

Chair Carlos Palacios  
Vice Chair Jamie Goldstein  
Board Member Martin Bernal  
Board Member Jenny Haruyama



**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY  
(LFFA)  
REGULAR BOARD MEETING  
THURSDAY MAY 2, 2019**

**9:00 A.M.**

**DOWNTOWN BRANCH LIBRARY  
224 CHURCH STREET, SANTA CRUZ CA 95060**

**1. CALL TO ORDER / ROLL CALL**

Board Members Jamie Goldstein, Carlos Palacios, Martin Bernal and Jenny Haruyama

**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. Director's Report for May (PG.3-8)
- B. Recognition of Jenny Haruyama

**6. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS**

**7. CONSENT CALENDAR**

- A. Approve Minutes of the March 7, 2019 Board Meeting  
RECOMMENDED ACTION: Approve Minutes (PG.9-10)
- B. NBS Report/Community Facilities District No. 2016-1, Annual Report FY 2018-19  
RECOMMENDED ACTION: Accept Report (PG.11-27)

*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.*

**8. GENERAL BUSINESS**

- A. LFFA Proposed Budget FY 2019-2020  
RECOMMENDED ACTION: Review Proposed Budget FY 19-20 with approval in June (PG.28-30)

*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.*

**9. SCHEDULED UPCOMING MEETINGS**

<b>June 6, 2019</b>	<b>Boulder Creek Branch Library</b> <b>13390 West Park Ave.,</b> <b>Boulder Creek, CA 95006</b>	<b>Agenda Items:</b> <b>Approve LFFA Proposed Budget FY 19-20</b>
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**10. ADJOURNMENT**

Adjourned to a Regular Meeting of the Libraries Facilities Financing Authority (LFFA) to be held on Thursday June 6, 2019 at 6:00 p.m. at the Boulder Creek Branch Library, located at 13390 West Park Ave., Boulder Creek, CA 95006.

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](mailto:library_admin@santacruzpl.org).

**May 2019**

**Library Director's Report to the LFFA**

**Aptos**

Two community meetings have been held. Criteria documents are being developed and are expected by June 2019. Cost estimates will be completed and an additional community meeting will be held. A design/build firm will be selected in the fall of 2019. Construction will follow with the opening of the remodeled facility expected in the spring of 2022. This branch will be closed during construction.

**Boulder Creek**

Design development is complete. The remodeling will focus on infrastructure like the ADA bathrooms, the septic system and parking lot lighting. Remaining funding will allow the remodel of the entrance, circulation desk and reading room of the building. Add alternates will include a remodel of the children's area and paint and carpet throughout. Construction is expected to begin in early 2020 with a grand opening in fall 2020. The Friends of the Library have received a \$100,000 matching grant from the Monterey Bay Peninsula Foundation for added amenities.

**Branciforte**

The City of Santa Cruz approved the hiring of David Tanza for project management and Jayson Architects for design. A community meeting will be held May 22. Design development should be completed in the summer of 2019. The branch will likely close in early 2020 for construction. The grand opening is expected in early 2021.



### **Capitola**

Construction of the new Capitola Branch Library continues. The foundation is being laid and the outer walls are going up. The contractor just notified the City that the design of the building eave facing Wharf Road extends into a restricted area around the energized power lines. The project team is identifying solutions. Options have budget and schedule impacts. Staff is working to ensure that the chosen solution address both short term constructability issues and long-term safety and maintenance needs of the project. Grand opening is expected in the spring of 2020.

### **Downtown**

No further action has been taken by the City Council. Several informal groups have formed to examine Downtown issues.



### **Felton**

The contractor continues to make significant progress on the building's construction. Building framing, including both wood and steel, is nearing completion. Sheer walls and roofing are nearly in place and the building has been dried-in. Rough-in for the plumbing, electrical, and HVAC infrastructure is currently taking place within the building's walls. The advanced septic system tanks, and its piping, have also been installed. Site work will begin soon which includes a permeable concrete parking lot, pathways, patio, and sidewalk improvements. A pedestrian bridge is also planned that will cross Bull Creek into the new, adjacent Discovery Park which is a second phase of the project. The Discovery Park is being led by County Parks and is scheduled to go out to bid this summer.

**Garfield**

The City of Santa Cruz approved the hiring of David Tanza for project management and Jayson Architects for design. A community meeting will be held May 15. Design development should be complete by the summer of 2019. The branch will likely close in early 2020 for construction. The grand opening is expected in the fall/winter of 2020. The Friends of the Library have received a \$100,000 matching grant from the Monterey Bay Peninsula Foundation for added amenities.

**La Selva Beach**

The schematic design has been finalized and a revised budget prepared. Value engineering has been prepared and several items have been selected to be add alternates. The County hopes to award a contract in the summer of 2019 with a six month construction process beginning fall of 2019 with opening expected in spring of 2020. This branch will be closed during construction. The grand opening is expected in the fall/winter of 2020. The Friends of the Library have received a \$100,000 matching grant from the Monterey Bay Peninsula Foundation for added amenities.

**Live Oak**

Design development is being completed. A list of needed repairs has been identified and refresh issues planned for the children's area. Jayson Architects is completing design development work.

**Live Oak Annex**

County, Library and Noll and Tam staff held three community planning meetings in the fall of 2018. Parks and Recreation staff and Library staff have been meeting to develop a MOU on annex operations. Design development is still underway. The County hopes to award a contract for the project in the fall of 2020 with a potential opening in the fall of 2021.

**Scotts Valley**

The Scotts Valley City Council heard the outcome of a building assessment done by Group 4 and a performing arts feasibility study completed by AMS on March 6. The City Council approved moving forward with needed repairs. Library staff met with David Tanza and City staff to begin planning for roof and building envelope improvements as well as HVAC upgrades.

Draft SCPL Project Schedules

2nd Bond Sale?

