

**Carmichael**RECREATION AND  
PARK DISTRICT

# Memo

**To:** Advisory Board of Directors

**From:** Mike Blondino, District Administrator  
Ingrid S. Penney, Administrative Services Manager

**Date:** June 16, 2022

**Subject:** Request to approve and recommend the Resolution making determinations and calling an election to authorize the issuance of General Obligation Bonds for the Carmichael Recreation and Park District, delegating authority to the District Administrator, establishing specifications of the election order, and requesting consolidation with other elections occurring on November 8, 2022.

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***Background/Discussion:***

At your last meeting, Staff reported that members of the Ad Hoc Committee have continued to receive positive feedback from our community stakeholders regarding CRPD's financial needs when it comes to deferred maintenance and improved amenities highlighted in the Master Plan update. The Ad Hoc Committee is now prepared to recommend that we move forward towards placing a bond measure on the November 2022 ballot.

Following your action at the May 19th Regular Meeting, we have executed an Agreement with Jones Hill to serve as Bond and Disclosure Counsel to provide pre-election, Bond Counsel Cost per Series, Disclosure Counsel per Series services. Because the timeline is short, CRPD Staff has worked with our financial advisor and bond/disclosure counsel to draft the Resolution making determinations and calling an election to authorize the issuance of General Obligation Bonds for the Carmichael Recreation and Park District, delegating authority to the District Administrator, establishing specifications of the election order, and requesting consolidation with other elections occurring on November 8, 2022.

County Counsel has reviewed the Resolution and Exhibits; determined that the Board of Supervisors, as the governing body of the District will be responsible for adopting the Resolution as both the Board of Supervisors and the ex-officio Board of Directors for the

CRPD. CRPD has arranged to set a placeholder for an upcoming meeting for the Board of Supervisors to take up this item.

### Budget and Fiscal Impact

There will be contingent fees paid if the election is successful for bond counsel (\$2,500) and for pre-election planning (\$25,000). The bond counsel fee can be paid from the bond proceeds from the initial issuance, whereas the pre-election planning fees will be paid from the CRPD General Fund. So far, CRPD has paid \$12,500 the non-contingent voter opinion survey from the General Fund. Over \$110k remains available and allocated to cover the cost of the pre-election fees.

The only remaining fees are:

- \$2,500 Campaign Consulting Fee – Non contingent fee paid from a Campaign Committee (should an election be called) *not from the CRPD General Fund nor bond proceeds.*
- \$65,000 Financial Advisory Fee – Contingent fee paid from bond proceeds.

### ***RECOMMENDATION:***

The Ad-hoc Committee and Staff recommends that the Advisory Board approve, support and recommend the subject Resolution and Exhibits, as presented for final adoption by the Board of Supervisors as the Board of Supervisors and ex-officio Board of Directors for the Carmichael Recreation and Park District.

Attachments:

Resolution

Exhibit A – Ballot Measure, Full Text of Measure

Exhibit B – Ballot Measure, Abbreviated Measure

Exhibit C – Tax Rate Statement

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BOARD OF SUPERVISORS OF SACRAMENTO COUNTY MAKING DETERMINATIONS AND CALLING AN ELECTION TO AUTHORIZE THE ISSUANCE OF GENERAL OBLIGATION BONDS FOR THE CARMICHAEL RECREATION AND PARK DISTRICT, DELEGATING AUTHORITY TO THE DISTRICT ADMINISTRATOR, ESTABLISHING SPECIFICATIONS OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION WITH OTHER ELECTIONS OCCURRING ON NOVEMBER 8, 2022**

WHEREAS, the Carmichael Recreation and Park District (the "District") is a dependent special district of the County of Sacramento (the "County") and the owner of La Sierra Community Center and other parks and facilities located within the boundaries of the District; and

WHEREAS, in the judgment of the Board of Supervisors of the County (the "Board"), acting as the Board of Supervisors of Sacramento County and as the ex-officio Board of Directors of the District, it is advisable to call an election to submit to the electors of the District the question whether bonds of the District shall be issued and sold for the purpose of raising money for the acquisition or improvement of real property; and

WHEREAS, Article XIII A, Section 1, paragraph (b)(2), of the California Constitution ("Article XIII A") provides an exception to the limit on *ad valorem* property taxes on real property for bonded indebtedness incurred by a district approved by two-thirds of the voters of the district voting on the proposition; and

