



CITY OF SANTA CLARA

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SPORTS AND OPEN SPACE AUTHORITY

AGENDA

A complete agenda packet with back-up reports is available at either City Library beginning Saturday before the Tuesday meeting or at the City Clerk's Office on weekdays. A complete agenda packet is also available at the City Council meeting and on the City's website.

June 16, 2015

5:00 pm

Joint Study Session

City Hall Council Chambers

City Council, Sports and Open Space Authority,
Housing Authority, Stadium Authority
City Council acting as the Governing Board of the Successor Agency
for the former Redevelopment Agency of the City of Santa Clara
Review of 2015-16 Proposed Operating Budget,
Proposed Capital Improvement Project Budget
Five-Year Financial Plan 2016-17 through 2020-21

6:00 pm

Closed Session

Council Conference Room

Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code Section 54956.9(d)(1)
*Vinod K. Sharma, et al. v. Successor Agency to the
Redevelopment Agency of the City of Santa Clara, et al.*
Sacramento County Superior Court Case No. 34-2013-80001396
and
Conference with Real Property Negotiator
Pursuant to Government Code Section 54956.8
Property: APN 104-03-038, APN 104-03-039, APN 104-03-036,
APN 104-03-037, APN 104-01-102, APN 097-01-039, APN 097-01-073
Negotiating Party: Stephen F. Eimer, Related California
Authority Negotiator: Julio J. Fuentes, Contract Administrator (or designee)
Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property
(provisions, price and terms of payment)

REGULAR MEETING

Sports and Open Space Authority - June 16, 2015

Page 1 of 3

7:00 PM in the City Hall Council Chambers

APPEAL OF HEARING DECISIONS OF THE SPORTS AND OPEN SPACE AUTHORITY MUST BE MADE TO THE SUPERIOR COURT WITHIN 90 CALENDAR DAYS OF FINAL ACTION. BECAUSE OF THE AGENDA PROVISION FOR RECONSIDERATION, FINAL ACTION IS DEEMED TO OCCUR AT THE END OF THE NEXT REGULAR MEETING PURSUANT TO CITY COUNCIL POLICY (P&P 042). (CODE OF CIVIL PROCEDURE SECTION 1094.6)

AB23 ANNOUNCEMENT: MEMBERS OF THE SPORTS AND OPEN SPACE AUTHORITY BOARD ARE ENTITLED TO RECEIVE \$30 FOR EACH ATTENDED MEETING.

- 1. ROLL CALL:**
- 2. APPROVAL OF MINUTES:**
 - A. May 5, 2015.
 - B. May 12, 2015.
 - C. May 19, 2015.
- 3. CONTINUANCE/EXCEPTIONS:**
- 4. UNFINISHED BUSINESS:**
 - A. Possible Reconsideration of Actions Taken at Immediately Preceding Meeting. (See Summary of Actions for potential reconsideration, which is attached to the posted Agenda and is in the Agenda Packet Binder in the Council Chambers.)
- 5. NEW BUSINESS**
 - A. **JOINT PUBLIC HEARING:** City Council (Council), Sports and Open Space Authority (SOSA), City Council acting as the Governing Board of the Successor Agency for the former Redevelopment Agency of the City of Santa Clara (Successor Agency) and the Housing Authority Annual Budget for Fiscal Year 2015-16:
 1. Approval of the City of Santa Clara Proposed 2015-16 total budget of \$719,019,592, including the Operating Budget of \$646,775,695, the General Fund Budget of \$181,943,574 and Capital Improvement Program (CIP) Budget of \$72,243,897 (including the adjustments as noted in the 2015-16 Summary of Changes to the Proposed Budget).
 2. Approval of the SOSA Proposed 2015-16 total budget of \$4,253,171.
 3. Approval of the Successor Agency Proposed 2015-16 total budget of \$67,505,425.
 4. Approval of the Housing Authority Proposed 2015-16 total budget of \$496,708; expenditures are limited only to support administrative loan monitoring costs.
 5. Adoption of a Council Resolution establishing the Appropriation Limit for 2015-16 of \$363,345,984.