		2019				2020			
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	Programmatic Criteria			<ul style="list-style-type: none"> <li>Criteria Documents</li> <li>CEQA Documentation</li> <li>Design Build RFQ and RFP</li> </ul>		<ul style="list-style-type: none"> <li>Design Development</li> <li>Weed Collection</li> </ul>	Building Permits	<ul style="list-style-type: none"> <li>DB Construction Docs</li> <li>Closing</li> <li>Moving Sale</li> <li>Staff to Cap</li> </ul>	Construction Phase
Aptos	Design Development		CEQA Documentation	<ul style="list-style-type: none"> <li>Construction Documents</li> <li>Building Permit</li> <li>Bidding and Award</li> <li>Weed</li> </ul>	Moving Sale	<ul style="list-style-type: none"> <li>Construction Phase</li> <li>Staff to Felton</li> </ul>	<ul style="list-style-type: none"> <li>Construction Phase</li> <li>Purchase ODC</li> </ul>	<ul style="list-style-type: none"> <li>Construction Close-Out</li> <li>Occupancy</li> <li>Move-In/Recall Staff</li> <li>Grand Opening</li> </ul>	
Boulder Creek			Community Meetings Design Development Complete	<ul style="list-style-type: none"> <li>City Approvals</li> <li>Weed</li> </ul>	<ul style="list-style-type: none"> <li>Construction Documents</li> <li>Bidding and Award</li> <li>Building Permit</li> <li>Moving Sale</li> </ul>	<ul style="list-style-type: none"> <li>Construction Phase</li> <li>Staff to DT</li> </ul>	Construction Phase	Construction Phase	Construction Phase
Branciforte	Construction Phase		Construction Phase	Construction Phase	Construction Phase	<ul style="list-style-type: none"> <li>Construction Phase</li> <li>Purchase ODC</li> </ul>	<ul style="list-style-type: none"> <li>Construction Close-Out</li> <li>Occupancy</li> <li>Move-In/Recall staff</li> <li>Grand Opening</li> </ul>		
Capitola									<ul style="list-style-type: none"> <li>Schematic Design Complete</li> </ul>
Downtown	Construction without closure	<ul style="list-style-type: none"> <li>Construction without closure</li> <li>Weed old bldg.</li> </ul>		Construction without closure	<ul style="list-style-type: none"> <li>Construction Close-Out</li> <li>Occupancy</li> <li>Move-In</li> <li>Moving Sale</li> <li>Close old building</li> <li>Purchase ODC</li> </ul>	<ul style="list-style-type: none"> <li>Occupancy</li> <li>Grand Opening</li> </ul>			
Felton		Community Meetings Design Development Complete		<ul style="list-style-type: none"> <li>City Approvals</li> <li>Weed</li> </ul>	<ul style="list-style-type: none"> <li>Construction Documents</li> <li>Bidding and Award</li> <li>Building Permit</li> <li>Moving Sale</li> </ul>	<ul style="list-style-type: none"> <li>Construction Phase</li> <li>Staff to DT</li> </ul>	Construction Phase	<ul style="list-style-type: none"> <li>Construction Phase</li> <li>Purchase ODC</li> </ul>	<ul style="list-style-type: none"> <li>Construction Close-Out</li> <li>Occupancy</li> <li>Move-In/Recall staff</li> <li>Grand Opening</li> </ul>
Garfield Park	<ul style="list-style-type: none"> <li>Design Development</li> <li>CEQA Documentation</li> </ul>	<ul style="list-style-type: none"> <li>Construction Documents</li> <li>Building Permit</li> <li>Weed</li> </ul>		<ul style="list-style-type: none"> <li>Bidding and Award</li> </ul>	<ul style="list-style-type: none"> <li>Close</li> <li>Moving Sale</li> <li>Staff to Aptos</li> <li>Construction Begins</li> </ul>	<ul style="list-style-type: none"> <li>Construction Phase</li> <li>Purchase ODC</li> </ul>	<ul style="list-style-type: none"> <li>Construction Close-Out</li> <li>Occupancy</li> <li>Move-In/Recall staff</li> <li>Grand Opening</li> </ul>		
La Selva Beach	Design Development	CEQA Documentation		<ul style="list-style-type: none"> <li>Construction Documents</li> <li>Building Permit</li> <li>Bidding and Award</li> </ul>	Repairs no Closure	Construction Close-Out			
Live Oak		Schematic Design		<ul style="list-style-type: none"> <li>Design Development</li> <li>CEQA and Development Permit</li> <li>RFP Fiber</li> </ul>		<ul style="list-style-type: none"> <li>Construction Documents</li> <li>Building Permit</li> </ul>	Bidding and Award	Construction without closure	Construction without closure
Live Oak Annex				Repairs without closure	Repairs without closure	Repairs without closure	Repairs without closure		
Scotts Valley				Repairs without closure	Repairs without closure	Repairs without closure	Repairs without closure		

		2021				2022			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Construction Phase		Construction Phase	Construction Phase	Construction Phase	Construction Phase	Construction Close-Out • Occupancy • Move-In/Recall Staff • Purchase ODC	Grand Opening		
• Construction Close-Out • Occupancy • Move-In/Recall Staff • Grand Opening									
• Design Development Complete • CEQA Documentation and Development Permit		Construction Documents		• Building Permit • Weed	Bidding and Award	• Construction Phase - Closure? • Moving sale	Construction Phase - Closure????	Construction Phase - Closure????	Construction Phase - Closure????
Construction without closure		• Construction without closure • ODC???							
		• Occupancy • Move-In • Grand Opening							

3rd Bond Sale?

2023				2024				
Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Construction Phase - Closure????	Construction Phase - Closure????	Construction Phase - Closure????	Construction Phase - Closure????	Construction Phase - Closure????	- Occupancy - Move-In - Grand Opening			



Chair Carlos Palacios  
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Board Member Martin Bernal  
Board Member Jenny Haruyama



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

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

**REGULAR MEETING MINUTES  
THURSDAY MARCH 7, 2019  
6:00 P.M.**

**1. ROLL CALL**

**PRESENT:** Martin Bernal, Carlos Palacios, Jamie Goldstein, Daryl Jordan (Alternate)  
**STAFF:** Library Director Susan Nemitz, Auditor-Controller/Treasurer-Tax Collector,  
Edith Driscoll

**2. ADDITIONAL MATERIALS**

None

**3. ADDITIONS AND DELETIONS TO AGENDA**

The Agenda of March 7, 2019 was approved by consensus.