WHEREAS, the Board is specifically authorized, upon approval by a majority vote of the Board, to pursue the authorization and issuance of bonds by a two-thirds vote of the electorate on the question whether bonds of the District shall be issued and sold for specified purposes, pursuant to Section 5790 *et seq.* of the Public Resources Code of California and Section 53506 *et seq.* of the California Government Code (collectively, the "Act"); and

WHEREAS, pursuant to the California Elections Code, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on November 8, 2022, and to request

the Registrar of Voters of the County (the "Registrar of Voters") to perform certain election services for the District; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of Sacramento County acting as the Board of Supervisors of Sacramento County and as the ex-officio Board of Directors of the District, the following:

**Section 1. Call for Election.** The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District shall be issued and sold in the maximum principal amount of \$31.9 million (the "Bonds") for the purpose of raising money to finance improvements and property of the District, and paying costs incident thereto, as set forth more fully in the ballot proposition approved pursuant to Section 3. This Resolution constitutes the order of the District to call such election.

**Section 2. Election Date.** The date of the election shall be November 8, 2022, and the election shall be held solely within the boundaries of the District.

**Section 3. Purpose of Election; Ballot Proposition.** The purpose of the election shall be for the voters in the District to vote on a proposition, a full copy of which is attached hereto and marked Exhibit A, containing the question of whether the District shall issue the Bonds for the purpose stated therein, together with the accountability requirements of Government Code Section 53410. The Registrar of Voters is requested to print the Full Text of Measure contained on Exhibit A in the sample ballot pamphlet. As required by Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto and marked as Exhibit B. The District Administrator or designee is hereby authorized and directed to make any changes to the text of the proposition or this resolution as required to conform to any requirements of Article XIII A, the Act, or the Registrar of Voters.

**Section 4. Authority for Election.** The authority for ordering the election is contained in Section 5790 of the Public Resources Code and Section I, paragraph (b), subsection (2), of Article XIII A.

**Section 5. Covenants of the Board upon Approval of the Bonds by the Electorate.** In the event two-thirds of the voters voting in the District approve of the Bonds, the Board shall:

1. apply the bond proceeds only to the purposes stated in the ballot proposition;
2. cause creation of accounts into which bond proceeds shall be deposited; and
3. cause the preparation of an annual report pursuant to Government Code Sections 53410 and 53411.

**Section 6. Delivery of this Resolution.** The Clerk of the Board is hereby directed to send a copy of this Resolution to the County Registrar.

**Section 7. Consolidation of Election.** The County Registrar is hereby requested, and the Board of Supervisors hereby states its intention to, consolidate the election ordered hereby with any and all other elections to be held on November 8, 2022, within the District.

**Section 8. Ballot Arguments; Tax Rate Statement.** Any and all members of this Board and any and all employees of the District, including the District Administrator, are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The District Administrator, President of the Board, Clerk of the Board, or their designees, are hereby authorized to execute the Tax Rate Statement attached hereto as Exhibit C, or other document and to perform all acts necessary to place the bond measure on the ballot.

**Section 9. Elections Code.** Pursuant to Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the Registrar of Voters to render all services specified by Section 10418 of the Elections Code relating to the election, for which services the District agrees to reimburse the County in full upon presentation of a bill, such services to include the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code).

**Section 10. Delegation of Authority.** The District Administrator is hereby authorized and directed to execute any agreements, certificates, letters, notes or other documents related to the bond election, including agreements with Jones Hall, A Professional Law Corporation, which firm is appointed hereby to perform bond and disclosure counsel services in regard to the Bonds, and Isom

Advisors, a Division of Urban Futures Inc. which firm is appointed to perform financial advisory services in regard to the Bonds.

**Section 11.Effective Date.** This resolution shall take effect on and after its adoption.

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The foregoing Resolution was adopted by the Board of Supervisors of Sacramento County, being the Board authorized by law to make the designations therein contained for the Carmichael Recreation and Park District, by the following vote, on \_\_\_\_\_, 2022.

Adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSAL:  
(PER POLITICAL REFORM ACT (§ 18702.5.)