6. PUBLIC PRESENTATIONS:

This item is reserved for persons to address the Authority on any matter not on the agenda that is within the subject matter jurisdiction of the City. The law does not permit Authority action on, or extended discussion of, any item not on the agenda except under special circumstances. The Authority, or staff, may briefly respond to statements made or questions posed, and the Authority may request staff to report back at a subsequent meeting. Although not required, please submit to the Authority Secretary your name and subject matter on forms available by the door in the Council Chambers.

7. REPORTS OF SOSA MEMBERS AND SPECIAL SOSA COMMITTEES:

A. Reports regarding conference attendance, if any.

8. CLOSED SESSION MATTERS:

A. Authority General Counsel Reports:

9. ADJOURNMENT:

A. To Tuesday evening, June 23, 2015, at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

Meeting Date: 6-16-15

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 5:00pm

Santa Clara Council/
All-America City
2001
Successor Agency/
SA/
SOSA/
HA



Date: June 16, 2015

To: City Manager for Council Information
Contract Administrator for Sports and Open Space Authority Information
Executive Director for Housing Authority Information
Executive Director for Stadium Authority Information
Executive Officer for Successor Agency Information

From: Director of Finance/Assistant City Manager, Director of Finance for SOSA, Housing Authority Treasurer, Finance Director/Treasurer/Auditor for Stadium Authority

Subject: Joint Study Session to Review 2015-16 Proposed Operating Budget, Proposed Capital Improvement Project Budget, and Five-Year Financial Plan

The following items were discussed during the Annual Budget Study Session, Tuesday, May 19, 2015 at 7:00 p.m. in the City Council Chambers, and this Study Session provides Council further opportunity to review the 2015-16 proposed budgets:

1. 2015-16 Proposed Annual Budget for the City, Successor Agency, Sports and Open Space Authority, Housing Authority, and Stadium Authority;
2. 2015-16 Proposed Capital Improvement Budget; and
3. 2016-17 through 2020-21 Five-Year Financial Plan

The documents were distributed at the May 19, 2015 Study Session, and are available for review on the City's website and in the City Clerk's Office and City libraries during normal business hours.

Council/Authority/Agency approval of the Annual Budget, including Operating and Capital Improvement Project Budgets, will be requested at the June 16, 2015 Public Hearing.

APPROVED:



 Gary Ameling
 Director of Finance/Assistant City Manager
 Director of Finance, SOSA
 Housing Authority Treasurer
 Finance Director/Treasurer/Auditor for
 Stadium Authority



 Julio J. Fuentes
 City Manager
 Contract Administrator for Sports and
 Open Space Authority
 Executive Director for Housing Authority
 Executive Director for Stadium Authority
 Executive Officer to Successor Agency

Documents Related to this Report:

- 1) 2015-16 Proposed City of Santa Clara Annual Budget
- 2) 2015-16 Proposed City of Santa Clara Capital Improvement Project Budget
- 3) 2016-17 through 2020-21 Five-Year Financial Plan

6-16-15

CLOSED SESSION NOTICE

Sports and Open Space Authority

6:00pm
SOSA



The **GOVERNING BOARD OF THE SPORTS AND OPEN SPACE AUTHORITY** will meet in closed session on **Tuesday, June 16, 2015**, at **6:00 p.m.**, or as soon thereafter as the matter can be discussed, in the Council Conference Room located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to it/them:

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

Pursuant to Gov. Code § 54956.9(d)(1)

Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al., Sacramento County Superior Court Case No. 34-2013-80001396

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Pursuant to Gov. Code § 54956.8

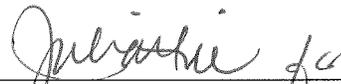
Property: APN 104-03-038, APN 104-03-039, APN 104-03-036, APN 104-03-037, APN 104-01-102, APN 097-01-039, APN 097-01-073

Negotiating Party: Stephen F. Eimer, Related California

Authority Negotiator: Julio J. Fuentes, Contract Administrator (or designee)

Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment)

Date: June 12, 2015



RICHARD E. NOSKY, JR.
Authority General Counsel

6-16-15

2.A
505A

**MINUTES OF THE SPORTS AND OPEN SPACE AUTHORITY OF
THE CITY OF SANTA CLARA FOR REGULAR MEETING
HELD ON TUESDAY EVENING, MAY 5, 2015**

The Sports and Open Space Authority of the City of Santa Clara met at 4:00 pm, on the above mentioned date, for a **Closed Session** in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(d)(1); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 (Authority General Counsel - 05/01/15).