**4. ORAL COMMUNICATIONS**

None

**5. EXECUTIVE DIRECTOR REPORT**

Library Director's Report – March 2019

**6. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS**

None

**7. CONSENT CALENDAR**

<b>RESULT:</b>	<b>APPROVED CONSENT CALENDAR</b> <b>A. Approved Minutes of February 7, 2019</b> <b>[UNANIMOUS]</b>
<b>MOVER:</b>	<b>Martin Bernal</b>
<b>SECONDER:</b>	<b>Jamie Goldstein</b>
<b>AYES:</b>	<b>Bernal, Goldstein, Palacios, Jordan</b>

**8. GENERAL BUSINESS**

- A. Bond Expenditure Update for the second series. Edit Driscoll gave an update.
- B. Annual Community Facilities District reports for the LFFA. Edit Driscoll reported.

**9. ADJOURNMENT**

The Libraries Facilities Financing Authority (LFFA) adjourned at 6:06 p.m. to the Regular Meeting on Thursday May 2, 2019 at 9:00 a.m. at the Downtown Branch Library, located at 224 Church Street, 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.

# SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY

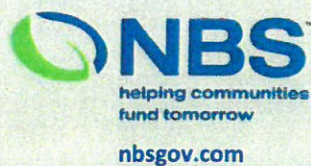
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*Fiscal Year 2018/19 Annual Report For:*

**Community Facilities District No. 2016-1**

**April 2019**

Prepared by:



Corporate Headquarters  
32605 Temecula Parkway, Suite 100  
Temecula, CA 92592  
Toll free: 800.676.7516

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# 1. DISTRICT ANALYSIS

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## 1.1 District

Community Facilities District No. 2016-1 (the "CFD") was approved by voters in the June 2016 regular election and established to provide funding for library facilities in the County of Santa Cruz, including but not limited to, Aptos, Boulder Creek, Branciforte, Capitola, Downtown Santa Cruz, Felton, Garfield Park, La Selva Beach, Live Oak and Scotts Valley, but excluding library facilities in the City of Watsonville. The improvements funded by the CFD may include new construction and building renovations and service model upgrades needed to provide service desks, an area for displaying materials, separate areas for teens and children, flexible spaces and/or meeting rooms and study rooms, places to display art, new flooring, paint, shelving, furniture and technology, power/data to support library technology, and other upgrades (the "Facilities").

The Facilities will also include, without limitation, the attributable costs of engineering, design, planning, materials testing, coordination, construction staking, and construction, together with the expenses related to issuance and sale of any "debt", as defined in Section 53317(d) of the Act, including underwriters' discount, appraisals, market studies, reserve fund, capitalized interest, bond counsel, special tax consultant, financial advisor, bond and official statement printing, administrative expenses of the Authority, the CFD and bond trustee or fiscal agent related to the CFD, and any such debt and all other incidental expenses. The Facilities shall be constructed or modified, upgraded or otherwise renovated, whether acquired in their completed states, pursuant to plans and specifications approved by the Parties to the Authority's Joint Exercise of Powers Agreement.

On June 15<sup>th</sup>, 2017, the Santa Cruz Libraries Facilities Financing Authority Community Facilities District (the "CFD") issued the 2017 Special Tax Bonds (the "Bonds"). The Bonds were issued to construct and/or improve library facilities located within the District. Proceeds will be used to purchase a municipal bond debt service reserve insurance policy for the Bonds and pay costs related to the issuance of the Bonds.

The Bonds are scheduled to mature with the September 1, 2045 debt service payment.

## 1.2 Levy

The CFD's Fiscal Year 2018/19 annual special tax levy was \$4,574,977.50 and consisted of 71,606 parcels. Pursuant to the Rate and Method of Apportionment for the CFD, all parcels were levied at 100% of their respective maximum annual special tax for Fiscal Year 2018/19.

**NBS**

Manuel Kauss, Financial Analyst

Sara Mares, Client Services Director



## 2. SENATE BILL 165

Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act (the "Act"). The Act requires that any local special tax or local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, require that the proceeds of the special tax be applied to those purposes, require the creation of an account into which the proceeds shall be deposited, and require an annual report containing specified information concerning the use of the proceeds. The Act only applies to any local special tax measure or local bond measure adopted on or after January 1, 2001 in accordance with Section 50075.1 or Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation of the special tax district and others are handled through annual reports. This section of this report intends to comply with Section 50075.3 or Section 53411 of the California Government Code that states:

"The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1 or Section 53410."

The requirements of the Act apply to the Funds of:

Santa Cruz Libraries Facilities Financing Authority  
Community Facilities District No. 2016-1  
District approved by voters on June 7, 2016

### 2.1 Purpose of Special Tax

Community Facilities District No. 2016-1 was established in 2016 to provide funds for library facilities in the County of Santa Cruz, including but not limited to Aptos, Boulder Creek, Branciforte, Capitola, Downtown Santa Cruz, Felton, Garfield Park, La Selva Beach, Live Oak and Scotts Valley, but excluding library facilities in the City of Watsonville. The improvements funded by the CFD may include new construction and building renovations and service model upgrades needed to provide service desks, an area for displaying materials, separate areas for teens and children, flexible spaces and/or meeting rooms and study rooms, places to display art, new flooring, paint, shelving, furniture and technology, power/data to support library technology, and other upgrades.

### 2.2 Collections & Expenditures

The requirements of the Act apply to the Improvement Fund for the following District:

Date of Issuance	Initial Amount Deposited to Improvement Funds	6/30/2018 Balance	Expended Amount	Project Status
6/15/2017	\$22,003,758.43	\$20,188,605.00	\$1,815,153.43	Ongoing

### 3. FINANCIAL STATUS

#### 3.1 Special Tax Spread

Property Classification	Units Levied	Rate per Unit	Total Levied by Category <sup>(1)</sup>	Percentage of Maximum Levied
Agricultural	177	\$86.00	\$15,222.00	100%
Agricultural Residential	719	135.50	91,404.50	100%
Commercial	2,663	86.00	229,018.00	100%
Commercial Residential	408	135.50	45,308.00	100%
Multi-Family Residential	21,070	49.50	1,042,965.00	100%
Recreational	176	86.00	15,136.00	100%
Recreational Residential	0	135.50	0.00	100%
Single Family Residential	63,352	49.50	3,135,924.00	100%
<b>Totals</b>	<b>88,565</b>	<b>N/A</b>	<b>\$4,574,977.50</b>	<b>100%</b>

(1) For Fiscal Year 2018/19, units were levied at 100% of the Maximum Special Tax.

