

RESOLUTION NO. 24-53

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX ORDERING AN ELECTION AND PLACING A MEASURE TO APPROVE THE ISSUANCE OF GENERAL OBLIGATION BONDS TO FINANCE IMPROVEMENTS TO MUNICIPAL INFRASTRUCTURE ON THE NOVEMBER 5, 2024 BALLOT

WHEREAS, the Town Council (the "Town Council") of the Town of Fairfax (the "Town") has determined that a measure authorizing the issuance of general obligation bonds to finance municipal improvement projects of the Town to repair and replace roads and other municipal infrastructure (the "Improvements") should be placed before the voters of the Town for their consideration; and

WHEREAS, on July 17, 2024, pursuant to California Government Code Section 43607, the Town Council initiated proceedings by the adoption of Resolution No. 24-50 determining the necessity to incur a bonded indebtedness to finance the Improvements; and

WHEREAS, the Town Council is required to submit the proposal for bonded indebtedness to the voters for their consideration by the California Constitution and other applicable provisions of California law; and

WHEREAS, on August 7, 2024, the Town Council passed Ordinance No. 890 which orders the submission to the voters a proposition incurring bonded indebtedness to the voters of the Town for their consideration; and

WHEREAS, the Town Council now desires to adopt this Resolution to order an election and to place a proposition incurring bonded indebtedness on the ballot for the election to be held on November 5, 2024.

NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF FAIRFAX DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Call for Election. Pursuant to its right, power and authority under the California Constitution and the laws of the State of California, the Town Council on its own motion hereby orders an election and submits to the voters of the Town at the General Municipal Election to be held on November 5, 2024, a ballot measure designated by letter by the Marin County Registrar of Voters authorizing the sale of general obligation bonds (the "Bonds") in the principal amount not to exceed \$18,000,000 to finance the costs of municipal improvement projects of the Town to repair roads and other municipal infrastructure.

The abbreviated form of the ballot measure to appear on the ballot shall be in substantially the form attached hereto as Exhibit A. The full text of the proposed ballot measure to be submitted to the voters is as provided in Exhibit B hereto and incorporated herein by reference. The proposed measure shall not take effect unless approved by a two-thirds vote (or 55% vote should Assembly Constitutional Amendment No. 1 or "ACA-1" be approved by voters at the November 5, 2024 election) of the voters voting on the question.

Section 2. Findings. The Town Council hereby finds that the estimates and projections contained in the measure and in the Tax Rate Statement prepared in connection with the measure, attached hereto as Exhibit C and incorporated herein, have been made based on currently available information, but depend on a number of variables which are subject to variation. Such estimates and projections have been made in good faith, and are not binding or intended to be limitations on the terms of the Bonds. The Mayor and Town Manager are hereby each authorized to finalize and execute the Tax

Rate Statement, attached hereto as Exhibit C and incorporated herein, and to file the Tax Rate Statement with the Marin County Registrar of Voters.

Section 3. Consolidation of Election; Services. The Board of Supervisors of Marin County and the Marin County Registrar of Voters are hereby requested to order the consolidation of the bond election hereby called with any other election to be held within the Town on said date, held and conducted in the manner prescribed in Section 10418 of the California Elections Code.

Pursuant to Section 10002 of the California Elections Code, the County Board of Supervisors is requested to permit the County Registrar of Voters, and other appropriate officials of the County, to render all services necessary in connection with the bond election including, but not limited to, the mailing of the sample ballot and Tax Rate Statement, the opportunity to submit ballot arguments in connection with the bond election, the canvassing and certification of the returns of the election, and other ballot requirements pursuant to law.

Section 4. Submission; Impartial Analysis. The Town Council directs the Town Clerk to submit to the Town Attorney a copy of the measure. Pursuant to California Elections Code Section 9280, the Town Attorney is hereby authorized and directed to prepare an impartial analysis of the ballot measure showing the effect of the measure on the existing law and operation of the measure. The impartial analysis shall be submitted by the Town Attorney to the Town Clerk on or before August 19, 2024 at 3:00 p.m., shall not exceed 500 words in length, and otherwise shall comply in all respects with the applicable provisions of the Elections Code of the State of California.

Section 5. Arguments. The last day for filing direct arguments for or against the measure shall be August 19, 2024 at 3:00 p.m. and all such arguments shall be filed with the Town Clerk, 142 Bolinas Road, Fairfax, California and shall not exceed 300 words in length. The Town Clerk, upon receipt of arguments and after the filing deadline, shall immediately transmit copies of each selected argument to the authors of selected arguments on the opposing side who may then submit rebuttals within the time period described below. Arguments received prior to the deadline shall be confidential until the deadline.

The last day for filing rebuttal arguments for or against the measure shall be August 26, 2024 at 3:00 p.m. and all such arguments shall be filed with the Town Clerk, 142 Bolinas Road, Fairfax, California and shall not exceed 250 words in length. Arguments received prior to the deadline shall be confidential until the deadline.