The Sports and Open Space Authority then met at 8:59 pm for the regular scheduled meeting in the City Hall Council Chambers.

Present: Authority Members Dominic J. Caserta, Debi Davis, Lisa M. Gillmor, Jerry Marsalli and Teresa O'Neill and Chairperson Jamie L. Matthews. Absent: Authority Member Patrick Kolstad (excused).

1. **MOTION** was made by Davis, seconded and unanimously carried (Kolstad absent), that the Authority **excuse** Authority Member Kolstad from attendance at this evening's meeting.

2.A **MOTION** was made by Davis, seconded and unanimously carried (Kolstad absent), that the **Minutes** for the meeting of **April 7, 2015** be adopted as written.

7.A Earlier in the evening, the Sports and Open Space Authority met for a **Closed Session** in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(d)(1); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 and there was no reportable action.

8.A **MOTION** was made by Davis, seconded and unanimously carried (Kolstad absent), that, there being no further business, the Sports and Open Space Authority adjourn the meeting at 9:00 pm to Tuesday evening, **May 12, 2015** at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

ATTEST: _____
Clerk

APPROVE: _____
Chairperson

6-16-15

2.B
505A

**MINUTES OF THE SPORTS AND OPEN SPACE AUTHORITY OF
THE CITY OF SANTA CLARA FOR REGULAR MEETING
HELD ON TUESDAY EVENING, MAY 12, 2015**

The Sports and Open Space Authority of the City of Santa Clara met at 6:00 pm, on the above mentioned date, for a **Closed Session** in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(d)(1); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 and Conference with Real Property Negotiator pursuant to Government Code Section 54956.8, Property: APN 104-03-038, APN 104-03-039, APN 104-03-036, APN 104-03-037, APN 104-01-102, APN 097-01-039, APN 097-01-073, Negotiating Party(ies): Stephen F. Eimer, Related California, Authority Negotiator: Julio J. Fuentes, Contract Administrator (or designee), Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and term of payment) (Authority General Counsel - 05/08/15).

The Sports and Open Space Authority then met at 11:30 pm for the regular scheduled meeting in the City Hall Council Chambers.

Present: Authority Members Dominic J. Caserta, Debi Davis, Lisa M. Gillmor, Patrick Kolstad, Jerry Marsalli and Teresa O'Neill. Absent: Chairperson Jamie L. Matthews (excused).

- MOTION** was made by Caserta, seconded and unanimously carried 1. (Matthews absent), that the Authority **excuse** Chairperson Matthews from attendance at this evening's meeting.

4.A,B Under Public Presentations Scott Lane and Deborah Bress made general comments of concern.

- 6.A Earlier in the evening, the Sports and Open Space Authority met for a **Closed Session** in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(d)(1); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 and Conference with Real Property Negotiator pursuant to Government Code Section 54956.8, Property: APN 104-03-038, APN 104-03-039, APN 104-03-036, APN 104-03-037, APN 104-01-102, APN 097-01-039, APN 097-01-073, Negotiating Party(ies): Stephen F. Eimer, Related California, Authority Negotiator: Julio J. Fuentes, Contract Administrator (or designee), Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and term of payment) and there was no reportable action.