\_\_\_\_\_  
Chair of the Board of Supervisors,  
of Sacramento County, California

Attest:

\_\_\_\_\_  
Clerk, Board of Supervisors

## **EXHIBIT A**

### **BALLOT MEASURE FULL TEXT OF MEASURE**

“To improve parks and recreation for children, families and senior citizens; construct/renovate aging restrooms and facilities; make safety/security/handicapped accessibility improvements; and upgrade playgrounds, features, and amenities; shall Carmichael Recreation and Park District’s measure be adopted authorizing \$31,900,000 of bonds at legal rates, averaging \$1.7 million annually while bonds are outstanding at a rate of approximately 1.9 cents per \$100 assessed value, with annual audits, independent citizens’ oversight, NO money for salaries and all funds staying local?”

#### BOND AUTHORIZATION

By approval of this proposition by at least two-thirds of the registered voters voting on the proposition, the Carmichael Recreation and Park District (the “District”) shall be authorized to issue and sell bonds of up to \$31.9 million in aggregate principal amount to provide financing for the facilities projects listed in the Bond Project List below, subject to all of the accountability safeguards specified below.

#### ACCOUNTABILITY SAFEGUARDS

Upon approval of this proposition and the sale of any bonds approved, the Board of Supervisors of Sacramento County (the “Board”) shall take actions necessary pursuant to Government Code Section 53410 and following to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the District Administrator (or such other employee as may perform substantially similar duties) shall cause a report to be filed with the Board no later than December 31 of each year, commencing December 31 of the year in which bonds are first issued, stating (1) the amount of bond proceeds received and expended in that year, and (2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year, or other appropriate annual period as such officer shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the Board.



**Independent Citizens' Oversight Committee.** Following approval of this measure, the Advisory Board of Directors will establish an independent citizens' oversight committee, to include among others a member of the Sacramento Taxpayers Association, to ensure bond proceeds are expended only on the types of projects listed below. The committee will be established within 60 days of the date when the results of the election appear in the minutes of the Advisory Board of Directors.

**Financial Audits.** The Advisory Board of Directors will conduct annual, independent financial audits of the bond proceeds until all of those proceeds have been spent for the park and recreation facilities projects listed below.

### FURTHER SPECIFICATIONS

Specific Purposes. All of the purposes enumerated in this proposition shall be united and voted upon as one single proposition, and shall constitute the specific purposes of the bonds, and proceeds of the bonds shall be spent only for such purposes, pursuant to Government Code Section 53410.

Rate of Interest. The bonds shall bear interest at a rate per annum not exceeding the statutory maximum, payable at the time or times permitted by law.

Term of Bonds. The number of years the whole or any part of the bonds are to run shall not exceed the legal limit, though this shall not preclude bonds from being sold which mature prior to the legal limit.

### BOND PROJECT LIST

The Bond Project List below describes the types of projects the Carmichael Recreation and Park District proposes to finance with proceeds of the bonds. Listed projects will be completed as needed at particular sites according to Board-established priorities, and the order in which such projects appear on the Bond Project List is not an indication of priority for funding or completion. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Until all project costs and funding sources are known, the Board of Supervisors cannot determine the amount of bond proceeds available to be spent on each project, nor guarantee that the bonds will provide sufficient funds to allow completion of all listed projects. Completion of some projects may be subject to further government approvals or appropriation by State officials and boards, to local environmental review, and to input from the public. For these

reasons, inclusion of a project on the Bond Project List is not a guarantee that the project will be funded or completed.

Unless otherwise noted, the projects in the Bond Project List are authorized to be completed and shall be approved by the Board of Supervisors at each or any of the District's sites including:

**Bird Track Park(acquired in 1972, developed in 1981), Cardinal Oaks Park (acquired in 1974, developed in 1976), Carmichael Park (acquired in 1945 with the ball fields developed first, later constructed Vets Hall in 1951, and District Office and Clubhouse in 1970), Del Campo Park (acquired in 1971, developed in 1976), Glancy Oaks Park (developed in 1997), Jan Park (acquired in 1977, developed in 2011), La Sierra Community Center (constructed 1955-1958, acquired in 1984, and renovated over the past 38 years), O'Donnell Heritage Park (acquired in 1975, developed in 2010), Patriot's Park (acquired in 1976, developed in 2009), Schweitzer Grove Nature Area (undeveloped, acquired in 1971), Sutter-Jensen Park (acquired Sutter in 1974 and developed in 2018, Jensen House and Botanical Gardens developed in 1958 and acquired in 1976, and Garfield House constructed in 1958, acquired in 1990 and renovated 2017-2022)**