#### 3.2 CFD Funds

##### 3.2.1 SPECIAL TAX FUND

6/30/2018 Balance	9/1/2018 Payment	9/1/2018 Bond Call	Estimated Administrative Expenses <sup>(1)</sup>	Amount Credited to 2018/19 Levy	Surplus / (Deficit)
\$906,901.00	\$650,665.63	\$0.00	\$51,500.00	\$0.00	\$204,735.37

(1) Represents six months' worth of estimated administrative expenses. The starting amount of Administrative Expenses for the district for fiscal year 2017/18 is \$100,000, and shall increase by 3% commencing fiscal year 2018/19.

##### 3.2.2 RESERVE FUND

Initial Proceeds	Reserve Fund Policy Limit <sup>(1)</sup>	IRS Size Limitation <sup>(2)</sup>	Reserve Requirement <sup>(3)</sup>
\$610,250.60	\$610,250.60	\$1,220,501.19	\$610,250.60

(1) An amount available to be drawn on the 2017 Reserve Policy, in lieu of a Reserve Fund.

(2) An amount not to exceed the lesser of (i) 10% of the initial principal amount of the Bonds; (ii) Maximum Annual Debt Service on the Bonds; or (iii) 125% of the average Annual Debt Service on the Bonds.

(3) An amount not to drop below fifty percent (50%) of the IRS Size Limitation.

##### 3.2.3 VALUE TO DEBT RATIO

Total Value <sup>(1)</sup>	Debt Outstanding	Value to Debt Ratio
\$41,650,441,686.00	\$21,170,000.00	1,967.43:1

(1) Assessed value as of January 1, 2018 for all active parcels.



## **4. APPENDICES**

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**Rate and Method of Apportionment**

**Final Budget for Fiscal Year 2018/19**

**Current Debt Service Schedule**



## EXHIBIT B

### Santa Cruz Libraries Facilities Financing Authority Community Facilities District No. 2016-1

#### RATE AND METHOD OF APPORTIONMENT FOR SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2016-1

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels of Taxable Property within the Santa Cruz Libraries Facilities Financing Authority's Community Facilities District No. 2016-1 ("CFD No. 2016-1") and collected each Fiscal Year commencing in Fiscal Year 2016/17, in an amount determined by the Board of Directors of the Santa Cruz Libraries Facilities Financing Authority or its designee, through the application of the Rate and Method of Apportionment as described below. All of the real property in CFD No. 2016-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

#### A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State.

**"Administrative Expenses"** means the actual or reasonably estimated costs directly related to the administration of CFD No. 2016-1; including, without limitation: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the Authority or designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the Authority, CFD No. 2016-1 or any designee thereof of complying with arbitrage rebate requirements; the costs to the Authority, CFD No. 2016-1 or any designee thereof of complying with disclosure requirements under applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the Authority, CFD No. 2016-1 or any designee thereof related to any appeal of the Special Tax; the costs associated with the release of funds from any escrow account; and the Authority's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the Authority or CFD No. 2016-1 for any other administrative purposes of CFD No. 2016-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**"Agricultural Property"** means all Assessor's Parcels of Developed Property used for farming or agriculture. Typical County Use Codes include: 410, 411, 412, 420, 421, 422, 430, 431, 432, 450, 451, 452, 470, 480, and 490.

**"Assessor's Data"** means Acreage, Use Code, Building Square Footage, or other information regarding Assessor's Parcels contained in the records of the County Assessor.

**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

**"Assessor's Parcel Map"** means an official map of the County Assessor of the County designating parcels by Assessor's Parcel number.

**"Authority"** means the Santa Cruz Libraries Facilities Financing Authority.

**"Board"** means the Board of Directors of the Authority, acting as the legislative body of CFD No. 2016-1.

**"CFD Administrator"** means an official of the Authority, or designee thereof, responsible for determining the Special Tax Requirement, and providing for the levy and collection of the Special Taxes.

**"CFD No. 2016-1"** means Santa Cruz Libraries Facilities Financing Authority Community Facilities District No. 2016-1.

**"CFD No. 2016-1 Bonds"** means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by the Authority for CFD No. 2016-1 under the Act.

**"Commercial Property"** means all Assessor's Parcels of Developed Property used for hotels, stores, shopping centers, offices, restaurants, banks, nurseries, manufacturing, warehousing, food/mineral processing and industry. Typical County Use Codes include: 070, 071, 072, 074, 080, 083, 085, 116, 120, 121, 122, 123, 131, 140, 150, 151, 152, 153, 160, 161, 170, 171, 172, 173, 180, 181, 182, 183, 184, 185, 190, 191, 192, 200, 201, 202, 210, 211, 220, 221, 222, 223, 230, 231, 232, 250, 251, 260, 261, 262, 310, 320, 321, 322, 323, 330, 331, 340, 341, 342, 343, 344, 345, 350, 351, 352, 353, 354, 360, and 361.

**"County"** means the County of Santa Cruz.

**"Developed Property"** means for each Fiscal Year, all Taxable Property, exclusive of Taxable Public Property, for which the County has assigned a Use Code indicating residential, commercial, agricultural, or recreational use which are not vacant. Agricultural property used for farming is considered Developed Property even if there is no structure on the property.

**"Fiscal Year"** means the period starting July 1 and ending on the following June 30.

**"Homeowner's Exemption"** means the \$7,000 assessed value exemption granted for Assessor's Parcels owned and occupied by an owner as their principal residence.

**"Indenture"** means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which CFD No. 2016-1 Bonds are issued, as modified, amended and/or supplemented from time to time.

**"Maximum Special Tax"** means the Maximum Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

**"Multi Family Residential Property"** means all Assessor's Parcels of Developed Property with one or more residential structures intended for more than one dwelling unit. Multi Family Residential also includes mobiles homes, condos and townhomes. Typical County Use Codes include: 021, 025, 027, 030, 032, 033, 034, 041, 042, 043, 044, 045, 046, 100, 101, 103, and 104.