7.A MOTION was made by Caserta, seconded and unanimously carried (Matthews absent), that, there being no further business, the Sports and Open Space Authority adjourn the meeting at 11:33 pm to Tuesday evening, May 19, 2015 at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

ATTEST: _____
Clerk

APPROVE: _____
Chairperson

DRAFT

6-16-15

2.C
SOSA

**MINUTES OF THE SPORTS AND OPEN SPACE AUTHORITY OF
THE CITY OF SANTA CLARA FOR REGULAR MEETING
HELD ON TUESDAY EVENING, MAY 19, 2015**

The Sports and Open Space Authority of the City of Santa Clara met at 5:00 pm, on the above mentioned date, for a **Closed Session** in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(d)(1); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 and Conference with Real Property Negotiator pursuant to Government Code Section 54956.8, Property: APN 104-03-038, APN 104-03-039, APN 104-03-036, APN 104-03-037, APN 104-01-102, APN 097-01-039, APN 097-01-073, Negotiating Party: Stephen F. Eimer, Related California, Authority Negotiator: Julio J. Fuentes, Contract Administrator (or designee), Under Negotiation: Purchase/Sale/Exchange/Lease of Real Property (provisions, price and terms of payment) (Authority General Counsel - 05/15/15).

The Sports and Open Space Authority then met at 10:21 pm for the regular scheduled meeting in the City Hall Council Chambers.

1. Present: Authority Members Dominic J. Caserta, Debi Davis, Lisa M. Gillmor, Patrick Kolstad, Jerry Marsalli and Teresa O'Neill and Chairperson Jamie L. Matthews.

- 2.A **MOTION** was made by Davis, seconded and unanimously carried, that the **Minutes** for the meeting of **April 21, 2015** be adopted as written.

- 5.A Earlier in the evening, the Sports and Open Space Authority met for a **Joint City Council, Sports and Open Space Authority (SOSA), Housing Authority, Stadium Authority and Successor Agency to the City of Santa Clara Redevelopment Agency Study Session** for review of the **Proposed Operating Budget, Proposed Capital Improvement Project (CIP) Budget for Fiscal Year 2015-16 and Five Year Financial Plan 2016-17 through 2020-21**. The City Manager/Contract Administrator/Executive Director/Executive Officer introduced the item and made introductory remarks. He began an electronic presentation regarding the proposed budgets. The Director of Finance/Assistant City Manager / Director of Finance (SOSA) / Housing Authority Treasurer / Finance Director/Treasurer/Auditor reviewed his memo (05/05/15) and continued with the electronic presentation summarizing the 2015-16 Proposed

Annual Budget which totals \$719.0 million and is considered a balanced budget. The Successor Agency (formerly the Redevelopment Agency) 2015-16 Proposed Budget totals \$67.5 million, the Housing Authority totals \$0.5 million, the Sports and Open Space Authority totals \$4.3 million and the Stadium Authority totals \$80.6 million. The 2015-16 Proposed Capital Improvement Plan Project Budget totals \$75.7 million. [The Council/SOSA/Housing Authority/Stadium Authority/Successor Agency recessed for a short break.] The Director of Finance/Assistant City Manager / Director of Finance (SOSA) / Housing Authority Treasurer / Finance Director/Treasurer/Auditor concluded his portion of the electronic presentation, which included a review of the Five Year Financial Plan for 2016-17 through 2020-21. A Council/SOSA/Housing Authority/Stadium Authority/Successor Agency discussion followed and the City Manager/Contract Administrator/Executive Director/Executive Officer and the Director of Finance/Assistant City Manager / Director of Finance (SOSA) / Housing Authority Treasurer / Finance Director/Treasurer/Auditor answered Council/SOSA/Housing Authority/Stadium Authority/Successor Agency questions. The Director of Public Works/City Engineer continued the electronic presentation by reviewing significant Public Works CIP projects (provided a handout on National Public Works Week), the Director of Water and Sewer Utilities reviewed significant Water and Sewer CIP projects, the City Librarian reviewed significant Library CIP projects, the Director of Information Technology (IT) reviewed significant IT CIP projects, the Chief of Police reviewed significant Police CIP projects, the Fire Chief reviewed significant Fire CIP projects, the Director of Parks and Recreation reviewed significant Parks and Recreation CIP projects and the Director of Electric Utility reviewed significant Electric CIP projects. The City Manager/Contract Administrator/Executive Director/Executive Officer answered Council/SOSA/Housing Authority/Stadium Authority/Successor Agency questions.

