hill
Interim LFFA Executive Director

STAFF REPORT



**SANTA CRUZ
PUBLIC LIBRARIES**

Libraries Facilities
Financing Authority

AGENDA: July 28, 2016

DATE: July 21, 2016

TO: Board of Directors

FROM: Rich Hill, Interim Executive Director

SUBJECT: 7.C. Receive direction or consider discussions/approvals from the Board that relate to matters considered as part of the Libraries JPA Board budget study session. Such matters could include: budget instruction; LFFA reimbursement for Libraries JPA costs related to LFFA activities; Issuance of Bonds that are secured by the Special Tax revenue; and, other matters relating to the Special Tax revenue.

RECOMMENDATION

Provide direction to staff regarding matters concerning budget and other matters that may have risen as part of the Budget Workshop previously held.

BACKGROUND

In June the Board directed Library JPA staff to present a Budget Workshop on July 28, 2016, where budget and possible finance matters of Libraries JPA and the LFFA will be discussed.

DISCUSSION

This item is placed on the agenda as a placeholder should the Board want to give LFFA staff direction as a result of the information received during the Budget Workshop.

Prepared and approved by:
Richard Hill, Interim Executive Director.