**"Outstanding Bonds"** means all CFD No. 2016-1 Bonds which are outstanding under an Indenture.

**"Proportionately"** means, for Developed Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Developed Property respectively. The term "Proportionately" may similarly be applied to other categories of Taxable Property as listed in Section C below.

**"Public Property"** means property within the boundaries of CFD No. 2016-1 owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public right-of-way has been granted to the federal government, the State, the County, the Authority, or any local government or

other public agency, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be classified as Taxable Property, taxed, and classified according to its use.

**"Recreational Property"** means all Assessor's Parcels of Developed Property used for amusements, sports activities, clubs, camps and conference facilities. Typical County Use Codes include: 600, 601, 602, 603, 610, 611, 612, 613, 614, 615, 620, 621, 622, 631, and 633.

**"Single Family Residential Property"** means all Assessor's Parcels of Developed Property with a residential structure intended for a single dwelling unit. Typical County Use Codes include: 016, 020, 023, 024, 026, 028, 029, 031, 060, 061, 062, 063, 064, 065, 067, and 068.

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property within CFD No. 2016-1 to fund the Special Tax Requirement.

**"Special Tax Requirement "** means that amount required in any Fiscal Year for CFD No. 2016-1 to: (i) pay debt service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year; (ii) pay periodic costs on the CFD No. 2016-1 Bonds, including but not limited to, rebate payments on the CFD No. 2016-1 Bonds; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) pay directly for acquisition or construction of CFD No. 2016-1 facilities eligible to be funded by CFD No. 2016-1 under the Act; (vi) pay for reasonably anticipated Special Tax delinquencies based on the delinquency rate for the Special Tax levy in the previous Fiscal Year; (vii) pay for the accumulation of funds reasonably required for future debt service; (viii) pay lease payments for existing or future facilities; (ix) pay costs associated with the release of funds from an escrow account; less (x) a credit for funds available, if any, to reduce the annual Special Tax levy, as determined by the CFD Administrator.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of CFD No. 2016-1 which are not exempt from the Special Tax pursuant to law or Section E below.

**"Taxable Public Property"** means all Assessor's Parcels of Public Property that are not exempt pursuant to Section E below.

**"Trustee"** means the trustee or fiscal agent under the Indenture.

**"Undeveloped Property"** means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Taxable Public Property. Typical County Use Codes include: 010, 011, 015, 040, 050, 051, 052, 053, 054, 055, 056, 057, 058, 059, 05A, 05B, 05C, 05D, 05E, 05F, 05G, 05H, 090, 091, 092, 093, 110, 115, 116, 300, 301, 500, 501, 505, 510, 511, 515, 520, 521, 525, 530, 531, 535, 540, 541, and 545.

## **B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Assessor's Parcels of Taxable Property within CFD No. 2016-1 shall be classified as Developed Property, Taxable Public Property, or Undeveloped Property, and all Assessor's Parcels of Developed Property and Taxable Public Property shall be assigned to a Property Type in accordance with Table 1 below and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below.

**C. MAXIMUM SPECIAL TAX**

a. Developed Property and Taxable Public Property

(1). Maximum Special Tax

The Maximum Special Tax that may be levied in any Fiscal Year for each Assessor's Parcel is shown in Table 1.

**TABLE 1**

**Maximum Special Tax for Developed Property  
in CFD No. 2016-1 in any Fiscal Year**

Property Type	Per	Maximum Special Tax
Single Family Residential	Unit	\$49.50
Multi Family Residential	Unit	49.50
Agricultural	Parcel	86.00
Commercial	Parcel	86.00
Recreational	Parcel	86.00

(2). Multiple Property Types

In some instances, an Assessor's Parcel of Developed Property may contain more than one property type/use. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax for all property uses located on that Assessor's Parcel.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2016/17 and for each following Fiscal Year, the Board or its designee shall determine the Special Tax Requirement and shall levy the Special Tax until the total Special Tax levy equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

**Step 1:** The Special Tax shall be levied on each Assessor's Parcel of Developed Property, Proportionately, up to 100% of the Maximum Special Tax to satisfy the Special Tax Requirement.

Notwithstanding the above the Board may, in any Fiscal year, levy Proportionately less than 100% of the Maximum Special Tax in step one (above), when (i) the Board is no longer required to levy the Special Tax at 100% in order to meet the Special Tax Requirement, and (ii) all authorized CFD No. 2016-1 Bonds have already been issued or the Board has covenanted that it will not issue any additional CFD No. 2016-1 Bonds (except refunding Bonds) to be supported by the Special Tax.

Further, notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2016-1.

**E. EXEMPTIONS**

No Special Tax shall be levied on Public Property and Undeveloped Property. However, should an Assessor's Parcel no longer be classified as Public Property or Undeveloped Property its tax-exempt status will be revoked. In the case of Public Property and pursuant to Section 53317.3 of the Act, if property not otherwise exempt from the Special Tax levied pursuant to this chapter is acquired by a public entity through a negotiated transaction, or by gift or devise, the special tax shall, notwithstanding Section 53340, continue to be levied on the property acquired and shall be enforceable against the public entity that acquired the property. However, the public agency that acquires the property may prepay and satisfy the obligation to pay the tax pursuant to Section H below.

Taxable Public Property shall be subject to the levy of the Special Tax, assigned to a Property Type in accordance with the use of the property, and shall be taxed Proportionately as part of the first step in Section D above, at up to 100% of the applicable Maximum Special Tax.

**F. APPEALS AND INTERPRETATIONS**

Any property owner may file a written appeal of the Special Tax with the CFD Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than the June 30<sup>th</sup> of the Fiscal Year in which the Special Tax is due and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the Board whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the Board requires the Special Tax to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Tax levy (ies).

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

**G. MANNER OF COLLECTION**

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2016-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. PREPAYMENT OF SPECIAL TAX**

The following definition applies to this Section H:

"**CFD Public Facilities**" means either \$78,100,000 in 2016 dollars, which shall increase by the Construction Inflation Index on July 1, 2017, and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD Administrator as sufficient to provide the public facilities to be provided by CFD No. 2016-1 under the authorized bonding program for CFD No. 2016-1, or (ii) shall be determined by the Board concurrently with a covenant that it will not issue any more CFD No. 2016-1 Bonds to be supported by Special Taxes levied under this Rate and Method of Apportionment as described in Section D.