- 8.A Earlier in the evening, the Sports and Open Space Authority met for a **Closed Session** in the Council Conference Room for a Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(d)(1); *Vinod K. Sharma, et al. v. Successor Agency to the Redevelopment Agency of the City of Santa Clara, et al.*, Sacramento County Superior Court Case No. 34-2013-80001396 and a Conference with Real Property Negotiator pursuant to Government Code Section 54956.8, Property: APN 104-03-038, APN 104-03-039 APN 104-03-036 APN 104-03-037 APN 104-01-102, APN 097-01-039 APN 097-01-073, Negotiating Party: Stephen F. Eimer, Related California, Authority Negotiator: Julio J. Fuentes, Contract Administrator (or designee), Under Negotiation: Purchase/

Sale/Exchange/Lease of Real Property (provisions, price and terms of payment) and there was no reportable action.

9.A **MOTION** was made by Caserta, seconded and unanimously carried, that, there being no further business, the Sports and Open Space Authority adjourn the meeting at 10:21 pm to Tuesday evening, **June 16, 2015** at 7:00 pm for the regular scheduled meeting in the City Hall Council Chambers.

ATTEST: _____
Clerk

APPROVE: _____
Chairperson

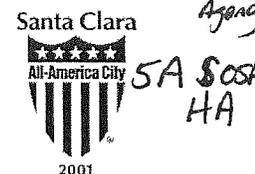
DRAFT

Meeting Date: 6-16-15

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 5. C Council
Successor
Agency



Date: June 16, 2015

To: City Manager for Council Action
Contract Administrator for Sports and Open Space Authority Action
Executive Director for Housing Authority Action
Executive Officer for Successor Agency Action

From: Director of Finance/Assistant City Manager, Director of Finance for SOSA, Housing Authority Treasurer

Subject: PUBLIC HEARING: Adoption of the 2015-16 Budget with Proposed 2015-16 Budget Actions for the City (including Community Development Block Grant and HOME Funds), Sports and Open Space Authority, Housing Authority, and Successor Agency

EXECUTIVE SUMMARY:

On June 16, 2015 at 7 p.m., a Public Hearing is scheduled for the purpose of taking public input and Council/Authority/Agency approval/adoption of the following City of Santa Clara 2015-16 documents:

- Proposed Annual Budget (including Community Development Block Grant and HOME Program funding)
- Proposed Capital Improvement Project Budget
- Proposed Sports and Open Space Authority Budget
- Proposed Housing Authority Budget
- Proposed Successor Agency Budget
- Appropriations Limit

Copies of the proposed budgets, the 2016-17 through 2020-21 Five-Year Financial Plan, and additional supporting documents for the 2015-16 budgets were submitted to Council for the budget study session held on May 19, 2015. The Capital Improvement Project budget was reviewed by the Planning Commission at their April 8, 2015 meeting and has been found to be consistent with the City's General Plan. Note that the Stadium Authority has an April 1 to March 31 fiscal year and that its 2015-16 budget was previously approved on March 24, 2015.

Copies of the proposed budgets and Five-Year Financial Plan are available for review on the City's website at <http://santaclaraca.gov/finance>, and in the City Clerk's Office and the City's libraries during normal business hours.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

City Council action in approving the 2015-16 Budgets by June 30, 2015 complies with the City Charter and allows the City and its Agencies and Authorities to continue their operations for the 2015-16 fiscal year.

ECONOMIC/FISCAL IMPACT:

By approving the proposed budget documents plus all adjustments detailed in the 2015-16 Summary of Changes to Proposed Budget and any further adjustments as a result of Council/Authority/Agency Action during the Public Hearing on June 16, 2015, the following budgets will be established: (1) the 2015-16 City of Santa Clara Annual Budget (including Capital Improvement Project Budget); (2) the 2015-16 Successor Agency Budget; (3) the 2015-16 Sports and Open Space Authority Budget (including the Santa Clara Golf and Tennis Club Budget); and (4) the 2015-16 Housing Authority Budget.