The projects shall consist of one or more of the following activities:

- Construct and/or renovate aging restroom facilities
- Make safety and security improvements, including lighting and fencing
- Provide new playgrounds and play equipment
- Improve park amenities, including installing picnic tables, trash receptacles, and benches
- Make the parks and facilities handicap accessible by making Americans with Disabilities Act improvements
- Replace or provide canopies and shade structures in the parks
- Repair or replace leaky roofs
- Improve outdated irrigation systems for water efficiency
- Repair or replace outdated heating, ventilation and air-conditioning systems in buildings and gymnasiums for energy efficiency
- Add or upgrade multi-game areas, water play areas and volleyball courts
- Replace basketball court and resurface tennis courts at Carmichael Park

- Upgrade dog park
- Repair or replace natural grass turf on soccer fields
- Install pickle ball courts
- Provide additional amenities including a waterpark, a skatepark, and bike park
- Repair, replace and/or upgrade paved surfaces, turf, and other grounds to eliminate safety hazards
- Abate and remove hazardous materials identified prior to or during construction

The listed projects will be completed as needed. Each project is assumed to include its share of architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed projects stated above, the list also includes the acquisition of a variety of maintenance and operational equipment, including the reduction or retirement of interim funding incurred to advance fund projects from the list; installation of signage and fencing; payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary relocation of dislocated District activities caused by construction projects. In addition to the projects listed above, the repair and renovation of each of the existing facilities may include, but not be limited to, some or all of the following: repair and replacement of heating and ventilation systems; upgrade of facilities for energy efficiencies; windows, walls, doors and drinking fountains; installation of wiring and electrical systems; upgrades or construction of support facilities, including administrative and maintenance yards; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and landscaping and play fields; expand parking; install interior and exterior painting and floor covering; demolition; and construction of various forms of storage and support spaces, upgrade bleachers, kitchens, repair, upgrade and install interior and exterior lighting systems; replace outdated security fences and security systems. The budget for each project is an estimate and may be affected by factors beyond the District's control. Some projects throughout the District may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. The final cost of each project will be determined as plans and construction documents are finalized, construction bids are received, construction contracts are awarded and projects are completed. Based on the

final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient facilities. Necessary site preparation/restoration may occur in connection with new construction, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects and the costs of issuing the bonds. Bond proceeds shall only be expended for the specific purposes identified herein. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code §53410.

**The Bond Project List shall be considered a part of this ballot proposition, and shall be reproduced in any official document required to contain the full statement of the bond proposition.**

**EXHIBIT B**

**BALLOT MEASURE  
ABBREVIATED MEASURE**

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“To improve parks and recreation for children, families and senior citizens; construct/renovate aging restrooms and facilities; make safety/security/handicapped accessibility improvements; and upgrade playgrounds, features, and amenities; shall Carmichael Recreation and Park District’s measure be adopted authorizing \$31,900,000 of bonds at legal rates, averaging \$1.7 million annually while bonds are outstanding at a rate of approximately 1.9 cents per \$100 assessed value, with annual audits, independent citizens’ oversight, NO money for salaries and all funds staying local?”

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## EXHIBIT C

### TAX RATE STATEMENT

An election will be held in the Carmichael Recreation and Park District (the "District") on November 8, 2022, to authorize the sale of up to \$31.9 million in bonds of the District to finance facilities as described in the measure. If such bonds are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of *ad valorem* tax levies made upon the taxable property in the District. The following information is provided 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 District, and other demonstrable factors.

Based upon the foregoing and projections of the District's assessed valuation, the following information is provided:

1. The best estimate of the average annual tax rate that would be required 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 1.8¢ per \$100 (\$18 per \$100,000). It is currently expected that the tax will be collected until fiscal year 2056-57.

2. The best estimate of the highest tax rate that would be required to fund this bond issue, based on estimated assessed valuations available at the time of filing this statement, is 1.9¢ per \$100 (\$19 per \$100,000) of assessed valuation. This rate is projected to apply in each fiscal year that the bonds are outstanding until 2052-53.

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 \$62.7 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 District. 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 District 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 District as determined by the County Assessor in the annual assessment and the equalization process.

By: \_\_\_\_\_  
District Administrator  
Carmichael Recreation and Park District