**"Construction Fund"** means an account specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct public facilities eligible to be funded by CFD No. 2016-1 under the Act.

**"Construction Inflation Index"** means the annual percentage change in the April to April Engineering News-Record Building Cost Index for San Francisco, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the April to April Engineering News-Record Building Cost Index for San Francisco.

**"Future Facilities Costs"** means the CFD Public Facilities minus (i) public facility costs previously paid from the Construction Fund, (ii) moneys currently on deposit in the Construction Fund, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance facilities costs.

**"Outstanding Bonds"** means all Previously Issued Bonds which are deemed to be outstanding under the Indenture after the first interest and/or principal payment date following the current Fiscal Year.

**"Previously Issued Bonds"** means all CFD No. 2016-1 Bonds that have been issued by CFD No. 2016-1 prior to the date of prepayment.

**1. Prepayment in Full**

The obligation of an Assessor's Parcel to pay the Special Tax may be prepaid and permanently satisfied as described herein; provided that a prepayment may be made after at least one series of CFD No. 2016-1 Bonds has been issued and only for Assessor's Parcels of Developed Property or Undeveloped Property for which a Final Subdivision has been recorded prior to January 1 of the prior Fiscal Year, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. The CFD Administrator may charge a fee for providing this service. Prepayment in any six month period must be made not less than 45 days prior to the next occurring date that notice of redemption of CFD No. 2016-1 Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	<u>Reserve Fund Credit</u>
Total: equals	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

**Paragraph No.:**

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.

2. For Assessor's Parcels of Developed Property, compute the Maximum Special Tax applicable for the Assessor's Parcel to be prepaid.
3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total estimated Maximum Special Tax for CFD No. 2016-1 based on the Developed Property Special Tax which could be charged in the current Fiscal Year, excluding any Assessor's Parcels which have been prepaid, and
4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium (e.g., the redemption price-100%), if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Compute the current Future Facilities Costs
7. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Add the amounts computed pursuant to paragraphs 8 and 9 to determine the "Defeasance Amount".
11. Verify the administrative fees and expenses of CFD No. 2016-1, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming CFD No.2016-1 Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the prepayment date or the redemption date.
13. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 10 and 11, less the amount computed pursuant to paragraph 12 (the "Prepayment Amount").
14. From the Prepayment Amount, the amounts computed pursuant to paragraphs 4, 5, 10 and 12 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to paragraph 7 shall be deposited into the Construction Fund. The amount computed pursuant to paragraph 11 shall be retained by CFD No. 2016-1.

The Special Tax Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of CFD No. 2016-1 Bonds. In such cases, the increment above \$5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of CFD No. 2016-1 Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of the Special Tax and the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Tax that may be levied on Taxable Property within CFD No. 2016-1 both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding CFD No. 2016-1 Bonds.

## **2. Prepayment in Part**

The Special Tax may be partially prepaid, provided that a partial prepayment may be made after at least one series of CFD No. 2016-1 Bonds has been issued and only for Assessor's Parcels of Developed Property, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. The amount of the prepayment shall be calculated as in Section H.1; except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = P_E \times F.$$

These terms have the following meaning:

PP = the partial prepayment

$P_E$  = the Special Tax Prepayment Amount calculated according to Section H.1

F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax.

The Special Tax partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the prepayment funds remitted according to Section H.1, and (ii) indicate in the records of CFD No. 2016-1 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

## **I. TERM OF SPECIAL TAX**

The Special Tax shall be levied for a period not to exceed 30 years commencing with Fiscal Year 2016/17.



**Santa Cruz Public Libraries  
Community Facilities District No. 2016-1  
Final Budget for Fiscal Year 2018/19**

<b>Category/Item</b>	<b>FY 2018/19</b>	<b>FY 2017/18</b>	<b>Increase/(Decrease)</b>
Special Tax Levy	\$4,574,977.50	\$4,452,543.50	\$122,434.00
<b>Total:</b>	<b>\$4,574,977.50</b>	<b>\$4,452,543.50</b>	<b>\$122,434.00</b>
<b>Total Accounts:</b>	<b>89,213</b>	<b>90,416</b>	<b>(1,203)</b>