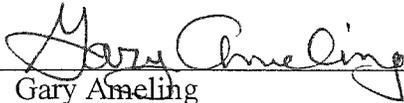
RECOMMENDATION:

That the City Council, City Council acting as the Governing Board of the Successor Agency for the former Redevelopment Agency of the City of Santa Clara, Sports and Open Space Authority (SOSA), and Housing Authority take the following actions:

- 1) Approve the City of Santa Clara Proposed 2015-16 total budget of \$719,019,592, including the Operating Budget of \$646,775,695, the General Fund Budget of \$181,943,574 and CIP Budget of \$72,243,897 (including the adjustments as noted in the 2015-16 Summary of Changes to Proposed Budget detailed in Attachments A, B, and C).
- 2) Approve the Sports and Open Space Authority Proposed 2015-16 total budget of \$4,253,171.
- 3) Approve the Successor Agency to the Redevelopment Agency of the City of Santa Clara Proposed 2015-16 total budget of \$67,505,425.
- 4) Approve the Housing Authority Proposed 2015-16 total budget of \$496,708; expenditures are limited only to support administrative loan monitoring costs.

City Manager/Contract Administrator/Executive Director/Executive Officer for City/Authority/Agency
Action
Public Hearing: Budget Adoption
June 16, 2015
Page 3

- 5) Adopt a Council Resolution establishing the Appropriation Limit for 2015-16 of \$363,345,984 as computed by the Finance Department. According to regulations, fiscal year 2015-16 appropriations classified within this limit total \$133,461,118.



Gary Ameling
Director of Finance/Assistant City Manager
Director of Finance for SOSA
Housing Authority Treasurer

APPROVED:



Julio J. Puentes
City Manager
Contract Administrator for Sports and Open
Space Authority
Executive Director for Housing Authority
Executive Office to Successor Agency

Documents Related to this Report:

- 1) Summary of Changes to Proposed Budget (Attachments A, B, C)***
- 2) Agenda Report and Resolution – Appropriations Limit***

City of Santa Clara
 Summary of Changes to Proposed Budget
 Fiscal Year 2015-16

	<u>Proposed Budget</u>	<u>Recommended Final Budget</u>	<u>Net Change</u>
<u>City Budgets</u>			
Total City Budget	719,019,592	719,019,592	-
Total City Operating Budget	646,775,695	646,775,695	-
General Fund Budget	181,943,574	181,943,574	-
Capital Improvement Project Budget (CIP)	72,243,897	72,243,897	-
<u>Agency/Authority Budgets</u>			
Sports and Open Space Authority	4,253,171	4,253,171	-
Housing Authority	496,708	496,708	-
Successor Agency	67,505,425	67,505,425	-
Stadium Authority	80,592,578	80,592,578	-

See Attachments B and C for explanation of changes.

Note that the Stadium Authority has an April 1 to March 31 fiscal year and that its 2015-16 budget was previously approved on March 24, 2015.

City of Santa Clara
 Summary of Changes to Proposed Budget
 Fiscal Year 2015-16

Attachment B

General Fund				
	<u>Proposed Budget</u>	<u>Recommended Final Budget</u>	<u>Net Change</u>	<u>Notes</u>
Estimated Resources				
All Revenues (less Property Taxes)	151,209,638	151,209,638	-	
Property Taxes	37,550,000	38,160,481	610,481	(1)
Net Transfers From / (To)	(6,816,064)	(7,426,545)	(610,481)	(2),(3)
Total Estimate Resources	\$ 181,943,574	\$ 181,943,574	\$ -	

Notes:

- (1) Estimated residual property tax funds from the RDA Dissolution process are being used to cover the contribution to the Convention Center Maintenance District.
- (2) Funding for the Convention Center's share of the Convention Center Maintenance District costs were initially budgeted to be paid by the Successor Agency. The State Department of Finance has denied funding for this item on ROPS 15-16A. Therefore, the City of Santa Clara will budget to fund this payment to the maintenance district.
- (3) A \$200 contribution from Give-A-Little, Help-A-Lot will help to offset the General Fund contributions to the Concerts in the Park and Keep Santa Clara Clean. The transfer to the Working Capital Reserve has been increased to balance.

