

City of Piedmont
COUNCIL AGENDA REPORT

DATE: August 7, 2023

TO: Mayor and Council

FROM: Rosanna Bayon Moore, City Administrator

SUBJECT: Adoption of Resolution Requesting and Authorizing the County of Alameda to Levy a Tax on All Real and Personal Property in the City of Piedmont as a Voter Approved Levy for the General Obligation Bonds Issued Pursuant to a General Election Held November 3, 2020 for the Piedmont Community Pool.

RECOMMENDATION

Adopt a resolution requesting and authorizing the County of Alameda to levy a tax on all real and personal property in the City of Piedmont as a voter-approved levy for the General Obligation Bonds issued pursuant to the authorization given at a general election held November 3, 2020 for the Piedmont Community Pool.

BACKGROUND

On November 3, 2020, the voters of the City of Piedmont passed Measure “UU,” authorizing the issuance of Bonds in an amount not to exceed \$19,500,000 to finance the Community Pool Project, and to levy an ad valorem property tax sufficient to pay such bonds. In December 2021, the City sold the full amount of the Bonds.

DISCUSSION

Measure “UU” estimated the maximum tax rate to be \$26.20/\$100,000 of assessed valuation over 30 years. The required tax rate for FY 2023-24 is \$21.80/\$100,000 of assessed valuation for secured property and \$23.20/\$100,000 of assessed valuation for unsecured property. This is lower than the maximum rate. This rate will produce sufficient revenues to pay the required debt service during the fiscal year.

FISCAL CONSIDERATIONS

There is no impact to the General Fund. Debt service for the General Obligation Bonds will be paid from this tax levy on all real and personal property in the City of Piedmont, which is accounted for in Fund 140 (Aquatics Bond Debt Service). Staff estimates the tax rate will generate approximately \$1,280,000 for collection in FY 2023-24. As of June 30, 2023, the outstanding bond balance is \$19,500,000.

By: Michael Szczech, Finance Director

RESOLUTION _____

REQUESTING AND AUTHORIZING THE COUNTY OF ALAMEDA TO LEVY A TAX ON
ALL REAL AND PERSONAL PROPERTY IN THE CITY OF PIEDMONT AS A VOTER
APPROVED LEVY FOR THE GENERAL OBLIGATION BONDS ISSUED PURSUANT TO
A GENERAL ELECTION HELD NOVEMBER 3, 2020 FOR THE PIEDMONT
COMMUNITY POOL

WHEREAS, on November 3, 2020, voters of the City of Piedmont passed Measure UU, authorizing the issuance of bonds in the amount not to exceed \$19,500,000 (the "Bonds") to finance the costs of municipal improvement projects of the City to prevent the permanent closure of, and replace, the Piedmont Community Pool, and to make improvements to adjacent areas (the "Improvements"), and

WHEREAS, Ordinance 762 N.S., approved by the City Council on September 7, 2021, authorized and directed the sale of not to exceed \$19,500,000 aggregate principal amount of City of Piedmont, California. General Obligation Bonds; and the levying of an *ad valorem* tax; and

WHEREAS, for the purpose of paying the principal of and interest on the Bonds, the City of Piedmont must authorize the County of Alameda to levy and collect annually each year an *ad valorem* tax in an amount sufficient to pay principal and interest of the bonds; and

WHEREAS, Measure UU estimated the maximum tax rate to be \$26.20/\$100,000 of assessed valuation over 30 years; and

WHEREAS, the required tax rate for Fiscal Year 2023-24 is \$21.80/\$100,000 of assessed valuation for secured property and \$23.20/\$100,000 of assessed valuation for unsecured property;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Piedmont hereby authorizes the County of Alameda to levy a tax on all real and personal property in the City of Piedmont as a voter-approved levy for the General Obligation Bonds Issued pursuant to the General Election held November 3, 2020; and

BE IT FURTHER RESOLVED by the City Council of the City of Piedmont that the debt service for the \$19,500,000 General Obligation Bonds will be paid from a tax levy on all secured property in Piedmont of \$21.80/\$100,000 of assessed value and all unsecured property in Piedmont of \$23.20/\$100,000 of assessed value for Fiscal Year 2023-24.

[END OF RESOLUTION]