**Santa Cruz Public Libraries**  
**CFD No. 2016-1 2017 Special Tax Bonds**  
**Current Debt Service Schedule**

Bonds Dated: 06/15/2017

Bonds Issued: \$21,170,000.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
03/01/2018		.0000%	\$21,170,000.00	\$0.00	\$569,835.56	\$569,835.56	\$0.00	0.0000%	Paid
09/01/2018	80175LAA2	5.0000	21,170,000.00	250,000.00	400,665.63	650,665.63	1,220,501.19	0.0000	Paid
03/01/2019		0.0000	20,920,000.00	.00	394,415.63	394,415.63	.00	0.0000	Paid
09/01/2019	80175LAB0	5.0000	20,920,000.00	430,000.00	394,415.63	824,415.63	1,218,831.26	0.0000	Unpaid
03/01/2020		0.0000	20,490,000.00	.00	383,665.63	383,665.63	.00	0.0000	Unpaid
09/01/2020	80175LAC8	5.0000	20,490,000.00	450,000.00	383,665.63	833,665.63	1,217,331.26	0.0000	Unpaid
03/01/2021		0.0000	20,040,000.00	.00	372,415.63	372,415.63	.00	0.0000	Unpaid
09/01/2021	80175LAD6	5.0000	20,040,000.00	475,000.00	372,415.63	847,415.63	1,219,831.26	0.0000	Unpaid
03/01/2022		0.0000	19,565,000.00	.00	360,540.63	360,540.63	.00	0.0000	Unpaid
09/01/2022	80175LAE4	5.0000	19,565,000.00	495,000.00	360,540.63	855,540.63	1,216,081.26	0.0000	Unpaid
03/01/2023		0.0000	19,070,000.00	.00	348,165.63	348,165.63	.00	0.0000	Unpaid
09/01/2023	80175LAF1	5.0000	19,070,000.00	520,000.00	348,165.63	868,165.63	1,216,331.26	0.0000	Unpaid
03/01/2024		0.0000	18,550,000.00	.00	335,165.63	335,165.63	.00	0.0000	Unpaid
09/01/2024	80175LAG9	5.0000	18,550,000.00	545,000.00	335,165.63	880,165.63	1,215,331.26	0.0000	Unpaid
03/01/2025		0.0000	18,005,000.00	.00	321,540.63	321,540.63	.00	0.0000	Unpaid
09/01/2025	80175LAH7	5.0000	18,005,000.00	575,000.00	321,540.63	896,540.63	1,218,081.26	0.0000	Unpaid
03/01/2026		0.0000	17,430,000.00	.00	307,165.63	307,165.63	.00	0.0000	Unpaid
09/01/2026	80175LAJ3	5.0000	17,430,000.00	605,000.00	307,165.63	912,165.63	1,219,331.26	0.0000	Unpaid
03/01/2027		0.0000	16,825,000.00	.00	292,040.63	292,040.63	.00	0.0000	Unpaid
09/01/2027	80175LAK0	5.0000	16,825,000.00	635,000.00	292,040.63	927,040.63	1,219,081.26	0.0000	Unpaid
03/01/2028		0.0000	16,190,000.00	.00	276,165.63	276,165.63	.00	0.0000	Unpaid
09/01/2028	80175LAL8	4.0000	16,190,000.00	665,000.00	276,165.63	941,165.63	1,217,331.26	0.0000	Unpaid
03/01/2029		0.0000	15,525,000.00	.00	262,865.63	262,865.63	.00	0.0000	Unpaid
09/01/2029	80175LAM6	4.0000	15,525,000.00	690,000.00	262,865.63	952,865.63	1,215,731.26	0.0000	Unpaid
03/01/2030		0.0000	14,835,000.00	.00	249,065.63	249,065.63	.00	0.0000	Unpaid
09/01/2030	80175LAN4	4.0000	14,835,000.00	720,000.00	249,065.63	969,065.63	1,218,131.26	0.0000	Unpaid
03/01/2031		0.0000	14,115,000.00	.00	234,665.63	234,665.63	.00	0.0000	Unpaid
09/01/2031	80175LAP9	3.0000	14,115,000.00	750,000.00	234,665.63	984,665.63	1,219,331.26	0.0000	Unpaid
03/01/2032		0.0000	13,365,000.00	.00	223,415.63	223,415.63	.00	0.0000	Unpaid
09/01/2032	80175LAQ7	3.0000	13,365,000.00	770,000.00	223,415.63	993,415.63	1,216,831.26	0.0000	Unpaid
03/01/2033		0.0000	12,595,000.00	.00	211,865.63	211,865.63	.00	0.0000	Unpaid
09/01/2033	80175LAR5	3.0000	12,595,000.00	795,000.00	211,865.63	1,006,865.63	1,218,731.26	0.0000	Unpaid
03/01/2034		0.0000	11,800,000.00	.00	199,940.63	199,940.63	.00	0.0000	Unpaid
09/01/2034	80175LAS3	3.1250	11,800,000.00	815,000.00	199,940.63	1,014,940.63	1,214,881.26	0.0000	Unpaid
03/01/2035		0.0000	10,985,000.00	.00	187,206.25	187,206.25	.00	0.0000	Unpaid
09/01/2035	80175LAT1	3.1250	10,985,000.00	845,000.00	187,206.25	1,032,206.25	1,219,412.50	0.0000	Unpaid
03/01/2036		0.0000	10,140,000.00	.00	174,003.13	174,003.13	.00	0.0000	Unpaid
09/01/2036	80175LAU8	3.2500	10,140,000.00	870,000.00	174,003.13	1,044,003.13	1,218,006.26	0.0000	Unpaid
03/01/2037		0.0000	9,270,000.00	.00	159,865.63	159,865.63	.00	0.0000	Unpaid
09/01/2037		3.3750	9,270,000.00	895,000.00	159,865.63	1,054,865.63	1,214,731.26	0.0000	Unpaid
03/01/2038		0.0000	8,375,000.00	.00	144,762.50	144,762.50	.00	0.0000	Unpaid

**Santa Cruz Public Libraries**  
**CFD No. 2016-1 2017 Special Tax Bonds**  
**Current Debt Service Schedule**

Bonds Dated: 06/15/2017  
Bonds Issued: \$21,170,000.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
09/01/2038		3.3750	8,375,000.00	930,000.00	144,762.50	1,074,762.50	1,219,525.00	0.0000	Unpaid
03/01/2039		0.0000	7,445,000.00	.00	129,068.75	129,068.75	.00	0.0000	Unpaid
09/01/2039		3.3750	7,445,000.00	960,000.00	129,068.75	1,089,068.75	1,218,137.50	0.0000	Unpaid
03/01/2040		0.0000	6,485,000.00	.00	112,868.75	112,868.75	.00	0.0000	Unpaid
09/01/2040	80175LAV6	3.3750	6,485,000.00	990,000.00	112,868.75	1,102,868.75	1,215,737.50	0.0000	Unpaid
03/01/2041		0.0000	5,495,000.00	.00	96,162.50	96,162.50	.00	0.0000	Unpaid
09/01/2041		3.5000	5,495,000.00	1,025,000.00	96,162.50	1,121,162.50	1,217,325.00	0.0000	Unpaid
03/01/2042		0.0000	4,470,000.00	.00	78,225.00	78,225.00	.00	0.0000	Unpaid
09/01/2042		3.5000	4,470,000.00	1,060,000.00	78,225.00	1,138,225.00	1,216,450.00	0.0000	Unpaid
03/01/2043		0.0000	3,410,000.00	.00	59,675.00	59,675.00	.00	0.0000	Unpaid
09/01/2043		3.5000	3,410,000.00	1,100,000.00	59,675.00	1,159,675.00	1,219,350.00	0.0000	Unpaid
03/01/2044		0.0000	2,310,000.00	.00	40,425.00	40,425.00	.00	0.0000	Unpaid
09/01/2044		3.5000	2,310,000.00	1,135,000.00	40,425.00	1,175,425.00	1,215,850.00	0.0000	Unpaid
03/01/2045		0.0000	1,175,000.00	.00	20,562.50	20,562.50	.00	0.0000	Unpaid
09/01/2045	80175LAW4	3.5000	1,175,000.00	1,175,000.00	20,562.50	1,195,562.50	1,216,125.00	0.0000	Unpaid
<b>Grand Total:</b>			<b>\$21,170,000.00</b>		<b>\$12,922,351.37</b>	<b>\$34,092,351.37</b>	<b>\$34,092,351.37</b>		



STAFF REPORT

AGENDA: May 2, 2019  
DATE: April 25, 2019  
TO: Board of Directors  
FROM: Libraries Facilities Financing Authority Treasurer-Controller  
SUBJECT: Libraries Facilities Financing Authority Proposed Budget for FYR 2019-2020

**RECOMMENDATION**

Accept the Proposed 2019-2020 Libraries Facilities Financing Authority (LFFA) Budgets including the General Fund Proposed Budget and the Debt Service Fund Proposed Budget and recommend placing the approval of the Final Budgets on the June 2019 LFFA agenda.