026 - Convention Center Maintenance District

Estimated Resources	<u>Proposed Budget</u>	<u>Recommended Final Budget</u>	<u>Net Change</u>	<u>Notes</u>
Interest and Rent	-	834	834	(1)
Charges for Services	740,631	728,204	(12,427)	(2)
Net Transfers From / (To)	598,888	610,481	11,593	(2)
	<u>\$ 1,339,519</u>	<u>\$ 1,339,519</u>	<u>\$ -</u>	

Notes:

- (1) Estimated investment interest earnings are based on City's contribution to the Convention Center Maintenance District.
- (2) Funding for the Convention Center Maintenance District was initially budgeted based on an estimate. This adjustment matches the allocation of costs based on the Director's Report for the Santa Clara Convention Center Complex Maintenance District No. 183. The reallocation requires a greater contribution from the City of Santa Clara than initially budgeted, but equal to the amount paid in the prior year.

Meeting Date: _____

AGENDA REPORT

City of Santa Clara, California

Agenda Item # _____



Date: June 16, 2015

To: City Manager for Council Action

From: Director of Finance/Assistant City Manager

Subject: Adoption of Resolution Establishing Fiscal Year 2015-16 Appropriations Limit

EXECUTIVE SUMMARY:

On November 6, 1979, the California electorate passed Proposition 4, which created Article XIII B of the State Constitution placing limits on the amount of revenue that can be spent by governmental agencies. This section of the Constitution placed a restriction on the amount of revenue that the City can appropriate in any fiscal year. Not all revenues are restricted by the limit, only those that are categorized as proceeds of taxes.

The City's limit has been based on actual appropriations during fiscal year 1978-79, increased annually by an adjustment factor. On June 5, 1990, the California electorate approved Proposition 111 which modified the method of adjusting the annual Appropriations Limit. Beginning with the 1990-91 appropriations limit, the City may choose from the following indices when arriving at an adjustment factor:

1. The annual growth in the City's population or the annual growth in the County's population as provided by the State Department of Finance.

AND

2. The annual growth in the California Per Capita Income or the growth in the non-residential assessed valuation due to new construction within the City.

In computing the fiscal year 2015-16 appropriations limit, we used the population growth of the County of Santa Clara (1.13%) and the growth in non-residential assessed valuation from new construction (5.31%). For fiscal year 2015-16, the City of Santa Clara appropriations limit is \$363,345,984 (Schedule 1). An analysis of the request for appropriations from estimated proceeds of taxes, as reflected in the proposed fiscal year 2015-16 budget, indicates that for fiscal year 2015-16 the City will be at 36.73% (\$133,461,118) of its limit.

Schedule 1 provides the history of the City's appropriations limits as adopted by Council for fiscal year 2006-07 through fiscal year 2014-15, including allowable retroactive adjustments, and the appropriations limit being recommended for adoption for fiscal year 2015-16.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

By adopting the fiscal year 2015-16 appropriations limit, the City will be in compliance with the existing State law.

ECONOMIC/FISCAL IMPACT:

By adopting the resolution, the City will have a total increase of its appropriations limit of \$22,189,334.

RECOMMENDATION:

That the Council adopt a resolution establishing the City's fiscal year 2015-16 appropriations limit of \$363,345,984.



Gary Ameling
Director of Finance/
Assistant City Manager

APPROVED:



Julio J. Fuentes
City Manager

Documents Related to this Report:

- 1) *Schedule 1*
- 2) *Resolution for Appropriations Limit*

SCHEDULE 1

CITY OF SANTA CLARA
 PROPOSITION 4 APPROPRIATIONS LIMIT
 FYs 2006-07 THROUGH 2015-16

FISCAL YEAR	BEGINNING	PRICE FACTOR	POPULATION FACTOR	ADJUSTMENT FACTOR	ENDING
	APPROPRIATIONS LIMIT				
	(1)	(2)	(3)	(4) = (2) X (3)	(1) X (4)
2015-16	\$ 341,156,650	1.0531	X 1.0113 =	1.0650	\$ 363,345,984
2014-15	327,531,346	1.0262	X 1.0150 =	1.0416	341,156,650
2013-14	306,762,357	1.0512	X 1.0157 =	1.0677	327,531,346
2012-13	291,996,814	1.0377	X 1.0124 =	1.0506	306,762,357
2011-12	280,361,369	1.0251	X 1.0160 =	1.0415	291,996,814
2010-11	283,808,346	0.9746	X 1.0136 =	0.9879	280,361,369
2009-10	276,718,902	1.0062	X 1.0193 =	1.0256	283,808,346
2008-09	260,849,378	1.0429	X 1.0172 =	1.0608	276,718,902
2007-08	243,287,759	1.0442	X 1.0268 =	1.0722	260,849,378
2006-07	229,611,995	1.0396	X 1.0192 =	1.0596	243,287,759

On June 5, 1990, the California electorate passed Proposition 111 which modified the method of adjusting the annual appropriations limit. Beginning with the 1990-91 Appropriations Limit the City may choose from one of the following indices when determining the adjustment factor:

The annual growth in the City's population OR the annual growth in the County's population as provided by the State Department of Finance.

AND

The annual growth in the California Per Capita Income OR the growth in the non-residential assessed valuation due to new construction within the City.

The 1990-91 appropriations limit was revised by applying the new growth factors to the appropriations limits for 1986-87 and each subsequent year. In computing the FY 2015-16 appropriations limit, the population growth of Santa Clara County and the growth in the non-residential assessed valuation due to new construction within the City were used.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SANTA CLARA,
CALIFORNIA ESTABLISHING FISCAL YEAR 2015-16
APPROPRIATIONS LIMIT PURSUANT TO ARTICLE
XIIIB OF THE CALIFORNIA STATE CONSTITUTION AS
IMPLEMENTED BY TITLE 1, DIVISION 9 (ENTITLED
“EXPENDITURE LIMITATIONS” – SECTION 7900 ET
SEQ.) OF THE CALIFORNIA GOVERNMENT CODE

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, Proposition 4, commonly known as the Gann Initiative, was adopted by voters on November 6, 1979;

WHEREAS, the Proposition created Article XIIIB of the California State Constitution placing limits on the amount of revenue which can be spent by all entities of government;

WHEREAS, the limit based on the Proposition 4 formula is updated annually using growth data supplied by the State Department of Finance; and,

WHEREAS, the appropriation limit is required to be adopted by the legislative body of each government entity.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. Appropriations Limit. That the appropriations limit for fiscal year 2015-16 be Three Hundred Sixty Three Million Three Hundred Forty Five Thousand Nine Hundred and Eighty Four Dollars (\$363,345,984).

2. Calculation Factors. Pursuant to Section 8 of Article XIIIB of the California Constitution, the City Council determines that for 2015-16 the change in the cost of living shall be measured by the percentage change in California per capita personal income or the growth in the non-residential assessed valuation due to new construction within the City and the change in population shall be

measured by the annual growth in the County or the City's population as provided by the State Department of Finance, whichever is higher.

3. Factors for 2015-16. That for purposes of computing the appropriations limit for 2015-16, the growth in non-residential assessed valuation due to new construction within the City is 5.31% and the annual percent change in population minus exclusions in the County's population as provided by the State Department of Finance is 1.13%.

4. Notice of Action to be Taken. Pursuant to Government Code Section 7910, no judicial action or proceeding to attack, review, set aside, void, or annul the action of the City Council in establishing the appropriations limit for 2015-16 shall be brought unless such action or proceeding shall have been commenced within forty-five (45) days of the date of adoption of this resolution.

8. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City of Santa Clara, California, hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

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9. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE SANTA CLARA STADIUM AUTHORITY, AT A REGULAR MEETING THEREOF HELD ON THE ___ DAY OF _____, 2015, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST:

ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None

J:\Budget\2014-15 Budget\50 Operating Budget\Public Hearing & Resolutions\Appropriation Limit\Resolution 2014-15 Appropriations Limit.doc