Section 6. Public Review. The ten (10) day public review period for the measure shall open on August 10, 2024 and shall close on August 19, 2024. Pursuant to Elections Code Section 9295, the ten (10) day public review period for direct arguments submitted shall open on August 20, 2024 and shall close on August 29, 2024. If a rebuttal argument is submitted, the ten (10) day public review period shall open on August 27, 2024 and shall close on September 5, 2024.

Section 7. Notice. The Town Clerk is directed to give notice of the election and synopsis measure in the time, form and manner as required by law.

Section 8. Conduct and Manner of Election. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by Ordinance No. 890 and by law for holding municipal elections.

Section 9. Delivery. The Town Clerk is authorized and directed to transmit a certified copy of this Resolution to the Marin County Board of Supervisors and the Marin County Registrar of Voters.

PASSED AND ADOPTED by the Town Council of the Town of Fairfax this 7th day of August, 2024, by the following vote:

AYES:	Ackerman, Hellman, Cutrano, Blash, Coler
NOES:	None
ABSENT:	None

ATTEST:



BARBARA COLER
MAYOR



CHRISTINE FOSTER
DEPUTY TOWN CLERK

CERTIFICATION

I, Christine Foster, Deputy Town Clerk of the Town of Fairfax, hereby certify that Resolution No. 24-53 is a full, true, and correct copy, and was duly adopted at a meeting of the Town Council of the Town of Fairfax on Wednesday, August 7, 2024, by the following vote:

AYES:	Ackerman, Hellman, Cutrano, Blash, Coler
NOES:	None
ABSENT:	None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Town of Fairfax, California, on August 7, 2024.



CHRISTINE FOSTER
DEPUTY TOWN CLERK

EXHIBIT A
BOND MEASURE FOR TOWN OF FAIRFAX
ABBREVIATED FORM*

<p>"To repair roads/infrastructure; fix potholes; repave streets; repair retaining walls/bridges; address flooding of roads/buildings; improve bike/pedestrian circulation, safe routes to schools, disabled access; and qualify for federal matching funds/grants, shall the Town of Fairfax's measure authorizing \$18,000,000 of bonds for up to 30 years for each series, at legal interest rates, levying approximately \$30/\$100,000 of assessed value, raising on average approximately \$1,200,000 annually, requiring audits/citizen oversight, be adopted?"</p>	<p>BONDS - YES <input type="checkbox"/></p>
	<p>BONDS - NO <input type="checkbox"/></p>

* Limited to 75 words pursuant to California Elections Code Section 13247.

EXHIBIT B

FULL TEXT OF BOND MEASURE

Introduction

The Town of Fairfax (the "Town") has aging roads and infrastructure which are in need of repair and/or replacement. Addressing these issues requires that the Town ask its voters to approve a general obligation bond measure. The Town has certified that it has evaluated alternative funding sources.

The federal government requires a local match, funded at times through local general obligation bonds, for the Town to qualify for certain federal grants. The millions of dollars potentially available through federal grants allows local taxpayers to benefit from the tax dollars already paid to the federal government.

It is imperative that the Town makes repairs to roads and other public infrastructure to increase public safety for residents of the Town.

Summary

"To repair roads/infrastructure; fix potholes; repave streets; repair retaining walls/bridges; address flooding of roads/buildings; improve bike/pedestrian circulation, safe routes to schools, disabled access; and qualify for federal matching funds/grants, shall the Town of Fairfax's measure authorizing \$18,000,000 of bonds for up to 30 years for each series, at legal interest rates, levying approximately \$30/\$100,000 of assessed value, raising on average approximately \$1,200,000 annually, requiring audits/citizen oversight, be adopted?"

Measure

As required by the California Constitution, the proceeds from the sale of the bonds will be used only for the purposes authorized under Article XIII A of the California Constitution, including the acquisition or improvement of real property and public infrastructure specifically set forth in this Measure and costs incident thereto, and not for any other purposes, including salaries and other operating expenses.

The following describes the specific projects the Town proposes to finance with proceeds of the bonds. The scope of specific projects, the order of construction, and their completion is contingent on final project costs and the availability of needed funds. This Measure authorizes bond projects to be undertaken at all Town-owned property.

The following list includes both projects that can be completed using the bond proceeds, along with federal matching funds and other building funds, and projects that are planned and needed but those whose construction is contingent on the amount of bond proceeds available. Bond proceeds will be expended on the costs of municipal improvement projects of the Town to improve public safety (the "Improvements"), which Improvements consist of the acquisition, construction and/or improvement of roads, bridges, retaining walls, street work, and related Town infrastructure.