**DISCUSSION**

The attached Proposed Budgets reflect the anticipated Sources and Uses of LFFA funds. The allocation is based upon the modified maximum allocation amounts approved by the LFFA Board on August 30, 2018, in the First Supplement to the Amended and Restated Joint Exercise of Powers Agreement for the LFFA. These limits are reflected below.

	Modified Maximum Amount	Percentage
City of Capitola	\$10,000,000	12.90
City of Santa Cruz	\$31,250,000	40.32
City of Scotts Valley	\$3,750,000	4.84
County of Santa Cruz	\$32,500,000	41.94
Total	\$77,500,000	100.00

The Proposed Budget does not reflect proceeds from the issuance of a second bond during 2019-2020, as the actual bond issuance amount and timing has not been determined. The budget does include estimated bond preparation expenditures. If the Board decides to issue the second bond during 2019-2020 a revised Budget would be prepared and submitted to your Board.

The Proposed Budget reflects an adjusted Assessment revenue amount. This is the result of a correction made by NBS to the annual tax levy they provided for 2018-2019.

Libraries Facilities Financing Authority  
 General Fund - 76190  
 Proposed Budget

Fiscal Year: 2019-20

Object Title	2017-18 Actuals	2018-19 YTD Adj Budget	2018-19 YTD Actuals	2018-19 Estimated Actuals	2019-20 Proposed Budget
<b>Fund 76190 -- SC LIBRARIES FAC FIN AUTH LFFA</b>					
<b>GL Key 701300 -- SC LIBRARIES FAC FIN AUTH LFFA</b>					
<b>Revenues</b>					
40192 ASSESSMENTS	\$ 4,394,341	\$ 4,565,050	\$ 4,336,769	\$ 4,425,000	\$ 4,425,000
40430 INTEREST	12,427	5,700	12,832	18,232	12,427
<b>Total Revenues (SOURCES)</b>	<b>\$ 4,406,768</b>	<b>\$ 4,570,750</b>	<b>\$ 4,349,601</b>	<b>\$ 4,443,232</b>	<b>\$ 4,437,427</b>
<b>Expenditures</b>					
75230 CONTRIB TO OTHER AGENCIES-OTH (Admin)	\$ 5,000	\$ 100,000	\$ 5,000	\$ 18,500	\$ 50,000
75236 CONTRIB TO CITY OF CAPITOLA	-	133,556	39,906	131,792	101,543
75237 CONTRIB TO CITY OF SANTA CRUZ	1,983,162	1,953,103	681,955	1,927,304	1,443,146
75238 CONTRIB TO CITY OF SCOTTS VALL	200,150	205,014	71,186	202,306	151,654
75239 CONTRIB TO COUNTY	978,617	1,191,953	1,092,134	1,176,208	850,002
90000 OPERATING TRANSFERS OUT	1,225,841	1,240,831	1,240,831	1,240,831	1,841,082
<b>Total Expenditures (USES)</b>	<b>\$ 4,392,770</b>	<b>\$ 4,824,457</b>	<b>\$ 3,131,012</b>	<b>\$ 4,696,941</b>	<b>\$ 4,437,427</b>
<b>Revenues less Expenses</b>	<b>\$ 13,998</b>	<b>\$ (253,707)</b>	<b>\$ 1,218,589</b>	<b>\$ (253,709)</b>	<b>\$ -</b>
<b>Beginning Fund Balance</b>	<b>\$ 239,711</b>	<b>\$ 253,709</b>	<b>\$ 253,709</b>	<b>\$ 253,709</b>	<b>\$ -</b>
<b>Ending Fund Balance</b>	<b>\$ 253,709</b>	<b>\$ 2</b>	<b>\$ 1,472,298</b>	<b>\$ -</b>	<b>\$ -</b>

Libraries Facilities Financing Authority  
 Debt Service Fund - 76191  
 Proposed Budget

Fiscal Year: 2019-20

Object Title	2017-18 Actuals	2018-19 YTD Adj Budget	2018-19 YTD Actuals	2018-19 Estimated Actuals	2019-20 Proposed Budget
Fund 76191 – SC LIBRARIES FAC FIN-DEBT					
GL Key 701310 – SC LIBRARIES FAC FIN-DEBT					
Revenues					
42462 OPERATING TRANSFER IN	\$ 1,225,841	\$ 1,240,831	\$ 1,240,831	\$ 1,240,831	\$ 1,841,082
<b>Total Revenues</b>	\$ 1,225,841	\$ 1,240,831	\$ 1,240,831	\$ 1,240,831	\$ 1,841,082
Expenditures					
62345 FISCAL AGENTS FEES	\$ 5,340	\$ 22,000	\$ 3,750	\$ 3,750	\$ 22,000
TBD BOND ISSUANCE COSTS	-	-	-	-	620,000
74110 PRINCIPAL ON LONG-TERM DEBT	-	250,000	250,000	250,000	430,000
74425 INTEREST ON LONG-TERM DEBT	569,836	795,081	795,081	795,081	778,081
<b>Total Expenditures</b>	\$ 575,176	\$ 1,067,081	\$ 1,048,831	\$ 1,048,831	\$ 1,850,081
Revenues less Expenses	\$ 650,665	\$ 173,750	\$ 192,000	\$ 192,000	\$ (8,999)
Beginning Fund Balance	\$ -	\$ 650,665	\$ 650,665	\$ 650,665	\$ 842,665
Ending Fund Balance	\$ 650,665	\$ 824,415	\$ 842,665	\$ 842,665	\$ 833,665