The authorized Improvements also include all work, facilities, and expenditures necessary and incidental to the projects described above. Examples of such work, facilities, and expenditures include, but are not limited to, the costs of design, engineering, architect and other professional services, inspections, site preparation, utilities (including improvements to plumbing, sewer and electrical systems to preserve energy and water), trees and landscaping, construction management and other planning and permitting, road lighting, legal, accounting and similar costs, a customary construction contingency, demolition and disposal of existing structures, rental or construction of storage facilities and other space on an interim basis for materials and other equipment and furnishings displaced during construction, interim facilities for municipal functions, including modular facilities, addressing unforeseen conditions revealed by construction or renovation, and other necessary improvements required to comply with existing building codes, site acquisition and any necessary easements, licenses or rights of way, environmental improvements to preserve energy and water, access requirements of the Americans with Disabilities Act, costs of the election, bond issuance costs, financing and interest costs on the Bonds, and project administration during the duration of such projects, as permitted by law.

The final costs, locations, designs, layouts and other details of the Improvements will be determined as plans are finalized, construction bids are awarded, and projects are completed. Therefore, the Town Council cannot guarantee that the Bonds will provide sufficient funds to allow completion of all needed Improvements. The scope and nature of any of the projects described above may be altered by the Town as required by unforeseen conditions. In the event that a modernization or renovation project is more economical for the Town to be undertaken as new construction, this Measure authorizes land acquisition, relocation, and construction and/or reconstruction for such purpose, and all costs relating thereto.

Approval of the bond measure does not guarantee that all of the projects above will be funded beyond what can be completed with local funds generated by this Measure. The order in which projects are listed in the foregoing does not suggest an order of priority. Project priorities will be determined by the Town Council.

Accountability Measures

If the bonds are approved, the Town will implement the following accountability measures:

- (a) A separate account shall be created and held by the Town, into which the proceeds of the Bonds are deposited and applied solely for the purpose of financing the Improvements.
- (b) The Finance Director of the Town shall file a report with the Town Council at least annually showing the amount of Bond proceeds collected and expended, and the status of the Improvements, as required by Government Code Section 53410.
- (c) Use the bond proceeds only for the purposes authorized under Article XIII A of the California Constitution and only on projects that serve the jurisdiction of the Town, including the construction, reconstruction, rehabilitation, or replacement of public infrastructure, and not for any other purpose including salaries and other operating expenses.
- (d) Conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the projects and uses listed in this Measure.

- (e) Conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for projects and uses listed in this Measure.
- (f) The Town shall post the audits listed in (d) and (e), above, in a manner that is easily accessible to the public, and which shall be submitted to the California State Auditor for review.
- (g) Establish and appoint members to an independent citizens' oversight committee to ensure the bonds are used only for the projects and uses listed in this Measure.
- (h) An entity owned or controlled by a local official that votes on whether to put the Measure on the ballot is prohibited from bidding on any work funded by this Measure.

Tax Amount, Rate, and Duration

The bonds shall bear interest at an annual rate not exceeding the statutory maximum. The maturity of the bonds shall not exceed the maximum term allowed by law at the time of issuance. As further set forth in the Tax Rate Statement, the *ad valorem* tax will be levied at such rates and for so long as may be required to meet the debt service needs of the bonds proposed to be issued, including such bonds that may be issued to refund any approved bonds.

EXHIBIT C
TAX RATE STATEMENT

TAX RATE STATEMENT

An election will be held in the Town of Fairfax, California (the "Town") on November 5, 2024, to authorize the sale of up to \$18 million in general obligation bonds to finance the acquisition, construction, and repair of municipal infrastructure as described in the bond measure. If such bonds are authorized, the Town expects to sell the bonds in one or more series. The following information is submitted in compliance with Sections 9400-9404 of the Elections Code of the State of California. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the Town, and other demonstrable factors.

Based upon the foregoing and projections of the Town's assessed valuation available at the time of this statement, the following information is provided:

1. The best estimate of the average annual tax rate that would be required to be levied to fund this bond issue over the entire duration of the bond debt service, based on estimated assessed valuations available at the time of filing of this statement, is approximately 3¢ per \$100 (\$30 per \$100,000) of assessed valuation. It is currently expected that the final fiscal year in which the tax will be collected is fiscal year 2057-58.


2. The best estimate of the highest tax rate that would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is approximately 3¢ per \$100 (\$30 per \$100,000) of assessed valuation. This tax rate is projected to apply in each fiscal year that the bonds are outstanding.

3. The best estimate of total debt service, including principal and interest, that would be required to be repaid if all the bonds are issued and sold will be approximately \$40 million.

These estimates are based on projections derived from information obtained from official sources, and are based on the assessed value (not market value) of taxable property on the County's official tax rolls. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions. The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts and durations and are not binding upon the Town. The actual debt service, tax rates and the years in which they will apply may vary depending on the timing of bond sales, the par amount of bonds sold at each sale, and actual increases in assessed valuations. The timing of the bond sales and the amount of bonds sold at any given time will be determined by the Town based on the need for project funds and other considerations. Actual assessed valuations will depend upon the amount and value of taxable property within the Town as determined by the County Assessor in the annual assessment and the equalization process.



Mayor
Town of Fairfax



Town Manager
Town of Fairfax

Dated: August 7, 2024